czynski, and John Krysiak, have taken the lead in planning for this event.

The history of the Polish people is one of courage and tragedy. In existence for over 1,000 years, the Polish nation has long been admired for its chivalry and heroism, for its strength and compassion, and above all for its love of liberty which led thi. ancient land to champion the cause of freedom, carrying on its banners the motto "For Our Liberty and Yours." It is one of the great tragedies of history that time and time again the freedom-loving Polish people have seen their beloved country attacked and occupied by aggressive neighbors bent on the subjugation of this great nation.

Mr. Speaker, the history of the Polish people's quest for independence and freedom began in 964 when the North Slavic tribes united under the leadership of the Piast family to form the independent state of Polska with Prince Mieczyslaw as its first ruler. During the following three centuries Poland was engaged in repelling aggression culminating in the invasion of Europe in 1250 by Genghis Khan. It was Poland that finally stopped the Mongul invasion and turned back the tide of barbarism.

During the bitter and divisive religious wars of the Reformation, Poland remained at peace. It proclaimed religious freedom and accepted thousands of victims of religious persecution.

Again in 1683 Poland rescued Europe from impending invasion. In that year Vienna was besieged by half a million Turks. Abandoned by Emperor Leopold I, it was in imminent danger when Pope Innocent XI called upon Poland's King Jan Sobieski to come to the defense of Vienna and Europe. Sobieski led 45,000 Polish troops to Vienna where he assumed command of the Allied forces, and, on September 13, 1683, led his gallant troops in an attack on the Turks which routed the invaders.

This proud history reached its zenith in 1791. It was in that year that Poland's last King, Stanislaw August, brought about the adoption of a new constitution. Exhorting the deputies of the Polish Diet to accept the Constitution as a means of strengthening the country, King Stanislaw succeeded in gaining passage of a document which abolished class distinction, established absolute religious toleration, and declared the equality of all citizens under law.

The Constitution was enthusiastically acclaimed by the Polish people. Tributes from abroad were equally favorable. It was praised by Edmund Burke, the English statesman, and in the new American Republic by President George Washington. Since then historians have concurred with this contemporary opinion in deeming the Constitution of the 3d of May as one of the great achievements in Polish history and as one of the great democratic documents of history.

Hardly had the Constitution been signed, however, when Russia, Prussia, and Austria invaded and partitioned the country in 1793. Despite the heroic efforts of Thaddeus Kosciuszko, the great Polish patriot who served as a general in the American Revolutionary War, valiant Poland was overcome in 1795 by her predatory neighbors. In 1919, through the valiant efforts of Jan Paderewski, supported by our great President Woodrow Wilson, Poland again gained its independence. The newly formed Republic of Poland followed the basic ideas of the original Constitution of 1791 whose fundamental concepts were still valid after more than a century.

As we all know this new freedom was brought to an end in 1939 by Hitler's invasion of Poland. For 6 weeks the Polish people tenaciously resisted Nazi military might but finally succumbed when Russia invaded from the east thereby placing Poland under attack on two fronts. Even so, Poland's brave sons fought on with the Allies in England, North Africa. Italy, Belgium, France, and Germany. It is one of the great tragedies of history that Poland's freedom was not restored at the end of World War II and that the great rights contained in the Constitution of 1791 do not exist in that country today.

This May 3 all Americans can with gratitude salute the Polish nation and pray for the ultimate triumph of justice—a free Poland once more able to follow its own destiny. In the words of Poland's national anthem "Jeszcze Polska Nie Zginela"—"Poland is not yet lost"—nor will she ever be.

NEW YORK CITY WELFARE FAMILIES ON FREE SKI TRIPS

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, April 30, 1971

Mr. BYRD of Virginia. Mr. President, the Chicago Tribune recently published an excellent editorial criticizing the practice of sending New York City welfare families on free ski trips.

This editorial, which was reprinted in the Indianapolis News on April 12, makes note of remarks of mine on the subject of ski trip programs.

It should be noted that since this editorial was written, and following my protest, the ski trip program has been terminated.

I ask unanimous consent that the text of the editorial "Say It Again" be printed in the Extensions of Remarks.

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

SAY IT AGAIN

Sen. Harry Byrd of Virginia, the new watchdog of the Treasury, charged that $30,000 in tax funds had been diverted from a New York Model Cities program to send welfare recipients on ski trips to Massachusetts, Vermont and upstate New York. WCBS radio of New York said that 600 reliefers had been given ski outings through the Bronx Model Cities program.

Byrd said he had requested verification of the facts from George Romney, secretary of housing and urban development, but that Romney had proved reticent.

"These funds come from hard-working American taxpayers," said Sen. Byrd. "They are a public trust. To use public funds for frills such as ski trips is to take money away from people truly in need."

Byrd said that HUD was not alone in squandering tax dollars. He recalled that in January a mother and her four children were put up at the Waldorf-Astoria Hotel in New York at a cost to the taxpayers of $76 a day with the full approval of welfare officials, and that a man in Pennsylvania earning $21,853 a year qualifies for a monthly welfare grant of $250.40 under a loophole in state law.

"I think the American people are getting fed up with this kind of abuse of trust by public officials," Byrd said. He can say that again.

HOUSE OF REPRESENTATIVES—*Monday, May 3, 1971*

The House met at 12 o'clock noon.

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

Come unto me, all ye that labor and are heavy laden, and I will give you rest.—Matthew 11: 28.

Almighty and Eternal God, who art the refuge and strength of all who put their trust in Thee, grant that as we enter another week with its perplexing problems we may be conscious of Thy presence and obedient to the leading of Thy Holy Spirit. May we give expression to the kind of leadership which continues the efforts of our fathers to build on these shores a nation resting on moral and spiritual foundations with liberty and justice for all.

Help us to daily yield ourselves to Thee whose guidance is available, whose strength is sufficient, whose love is inexhaustible, and whose truth endureth through all generations. And to Thee be the glory forever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 70) entitled "An act to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 575) entitled "An act to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MONTOYA, Mr. MUSKIE, Mr. EAGLETON, Mr. COOPER, Mr.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

BAKER, and Mr. DOLE to be conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 646. An act to amend title 17 of the United States Code to provide for the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recording, and for other purposes;

S. 860. An act relating to the Trust Territory of the Pacific Islands; and

S. Con. Res. 22. Concurrent resolution designating "Human Development Month" and "Voluntary Overseas Aid Week."

RETURN OF S. 860 TO THE SENATE

Mr. MILLS. Mr. Speaker, I offer a resolution (H. Res. 414) which involves the privileges of the House, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 414

Resolved, That the bill of the Senate (S. 860) relating to the Trust Territory of the Pacific Islands in the opinion of this House contravenes the first clause of the seventh section of the first article of the Constitution of the United States, and is an infringement of the privileges of this House, and that the said bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER. The Chair recognizes the gentleman from Arkansas (Mr. MILLS).

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

Mr. MILLS. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, may we have a brief explanation of the reason for the action that is proposed?

Mr. MILLS. Mr. Speaker, I will be glad to explain why I have offered this resolution. It is because the privileges of the House are actually being violated by title IV of the bill S. 860. That title includes an amendment of the Tariff Schedules of the United States, and all bills which include such amendments must originate in the House.

Mr. GROSS. Would the gentleman yield further?

Mr. MILLS. I will be glad to yield further to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I am pleased that the gentleman has taken this action, because I remember some time back when the other body initiated surtax legislation and placed it on a House-approved excise tax bill, and I raised the same point at that time.

I rose to a point of privilege of the House, seeking to protect the constitutional prerogatives of this body. But I did not have the cooperation of the gentleman from Arkansas at that time. As I recall it, the gentleman moved to lay my motion on the table. I might, under certain circumstances, be constrained to do the same thing here now, but for the fact that I think the gentleman from Arkansas is right at this time.

Mr. MILLS. I appreciate the gentleman's statement.

Mr. GROSS. I am delighted that the gentleman is moving to preserve the integrity of the House of Representatives.

Mr. MILLS. I always appreciate the cooperation of the gentleman from Iowa, and I am sorry that I could not cooperate with the gentleman on that occasion, because the matter the gentleman refers to was an amendment on a House-passed bill.

Mr. GROSS. Yes.

Mr. MILLS. This is a Senate-passed and Senate-originated bill, S. 860.

Mr. GROSS. But it did contravene the prerogatives of the House of Representatives for the Senate to initiate tax legislation.

Mr. MILLS. It has been done before by the Senate in amendments to House-passed bills.

Mr. GROSS. I thank the gentleman for yielding.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANTIWAR DEMONSTRATION

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, yesterday morning I observed the removal of the antiwar demonstrators from West Potomac Park.

The decision to disperse the demonstrators was a wise one and, in my judgment, the key factor in preventing serious disruptions from occurring today. The dispersal of the protesters from West Potomac Park was conducted in a firm, evenhanded, professional manner by the Metropolitan Police Department with backup support provided by the District of Columbia National Guard and Regular military forces. Based on my personal observations at the park on Sunday and my experiences with the District of Columbia National Guard this morning, I am absolutely certain that the situation will remain under control and I want to commend the Justice Department officials, the police force, the District of Columbia National Guard, and the units of the Regular military forces involved in this operation for a job well done.

To me, the demonstrators camped at the park presented a disgusting and sickening spectacle. Broken bottles, empty beer cans, and other debris abounded. Protesters, high on drugs and liquor, were displaying Vietcong flags and placards espousing the Communist cause. To protest U.S. involvement in the Indochina war is one thing; to openly champion the enemy cause is quite another. To some, this weekend's demonstration might represent peaceful protest, but to me it represents open defiance of the laws of this land which borders on treason.

THE VIETNAM WAR

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

Mr. BRINKLEY. Mr. Speaker, it is particularly timely, I believe, for me to relate to this body a few verbatim excerpts from a news conference in which I participated on April 27:

I came back from Vietnam last week genuinely encouraged and more optimistic than I have ever been before. Our combat role *is* ending. The country side *is* basically secure. We have *done* the job in Vietnam: namely, secure South Vietnam for its own people.

The job now is to provide a *transition* vehicle. A bridge out of Vietnam. The President is providing precisely that in the Vietnamization program. Like one supply sergeant turning over supplies to another; or, teaching a South Vietnamese mechanic how to interpret mechanical instructions printed only in English.

This will take time; but not a lot of time. Why not set an early definite target date for complete withdrawal? That would take away the only tool with which the President has to negotiate. I'm a lot less impatient now with the President than when I went to Vietnam.

We went for facts, not conclusions of briefers. We went behind the briefings. Out in the field to the business end of the Army. I am convinced that we have finally accomplished a basic victory in Vietnam—provided the radicals here in this country, who have more knowledge than wisdom, do not succeed in snatching defeat from the *jaws* of victory.

We came home last Tuesday morning. I had formed these conclusions. Yet, I heard this weekend of two ambushes which had taken place in Vietnam in which many young Americans were killed in the flower of their youth.

This is an indictment against those divisive radicals in this country who demonstrate for peace but prolong the war, and are the proximate cause of those triggers having been pulled.

I believe that the deaths in Vietnam from this day forward are the responsibility of those elements, because I feel that we do indeed occupy a position of strength in Vietnam and the continuing pockets of resistance are continuing to operate only because of the encouragement of these people.

VANDALISM BY DEMONSTRATORS

(Mr. DANIEL of Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DANIEL of Virginia. Mr. Speaker, on April 29 Congressman RICHARD ICHORD, of Missouri, took the floor and imparted to the Members newsworthy information concerning vandalism by disruptive demonstrators which the news media had ignored, apparently because it did not fit. Mr. Speaker, when will CBS stop telling half-truths about the Pentagon and start telling the whole truth about irresponsible demonstrators and demonstrations?

EMERGENCY GUIDANCE BOARD IS NEEDED

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

Mr. MONAGAN. Mr. Speaker, during the last week we had the opportunity to view on television the presentations of six hopeful Democratic aspirants to the Presidency of the United States. Their discussion was most interesting and varied. But, if they agreed on any one thing, it was on the need for a national incomes policy at the present time.

I fully agree with them on this point. The President suggests that we are moving out of the economic woods. Certainly, so far as my district, my State, and my section are concerned, on the basis of rising unemployment figures, there is no evidence of such improvement. Quite the contrary.

Mr. Speaker, I have proposed legislaton for an Emergency Guidance Board in H.R. 2502 which would provide just the sort of remedy that these presidential candidates and others have been speaking about.

I hope that they will support this legislation and I hope that Members of this House will also support this legislation.

MAY DAY—MOSCOW STYLE AND WASHINGTON STYLE

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

Mr. WAGGONNER. Mr. Speaker, May Day seems to bring about comments in varying degrees. I have heard the comment on May Day in Moscow that we ought to look with some hope on the fact that during their May Day ceremony, the Russians chose not, in their own Red Square, to exhibit their old and their new military hardware. To my recollection, this is the first time on May Day that they have not done this. Some people, I believe, will take false hope from this. They did it for a reason. They would lull us to sleep. They would like to portray themselves as seekers of disarmament and peace. Their activity is to the contrary.

I would ask you only to remember that just a few days ago, in contrast, the Secretary of Defense pointed out that we had conclusive evidence that they were resuming their deployment of missiles, and perhaps even larger missiles than those they stopped building silos for just a few months ago. These missiles are, I remind you, not to be used for defense but for a first-strike capability.

But having talked about May Day in Moscow, I want to talk about May Day in Washington. I want to commend the President, I want to commend the Justice Department, and I want to commend the District Police for having taken the efforts they have to limit what cannot be allowed to happen. These people cannot take over this Government if it is to survive. The police must use whatever force is required no matter what some would say. I, for one, hope that the arrests now being made will include the "leaders" and not just the "lackeys."

MAYOR DALEY CAN STAND 10 FEET TALL

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

Mr. PUCINSKI. Mr. Speaker, I join my colleagues in paying tribute to the District Police and the Park Police and all the other Washington enforcement authorities for the magnificent job they are doing against great odds in this city to demonstrate to these anarchists that they are not going to take this Government over and, indeed, they will not be permitted to bring government to a halt. These anarchists have brazenly boasted they will bring the Federal Government to a halt. They will fail in this boast because of the excellent work of our police force.

I might add a little footnote to history here. In August 1968, the mayor of Chicago and the Chicago police took similar action. Mayor Daley was determined these same anarchists were not going to disrupt the Democratic National Convention. There were those around this country who went through all sorts of outrages against Mayor Daley's bold decision. But the mayor of Chicago took the action to show that anarchists were not going to stop the orderly processes of government, just as the authorities in this city are today demonstrating that we are not going to stop the orderly processes of government here either. Mayor Daley's brave decision in 1968 has set the stage for our determination here in Washington today.

I believe this is a great manifestation of the fact that our Government is strong enough to demonstrate that these anarchists are not going to take over government. Today Mayor Daley can stand 10 feet tall as a result of the precedent he set almost 3 years ago.

NUMBERS AND THE WAR

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

Mr. RYAN. Mr. Speaker, the administration has been particularly eager to stress the decrease in the number of American soldiers assigned to Vietnam and the declining number of casualties. Although these decreases are very significant, one American casualty is one too many.

For the moment, I want to point to some other numbers, since the administration is so obviously impressed by numbers—even if it is highly selective and avoids any reference to the number of innocent civilians in Southeast Asia who continue to die daily. Today's Washington Post carries the results of the latest Harris survey, and they are very enlightening.

The American public, by a 2-to-1 majority of 58 percent to 29 percent, feels that it is morally wrong for the United States to be fighting in Vietnam.

The American public, by a majority of 60 to 26 percent, favors continued withdrawal of American troops from Vietnam even if the Government of South Vietnam collapsed.

The American public, by 45 to 24 percent, feels that the recent South Vietnamese move into Laos was a failure.

The American public, by 42 to 39 percent, feels that it would agree to a coalition government in Saigon which included the Communists in it, if that course were the only way we could get peace in Vietnam.

And, I would note several months ago the Gallup poll reported that the American public, by a massive majority of 73 percent, favored withdrawal from Vietnam by December 31, 1971.

I have no taste for the numbers game—the war was wrong even when the majority of the American public reportedly supported it. But the fact is that the majority of the American public do not now support it. If that fact can finally move this administration to end the war, then I will buy the numbers game for that purpose.

THE BEAUTY OF SPRING IN WASHINGTON—TRIBUTE TO MRS. LYNDON BAINES JOHNSON

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

Mr. MAHON. Mr. Speaker, in the midst of temporary ugliness in the Nation's Capital area today, there is tremendous beauty. I rise to pay tribute to one of the great women of the world, Mrs. Lyndon Baines Johnson, known affectionately to us all as Lady Bird.

During this springtime season we have seen those additional flowers and flowering shrubs, those additional flowering trees and all the rest. We have seen this city at this springtime more lovely than it has ever been in the history of the Nation's Capital.

It was Lady Bird Johnson who launched the campaign for the beautification of Washington, and, indeed, for the beautification of the Nation. She persisted. Legislation was enacted. Government departments and agencies responded. Private citizens were encouraged to participate and they did in a most generous and magnificent way.

The Capital area has never been so beautiful and so lovely.

Mr. Speaker, I extend a much deserved special salute to the lovely Lady Bird Johnson to whom we all owe a special debt of gratitude.

HIGHER EDUCATION FUNDING ACT OF 1971

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

Mr. BURKE of Massachusetts. Mr. Speaker, I am today reintroducing H.R. 5, the Higher Education Funding Act of 1971, with three additional cosponsors, the gentleman from Arkansas (Mr. HAMMERSCHMIDT); the gentleman from Mississippi (Mr. MONTGOMERY); and the gentleman from West Virginia (Mr. HECHLER). These distinguished gentlemen, in doing so, are joining such distinguished Members as: Representatives JOSEPH P. ADDABBO, New York; FRANK ANNUNZIO, Illinois, EDWARD B. BIESTER, JR., Pennsylvania; EDWARD P. BOLAND, Massachusetts; JOEL T. BROYHILL, Virginia; JOHN BUCHANAN, Alabama; JAMES A. BYRNE, Pennsylvania; BOB CASEY, Texas; FRANK M. CLARK, Pennsylvania; JAMES C. CLEVELAND, New Hampshire; GEORGE W. COLLINS, Illinois; EDWARD J. DERWINSKI, Illinois; HAROLD D. DONOHUE, Massachusetts; THADDEUS J. DULSKI, New York; JOSHUA EILBERG, Pennsyl-

vania, WALTER FLOWERS, Alabama; WILLIAM D. FORD, Michigan; JAMES G. FULTON, Pennsylvania; WILLIAM J. GREEN, Pennsylvania; G. ELLIOTT HAGAN, Georgia; SEYMOUR HALPERN, New York; ORVAL HANSEN, Idaho; FLOYD V. HICKS, Washington; LOUISE DAY HICKS, Massachusetts; JOHN C. KLUCZYNSKI, Illinois; SPEEDY O. LONG, Louisiana; PAUL N. MCCLOSKEY, JR., California; JOHN Y. MCCOLLISTER, Nebraska; ABNER J. MIKVA, Illinois; F. BRADFORD MORSE, Massachusetts, THOMAS P. O'NEILL, JR., Massachusetts; JOHN J. RHODES, Arizona; BENJAMIN S. ROSENTHAL, New York; WILLIAM R. ROY, Kansas; EDWARD R. ROYBAL, California; FERNAND J. ST GERMAIN, Rhode Island; ROBERT H. STEELE, Connecticut; CHARLES THORNE, Nebraska; JOHN C. WATTS, Kentucky; CHARLES H. WILSON, California; and LESTER L. WOLFF, New York.

TRIBUTE TO MRS. MARY LASKER

(Mr. BINGHAM asked and was given permission to address the House for 1 minute.)

Mr. BINGHAM. Mr. Speaker, while fully concurring with the remarks just made by the distinguished chairman of the Appropriations Committee, with regard to the leadership given to the beautification program by Mrs. Johnson, I would like to take note at this time that a great deal of the beauty in the parks of our Capital City was made possible by the generosity of a wonderful citizen of my State of New York, Mrs. Albert Lasker.

Mary Lasker has been a leader in many fields, notably in the field of health and in the field of beautification. She has done a great deal for the country as a whole, as well as for our city of New York and for the city of Washington, D.C.

I just thought the record ought to show—and I am sure Mrs. Johnson would approve—that a great deal of the work done here in the District was done through her generosity.

POLICE CHIEF JERRY WILSON AND THE DISTRICT OF COLUMBIA POLICE FORCE DESERVE PRAISE

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

Mr. PELLY. Mr. Speaker, I live in the Georgetown area, and in the last few days, I have been able to witness firsthand the manner in which the Metropolitan Police have handled the very difficult task of dispersing young people who went beyond the bounds of peaceful assembly.

While some of the demonstrators were willing to convey their feeling of disapproval of the war in Vietnam by passing out "peace poems," as they have every right to do, there were the others who came to the Nation's Capital to bring the Government to a halt by the use of violence. It was against these people our Police Department and Federal troops had to stand firm.

It seems to me the confrontation was swift and exact. The professional manner in which the Metropolitan Police Department has handled the matter is to the credit of Chief Jerry Wilson.

Chief Wilson deserves the praise and commendation of all residents of the Metropolitan Washington, D.C., area.

NEWS COVERAGE

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

Mr. KYL. Mr. Speaker, a few moments ago the gentleman from Virginia spoke about news coverage.

This morning I listened to reports on station WTOP radio from 6 o'clock until shortly after 8 o'clock. The local radio station did an excellent job of reporting, in a factual manner, exactly what was going on in the District without the use of any unwarranted adjectives and without any misleading comments.

Then at 8 o'clock came the network television news from New York City, speaking about "pitched battles" being waged on the streets of Washington, and saying that a vast amount of tear gas and "chemicals" were being used to disperse the unruly mobs.

I called the station to tell them that they had done an excellent job locally, and that I hoped they might editorialize about the liberty the network had taken with the actual news.

As to a lack of coverage, I have had information from a group which has taken care of the first-aid needs of these demonstrators in the city, shocking information in oral form, telling about hundreds of cases of narcotics overdoses among the demonstrators. When it is in writing I will present it to the House.

MEDIA COVERAGE ON YOUTH ACTIVITIES

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

Mr. ARENDS. Mr. Speaker, my only purpose in taking this time is to commend the gentleman from New York, who made this good comment about the fine performance of these fine young people, who whether or not on radio or television give their time and effort for a good cause. One would think such a splendid effort on the part of our young people would merit national radio, television, and news coverage.

Mr. HORTON. Will the gentleman yield?

Mr. ARENDS. I am glad to yield to the gentleman.

Mr. HORTON. As a matter of fact, they did locally. Rochester radio and television stations gave it top coverage, and the newspapers covered it all over the front page in Rochester, N.Y. These 35,000 young people got together in this effort by "hiking for hope" so they did get tremendous coverage on the home front but nothing on the national level to my knowledge.

Mr. ARENDS. I do not recall seeing anything nationally on it, either in the press or on TV or radio.

Mr. HORTON. Nothing as far as I know, although I have not had a chance to see the papers.

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

Mr. ARENDS. I yield to the gentleman.

Mr. MIKVA. I think you will be glad to know that in our own home State of Illinois a radio station is sponsoring a similar program. This is a walk that will take place next weekend to benefit similar causes. I am sure that the gentleman will be pleased to know that the radio station that is cosponsoring the program is WCFL.

DISTRICT OF COLUMBIA CHIEF OF POLICE, JERRY WILSON

(Mr. BROYHILL of Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. BROYHILL of Virginia. Mr. Speaker, the Nation's Capital can be proud of Chief of Police Jerry Wilson today.

In a situation boiling with danger, Chief Wilson has, in my opinion, handled himself, his men, and the military units who came to assist them, with superb, strategic effectiveness.

It may be too early to say the crisis has passed in this latest invasion of decency. Up to this moment, however, the residents of this city and the people who govern it can be proud of Chief Wilson and his men.

It has been an exhausting ordeal for those charged with protecting us. They have endured days of radical political fragging and a smog of obscenities from the mouths of crackpots and creeps.

Their ordeal is not over, nor has the ordeal ended for the good and patient people of the Washington area. I know the chief and his men are tired, disgusted, and heartsick from the filthy assault on their efforts to maintain order. I know, as well, that they will not falter in the days ahead.

I hope I speak for all my colleagues when I say this is the time for a "well done" from all of us. I know I speak for my friends and neighbors in northern Virginia. I believe I speak for the decent people of this Nation in saying to Chief Wilson and his men, "Godspeed in ridding our Capital once and for all of these grubs of civilization, these demented and radical fragments of humanity."

To them it is an onerous ordeal. To me it is a performance of duty unexcelled in recent years. I am proud of Chief Wilson and his loyal and competent force.

A NATIONAL DISGRACE

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

Mr. COLMER. Mr. Speaker, the events that have transpired in the Nation's Capital here in the past several days are

a national disgrace. Masquerading under the banner of peace, these intruders have flaunted the code of morals and decency, as well as the law of the land. More than a year ago, I was somewhat instrumental in having the Congress pass laws prohibiting any group from camping on Government properties including our national parks. The Congress, likewise, enacted a law that would punish anyone desecrating the flag of the United States. Yet, and in spite of these laws, these people were permitted, at least temporarily, to camp on Government property and to burn and otherwise desecrate the U.S. flag in front of the Capitol itself, without molestation.

These things having already occurred, the least that should be done now would be to arrest and sentence these offenders of the law and decency of the land to remain under arrest until every scrap of paper, piece of garbage, and other obstructions thrown into our streets are completely removed by them.

REPRESENTATIVE LONG OF MARYLAND JOINS WITH REPRESENTATIVE BENNETT OF FLORIDA IN SPONSORING RESOLUTION TO CREATE A JOINT COMMITTEE ON IMPOUNDMENT OF FUNDS

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

Mr. LONG of Maryland. Mr. Speaker, I join with my colleague from Florida (Mr. BENNETT) in sponsoring the resolution to create a Joint Committee on Impoundment of Funds.

President Nixon has impounded over $12.7 billion of the money Congress has appropriated. This includes fiscal 1971 funds earmarked for water and sewer construction in Baltimore and Hartford Counties—projects urgently needed for orderly development in the Baltimore metropolitan area. Yet we appropriate billions in foreign aid to help other countries with similar problems, and the President impounds none of it.

The President is exercising an item veto over the appropriations Congress makes. The Constitution makes no provision for item vetoes. Impoundment is a very effective policy tool—the President holds back money from selected domestic programs, and spends every penny appropriated for foreign assistance. Impoundment is also a weapon. The President can use this back-door item veto to punish individual Members of Congress—a direct attack on the separation of powers.

I urge prompt action on this resolution, Mr. Speaker, before the President whittles away on fiscal 1972 appropriations.

CALL OF THE HOUSE

Mr. KYL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 77]

Abourezk	Fisher	Pike
Alexander	Flynt	Podell
Anderson, Tenn.	Frelinghuysen	Rarick
	Frey	Roe
Ashbrook	Gallagher	Rooney, N.Y.
Ashley	Gaydos	Rostenkowski
Badillo	Giaimo	Roush
Baring	Goldwater	Rousselot
Barrett	Grasso	Roybal
Biaggi	Gray	Runnels
Blackburn	Green, Oreg.	Ruppe
Blanton	Griffin	St Germain
Blatnik	Grover	Sandman
Bolling	Gubser	Sarbanes
Brademas	Halpern	Satterfield
Brown, Mich.	Hansen, Wash.	Sisk
Broyhill, N.C.	Heckler, Mass.	Smith, N.Y.
Burton	Hicks, Mass.	Snyder
Carney	Howard	Spence
Celler	Jacobs	Stafford
Chisholm	Johnson, Pa.	Staggers
Clark	Jonas	Stanton, James V.
Clausen, Don H.	Jones, Ala.	Steele
	Keith	Steiger, Wis.
Clay	Kluczynski	Stephens
Conyers	Long, La.	Stubblefield
Cotter	McCloskey	Stuckey
Culver	McCulloch	Teague, Tex.
Davis, Ga.	Macdonald, Mass.	Thompson, N.J.
de la Garza		
Delaney	Madden	Tiernan
Dellums	Mann	Vanik
Denholm	Mayne	Veysey
Dent	Miller, Calif.	Waldie
Dickinson	Minshall	Ware
Diggs	Moorhead	Watts
Dingell	Murphy, Ill.	Whalley
Donohue	O'Hara	Wilson, Charles H.
Dorn	O'Neill	
Edmondson	Passman	Winn
Edwards, La.	Patman	Wydler
Erlenborn	Pepper	Yatron
Evins, Tenn.	Pettis	Zion
Fish	Peyser	

The SPEAKER. On this rollcall 306 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. At this time the Chair will recognize Members for unanimous-consent requests but not for 1-minute speeches.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS IN FAVOR OF GRAND RIVER BAND OF OTTAWA INDIANS

The Clerk called the bill (H.R. 1100) to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket No. 40–K, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 1100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds appropriated by the Act of October 21, 1968 (82 Stat. 1190, 1198), to pay a judgment to the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40–K, together with any interest thereon, after payment of attorney fees and litigation expenses, and such expenses as may be necessary in affecting the provisions of this Act, shall be distributed as provided herein.

SEC. 2. The Secretary of the Interior shall prepare a roll of all persons of Grand River Band of Ottawa Indian blood who meet the following requirements for eligibility: (a) they were born on or prior to and were living on the date of this Act; and (b) their name or the name of a lineal ancestor from whom they claim eligibility appears on the Grand River Band of Ottawa census roll of half-breeds dated September 24, 1836, or as Grand River Ottawa on the "Land Lists of Ottawas and Chippewas of Michigan dated October 21, 1857, or the Grand River Band of Ottawa allotment roll approved on July 8, 1870, or on any available census roll approved on July 8, 1870, or on any available census rolls or other records acceptable to the Secretary of the Interior.

SEC. 3. Applications for enrollment must be filed with the Great Lakes Agency of the Bureau of Indian Affairs at Ashland, Wisconsin, in the manner and within the time limits prescribed for that purpose. The determination of the Secretary of the Interior regarding the eligibility of an applicant shall be final.

SEC. 4. The judgment funds shall be distributed per capita to the persons whose names appear on the roll prepared in accordance with section 2 of this Act.

SEC. 5. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than twenty-one years of age or who are under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 6. The funds that are distributed per capita under the provisions of this Act shall not be subject to Federal or State income tax.

SEC. 7. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

With the following committee amendments:

Page 2, line 1, strike out "affect-" and insert "effect-".

Page 2, strike out all of line 15.

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 1100 is to authorize the distribution of a judgment recovered against the United States by the Grand River Band of Ottawa Indians. The net amount available, including accumulated interest, is $1,067,138. The money has been appropriated, but it may not be used until authorized by Congress.

The Grand River Band does not exist today. Descendants of the original band are widely scattered and they have no reservation. It would not be practical to program the money for tribal use. The bill therefore provides for the preparation of a roll containing the names of all descendants of the band who are now living, and for a distribution of the judgment among such persons in equal shares. The number of persons who will be entitled to be enrolled is unknown, but should be in excess of 1,000.

Some descendants of the band asked the committee to restrict the right to enrollment to persons with one-fourth degree or more Grand River Ottawa blood. This would be contrary to the practice followed in other cases, it would substantially increase the cost of preparing the roll, and the request was rejected by the committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS OF THE SNOHOMISH TRIBE, THE UPPER SKAGIT TRIBE, AND THE SNOQAULMIE AND SKYKOMISH TRIBES

The Clerk called the bill (H.R. 1444) to provide for the disposition of funds appropriated to pay judgments in favor of the Snohomish Tribe in Indian Claims Commission docket No. 125, the Upper Skagit Tribe in Indian Claims Commission docket No. 92, and the Snoqualmie and Skykomish Tribes in Indian Claims Commission docket No. 93, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 1444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds appropriated by the Act of May 29, 1967 (81 Stat. 30, 42), to pay a judgment to the Snohomish Tribe in Indian Claims Commission docket numbered 125, and the Act of October 21, 1968 (82 Stat. 1190, 1198), to pay judgments to the Upper Skagit Tribe in Indian Claims Commission docket numbered 92 and the Snoqualmie and Skykomish Tribes in Indian Claims Commission docket numbered 93, together with the interests thereon, after payment of attorney fees and litigation expenses, and such expenses as may be necessary in effecting the provisions of this Act, shall be distributed as provided herein.

SEC. 2. The Secretary of the Interior shall prepare separate rolls of all persons born on or prior to and living on the date of this Act who are lineal descendants of members of the Snohomish Tribe, of the Upper Skagit Tribe, including the allied Suiattle-Sauk Band, and of the Snoqualmie and Skykomish Tribes, as they were constituted in 1855.

SEC. 3. Applications for enrollment must be filed with the Superintendent, Western Washington Agency, Bureau of Indian Affairs, at Everett, Washington, in the manner and within the time limits prescribed for that purpose. The determination of the Secretary of the Interior regarding the utilization of available records and rolls, and the eligibility for enrollment of an applicant, shall be final.

SEC. 4. The judgment funds of the respective tribes shall be distributed per capita to the persons whose names appear on the roll of the respective tribe prepared in accordance with section 2 of this Act.

SEC. 5. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than twenty-one years of age or who are under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 6. The funds that are distributed per capita under the provisions of this Act shall not be subject to Federal or State income tax.

SEC. 7. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act, including the establishment of deadlines.

With the following committee amendment:

Page 2, line 11, strike out "1855." and insert: "1855: *Provided,* That no person shall be enrolled as a descendant of the Snohomish Tribe if he has shared or is eligible to share in a per capita distribution of a judgment against the United States recovered by any other tribe."

The committee amendment was agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 1444 is to authorize the distribution of three judgments recovered against the United States by four different tribes in the northwest. The money has been appropriated, but it may not be used until authorized by Congress.

There is no present day successor to any of the four tribes. Some of the descendants have settled on various reservations, along with Indians from other tribes, but many descendants are scattered. The bill therefore provides for the preparation of rolls containing the names of all descendants of the tribes who are now living, and for a distribution of the judgments among such persons in equal shares.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS OF THE IOWA TRIBES OF OKLAHOMA AND OF KANSAS AND NEBRASKA

The Clerk called the bill (H.R. 4353) to provide for the disposition of funds appropriated to pay certain judgments in favor of the Iowa Tribes of Oklahoma and of Kansas and Nebraska.

There being no objection, the Clerk read the bill, as follows:

H.R. 4353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the funds on deposit in the United States Treasury to the credit of the Iowa Tribes of Kansas and Nebraska and of Oklahoma that were appropriated by the Act of December 26, 1969 (83 Stat. 447), to pay a judgment by the Indian Claims Commission in docket numbered 79A, and the interest thereon, after payment of attorney fees and other litigation expenses, shall be divided on the basis of one hundred and seventy one two hundred and seventy ninths (61.29 per centum) to the Iowa Tribe of Kansas and Nebraska and one hundred and eight two hundred and seventy ninths (38.74 per centum) to the Iowa Tribe of Oklahoma.

(b) The funds so divided, including interest accruing thereon, may be invested or expended for any purpose that is authorized by the respective tribal governing bodies and approved by the Secretary of the Interior.

(c) Any per capita distribution of any part of the funds placed to the credit of the Iowa Tribes of Kansas and Nebraska and of Oklahoma shall be payable only to those persons who meet the membership requirements specified in the respective tribal constitutions, and such per capita payments shall not be subject to Federal or State income tax.

SEC. 2. (a) The funds appropriated by the Act of July 6, 1970 (84 Stat. 376), to pay judgments to the Iowa Tribe of Oklahoma and the Iowa Tribe of Kansas and Nebraska in Indian Claims Commission dockets Nos. 153, 158, 209, and 231, together with interest thereon, after payment of attorney fees and other litigation expenses, shall be divided on the basis of one hundred and seventy one two hundred and seventy ninths (61.29 per centum) to the Iowa Tribe of Kansas and Nebraska, and one hundred and eight two hundred and seventy ninths (38.71 per centum) to the Iowa Tribe of Oklahoma.

(b) The funds so divided may be advanced, deposited, expended, invested or reinvested for any purposes that are authorized by the respective tribal governing bodies and approved by the Secretary of the Interior.

(c) Any part of such funds that may be distributed per capita shall be payable only to those persons who meet the membership requirements specified in the constitutions of the respective tribes, and such per capita payments shall not be subject to Federal or State income tax.

(d) Sums payable under this section to enrollees or their heirs or legatees who are less than twenty-one years of age or who are under a legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interest of such persons.

(e) The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this section.

With the following committee amendment:

Strike out all after the enacting clause and insert the following language:

"That (a) the funds on deposit in the United States Treasury to the credit of the Iowa Tribes of Oklahoma and of Kansas and Nebraska that were appropriated by the Act of December 26, 1969 (83 Stat. 447), to pay a judgment by the Indian Claims Commission in docket numbered 79–A, and the interest thereon, and funds appropriated by the Act of July 6, 1970 (84 Stat. 376) to pay judgments in Indian Claims Commission dockets numbered 153, 158, 209, and 231, and the interest thereon, after payment of attorney fees and other litigation expenses, shall be divided on the basis of one-hundred-and seventy-one two-hundred-and-seventy-ninths (61.29 per centum) to the Iowa Tribe of Kansas and Nebraska and one-hundred-and-eight two-hundred-and-seventy-ninths (38.71 per centum) to the Iowa Tribe of Oklahoma.

"(b) The funds so divided, including interest accruing thereon, may be advanced, deposited, expended, invested, or reinvested for any purposes that are authorized by the respective tribal governing bodies and approved by the Secretary of the Interior.

"(c) Any part of such funds that may be distributed per capita under the provisions of this Act shall be payable only to those persons who meet the membership requirements specified in the constitutions of the respective tribes.

"(d) None of the funds disturbed per capita under the provisions of this Act shall be subject to Federal or State income taxes.

"(e) Sums payable under this Act to enrollees or their heirs or legatees who are less than twenty-one years of age or who are under a legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

"(f) The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act."

The committee amendment was agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 4353 is to authorize the distribution of six judgments against the United States recovered by the Iowa Tribes of Oklahoma, Kansas, and Nebraska. The money in five of the cases will be divided between the Kansas and Nebraska Indians, as one group, and the Oklahoma Indians, as a second group, according to the percentages that reflect their relative numbers in 1889 and 1891. Both groups have agreed to this division.

After the division, the money can be used for any purpose authorized by the tribal governing bodies and approved by the Secretary of the Interior. Both groups intend to make a per capita distribution.

The judgments are final, and the money to pay them has been or will be appropriated independently of this bill. No additional Federal expense is involved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "To provide for the disposition of funds appropriated to pay judgments in favor of the Iowa Tribe of Oklahoma and of Kansas and Nebraska in Indian Claims Commission dockets Nos. 79–A, 153, 158, 209, and 231, and for other purposes."

A motion to reconsider was laid on the table.

PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS OF THE PEMBINA BAND OF CHIPPEWA INDIANS

The Clerk called the bill (H.R. 6072) to provide for the disposition of funds appropriated to pay a judgment in favor of the Pembina Band of Chippewa Indians in Indian Claims Commission dockets Nos. 18–A, 113, and 191, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 6072

A bill to provide for the diposition of funds appropriated to pay a judgment in favor of the Pembina Band of Chippewa Indians in Indian Claims Commission dockets numbered 18–A, 13, and 191, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds appropriated by the Act of June 9, 1964 (78 Stat. 204, 213), to pay a judgment to the Pembina Band of Chippewa Indians in Indian Claims Commission dockets numbered 18–A, 113, and 191, together with the interest thereon, after payment of attorney fees and litigation expenses, and such expenses as may be necessary in carrying out the provisions of this Act, shall be distributed as provided herein.

SEC. 2. The Secretary of the Interior shall prepare a roll of all persons born on or prior to and living on the date of this Act who are lineal descendants of members of the Pembina Band as it was constituted in 1863, except that persons in the following categories shall not be so enrolled:

a. those who are not citizens of the United States;

b. those who are members of the Red Lake Band of Chippewa Indians; and

c. those who participated in the Mississippi, Pillager, and Lake Winnibigoshish Chippewa Band awards under the provisions of the Act of September 27, 1967 (81 Stat. 230).

SEC. 3. Applications for enrollment shall be filed with the Area Director, Bureau of Indian Affairs, Aberdeen, South Dakota, in the manner and within the time limits prescribed for that purpose. The determination of the Secretary of the Interior regarding the utilization of available rolls and records and the eligibility for enrollment of an applicant shall be final.

SEC. 4. In developing the roll of Pembina descendants, the Secretary of the Interior shall determine which enrollees are members of the Minnesota Chippewa Tribe, the Turtle Mountain Band of Chippewas of North Dakota, or the Chippewa-Cree Tribe of Montana, and subsequent to the establishment of the descendancy roll shall apportion funds to the three cited tribes on the basis of numbers of descendants having membership with these tribes. Funds not apportioned in this manner shall be distributed in equal shares to those enrolled descendants who are not members of the three cited tribes.

SEC. 5. The funds apportioned to the Minnesota Chippewa Tribe, the Turtle Mountain Band, and the Chippewa-Cree Tribe may be advanced, expended, invested, or reinvested for any purpose authorized by the respective tribal governing bodies and approved by the Secretary of the Interior: *Provided,* That the governing body of the Minnesota Chippewa Tribe shall act in concert with the General Council of the Pembina Band of Chippewa Indians of the White Earth Reservation for the purpose of making recommendations to the Secretary; and only those members of the three cited tribes who are enrolled as Pembina descendants under the provisions of this Act shall be permitted to share in any per capita distribution of the funds accruing to the tribes.

SEC. 6. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes.

SEC. 7. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than twenty-one years of age or who are under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 8. The Secretary of the Interior is authorized to prescribe rules and regulations to effect the provisions of this Act, including the establishment of deadlines.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 6072, which was introduced at the request of the administration, is to authorize the distribution of a judgment recovered against the United States by the Pembina Band of Chippewa Indians. The money has been appropriated but cannot be used until authorized by Congress.

Today there are three distinct reservation-based entities that may be considered to be comprised in part of Pembinas or descendants of Pembinas. These are the Minnesota Chippewa Tribe, particularly White Earth Reservation; the Turtle Mountain Band of Turtle Mountain Reservation, N. Dak.; and the Chippewa-Cree Tribe of Rocky Boy's Reservation, Mont. There is also a nonreservation group of descendants found among the people generally known as Landless Indians of Montana.

The bill provides that the Secretary shall prepare a roll of all persons of Pembina Chippewa ancestry. It also provides that funds shall be apportioned to the Minnesota Chippewa Tribe, the Turtle Mountain Band, and the Chippewa-Cree Tribe on the basis of the numbers of descendants found to be enrolled with the tribes, such funds to be expended as authorized by the governing bodies of the tribes and approved by the Secretary.

The bill further provides for payment of shares to those descendants who are not enrolled with any of the three cited tribes. Proper provision is made for the protection of the interests of minors and legal incompetents.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS OF THE KICKAPOO INDIANS OF KANSAS AND OKLAHOMA

The Clerk called the bill (H.R. 6797) to provide for the disposition of funds appropriated to pay judgments in favor of the Kickapoo Indians of Kansas and Oklahoma in Indian Claims Commission dockets numbered 316, 316–A, 317, 145, 193, and 318.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I am familiar with this particular group of citizens and of their tribal rights, but I cannot help but notice that even though judgments have been rendered in toto on all of the documents listed in H.R. 6797; and that although we have precedent therefore, there is one—docket 316–A—representing a joint recovery of $125,209.61, which is not yet appropriated for.

As I say, Mr. Speaker, ordinarily we put these final Indian lands adjudication bills through automatically, and am I to infer that this is simply done for the expediency of the House, because since final judgment has been rendered it would require separate legislation if we did not authorize this prior to the appropriation according to our custom?

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

Mr. HALL. I yield to the gentleman from Oklahoma.

Mr. STEED. The gentleman is correct, these are all included in one bill at the request of the Bureau of Indian Affairs. Now, as to the judgment in question, the appropriation for this judgment has been sent to the Congress; it is presently being included in the appropriation bill and probably will be appropriated by the time this act becomes law.

There is one additional advantage in taking this step here. You know, after these appropriations are made, the money draws 6 percent interest until Congress sees fit to enact legislation for final payment to the tribe. So in this case it will have the effect of saving the Government money.

Mr. HALL. Of course, Mr. Speaker, this would raise the question of why we do not go ahead and authorize all of them prior to the appropriations, which certainly is contrary to the preponderance of the custom of the House. But the gentleman being on the Committee on Appropriations and being the chairman of the subcommittee thereof, and being from the State of Oklahoma, as I am from juxtaposed Missouri and live on the Kickapoo prairie as I do, I certainly accept his explanation, and if he is wise I think he will cease and desist while he is ahead, but I would be glad to yield further.

Mr. STEED. I just want to thank the gentleman.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 6797 is to authorize the distribution of judgments against the United States recovered by the Kickapoo Indians of Kansas and Oklahoma. The two groups are organized, and the money will be divided on the basis of their present membership. After division, the money will be available for any use desired by the tribes and approved by the Secretary of the Interior. The money has been appropriated, and no additional Federal expense is involved.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 6797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds on deposit in the Treasury of the United States to the credit of the Kickapoo Indians of Kansas and Oklahoma to pay judgments by the Indian Claims Commission in dockets 316, 316–A, 317, 145, and 193, together with interest thereon, after payment of attorney fees and litigation expenses, shall be divided on the basis of membership of the respective tribes current as of the date of this Act. For the purpose of adjusting the offsets allowed in docket 316, the Secretary of the Interior shall use the gross award (land value) as a basis for his compensation, deduct therefrom the consideration paid, the offsets expended for the Kickapoo Tribe prior to its separation into two tribal entities, attorney fees and litigation expenses, and after making the division of the balance as provided herein, shall deduct $44,759.45 from the proportionate share of the Kickapoo Tribe of Kansas and $118,661.24 from the proportionate share of the Kickapoo Tribe of Oklahoma. The balances remaining shall be the net amount to be placed to the credit of the respective tribes. The funds so divided, and the funds appropriated to pay a judgment recovered by the Kickapoo Indians of Oklahoma in docket numbered 318, including the interest thereon, after payment of attorney fees and other litigation expenses, may be used, advanced, expended, invested, or reinvested for any purpose that is authorized by the tribal governing bodies of the respective tribes and approved by the Secretary of the Interior: *Provided,* That the Secretary of the Interior shall approve no plan for the use of the money until at least thirty days after the plan has been submitted to and approved by the Committees on Interior and Insular Affairs of the Senate and House of Representatives: *Provided further,* That any sums payable per capita to persons who are less than twenty-one years of age who are under a legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 2. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes.

With the following committee amendments:

Page 2, line 21, after "until" insert "at least thirty days after".

Page 2, line 22, strike out "and approved by".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of bills on the Consent Calendar.

FACILITATING TRANSPORTATION OF CARGO BY BARGES SPECIFICALLY DESIGNED FOR CARRIAGE ABOARD A VESSEL

Mr. GARMATZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 155) to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel, as amended.

The Clerk read as follows:

H.R. 155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SECTION 1. Section 27, Merchant Marine Act, 1920, as amended (46 U.S.C. 883), is further amended by inserting after "(c) empty barges specifically designed for carriage aboard a vessel" the words "and equipment, excluding propulsion equipment, for use with such barges", and by striking out the period at the end of said section and inserting in lieu thereof a colon and the following: *"Provided further,* That upon such terms and conditions as the Secretary of the Treasury by regulation may prescribe, and, if the transporting vessel is of foreign registry, upon his finding, pursuant to information furnished by the Secretary of State, that the government of the nation of registry extends reciprocal privileges to vessels of the United States, this section shall not apply to the transportation of merchandise between points in the United States, including districts, territories, and possessions thereof embraced within the coastwise laws, which, while moving in the foreign trade of the United States, is transfered from a non-self-propelled barge certified by the owner or operator to be specifically designed for carriage aboard a vessel and regularly carried aboard a vessel in foreign trade to another such barge owned or leased by the same owner or operator, without regard to whether any such barge is under foreign registry or qualified to engage in the coastwise trade."

The SPEAKER. Is a second demanded?

Mr. MAILLIARD. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. GARMATZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 155, which would obtain for U.S.-flag companies the operating flexibility in foreign waters necessary for the efficient and economical operation of barge-carrying ships, such as the Lash and Seabee vessels.

The bill would do this by permitting foreign-flag specialty barges—of the type currently carried aboard—Lash and Seabee vessels—specifically designed and regularly carried aboard a barge-carrying ship in foreign trade to carry export or import cargo between U.S. points which has been transferred from one such barge to another.

These specialty barge carriers are certainly a tribute to the revolutionary maritime thinking in this important area. These ships represent a giant step toward the goal of an integrated, low cost, efficient transportation system for American oceanborne commerce. They are symbolic of the new American merchant marine.

The barge carrying ship operation consists of a barge carrying ship and a number of specialty barges. Cargo is stowed in the specialty barges which are towed to the barge carrying ship. The specialty barges are then loaded on the barge carrying ship and transported to a foreign port where they are offloaded and towed to final destination for discharge. The operation is reversed for the return voyage. The most efficient and economical barge carrying ship operation requires the transfer of cargo consignments from one specialty barge to another.

An example will illustrate the operating requirement which prompts this legislation. Pacific Far East Line will operate trans-Pacific between the U.S. Pacific coast and Japan, the barge carrying ship sailing from San Francisco and calling at Kobe. The specialty barges on the vessel will be of the Lash-type and have a cargo capacity of 415 tons. For the purposes of this example, we will consider the status on this sailing of two barges, one with cargo loaded at Stockton, the other with cargo loaded at San Francisco. Each barge contains 200 tons for Kobe and 200 tons destined for Osaka. When the barges are offloaded at Kobe they are towed to the respective consignees' docks in that port, and 200 tons are unloaded from each barge. Then, instead of towing two partially laden barges to Osaka, the 200 tons remaining in one of these barges will be transferred to the other, and that single barge, laden with 400 tons, is towed thence to Osaka where delivery is made to the docks of the respective Osaka consignees. The saving from towing one instead of both barges is an obvious and economically desirable practice.

The problem is that a Japanese-flag operator could not do this in U.S. waters. Were a Japanese-flag barge carrying ship to off-load two Japanese-flag specialty barges at San Francisco, each laden with 400 tons of import cargo, half in each barge destined to San Francisco and half to Stockton, it would be unlawful for the cargo remaining after San Francisco discharge to be consolidated into a single barge and towed thence to Stockton.

Section 27 of the Merchant Marine

Act, 1920, the so-called Jones Act, generally provides that no merchandise shall be transported by water, between points in the United States, in any other vessel than a vessel built in and documented under the laws of the United States and owned by persons who are citizens of the United States. Section 27 would permit the movement of foreign specialty barges to or from a barge carrying ship in the territorial waters of the United States when the cargo is not transferred to or from any other specialty barge within our territorial waters. This would be considered by the Bureau of Customs as a through international movement. However, when cargo is transferred from one specialty barge to another within the territorial waters of the United States, if inbound, the subsequent barge movement, and if outbound, the previous barge movement would be considered by the Bureau of Customs to be transportation between points in the United States and subject to the provisions of section 27.

As presently written, section 27 would create serious problems for U.S.-flag barge carrying ships. If we limit the transfer of cargo between specialty barges within our territorial waters to such barges built in, documented under, and owned by citizens of the United States, the nations of registry of foreign barge carrying ships can be expected to impose similar restrictions for their territorial waters. Such a course of action would seriously restrict the operation of U.S.-flag barge carrying ships in these foreign waters.

H.R. 155 amends section 27 to authorize the Secretary of the Treasury to permit within our territorial waters the transfer of cargo moving in our foreign trade from a barge certified by the owner or operator to be specifically designed for carriage aboard a vessel in foreign trade to another such barge owned or leased by the same owner or operator when the barge is under foreign registry or not qualified to engage in the coastwise trade. When the transporting vessel is of foreign registry, the Secretary of the Treasury would be required to make a finding, based on information furnished by the Secretary of State, that the government of the nation of registry extends reciprocal privileges to vessels of the United States.

The bill was reported by your committee in House Report No. 92–119 on April 7, 1971, with amendments. Your committee amended H.R. 155, as introduced, in two places. On page 1, line 7, the words ", excluding propulsion equipment," were inserted after the word "equipment." On page 2, line 9, the words "non-self-propelled" were inserted before the word "barge." The purpose of these amendments is to insure that the provisions of the bill would apply only to non-self-propelled specialty barges.

The bill was strongly supported by all shipping management, labor and the Government agencies. Moreover, there is no cost of any kind attached to this bill. The bill was ordered reported with one dissenting vote, with amendments, after full and careful consideration of the record.

I strongly urge the House to support the bill as necessary to obtain for U.S.-flag companies the operating flexibility in foreign waters necessary for the efficient and economical operation of barge carrying ships.

There are present members of both the majority and minority of our committee and they may wish to say a few words in connection with this bill.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. GARMATZ. I yield to the gentleman from New York, a member of the committee.

Mr. MURPHY of New York. Mr. Chairman, did any domestic American freight carrier oppose this legislation?

Mr. GARMATZ. No, sir.

Mr. MURPHY of New York. Did any American-flag ocean carrier oppose this legislation?

Mr. GARMATZ. No, there was no objection.

Mr. MURPHY of New York. Since the committee passage of the legislation, I have been assured that the registry and ownership question of reciprocity under this legislation has been resolved and I will not object to the passage of this legislation, but in the near future I shall introduce legislation to protect American owernership in American business in the United States, where there is developing at this time very serious ownership questions of foreign intrusion, particularly in the field of non-vessel-operating common carriers.

Mr. MAILLIARD. Mr. Speaker, I rise in support of H.R. 155. This legislation, as the distinguished chairman of our Committee on Merchant Marine and Fisheries (Mr. GARMATZ) has stated, will facilitate this economical utilization of barge ship systems in our foreign trade.

Foreign-flag barge ship operators will be permitted to shift cargo between barges in American ports in order to consolidate shipments destined for the same U.S. or foreign port. Under existing law, as interpreted by the Bureau of Customs, such interchanges of cargo cannot be accomplished at the U.S. end of a voyage. This privilege will be extended, however, only to ships of those countries which grant reciprocal privileges to U.S.-flag barge-carrying vessels. This technical amendment to the Jones Act will in no way diminish the effectiveness of the law preserving our domestic waterborne commerce to U.S.-flag ships.

Mr. Speaker, the barge-carrying ship, like the containership which now dominates so many of the world's principal trade routes, is a product of American inventiveness. While the containership is ideally suited for trade between highly industrialized nations with sophisticated port facilities and well-developed internal transportation systems, the developing nations of Asia, Africa, and South America in many instances cannot take advantage of containerization due to their lack of adequate rail and highway systems. Additionally, the containership requires expensive port handling facilities which many of these countries cannot now afford.

The barge ship, on the other hand, is not dependent upon shorebased cargo-handling equipment and can take advantage of the extensive river transportation networks of many countries for the movement of barges from the sea to interior ports. The introduction of the barge ship service will not, therefore, place a sudden and severe financial strain on the resources of developing countries, nor will this system overtax their existing internal transport networks.

In the case of trade with Japan and with the industrialized nations of Europe, the barge ship offers similar advantages. From the operator's viewpoint, the flexibility of the Lash system is significant. While these ships are primarily intended to transport loaded barges, they also are capable of transporting containers or a mix of barges and containers providing a flexible response to the demands of the trade. Barges may be discharged at a series of ports or at a single port from which river or coastal towing vessels will move the barges inland or along the coast to other ports. Thus, the barge ship will be able to serve a great number of shippers with a minimum of voyage time.

In the case of Pacific Far East Lines, port time will be reduced by as much as 85 percent compared with the Mariner-class ships now serving the trans-Pacific trade. The round trip to the Orient on Trade Route 29 now takes 85 days. Lash ships will accomplish such a voyage in 42 days. The six Lash ships being constructed for PFEL will replace 10 Mariners and provide 50 percent more cargo capacity.

Mr. Speaker, this technological revolution requires a large investment on the part of the barge ship operator. Maximum operating flexibility will insure that the full potential of this system is realized. H.R. 155 will eliminate a technical barrier to the achievement of this goal. I, therefore, urge its passage.

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

Mr. MAILLIARD. I yield to the gentleman from Iowa.

Mr. GROSS. May I assume that this legislation is not designed in any way to promote expenditures on the part of the Federal Government?

Mr. MAILLIARD. No, there is no cost to the Government at all involved. This is a technical amendment to promote reciprocity with foreign countries in utilizing the new techniques of barge-carrying ocean-going vessels so that those barges may proceed to the destination of the cargo within this country and within other countries.

Mr. GROSS. And it is in no way designed to open the door to further Federal spending at some later date?

Mr. MAILLIARD. Not in any sense, no.

Mr. GROSS. I thank the gentleman.

Mr. PELLY. Mr. Speaker, I wish to join Chairman GARMATZ and my colleague

from California (Mr. MAILLIARD) in support of H.R. 155.

I cosponsored this bill in order to insure that U.S.-flag barge ships will not be restricted at foreign ports from achieving maximum operating flexibility. While none of our trading partners now appear to have laws preventing the interchange of cargo between U.S. Lash barges in their ports, it is highly likely that such laws or regulations will be adopted if our law, the Jones Act is not amended.

Mr. Speaker, I have been a defender and strong supporter of the Jones Act since first entering the Congress. I will continue to resist any effort to open our domestic trades to foreign-flag shipping, which would soon place us at the tender mercy of operators who are in many cases interested only in the fast buck and not the long-term interest of the United States.

This legislation, however, does not relate to domestic trade and amends the Jones Act in a technical sense only. For example, in the case of export cargo, a foreign-flag Lash barge loaded at St. Louis may under existing law be towed to New Orleans and placed aboard a barge ship for the sea leg of the through movement. At the foreign end of the movement, cargo from different U.S. origins loaded in separate barges in U.S. ports may be shifted to other barges for movement to their final destination.

It undoubtedly will be desirable, however, in many instances to combine these shipments at U.S. ports so that the barge ship when it departs the United States is preloaded in accordance with its scheduled sequence of foreign ports of call.

Under Bureau of Customs regulations which conform to the literal wording of the Jones Act, this foreign trade will be considered domestic commerce if the cargo is transferred between barges at a U.S. port.

Our U.S.-flag operators quite naturally want to have the option of transferring cargo from barge to barge at U.S. or foreign ports. By extending this right to foreign operators on a reciprocal basis, we will preserve the rights of U.S.-flag ships.

This is a reasonable bill, Mr. Speaker, and I urge all of my colleagues to support its passage.

Mr. GARMATZ. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. LENNON.)

Mr. LENNON. Mr. Speaker, three American-flag carriers are beginning transatlantic and transpacific services, transporting cargo preloaded in specialty barges which are placed aboard barge-carrying ships for movement between this country and ports in Europe, the Near East and the Far East. Efficient and economical operation of this new system of maritime transportation will require reshuffling and consolidation of cargo between those barges. The Bureau of Customs has ruled that this cannot be done in our territorial waters where foreign-flag barges are involved. H.R. 155 would permit foreign-flag operators to do so here provided their governments permit our ships to do likewise in their territorial waters. That is the purpose of this bill: To assure or obtain such rights for American-flag carriers in the territorial waters of the European and Asian countries to which they operate. Specifically, the bill would reciprocally permit foreign flag barges to transport in our territorial waters cargo which has here been transferred from one such barge to another.

In addition to the requirement of reciprocity for American-flag operators, the bill imposes other rigid limitations and restrictions. It is confined to cargo moving in foreign trade; that is, cargo which is moving from a U.S. point of origin to an ultimate foreign destination, or from a foreign origin to a U.S. destination. It would not permit coastwise trade by foreign-flag barges, recognizing that coastwise trade is and should be reserved to U.S.-flag vessels. These foreign-flag barges cannot in any circumstances be used here in shuttle service; this is prevented by the requirement that the barge must be one which is "regularly carried aboard a vessel in foreign trade." And both specialty barges—the one from which the cargo is transferred and the one to which it is transferred—must be owned or leased by the ocean carrier so using them. These limitations will be policed by the Bureau of Customs.

The cargo-transfer privilege will not, moreover, alter the existing jurisdiction of American labor. Your committee has been assured that foreign crews of these barge-carrying ships will not perform this work.

No one appeared in opposition to the bill. The cognizant Government departments support it. Your committee believes the legislation is required in order to obtain for U.S.-flag companies an operating flexibility in foreign waters necessary for the efficient and economical operation of barge-carrying ships, and that it will thus be of immediate benefit to U.S.-flag Lash and Seabee vessels.

Mr. GARMATZ. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. DOWNING) a member of the committee.

Mr. DOWNING. Mr. Speaker, this bill, H.R. 155, is necessary to facilitate a new, efficient, and economical concept of maritime transportation. It relates to operation of the so-called Lash and Seabee vessels which carry cargo preloaded in barges specially designed for carriage aboard those ships between U.S. and foreign ports. Although cast in terms of permission to foreign-flag specialty barges operating in our territorial waters, the bill's purpose is to assure such privileges to the U.S.-flag specialty barges operating in foreign waters. That is, such barges of other nations would be accorded that privilege in our waters only if U.S.-flag operators are accorded like privileges in the territorial waters of those foreign countries.

Under present law, a foreign-flag mother ship can offload specialty barges at a U.S. port of entry and have them towed to other ports or points in this country without being in violation of our laws. The Bureau of Customs has ruled however, that it is not permissible to tow these barges between U.S. points if there is any transfer of cargo from one such barge to another. For operating efficiency and economy, U.S.-flag operators plan to do just that in foreign waters—in the territorial waters, for example, of Germany, and Japan. The governments of those countries have evinced a willingness to permit that practice in their territorial waters. It must be recognized, however, that this favorable and understanding treatment of our carriers by foreign countries will not continue if like treatment is not accorded their operators in our territorial waters.

The privilege which this bill extends to foreign-flag barges is narrowly confined to foreign trade cargo which is carried in barges specially designed for and regularly carried aboard the mother ship in foreign trade. It will be policed by the Bureau of Customs with the advice of the Department of State. Indeed, the language of the bill was drafted by the staff of Customs, and the Treasury Department has advised your committee it anticipates no unusual difficulty in administering the proposed legislation.

The bill in no way infringes on the principle that coastwise trade is and should be reserved to U.S.-flag vessels. It is designed solely to correct a technical difficulty resulting from Customs' position with respect to movements in foreign trade.

The bill will not alter the existing jurisdiction of American labor to transfer cargo between specialty barges in our territorial waters. Your committee has been assured that foreign crews of these barge-carrying ships will not perform this work.

The bill will be of immediate benefit to U.S.-flag Lash and Seabee vessels operating abroad. It is endorsed by the Maritime Administration and the Federal Maritime Commission as necessary and desirable to facilitate the operation of this new concept in maritime transportation and thus to promote a modern and efficient merchant marine under the American flag.

Mr. GARMATZ. I yield such time as he may require to the gentleman from Pennsylvania (Mr. BYRNE) a member of the committee.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I thank the chairman for yielding.

I rise in strong support of H.R. 155, which would obtain the U.S.-flag companies the operating flexibility in foreign waters necessary for the efficient and economical operation of barge carrying ships, such as the Lash and Seabee vessels. The bill would do this by reciprocally permitting foreign-flag specialty barges of the type currently carried aboard Lash and Seabee vessels specifically designed and regularly carried aboard a barge carrying ship in foreign trade to carry export or import cargo

between U.S. points which has been transferred from one such barge to another.

I wish to emphasize that the provisions of H.R. 155, as reported, are purposely narrow in scope so as not to be in conflict with our cabotage laws.

H.R. 155 does not permit coastwise trade by foreign-flag specialty barges or foreign-flag barge carrying ships. Under H.R. 155 any cargo proposed to be moved from a U.S. point of origin to a U.S. ultimate destination would, therefore, continue to be subject to all the requirements of section 27 of the Merchant Marine Act, 1920.

H.R. 155 does not permit the carriage of cargo in foreign specialty barges towed between the U.S. mainland, on one hand, and offshore States, territories, or possessions, on the other; nor between such offshore States, territories, or possessions.

H.R. 155 permits the shifting of cargo from one foreign-flag speciality barge to another—subject, however, to the following limitations, which are to be policed by the Bureau of Customs:

First, the Bureau of Customs must be informed by the State Department that the foreign government involved extends reciprocal privileges to U.S.-flag specialty barges. Unless and until such reciprocal privileges are extended by a particular foreign country, specialty barges registered under the laws of that foreign country will not be entitled to the benefits of H.R. 155.

Second, the cargo must be "moving in the foreign trade of the United States," that is, under no circumstances will a domestic movement be permitted.

Third, the specialty barge must be one which has been certified to the Bureau of Customs as specially designed for carriage aboard a vessel, that is, it must be of the Lash or Seabee type.

Fourth, the speciality barge must be one which is regularly carried aboard the barge carrying ship in foreign trade, that is, the barge cannot be used in a domestic shuttle service under any circumstance.

Fifth, both the barge from which the cargo is transferred and the barge to which the cargo is transferred, must be of the Lash or Seabee type, must be regularly carried aboard the barge carrying ship in foreign trade, and must be under common ownership or operation by the ocean carrier.

H.R. 155 in no way infringes on the principle that our coastwise trade is and should be reserved to vessels built in and documented under the laws of the United States and owned by persons who are citizens of the United States. It is designed solely to correct a technical difficulty resulting from the Bureau of Customs' position with respect to movements in foreign trade. The purpose of the bill is to assure that foreign governments will not raise similar technical difficulties for U.S.-flag barge carrying ships operating in their waters in the same way. H.R. 155 should be of immediate benefit to U.S.-flag Lash and Seabee vessels operating abroad in that it will result in reciprocity which will permit consolidation of cargoes between U.S.-flag specialty barges off-loaded at foreign ports.

I strongly urge the House to support this bill that will prove to be of great benefit to United States-flag barge carrying ships of the Lash and Seabee type.

The SPEAKER. The question is on the motion of the gentleman from Maryland that the House suspend the rules and pass the bill, H.R. 155, as amended.

The question was taken; and—two-thirds having voted in favor thereof—the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DISTRIBUTION OF UNCLAIMED POSTAL SAVINGS DEPOSITS TO THE STATES

Mr. DULSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 135) to provide for periodic pro rata distribution among the States and other jurisdictions of deposit of available amounts of unclaimed Postal Savings System deposits, and for other purposes.

The Clerk read as follows:

H.R. 135

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) to provide a sharing in the amount of unclaimed Postal Savings System deposits among the States and other jurisdictions in which such deposits were made, which is more equitable and expeditious than may be accomplished under differing escheat laws, the Secretary of the Treasury is authorized, within sixty days following enactment of this Act, and on such date as he may set during each of the four succeeding calendar years, to divide the remaining principal of unclaimed deposits held pursuant to the Act of March 28, 1966 (80 Stat. 92), in the trust fund account established under section 17 of the Act of June 26, 1934 (31 U.S.C. 725p), including the accrued interest applicable thereto, into a retention balance and a distribution balance. The retention balance shall consist of that portion of the remaining principal and accrued interest which he deems necessary to retain for the purpose of honoring claims by or on behalf of depositors; the distribution balance shall consist of that portion not so designated. The Secretary is authorized to proceed to distribute to each of the fifty States and to the District of Columbia, Puerto Rico, the Virgin Islands, and Guam, referred to in this section as other jurisdictions of deposit, a pro rata share of the distribution balance. Each such share shall be determined on the basis of the ratio between—

(1) the dollar amount of the principal of the unclaimed deposits remaining as of each determination, which had been deposited in the post offices of the given State or other jurisdiction of deposit, as the case may be, according to the records of the former Postal Savings System and the Treasury Department, and

(2) the dollar amount of the principal of the total remaining deposits.

All determinations made by the Secretary of the Treasury under this subsection shall be final and conclusive and not subject to review in any court.

(b) The retention balance remaining after the final distribution authorized by subsection (a) shall be held by the Secretary of the Treasury in perpetuity in the trust fund account established under section 17 of the Act of June 26, 1934 (31 U.S.C. 725p), for the purpose of honoring claims by or on behalf of depositors, without regard to any laws of the States or other jurisdictions of deposit concerning the disposition of unclaimed or abandoned property.

SEC. 2. There is hereby authorized to be appropriated without fiscal year limitation to the trust fund established under section 17 of the Act of June 26, 1934 (31 U.S.C. 725p), out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to pay claims by or on behalf of depositors whenever the balance in that trust fund account is insufficient to pay such claims as a result of determinations and distributions authorized by the first section of this Act.

The SPEAKER. Is a second demanded?

Mr. McCLURE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. DULSKI. Mr. Speaker, I yield myself 5 minutes.

I rise in support of the bill H.R. 135 which provides for simplified procedures in distributing unclaimed postal savings accounts to the States and other jurisdictions of deposits. I sponsored this bill on the basis of an official recommendation by the Secretary of the Treasury.

The Postal Savings System was terminated as of April 27, 1966—Public Law 89-377. On July 1, 1967, the remaining deposits, amounting to $56.8 million in principal and interest, were transferred to the Treasury Department and deposited in a special trust fund for liquidation. In 1970, the Post Office Department transferred an additional $8.3 million to the Treasury to cover additional unpaid liabilities.

Since 1967, 83.5 percent of the total remaining deposits in the trust fund has been liquidated to rightful owners. However, this liquidation accounted for only 17.6 percent of the total number of accounts.

As of February 28, 1971, there remained 477,500 accounts with a total liability of $10.7 million, principal and interest. Of the remaining accounts, 35 percent are inactive since there had been no activity for more than 20 years.

Before the Treasury Department assumed the actual functions of liquidating the Postal Savings System, inquiries were received from several States, regarding escheat to the States of unclaimed deposits remaining in the system. The Treasury Department took the position that they would pay the amount of designated unclaimed deposits to a State which established, through appropriate State court proceedings, that the escheat laws of a State extended to funds held in the United States Treasury, and that the State claimed such deposits as the rightful owner. The Treasury Department decided that it would not extend the same rights to a State claiming as the custodian for the rightful owners.

The essential distinction between an escheat law and the State abandoned property law is that an escheat law, by judicial proceedings, substitutes the State for the private individual depositor by the transfer of the right and title to the deposits, while an abandoned property law turns over to the State as a custodian, by administrative action, the abandoned or unclaimed property until the claim is made by the rightful owner.

Two States, Indiana and Montana—

subsequently joined by five other States—instituted suits in district courts against the United States, to compel an accounting for and payment of unclaimed deposits under their abandoned property laws. However, the Treasury Department still maintained the position that they would not recognize claims from States claiming the unclaimed deposits under the abandoned property laws in the absence of final judicial determination of this question.

Action on all the court cases has been held in abeyance pending disposition of this legislation.

The distribution of the unclaimed funds, which are the property of individuals and not of the Federal Government, can be effected in State court proceedings which have the necessary escheat laws. Such a process would be time consuming, expensive, and extremely burdensome. Also, as I have indicated, there is a serious question of whether there could be any valid claims by States which do not have appropriate escheat laws unless the State actually enacts an escheat law to take care of this situation.

H.R. 135 provides a simplified procedure to distribute the unclaimed deposits without any necessity for the burdensome court proceedings. I believe this would be a fair and equitable method to overcome the problem. The actual procedure will be explained in detail by my colleague, the gentleman from Pennsylvania, who is chairman of the subcommittee which held hearings on this proposal.

New York State share of the unpaid funds is about $1.9 million. Under escheat laws the most New York could recover is about $400,000. This demonstrates the significance of this legislation.

As I indicated in the beginning, this bill is based on an official recommendation of the administration. It was reported from our committee by a record vote of 13 to 3. It is essential that the legislation pass at the earliest possible time because several States are withholding court action pending the outcome of this legislation.

Mr. Speaker, I strongly urge passage of H.R. 135.

Mr. Speaker, I yield such time as he may consume to the subcommittee chairman, the gentleman from Pennsylvania (Mr. NIX).

Mr. NIX. Mr. Speaker, H.R. 135, introduced by Congressman DULSKI for himself and Congressmen CORBETT, NIX, and DERWINSKI, was supported overwhelmingly in committee by Members from the majority and minority.

The purpose of H.R. 135 is to authorize the Secretary of the Treasury to distribute to each of the 50 States and to the District of Columbia, Puerto Rico, the Virgin Islands, and Guam a prorata balance of the amounts of unclaimed postal savings deposits while retaining in the Treasury sufficient funds to meet future claims.

The Postal Savings System was ended by statute in 1966. Today, approximately $11 million remain in the fund after extensive efforts have been made by the Treasury Department and the former Post Office Department to reach depositors with $10 or more in accounts. The fund has been reduced from $65.1 million owing in principal and interest to an aggregate liability of $10,765,101 as of February 28, 1971 in 477,500 accounts.

EXPLANATION OF BILL

SECTION 1

The Secretary of the Treasury would be authorized under the bill within 60 days of enactment and once every four years thereafter to distribute to each State on a pro rata basis the remaining principal and interest of unclaimed postal savings deposits.

This distribution would be made in lieu of escheat actions filed by the various States against the Treasury Department, and a system set up by the Treasury Department disbursing unclaimed postal savings from those accounts which have had no activity for 20 years.

A retention balance will be maintained by the Treasury Department in order to meet unexpected claims after the distribution of funds to the State have been completed. This balance will be maintained in perpetuity.

Each of the 50 States and the District of Columbia, Puerto Rico, the Virgin Islands, and Guam will receive a share based on the ratio between the dollar amount of the principal of the unclaimed deposits remaining as of each determination, which had been deposited in the post office of the given State or other jurisdiction of former Postal Savings System and the Treasury Department, and the dollar amount of the principal of the total remaining deposits.

SECTION 2

Section 2 authorizes appropriations to pay appropriate claims in the event the retention balance becomes fully depleted as a result of future claims.

RATIONALE

On page 4 of the report a schedule is included which set out the planned initial distribution by the Treasury Department of the unclaimed postal savings deposits. This is only the first of five distributions.

For example. New York will receive $855,000, California will receive $495,000, Texas $130,000, and Pennsylvania $347,000.

This bill is necessary because all that can be done to reach depositors has been done. The Treasury Department and the Postal Service have attempted to reach all depositors at their last known address with $10 or more on deposit. Many of the 477,500 accounts have principal amounts on deposit of $1 or $2. Thirty-five percent of the accounts have been inactive for over 20 years. Thus, a prompt and fair distribution of the remaining funds is impossible.

Federal court decisions have held that the funds involved are not Federal funds, they belong to the depositors and as such third party actions against such funds must be brought in State courts. This means that State governments seeking to bring escheat actions will be able to do so in State courts. While this right is important to the States, such a course of action will be costly to the States and the Federal Government.

This bill offers a way out for the States and the Federal Government. Depositors will be protected should late or surprise claims be made against deposits since the Treasury will retain a retention balance. The distribution of funds according to the formula set out in the bill will mean that the States and Federal Government can avoid massive litigation resulting from escheat action. A suit by the States of Indiana, West Virginia, Texas, Ohio, Colorado, and Connecticut, and a separate suit by the State of Montana have been stayed pending the passage of legislation identical to H.R. 135.

I urge the passage of H.R. 135 in order to avoid administrative and legal costs and an uncalled for delay in distributing to the States and remaining unclaimed funds in the closed Postal Savings System.

Mr. McCLURE. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, the method by which unclaimed postal savings funds are to be distributed among the States under the bill before us, H.R. 135, is apparently fair and efficient, and I recommend enactment of this legislation.

The method of distribution, in brief, calls for the Department of Treasury to determine how much of the balance in the trust fund account of the old postal savings system reasonably needs to be retained to pay future claims from rightful owners, and then distribute the surplus to the 50 States and four jurisdictions on a pro rata basis. The pro rata basis is the ratio of the balance of each State account compared to the total amount available for current distribution. There will be five distributions under the legislation, in 5 calendar years, with a final retention balance to be permanently held to pay future claims.

The details of this procedure have been explained by others and I will not be repetitious.

Spokesmen from the Treasury Department testified at length before our Subcommittee on Postal Facilities as to the need for this legislation. It is the reasoning of the Department that the legislation will eliminate significant burdens and expenses for the States and the Federal Government under escheat proceedings in the State courts. I accept the Department's position on this score, and support the bill in an effort to be helpful in providing a means for the liquidation of these unclaimed funds.

However, I want to raise one flag of caution. The legislation, as now drafted, authorizes to be appropriated, without fiscal year limitation, such sums as may be necessary to pay claims whenever the balance in the trust fund is insufficient to pay valid claims. I can only speak for myself, Mr. Speaker, but it is my intent, and I believe that of the committee, that this authorization will never be used; that the Secretary of Treasury will administer the liquidation and distribution of the postal savings account in such a way that he will not find him-

self in the position of lacking the necessary funds out of the moneys to be distributed to pay valid claims. I hope the House will agree that this is the intent of the legislation.

Mr. Speaker, I recommend the enactment of H.R. 135.

Now Mr. Speaker, I have in hand a book entitled "The History Of The Surplus Revenue Of 1837," a book which I borrowed from the Library of Congress. It shows that in 1837 this Government had some surplus revenue. It is hard to believe that was ever possible in the light of what we see happening today. This surplus revenue was distributed to several States, some 25 of them, such as New York, which got $4,014,520.71—and New York has never repaid the Government a dollar of this money that was handed as a loan, nor has it paid any interest on the money.

Pennsylvania got $2,867,514.78.

My friend, the gentleman from Missouri, will I am sure, be interested to know that the "Show-Me State" got $382,375.30, and has never paid a dime of principal on the loan, or a penny of interest.

Tennessee got $1,433,757.58.

I say to my friends from California you got nothing, and we got nothing in Iowa. There are several of the States that got nothing, because they did not exist in 1837. They were not around for that handout. The gentleman from Illinois is shaking his head, but Illinois got $477,-919.44.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. McCLURE. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I thank the gentleman for the additional time.

And Illinois has not repaid a dollar. It has been estimated in some quarters, that if the States had paid 2-percent interest, compounded from 1837 to the present day, they would owe about $13 billion, including the original handout. I note the presence of the gentleman from North Carolina, (Mr. HENDERSON). North Carolina got $1,433,726.39. If I could find some simple way to do it in this legislation. I would to say to you who got the 1837 handout that you must forgo participation in this postal savings handout and give the States of Iowa, Florida, California, and others preferred treatment at this time.

Incidentally, there is the State of Pennsylvania, and I will say to the gentleman from Pennsylvania (Mr. NIX), that his State got $2,867,514.78—and it is still owed.

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

Mr. GROSS. I yield to the gentleman.

Mr. HALL. I am delighted, Mr. Speaker, that the gentleman, my friend from Iowa, would yield for a query or powwow in the time-phase of Indian territory.

I would like to recall to the gentleman's mind that we just voted for paying reparations to the Indians for land that was taken up prior to the date of the bill wherein we did historically dissolve the excess in the Federal Treasury. He will recall that it was shortly after that we also dispersed some lands under the "Homestead law". The statement is going around that the Federal Government has come back into control in fee simple of more than 34 percent of the U.S. land acreage exclusive of Alaska, that is more land than is represented by the State of Iowa, which I believe is an Indian name. Whether Missouri has repaid this "loan"—which was never intended to be repaid, and on which final payments were made because of the scandals of the next administration—is academic if not historic.

I have read that history a bit, too.

I appreciate what the gentleman is doing, but I am just a little bit surprised that instead of trying to get Iowa's hand into the till and require Missouri to pay a loan that he is not recommending that we forgo this dispersion to the States on a pro rata basis, and simply leave it in the defunct U.S. Treasury.

Mr. GROSS. That is a good suggestion but, of course, it will not be done that way. But I do suggest that Missouri step aside and let some of the rest of us climb on the gravy train.

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

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. NIX. Mr. Speaker, I only want to make the observation that that is the only occasion that the State of Pennsylvania ever got something for nothing.

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

Mr. GROSS. I yield to the gentleman.

Mr. HENDERSON. Mr. Speaker, I thank the gentleman for yielding.

I hoped the gentleman is not going to pursue his line, as I thought he might, and suggest that we ought to have a deficit-sharing bill rather than a revenue-sharing bill as some have proposed—and that such deficit-sharing legislation be limited to those States he enumerated as recipients from the 1837 act.

Mr. GROSS. I thank the gentleman for the suggestion.

Mr. McCLURE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, the points in favor of this bill have been well emphasized. I would wish to point out that the chairman of the full committee and the chairman of the subcommittee reminded us that the formula worked out is consistent with what we believe to be the best interests of the individuals who have yet to claim their funds from this system.

Our action this afternoon will be consistent with that termination of the postal savings system. However, since we were treated to an unexpected history lesson by the gentleman from Iowa, I only wish to observe, if I may have the attention of the gentleman from Iowa, that the reason the Federal Government back in 1837 had a surplus and could redistribute it was because at that time the President was a Jeffersonian Democrat and unlike the present day Democrats who are wild-eyed spenders, the Jeffersonian Democrats traditionally looked after the best interests of the taxpayers. But history has distorted and altered the performance of that once great party.

Mr. Speaker, as a cosponsor of H.R. 135, I rise in its support and urge its prompt approval.

This legislation is, in my opinion, a sound and necessary step toward completion of the action which the Congress took 5 years ago when it enacted legislation to terminate the Postal Savings System and liquidate its funds. That was done because of the steady decline in Postal Savings depositors, greater financial opportunities in the private sector of the economy, and because the costs of the system had begun to exceed its income as well as its value to the public and the Government.

On July 1, 1967, the remaining funds of the Postal Savings System were transferred to the Treasury for deposit in a trust fund for unclaimed moneys and for liquidation. The total transfer from the Post Office Department to the Treasury amounted to $65,139,000. As of the end of February 1971, there remained an aggregate liability of $10.7 million of unpaid and unclaimed accounts. I should point out, Mr. Speaker, that in addition to the general publicity about the liquidation of the system, the Treasury Department took steps to notify depositors with inactive accounts of $10 or more in unpaid principal at their last known address.

The legislation before the House today has two main objectives. First, because the States and not the Federal Government have the right to escheat the unclaimed postal savings accounts, the proposal under consideration would permit the States to share in the unclaimed funds in a sound manner without the effort and expense required by the escheat procedure. And second, the legislation preserves the right of all future claimants to look directly to the United States for their money, promptly upon submission of their claims on the basis of the full faith and credit of the United States.

Mr. Speaker, this legislation proposes an orderly and equitable distribution of the unclaimed moneys among the 50 States and four jurisdictions of deposit. The formula for distribution worked out by the Treasury Department in this bill is fair and the enactment of the bill H.R. 135 will serve a beneficial purpose to all concerned.

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

Mr. DERWINSKI. I yield to the gentleman.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding and I appreciated his history lesson, but I am concerned with the legislation before us.

I cannot for the life of me rationalize why it is necessary to have section 2 in the bill under consideration, which says that funds are herewith appropriated as may be necessary—which is the way we set up future unlimited backdoor raids on the Treasury—are authorized for funding this dispersion of per-

sonal savings now held in excess by the U.S. Treasury. We go to great length in the bill and committee report to see that we will always keep a balance, and after the fifth or sixth distribution, the Secretary of the Treasury will still maintain that position, and yet we are appropriating more money out of the General Treasury. Now, why?

Mr. DERWINSKI. The reason, may I advise the gentleman—and the gentleman in effect has answered his own question—under the formula, under all the figures and information we have at our disposal, it will not be necessary. However, the legal experts of the Treasury say that this is necessary to meet the complications that are inherent in this situation. It is not our intent, as the gentleman from Iowa pointed out, that this should ever be the case, but for technical reasons this provision was deemed necessary.

Mr. HALL. A very sophisticated explanation. I thank the gentleman.

Mr. DULSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. WHITE), a member of our committee.

Mr. WHITE. Mr. Speaker, on examining this particular bill, I conclude that we are not being entirely consistent in our application of the theory of government. I am not sure the bill, if it becomes law, will be proper law. For example, the deposits made under the postal savings were made by individuals and the money went to the U.S. Government. The States never deposited this money themselves. The money was not deposited in the States themselves as, for example, in a bank. Most of the State escheat laws of this country deal with money deposited in the States or property therein. But this money is not so. The U.S. Government remains liable under this bill. Why should this money held by the U.S. Government be distributed to the States and yet hold the United States liable on claims?

Now, the author does project a trust fund that he feels will take care of future claims, but the person making the estimate of future claims could be wrong. What this bill proposes is that the States that never deposited the money, never held the money within the State, shall not be liable but shall receive the gratuity of the money, and yet the U.S. Government shall remain liable in the future. The estimate of future claims under which the trust retention is made could be completely erroneous. This is a mobile society. Many people have made their purchases of postal savings from one State, and then moved to another State, why should the original State where none of the money nor receipt is held have a right to this money? You cannot say that this distribution is equitable.

I think the money should go back to the U.S. Treasury, in the general funds to pay future claims and for the general purposes of Government. This money was deposited with the U.S. Government, was owned by the U.S. Government with a right of redemption by individuals, and therefore should remain with the U.S. Government.

Mr. DULSKI. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. HENDERSON), a cochairman of our committee.

Mr. HENDERSON. Mr. Speaker, the Congress of the United States abolished the Postal Savings Deposit System in March of 1966 because it was no longer useful as a savings system. It was no longer a serviceable system because interest rates were limited by law to 2 percent annually and this was only to be paid on a maximum principal of $2,500.

Our problem with the Postal Savings System has not been ended. Ten and a half million dollars in unclaimed deposits is still in the custody of the Treasury Department in 477,500 accounts. Thirty-five percent of these accounts have had no activity for over 20 years.

This aggregate balance is threatening to be the cause of more litigation by State governments against the Treasury than one would think possible.

State governments have brought escheat actions in State courts against deposits located within the States. This is a costly process for the States as well as the Treasury. Federal court decisions hold that is proper for the States to bring such actions in State courts since these funds belong to the depositor and are not Federal funds.

In addition, a lawsuit filed in 1968 by the States of Indiana, West Virginia, Texas, Ohio, Colorado and Connecticut against the U.S. Treasury was stayed pending the passage or defeat of the legislation before us today.

The Treasury and postal service have gone to great lengths in trying to reach all depositors in unclaimed accounts. Letters were forwarded to all depositors in accounts with $10 or more on deposit. Extensive publicity campaigns were carried out to inform the public about the availability of such funds.

As a result, the liability in 1966 of $65.1 million has been reduced to $10.5 million.

But, the Federal Government is at the end of its rope. Everything humanly possible has been done to reach depositors. The States are threatening massive litigation under either a custody doctrine or under their own escheat statutes. The funds cannot be maintained indefinitely by the U.S. Treasury because they are not public funds and they are subject to lawful claims by depositors and possible third parties lawsuits.

The question is how to distribute such unclaimed funds to the States while at the same time maintaining enough on hand to meet surprise claims by depositors.

This bill does accomplish the objective by making a series of five annual distributions to the States and four other jurisdictions—the District of Columbia, Puerto Rico, the Virgin Islands, and Guam—according to a ratio between the balance of each State account based on the dollar amount on deposit in a jurisdiction to the dollar amount of the principal of the total remaining deposits.

The first distribution would be made within 60 days after enactment, and subsequent distributions would be made on such dates as the Secretary of the Treasury may set during the following 4 years.

A balance will be finally retained after the fifth annual distribution and will be held available in perpetuity to pay future claims. If such a fund is insufficient, the Treasury will seek appropriations to make up the difference.

If this bill is enacted, the Federal Government will avoid massive litigation, the States and other proper jurisdictions will receive a just share of unclaimed deposits, and depositors or their heirs who have not made claims will be able to do so against a retention balance.

I urge the favorable consideration of this legislation.

Mr. McCLURE. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I appreciate the gentleman's yielding and rise in support of the bill. Frankly, I am not concerned at all about the revenue sharing that went on in 1837 discussed a moment ago. I just wish—and I am sure the gentleman from Iowa would share this view—I wish the financial situation in the country at the present time was such that we did have a surplus that we could share with the States of the country.

In my opinion, Mr. Speaker, it is a good bill, and I urge its passage.

Mr. McCLURE. Mr. Speaker, I wish to add my support to the bill, H.R. 135. This legislation, which is a recommendation of the administration, will establish an equitable procedure for the distribution among the States of the unclaimed funds in the postal savings system.

The Postal Savings System was terminated as of April 27, 1966, under Public Law 89-377, and the purpose of this bill is to simplify the liquidation of the unclaimed funds of the account and to insure a retention balance and the full faith and credit of the United States for the payment of any claims in the future.

The alternative of this legislation is for the States to initiate cumbersome and costly court proceedings—which proceedings would also be costly to the Federal Government—in order to escheat the unclaimed funds of deposit. I believe that the procedure set forth under H.R. 135 is superior in that it foregoes such court action and at the same time preserves the right of each depositor to call upon the United States for payment of a valid claim.

Mr. Speaker, H.R. 135 provides for the Secretary of the Treasury to make a reasonable determination as to the funds necessary to pay future claims of rightful owners and then to distribute the balance among the 50 States and four jurisdictions of deposit on a pro rata basis. In testimony before our committee, spokesmen of the Treasury Department have estimated that the initial distribution among the States will be $5 million, out of the total of $10.7 million in unpaid principal and interest in the fund.

There will be four subsequent distribu-

tions in four succeeding calendar years, with a permanent retention fund to remain with the Treasury Department for the payment of future claims.

Mr. Speaker, I believe this legislation carries all the necessary safeguards for the equitable disposal of these unclaimed accounts, and I am satisfied that each depositor who currently has a valid claim to money in the savings fund is fully protected. I hope my colleagues will agree that H.R. 135 is necessary and sound legislation and that we will move toward its prompt enactment.

Mr. DULSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. HANDLEY), a member of our committee.

Mr. HANLEY. Mr. Speaker, H.R. 135 will turn over to the States unclaimed postal savings deposits, which are deposited within State jurisdictions in five annual installments. The jurisdictions of the District of Columbia, Puerto Rico, the Virgin Islands, and Guam will also be included in this distribution. This bill will finally distribute most of the remaining funds in the Postal Savings System which was abolished by Congress in 1966.

Under this legislation, for example, Texas will receive $130,000 as an initial distribution. California will receive $495,000, New York $855,000, and Pennsylvania will receive $347,000.

The formula of distribution is based on a ratio between the balance of the dollar amount of the principal of unclaimed deposits remaining as of each determination by the Secretary of the Treasury, which have been deposited in the post offices of the given State or jurisdiction of deposit, as the case may be, and the dollar amount of the principal of the total remaining deposits.

This bill is the only solution to an increasingly complex problem over the small remaining unclaimed deposits in the custody of the Treasury Department.

The Treasury and Postal Departments have contacted the last known address of every depositor with $10 or more in account. They conducted since 1966 an effective public relations campaign designed to reach all postal savings depositors with claims.

Their campaign was successful in that the aggregate liability of $65.1 million was reduced to $10.5 million as of February 28, 1971. But this liability of $10.5 million is scattered through 477,500 accounts. A total of 143,644 of these accounts have only a balance of $1 or $2. It is not likely that the same kind of effort will substantially reduce the remaining liability.

The States are threatening to sue under their escheat statutes for those unclaimed deposits within their jurisdictions. In addition, a suit was filed and suspended by stipulation by the States of Indiana, West Virginia, Texas, Ohio, Colorado, Connecticut, and Montana. The stipulation was based on the recommendation by the Treasury Department and introduction of legislation identical to this. Should this legislation fail today, it is likely that these same States and others, such as New York, will file new suits involving the Treasury in massive litigation.

The depositor who has not claimed money on deposit may be able to do so in the future under the terms of this bill because a retention balance to pay surprise claims will be kept on hand by the Treasury. Should this fund be insufficient, the deficiency may be made up by appropriated funds.

This legislation slashes a "Gordian knot" which, if left tied as is, could embroil the States and the Federal Government in endless litigation and paperwork.

I urge the passage of H.R. 135.

Mr. BEVILL. Mr. Speaker, I urge the passage of H.R. 135 as the only solution to an administrative tangle that may result in costly litigation in relation to a comparatively small amount of money which the Treasury Department holds as a custodian.

Congress abolished the Postal Savings System in 1966. At that time the total liability to depositors was $65.1 million. Because of the efforts of the Postal Service and the Treasury Department, the balance was reduced to $10.5 million on February 28 of this year.

The problem faced by the Treasury Department which is now the sole custodian of remaining unclaimed postal deposits is that everything that could be done to reach depositors has been done since 1966. Because these funds are unclaimed, State governments may bring escheat actions against individual accounts and several States have brought a multiparty action seeking custody from the U.S. Treasury of deposits which are unclaimed and within their jurisdictions.

The Treasury answered the suit brought in Indiana, Texas, West Virginia, Ohio, Colorado, and Connecticut by asking for a stay of proceedings by stipulation by the parties if the Treasury would request that the legislation before us today be introduced in the Congress. It was in the 91st Congress, and was reintroduced in this Congress as H.R. 135. The suit was stayed by stipulation.

This bill would distribute to the States, once each year for 5 years, an amount of money fixed by formula. The formula is based on a ratio between the balance of the dollar amount of the principal of the unclaimed deposits remaining as of each determination, which had been deposited in the post offices of the given States or other jurisdiction of deposit, as the case may be, according to the records of the former Post Office Department and Treasury Department and the dollar amount of the principal of the total remaining deposits.

A retention balance will be maintained in perpetuity to pay surprise claims by Treasury and if such estimated balance is insufficient the Treasury Department will be able to make up the difference out of appropriated funds.

The passage of this bill will avoid a lengthy legal dispute between the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands and the Treasury Department over the comparatively small remainder of unclaimed deposits. There is in addition the threat that it may be necessary for the States to initiate thousands of escheat actions in order to reach unclaimed deposits.

The $10.5 million in 477,500 unclaimed postal savings accounts with an average liability of $18 may prove to be the cause of a terrible administrative and legal tangle, the final cost of which could equal a figure comparable to the total value of the fund itself in time and paperwork. For instance, 143,644 of these accounts have a balance of $1 or $2. There is no commonsense way to reach these amounts except through legislation such as H.R. 135.

When Federal courts determined that postal savings deposits were the property of the depositors and as such the amounts were subject to legal action in State courts by third parties, they make the solution before us today in H.R. 135 the only practical solution.

H.R. 135 is a commonsense piece of legislation. I urge its passage.

Mr. DULSKI. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from New York that the House suspend the rules and pass the bill H.R. 135.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 135, and to include extraneous matter.

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

There was no objection.

EXTENDING THE PRESIDENT'S REORGANIZATION AUTHORITY

Mr HOLIFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6283) to extend the period within which the President may transmit to Congress reorganization plans concerning agencies of the executive branch of the Federal Government, and for other purposes.

The Clerk read as follows:

H.R. 6283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 905 of title 5 of the United States Code is amended by striking out "April 1, 1971", and inserting in lieu thereof "April 1, 1973".

SEC. 2. Subsection (b) of section 903 of title 5 of the United States Code is amended by inserting after "and to each House while it is in session" the following: ", and furthermore shall not transmit more than one such plan to Congress within any period of thirty consecutive days".

SEC. 3. Subsection (a) of section 905 of

title 5 of the United States Code is amended by striking out "or" at the end of paragraph (5), and by striking out the period at the end of paragraph (6) and inserting in lieu thereof ", or", and by adding after paragraph (6) the following new paragraph:

"(7) dealing with more than one logically consistent subject matter."

The SPEAKER. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 6283 will extend the authority of the President to submit reorganization plans to the Congress until April 1, 1973. The most recent extension expired on April 1, last. The bill was reported without a dissenting vote from the Committee on Government Operations.

The legislation was requested by the Nixon administration in an executive communication from the Director of the Office of Management and Budget, dated February 1, 1971. Sections 2 and 3 of the bill, however, were originated in the committee, based on a concern of many years which we have had in the manner in which reorganization plans have been submitted to the Congress.

The Reorganization Act of 1949 (5 U.S.C. 901–913) permits the President to submit reorganization plans which may transfer, consolidate, or abolish Federal agencies and functions. Such a plan then becomes law unless, within 60 days, either the House or the Senate passes a resolution of disapproval.

Section 2 of the bill proposes that the President shall not submit more than one such plan within any period of 30 consecutive days. This is simply to prevent our committee from being overloaded with plans at any one time, thereby not being able to give each of them the attention and scrutiny it deserves. I assure you that we are going to carefully analyze all reorganization plans so that our recommendations to the House will be based on sound knowledge. I believe that if the plans are spaced at least 30 days apart we can do the job we should properly do.

Section 3 of the bill proposes that a plan deal only with "one logically consistent subject matter." This will prevent the submission of omnibus plans covering a wide variety of actions on unrelated subject matters. It is enough that a reorganization plan deal with one clear-cut subject matter. In this way the Congress can express its intention clearly and without the confusion that may be caused by a combination of unrelated matters.

These amendments to the basic act are reasonable and will be beneficial to the executive branch and the Congress. They in no way alter the effectiveness of the Reorganization Act nor will they impair the President's ability to formulate and submit plans in any significant way. The administration prefers not to have these limitations, but indicated they were in fact following the suggested procedure informally.

It may also interest Members to know that in the full 21 years the act has been in effect, 90 reorganization plans have been submitted to the Congress and 70 of these were acceptable to the Congress and became law.

You will note in our report, on page 4, that we concur with the estimate of the Office of Management and Budget that this legislation will not require any additional direct expenditure of funds.

We believe the Reorganization Act has proved its value and stood the test of time. The 2-year extension should give the President adequate opportunity to employ this tool to improve the management of our vast governmental establishment and obtain such economies as may be possible.

I urge my colleagues in the House to support this legislation.

Mr. HORTON. Mr. Speaker, as one of the coauthors of H.R. 6283 I am pleased to rise in support of the extension of the Executive Reorganization Act for an additional 2 years.

This act authorizes the President to submit to Congress plans for the reorganization of Federal Government agencies by means of transfer, consolidation, or abolition. If the Congress does not within 60 days vote to disapprove a reorganization proposal, it shall take effect.

A number of safeguards have been built into this procedure over the years. For one, only one House need vote against a plan to kill it. Second, the reorganization procedure may not be used to establish a new department. Third, a plan may not create new legal authority. This last point is most important because it assures that the reorganization procedure may only be used to rationalize structure and not to subvert Congress authority to legislate.

The Reorganization Act is, then, solely a means to enable the President, upon concurrence of the Congress, to make Government operations more efficient and economical in order to: Promote better execution of the laws, reduce expenditures, increase efficiency in Government operations, abolish unnecessary agencies, and eliminate duplication of effort. No one, in my opinion, can quarrel with these objectives.

The Hoover Commission recommended the enactment of reorganization legislation and such a provision, in one form or another, has been in effect since President Roosevelt's first administration. Since 1949, when the act enacted in a form very similar to that now before us, 90 reorganizations have been submitted to the Congress, and 71 have been approved. To, to my mind, clearly demonstrates that this authority has not been misused by the Executive authority, but rather has met with general acceptance by the Congress. Establishment of the Environmental Protection Agency and the National Oceanic and Atmospheric Administration are two recent examples of the effective use of the Reorganization Act to improve the operations of Government. By the same token, however, the fact that Congress has rejected approximately 20 percent of the plans proposed also shows that it has not abandoned its legislative responsibility, but rather has maintained a careful scrutiny over this authority.

Today, more than ever before, the need arises for improved Government efficiency and economy. Billions of dollars are being spent annually on programs to improve the welfare, health, and economy of our people. Yet, all around us we witness failures in education, health, housing, manpower training, transportation, environmental protection, and many other vital areas of life. Many of these failures can be attributed to poor organization, inefficient operations, and antiquated delivery mechanisms.

Government, if it is to deal effectively with current problems and issues, must be alive, vigorous, and aggressive. New legislation is being enacted with each passing Congress, priorities, and goals are regularly changing, and functions are being altered to meet new demands. In order to keep pace with this ever-changing posture, Government organization must be flexible, capable of changing, and able to adjust. Otherwise, stagnation and decay will overwhelm existing institutions and defeat program objectives.

President Nixon put it succinctly in his message to Congress in 1969, calling for an extension of this legislation at that time:

New times call for new ideas and fresh approaches. To meet the needs of today and tomorrow, and to achieve a new level of efficiency, the executive branch requires flexibility in its organization. Government organization is created to serve, not to exist; as functions change, the organization must be ready to adapt itself to those changes.

The Nation's margin of error has narrowed considerably in recent years. Utilization of the Reorganization Act process can and does provide an efficient device for improving Government effectively and expeditiously. In so doing, however, safeguards are maintained as indicated above. To further these safeguards the Committee has added two amendments to this legislation: First, to limit the number of plans the President may submit to Congress to not more than one within any period of 30 consecutive days, and, second, to prohibit the submission of a plan that deals with more than one logically consistent subject matter.

Mr. Speaker, I urge enactment of this legislation.

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

Mr. HOLIFIELD. I yield to the gentleman.

Mr. RONCALIO. I thank the distinguished gentleman for yielding. I would like to ask a question.

Does this extension carry with it any directive, suggestion, or recommendation that there be studied now in the reorganization plan some decentralization of the physical plant of the Capital of the Government in the District of Columbia?

Mr. HOLIFIELD. No. This is the basic act that gives the President authority to send up such plans as he feels may be necessary.

Mr. RONCALIO. Does the chairman feel that the time has come that the Congress ought to concern itself with the need to decentralize the Government of the United States of America to avoid the choking and congestion and uninhabitability that seems to be impressing itself on the District of Columbia?

Mr. HOLIFIELD. The gentleman has brought forth a very complicated subject matter. There has been considerable decentralization, as the gentleman knows. Now the President of the United States is recommending, in substantive legislation having nothing to do with this, the concentration of seven departments of the Government into four. So I think the gentleman's philosophy should certainly be looked into. It will be a matter that will be before the Congress, maybe not on this specific point but it could be before the Congress on this specific point if the President wants to send up such a plan.

Mr. RONCALIO. I thank the chairman.

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

Mr. HOLIFIELD. I am glad to yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman yielding and appreciate his prefatory explanations.

The two items that have been added worry me just a little bit as to consistency within the overall purview of the Reorganization Act of 1949, as amended. I might say in introducing my question to the distinguished gentleman, I am not sure that even though that was a recommendation of the first Hoover Commission it has always been well received by the distinguished committee which has not always approved reorganization acts of the executive branch. The Constitution is very clear about the seat of the Government and the organization of the Government by the people's elected representatives. Honestly this act of 1949 allowed a "veto in reverse"—not a veto by the chief administrative officer of the executive branch, but a veto in reverse by the legislative branch of the executive's reorganization plans, as and if one or the other body of the Congress acted within so many days. Second, those days have been reduced progressively from the original law, which was 90 days, to 60 days, and one time last year we amended it to include a 30-day revision of one of the Reorganization Act proposals.

With that background——

Mr. HOLIFIELD. I think the gentleman is mistaken on the 30 days. The 30 days included in this bill, only has to do with the sending up of a plan.

Mr. HALL. I understand that perfectly, Mr. Chairman.

Mr. HOLIFIELD. The 60 days still obtains.

Mr. HALL. Actually, it limits the President to 12 plans or one reorganization plan a month in any 1 year, which gets down to my final question. My reference to the 30 days action by one or the other body was with regard to a single piece of reorganization legislation we adopted last year after having reduced it from the original 90 to 60 days for the current action which must be engaged in by one or the other body.

I will say as a member of the Joint Commission on the Organization of the Congress for the past 7 years, it has been 60 days.

Anyway, with that background, if we do limit the chief administrative officer of the executive branch to one reorganization every 30 days, how do we in fact determine and who interprets logically the definition of "subject matter?" Does the committee determine this after the executive branch has submitted it, or can the chief executive officer get by, organize and administer well, with one such proposal every 30 days by including related matters?

For example, is the "related matter" or the "consistent subject matter," the consolidation of seven different branches of the Cabinet into four, is that "consistent"? And, I presume the committee report means an item of "consistent subject matter."

Mr. HOLIFIELD. I want to be responsive to the question which has been posed by the gentleman from Missouri.

In the first place, the intent of this legislation is that in any one reorganization plan the matter treated will be consistent, that it will not be an omnibus bill that will treat a number of different subjects, but treats only one subject matter.

Now, in the case of the seven departments being changed into four, the recommendation of the executive branch that has been sent up was sent up under substantive law and does not come under a reorganization plan. It was sent up just for that reason, that it dealt with so many different subject matters and it proposes to do some things which are not allowed under a reorganization act, which are of a substantive nature. Therefore, it had to be sent up like an ordinary bill and we are handling it as an ordinary bill. We plan to start hearings on this tremendous task very soon. However, it is not being considered—Presidential legislation—in that manner. It is just like any legislation that goes to any committee, but it was sent to the Committee on Government Operations which has an overall widespread interest throughout the executive branch.

The basic act chartering the Government Operations Committee prescribes that reorganization plans and the setting up of new departments, new commissions, new boards, and new agencies should be sent to the Government Operations Committee because of its wide knowledge of the structure of Government.

Mr. HALL. I appreciate the gentleman's yielding and I appreciate his explanation. Certainly, it was not my intent to question the jurisdiction of the Committee on Government Operations.

Mr. HOLIFIELD. No.

Mr. HALL. I think the gentleman has answered my question and I think my question was valid, because at least the Presidential message to the Congress on the reorganization legislation referred to the Reorganization Act of 1949 which this legislation, H.R. 6283, does amend.

However, be that as it may, if I understood the gentleman from California correctly the gentleman did say that one act of consistent subject matter would pertain to one Cabinet branch of the executive branch of Government and not to seven, if the gentleman is interpreting the intent of this new legislation correctly; is that correct?

Mr. HOLIFIELD. I would say this: that if the subject matter is in different departments, that there could be a bringing together of functions, providing it dealt with the same subject matter. For instance, if it dealt with several agencies that had parallel programs. I can give the gentleman an illustration of what I am talking about.

Reorganization Plan No. 1, that is before us, seeks to bring together VISTA, SCORE, the Foster Grandparents, and other programs; all having to do with voluntary services by younger people and middle-aged people, and it was thought best by the administration to bring them together into one agency called ACTION.

The proposal may be subject to challenge—and I might add, it has been challenged in our committee, because it deals with volunteers. But the testimony from a number of credible and reputable Members of the House has been that "volunteerism" is not a function, it is a motivation and not a function; and, therefore, the bringing together of these programs on that basis is a rather broadening out of the concept of the reorganization plan. I am not making the point that it is, understand. I am talking about the testimony before our committee.

The VISTA plan, for instance, has to do with domestic voluntary action in communities, and the SCORE program has to do with retired businessmen helping businesses. But there is a question which has been brought up that this is really not one subject matter just because the participants in the two programs happen to be volunteers.

Nevertheless that is the way the Presidential plan was sent up. But some time ago, about a year ago, there was an omnibus bill sent up in which it was impossible for the Government Operations Committee to handle. We broke that bill down into seven bills, and sent the seven bills to the committees of jurisdiction. We are not anxious to intrude upon the basic substantive jurisdictions of other committees. It is only where we can render service to the executive branch, and to the Congress, that we like to work.

I might say that the term "subject matter" is, I think, pretty well understood, and we will not have a group of different projects brought together into one reorganization plan. And as to sending a plan up every 30 days, it still lies before the committee for 60 days, so you might say that at any one time there will not be more than two plans before the committee during that 30-day period, then the one would expire, and a new one could be sent up. But this will

not work a hardship on the executive branch, and we believe it ought to be ample time to look at these plans. Because when you look at the list of the plans that have been sent up, with the exception of 1950, there have never been more than 10 plans sent up in 1 year. During past years there were two, two, one, one, one, seven, two, one, five, five, three, four, one, and four in 1970. And that is the list. So actually we will not be in session 12 months and the last plan would have to lay before Congress for 60 days. So I would say that there would probably be less than one a month, probably eight or nine plans could be sent up in one year. That is far above the average that have been sent up over the years, with the exception of 1950, when there were 27 plans sent up.

Mr. HALL. Mr. Speaker, will the gentleman continue to yield?

Mr. HOLIFIELD. I yield further to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the analytical explanation, and I certainly appreciate the position of the committee. I want to make it crystal clear that only only concern was with the limitation on the numbers of plans allowable per month, plus the definition on the part of the committee of what was consistant, standard policy, and single in purpose, that we might not preclude the only justifiable reason for the reorganization bill in the first place; namely, letting the chief administrative officer reorganize for increased efficiency, any administrative branch of the Government, just as we insist on the power of reorganization of our own legislative branch.

Again I thank the gentleman.

Mr. HORTON. Mr. Speaker, if the gentleman will yield, I think it would be appropriate to point out at this stage, especially to answer the question of the gentleman from Missouri, that it was contemplated this year, especially with the committee having to handle the major reorganization plan that the administration has sent up, that we felt we did not have time in the committee to take under consideration any other reorganization plan, but the administration, as I understand it, has indicated its acceptance of this 30-day limitation, so we have no problem.

Mr. HOLIFIELD. That is right; we have no problem.

I wish the Members of the House could understand the tremendous task that has been directed at this committee in the handling of the basic reorganization legislation, not the plans, but the basic reorganization legislation which seeks to eliminate seven of the 11 Departments of the Government, and to transfer the functions of the seven into four departments.

I might say that this committee handled the setting up of the Housing and Urban Development Department. We worked on it for 2 years, brought it to the floor under the Kennedy administration, and it was defeated. Later under the Johnson administration we held new hearings, we looked at it again for days within the 2 years of the Congress, and brought it to the floor, and it was passed by the Congress, the new legislation. The Department of Transportation legislation was also handled by our committee, and we worked the better part of 2 years on this one Department to get it processed and brought to the floor, and of course the other body had to work its will on it.

Now we are faced with this tremendous task of studying seven departments of the Government, some of them having been in existence over 150 years, with a tremendous number of statutes that are attached to and direct the functions of these Departments, which have to be annotated and codified.

We have to study the effect of these changes on each of the departments and recognize the fact that all of the personnel now in seven departments, and in the case of HEW there are over 110,000 people in that Department, will be concentrated in four departments. So what we are going to have is larger departments, if we take all of the people in seven departments and put them in four departments. So it is really a tremendous task.

(Mrs. DWYER, at the request of Mr. HORTON, was granted permission to extend her remarks at this point in the RECORD.)

Mrs. DWYER. Mr. Speaker, the President's authority to transmit reorganization plans to the Congress is one of the more useful tools at his disposal for initiating improvements in organization and management of the executive branch.

As old programs change and new ones are established, the organization of the executive branch must be adjusted accordingly. The President needs organizational flexibility to cope with problems which may require new organizational solutions and for which the alternative legislation process may seem too slow. The basic reorganization authority of title 5, United States Code, which we are considering today, has demonstrated its effectiveness for over two decades and should be extended. Every President since Herbert Hoover has been granted similar authority and President Nixon needs it now to supplement his efforts to make the massive Federal bureaucracy more manageable and productive.

President Nixon has used this authority effectively to strengthen the executive powers of the Chairman of the Interstate Commerce Commission; to create a new Office of Telecommunications Policy in the Executive Office of the President; to reconstitute the Bureau of the Budget as the Office of Management and Budget and to create a Cabinet-level Domestic Council; and to establish the Environmental Protection Agency and the National Oceanic and Atmospheric Administration.

I have long argued that one of the reasons that we have only realized in part the good things that Government could achieve in education, housing, health, and other areas of national need is the failure to match our goals with the means to achieve them. New programs and more expenditures have often fallen short of expectations simply because the administrative structure is continually coming out of phase.

The President needs a continuation of his authority to adapt the organization of Government to changing needs and I support the legislation before us, H.R. 6283. I have joined in sponsoring the amendments to the administration bill in view of the President's sweeping reorganization proposals which will also come before the Government Operations Committee in legislative form. The committee will be unable to devote the vast amount of study to these proposals that will be required if, at the same time, a number of complicated reorganization plans are also making demands on the committee's time and resources. The amendments do not alter the basic thrust of the legislation and they are in accord with long-established precedent. Since the Economy Act of 1932, which first provided the authority for the President to submit reorganization plans to the Congress, the procedures have often been reviewed, reevaluated and revised. I do not view the amendments as limits on the President's authority, but rather as an adjustment of the congressional delegation of legislative power.

Therefore, I support H.R. 6283.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may require.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield for a question?

Mr. HORTON. I am glad to yield to the gentleman.

Mr. PUCINSKI. I wonder if the gentleman or the chairman could advise this Member if there is anything in this bill that will help to slow down this chronic game of musical chairs that goes on through various internal reorganizations of the agencies. We know that every agency is now undergoing some major change and important programs enacted by the Congress are being held up while new procedures have been spelled out and new job classifications. This is not peculiar to this administration. It happened in the last administration and in previous administrations. It seems to me we never give the Government a chance. We have some excellent people in Government, career people who are doing a good job and who want to do a good job. But they are under a constant siege of musical chairs and constant change.

Is there anything in this legislation that will slow down these changes and give these people a chance to implement programs that Congress enacts?

Mr. HORTON. As I understand the gentleman's question, he is referring to internal reorganizations in the departments?

Mr. PUCINSKI. That is correct.

Mr. HORTON. This bill does not give the Congress or this committee jurisdiction over any agency. We only act if a reorganization plan is sent up, and then we can approve or disapprove of the reorganization plan that is sent up. This act does not give us any authority to move into an agency and say you should do it this way or you should do it that way. We only act if they initiate a plan and send it up.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield for a further question?

Mr. HORTON. I am glad to yield to the gentleman.

Mr. PUCINSKI. Does any committee, the Committee on Government Operations or any committee in the Congress, have the authority to look at this constant turmoil that goes on in Government and present some sort of guidelines to give these programs a chance to work and give these agencies a chance to work. Assuming that your committee does not have any jurisdiction, does any other committee have such jurisdiction?

Mr. HORTON. I did not mean to mislead the gentleman. The Committee on Government Operations does have jurisdiction of oversight over the various departments of the Federal Establishment. There are also legislative committees of the Congress that have legislative oversight over the agencies that they work with. So the Committee on Government Operations could as a committee, or an appropriate subcommittee could, as they have in the past, have hearings and make recommendations with regard to the structure and organization within a department. But this act in and of itself does not give any additional authority—which is what I thought the gentleman was inquiring about.

Mr. PUCINSKI. I thank the gentleman.

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

Mr. HORTON. I yield to the gentleman.

Mr. GROSS. Mr. Speaker, I would like to state for the record that I have long been opposed to this method of legislating reorganization in the Federal Government.

Let the executive branch of the Government send its legislation up here and send it through the normal committee channels, and let there be a rule under which it can be considered on the House floor. I have never liked this business of voting affirmatively to obtain a negative result—and that is what this proposal will be continuing. I want to state for the record that I am opposed to this legislation and any legislation similar to it.

Mr. HORTON. I want to agree with the gentleman in general that I think it is important that if there is any major reorganization it should be done by legislative action. A bill should be sent up by the administration for that purpose. I think that would substantiate what the chairman said a few minutes ago; namely, in the last few years, I think since 1950, the administration has sent up fewer than 10 reorganization plans each year. They are basically minor reorganizations to facilitate the executive operations.

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

Mr. HORTON. I am glad to yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Speaker, I believe it is becoming increasingly evident today that organization is policy. This does not mean that one is a substitute for the other or that good organization can overcome bad policy or that good policy can be made effective in the face of bad organization. It does mean, however, that the manner in which policy, programs, and objectives are carried out—for better or for worse—will largely be determined by the type of organization that has been created. It also means that the likelihood of realizing desired goals and fashioning essential priorities is dependent to a significant extent upon the type of institutions established.

It is with this in mind that I have cosponsored legislation to extend the Executive Reorganization Act to permit the President to submit reorganization plans to the Congress which will become effective within 60 days if not disapproved by either House of Congress.

The purposes of the Reorganization Act are to improve economy and efficiency in Government operations, promote the better execution of the law, reduce overlap and duplication, and enhance coordination.

As essential as these objectives are, however, they are secondary to the main purpose of reorganization—the one that President Nixon has stressed again and again even before assuming office. That is that the institutions of Government must be alive and relevant to the challenges of our times if the needs of the people are to be met.

We in Government hold in public trust the obligation for seeing that the taxpayers' money is spent wisely and effectively. A necessary means for accomplishing this objective lies in the ability of Government to reform its own organization. In the past 20 years, approximately 90 reorganization plans have been considered by Congress and most have been approved to the benefit of good government. Just last year Congress approved the establishment of a Domestic Council in the Executive Office of the President and the Environmental Protection Agency—both giant steps in making Government more responsive to the needs of the people.

The need continues, Mr. Speaker, for the President and the Congress to have the means to keep the Government alive and relevant. Extension of the Executive Reorganization Act will contribute to this purpose.

Mr. RONCALIO. Mr. Speaker, as the House considers H.R. 6823, to extend the President's authority to proceed with governmental reorganization, it is imperative to provide for studies on decentralization.

The dispersal of offices not urgently required in the national capital is a fundamental aspect of reorganization which requires explicit recognition at this time.

The validity of this request is manifestly self-evident. There is not a resident in the Greater Washington area who has not had occasion to remark upon the wastefully inefficient and tragically inhumane destruction of the natural beauty of Washington by the relentless cramming of additional offices into an already overcrowded metropolitan area.

Washington is now the seventh largest metropolitan area in the Nation, with about 2.9 million residents according to the 1970 census. The District's growth rate of 38 percent for the last decade and its absolute population increase of 800,000 was exceeded only by that of the Los Angeles area.

In the last decade, the Nation's Capital has realized a gain in office space alone of 45 million square feet and ground work has been set to add an additional 55 million square feet in the coming decade.

In its policy statements for 1970, the National Governors Conference states:

> The Federal Government, through its inadvertent and uncoordinated planning and programs, is one of the major factors in creating population imbalance.

Along similar lines, the Congress of Cities, meeting in San Diego in December of 1969 called for "a specific policy for the settlement of people throughout the Nation to balance the concentration of population among and within the metropolitan and nonmetropolitan areas while providing social and economic opportunities for all persons."

Even more acutely than the Governors and municipal leaders, the Members of Congress should be responsive to the crisis of this city, the Nation's Capital. The Congress can exercise leadership in reversing this disastrous trend, or, by inaction, it can contribute to the problem.

There is no question but that the Federal Government is a major violator of sound environmental policy. A few years ago it tried to raze the beautiful and famous houses fringing LaFayette Square to make space for yet more office buildings. That effort was reversed, thanks to the outcry of the citizenry, but now gigantic construction is underway to house the Federal Bureau of Investigation in a building several times larger than that of its parent structure, the Department of Justice.

As I have reported before, the Army Materiel Command, contrary to good strategy, and sound population policy, is moving its permanent headquarters to two, huge, privately owned buildings in Alexandria.

It would take a full-time office to catalog the plans to add to the office space in Washington, whether by Federal action or through private organizations relocating here. Meanwhile, the traffic grows more impossible, the pall of smog intensifies, and the historic charm and beauty is eroded.

This is such a familiar problem, and the solution of dispersal such a familiar remedy, that the issue has been too often dismissed as another exercise in windmill tilting. Because the solution will require time and money being frantically sought for so many immediate problems, the destruction of Washington by construction mania has been deferred to that far-off day when, theoretically, time and money will be available for a massive rehauling.

I submit that the time for action is upon us, and the vehicle is embodied in the overall reorganization planning. Although a decentralization policy is of fundamental political and managerial significance, no general decentralization policy exists today, either in the executive branch collectively, or in the agencies individually.

A "crash" program to decentralize is not desirable. Rather, the procedure I am proposing is recognition of the possibilities and concerted planning to establish criteria to govern future action.

We simply cannot wait any longer for

the establishment of sound criteria for the review of all requests for additional facilities or for new and expanded activities in the Washington area, and the Nation.

The logical place to begin developing these criteria is the reorganization planning Congress is being asked to authorize.

In contrast to the half-hearted, piecemeal efforts which have heretofore characterized decentralization research, the new approach should be given the highest priority. Decentralization, in short, has to be a fundamental aspect of any reorganization plan.

The endeavors to reorganize the Cabinet should go hand in hand with an investigation of the possibilities of relocating certain offices in the many areas of the Nation which would welcome an influx of personnel.

If reorganization incorporates sound policies of decentralization, the pressure on the Washington area would be relieved, numerous States could reverse economic declines, and the Government would be brought closer to the people.

Reorganization must be more than the shuffling of titles and offices in Washington. If it has any value, it has to be linked to a coordinated program of redistribution of population, beginning, logically, with the Nation's primary mover of people, the Federal Government.

The SPEAKER. The question is on the motion of the gentleman from California that the House suspend the rules and pass the bill **H.R. 6283.**

The question was taken.

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 301, nays 20, answered "present" 0, not voting 111, as follows:

[Roll No. 78]

YEAS—301

Abbitt	Brown, Ohio	de la Garza
Abernethy	Buchanan	Dellenback
Abzug	Burke, Fla.	Dennis
Adams	Burke, Mass.	Derwinski
Addabbo	Burleson, Tex.	Devine
Anderson, Calif.	Burlison, Mo.	Dow
	Byrne, Pa.	Downing
Anderson, Ill.	Byron	Drinan
Andrews, Ala.	Cabell	Dulski
Andrews, N. Dak.	Caffery	Duncan
	Camp	du Pont
Annunzio	Carey, N.Y.	Eckhardt
Archer	Carter	Edmondson
Arends	Casey, Tex.	Edwards, Ala.
Aspin	Cederberg	Edwards, Calif.
Aspinall	Chamberlain	Eilberg
Baker	Clancy	Erlenborn
Begich	Clark	Esch
Belcher	Clawson, Del	Eshleman
Bell	Clay	Fascell
Bennett	Cleveland	Findley
Bergland	Collier	Flood
Betts	Collins, Ill.	Flowers
Bevill	Collins, Tex.	Foley
Biester	Colmer	Ford, Gerald R.
Bingham	Conable	Ford, William D.
Blanton	Conte	
Boggs	Corman	Forsythe
Boland	Coughlin	Fountain
Bow	Crane	Fraser
Brasco	Daniel, Va.	Frenzel
Bray	Daniels, N.J.	Fulton, Pa.
Brinkley	Danielson	Fulton, Tenn.
Broomfield	Davis, S.C.	Fuqua
Brotzman	Davis, Wis.	Galifianakis
Garmatz	McMillan	Roncalio
Gibbons	Macdonald, Mass.	Rooney, Pa.
Gonzalez		Rosenthal
Goodling	Mahon	Roush
Green, Oreg.	Mailliard	Roy
Griffiths	Martin	Ruth
Gude	Mathias, Calif.	Ryan
Hagan	Mathis, Ga.	Saylor
Haley	Matsunaga	Scherle
Hamilton	Mazzoli	Scheuer
Hammer-schmidt	Meeds	Schneebeli
	Melcher	Schwengel
Hanley	Metcalfe	Scott
Hanna	Michel	Sebelius
Hansen, Idaho	Mikva	Seiberling
Hansen, Wash.	Miller, Ohio	Shipley
Harrington	Mills	Shoup
Harsha	Minish	Shriver
Harvey	Mink	Sikes
Hastings	Mitchell	Skubitz
Hathaway	Mizell	Slack
Hawkins	Mollohan	Smith, Calif.
Hébert	Monagan	Smith, Iowa
Hechler, W. Va.	Montgomery	Springer
Helstoski	Moorhead	Stafford
Henderson	Morgan	Staggers
Hicks, Wash.	Morse	Stanton, J. William
Hillis	Mosher	
Hogan	Myers	Steed
Holifield	Natcher	Steiger, Ariz.
Horton	Nedzi	Stokes
Hosmer	Nelsen	Stratton
Hull	Nichols	Sullivan
Hungate	Nix	Symington
Hunt	Obey	Talcott
Hutchinson	O'Hara	Taylor
Ichord	O'Konski	Teague, Calif.
Jarman	O'Neill	Terry
Johnson, Calif.	Patten	Thompson, Ga.
Jones, N.C.	Pelly	Thompson, N.J.
Jones, Tenn.	Perkins	Thomson, Wis.
Karth	Peyser	Thone
Kastenmeier	Pickle	Tiernan
Kazen	Pike	Udall
Keating	Pirnie	Van Deerlin
Kee	Poff	Vander Jagt
Kemp	Powell	Vanik
Koch	Preyer, N.C.	Vigorito
Kuykendall	Price, Ill.	Waggonner
Kyl	Price, Tex.	Wampler
Kyros	Pryor, Ark.	Whalen
Landgrebe	Pucinski	White
Landrum	Purcell	Whitehurst
Latta	Quie	Widnall
Leggett	Quillen	Wiggins
Lennon	Railsback	Williams
Lent	Randall	Wilson, Bob
Link	Rangel	Wolff
Lloyd	Rees	Wright
Lujan	Reid, Ill.	Wyatt
McClory	Reid, N.Y.	Wylie
McClure	Rhodes	Wyman
McCollister	Riegle	Yates
McCormack	Roberts	Young, Fla.
McDade	Robinson, Va.	Zablocki
McFall	Robison, N.Y.	Zwach
McKay	Rodino	
McKinney	Rogers	

NAYS—20

Brooks	Gross	Patman
Broyhill, Va.	Hall	Poage
Chappell	Hays	Schmitz
Dingell	Long, Md.	Ullman
Dowdy	McEwen	Whitten
Gallagher	Moss	Wilson, Charles H.
Gettys	Murphy, N.Y.	

ANSWERED "PRESENT"—0

NOT VOTING—111

Abourezk	Culver	Griffin
Alexander	Davis, Ga.	Grover
Anderson, Tenn.	Delaney	Gubser
	Dellums	Halpern
Ashbrook	Denholm	Heckler, Mass.
Ashley	Dent	Hicks, Mass.
Badillo	Dickinson	Howard
Baring	Diggs	Jacobs
Barrett	Donohue	Johnson, Pa.
Biaggi	Dorn	Jonas
Blackburn	Dwyer	Jones, Ala.
Blatnik	Edwards, La.	Keith
Bolling	Evans, Colo.	King
Brademas	Evins, Tenn.	Kluczynski
Brown, Mich.	Fish	Long, La.
Broyhill, N.C.	Fisher	McCloskey
Burton	Flynt	McCulloch
Byrnes, Wis.	Frelinghuysen	McDonald, Mich.
Carney	Frey	
Celler	Gaydos	McKevitt
Chisholm	Giaimo	Madden
Clausen, Don H.	Goldwater	Mann
	Grasso	Mayne
Conyers	Gray	Miller, Calif.
Cotter	Green, Pa.	Minshall
Murphy, Ill.	St Germain	Stuckey
Passman	Sandman	Teague, Tex.
Pepper	Sarbanes	Veysey
Pettis	Satterfield	Waldie
Podell	Sisk	Ware
Rarick	Smith, N.Y.	Watts
Reuss	Snyder	Whalley
Roe	Spence	Winn
Rooney, N.Y.	Stanton, James V.	Wydler
Rostenkowski		Yatron
Rousselot	Steele	Young, Tex.
Roybal	Steiger, Wis.	Zion
Runnels	Stephens	
Ruppe	Stubblefield	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Dent with Mrs. Heckler of Massachusetts.
Mr. Miller of California with Mr. Ware.
Mr. Celler with Mr. Wydler.
Mr. Kluczynski with Mr. Pettis.
Mr. Evins of Tennessee with Mr. Ashbrook.
Mr. Rostenkowski with Mr. McKevitt.
Mr. Rooney of New York with Mr. Frelinghuysen.
Mr. Giaimo with Mr. McDonald of Michigan.
Mr. Teague of Texas with Mr. Snyder.
Mr. Sisk with Mr. Don H. Clausen.
Mr. Ashley with Mr. Steele.
Mr. Barrett with Mr. Johnson of Pennsylvania.
Mr. Biaggi with Mr. Grover.
Mr. Burton with Mr. Diggs.
Mr. Blatnik with Mr. Brown of Michigan.
Mr. Anderson of Tennessee with Mr. Blackburn.
Mr. Howard with Mr. Sandman.
Mr. Stuckey with Mr. Keith.
Mr. Jones of Alabama with Mr. Dickinson.
Mr. Madden with Mr. Byrnes of Wisconsin.
Mr. Delaney with Mr. Gubser.
Mr. Donohue with Mr. Goldwater.
Mr. Green of Pennsylvania with Mrs. Chisholm.
Mr. Griffin with Mr. Winn.
Mr. Runnels with Mr. Ruppe.
Mr. Podell with Mr. Smith of New York.
Mr. Passman with Mr. Jonas.
Mr. Young of Texas with Mr. Whalley.
Mr. Yatron with Mr. Zion.
Mr. Stubblefield with Mr. Broyhill of North Carolina.
Mr. Brademas with Mr. Halpern.
Mr. Alexander with Mr. Minshall.
Mr. Abourezk with Mr. Frey.
Mr. Cotter with Mr. McCulloch.
Mrs. Grasso with Mrs. Dwyer.
Mr. Satterfield with Mr. Fish.
Mr. Waldie with Mr. Rousselot.
Mrs. Hicks of Massachusetts with Mr. Mayne.
Mr. Long of Louisiana with Mr. McCloskey.
Mr. Culver with Mr. Spence.
Mr. Dorn with Mr. Veysey.
Mr. Edwards of Louisiana with Mr. Steiger of Wisconsin.
Mr. Evans of Colorado with Mr. Flynt.
Mr. Gaydos with Mr. Dellums.
Mr. Denholm with Mr. Rarick.
Mr. Carney with Mr. Conyers.
Mr. Mann with Mr. Jacobs.
Mr. Stephens with James V. Stanton.
Mr. Watts with Mr. Murphy of Illinois.
Mr. Roy with Mr. Gray.
Mr. St Germain with Mr. Sarbanes.
Mr. Davis of Georgia with Mr. Reuss.
Mr. Roybal with Mr. Fisher.
Mr. Baring with Mr. Badillo.
Mr. Pepper with Mr. King.

Mr. LONG of Maryland changed his vote from "yea" to "nay."

Mr. SKUBITZ changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

PRAISE FOR DR. ELBURT F. OSBORN

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, a rash of recent criticisms of the Federal Coal Mine Health and Safety Act of 1969 by large and small coal operators are completely unwarranted. I would like to take this opportunity to praise a statement released this morning by the Director of the Bureau of Mines, Dr. Elburt F. Osborn. Director Osborn and his Bureau are displaying courage and objectivity in stating that coal dust levels under the current law are "clearly attainable with present technology."

In fact, Dr. Osborn states that he is "very optimistic about the entire industry's meeting the 2.0 milligram standard by the end of 1972 with a minimum of difficulty." Dr. Osborn's conclusions were based on a report made by the Bureau of Mines after sampling 2,305 underground mining sections during the first 8 months under the new Federal standards.

This is further evidence that the Federal Coal Mine Health and Safety Act of 1969 is a strong, workable, and effective piece of legislation, if fully enforced. I have stated repeatedly that the increased accident rate under the new law is directly attributable to lack of enforcement of the new law. I commend Director Osborn for his forthright statement that the coal dust levels Congress established in the 1969 law are "clearly attainable with present technology," and Dr. Osborn's further statement that the coal dust limit of 2.0 milligrams per cubic meter can be met by industry by the required time "with a minimum of difficulty."

These conclusions by Dr. Osborn clearly refute the adverse comments and determined opposition to the new mine health and safety law by certain coal interests.

Dr. Osborn's complete statement follows:

MINE DUST LIMITS ATTAINABLE SAYS BUREAU DIRECTOR

The current Federal limit on concentrations of the coal mine dust that causes "blacklung" is "clearly obtainable with present technology," according to Director Elburt F. Osborn of the Interior Department's Bureau of Mines.

Dr. Osborn based his statement on an analysis of respirable dust samples taken in 2,305 underground mining sections during the first eight months under the Federal standard, which took effect June 30, 1970. "Respirable Dust" consists of particles fine enough to enter the smallest lung passages, and the law currently requires coal mine operators to keep concentrations of it at or below 3 milligrams per cubic meter of mine air.

"Even though shortages of sampling equipment and mine inspectors have prevented full coverage of all mines," said Osborn, "75 percent of the underground coal mine sections whose dust levels have been determined by the Bureau are below the 3-milligram limit. In fact, 45 percent of them are already below the 2 milligram level, which does not become the official limit until the end of next year."

The Director said, "This proves the effectiveness of face ventilation and water as dust control methods, and it makes me very optimistic about the entire industry's meeting the 2-milligram standard by the end of 1972 with a minimum of difficulty." Wetting prevents dust particles from becoming airborne, the Bureau said; ventilating air at a sufficient velocity keeps most dust generated at the "face," where the coal is being cut, away from workers until it can be forced into the exhaust airway.

The Bureau's new analysis of dust sample data has just been published as a Technical Progress Report. Noting that there are approximately 5,000 working sections in the Nation's 2,254 underground coal mines, the report says that about 75 percent of these sections are taking samples as the law requires. Those not sampling have received Notices of Violation; most were affected by shortages of sampling devices, and are being permitted to operate pending receipt of sampling equipment on order. Withdrawal Orders have been issued by the Bureau for 64 sections where operators refused to comply with sampling requirements.

Sections that received their equipment too recently to have collected enough samples for the Bureau to analyze constitute a little more than a quarter of the 5,000, Dr. Osborn said. He added "I am hopeful that samples from these sections will show the same high rate of compliance we've been seeing in the samples we've received so far."

As of March 1, 1971, about one-third of the 5,000 working sections were in compliance with temporary higher standards under permits issued by the Interim Compliance Panel. On that date, samples from 514 sections—about one-fifth of the sections whose dust levels are being determined regularly by the Bureau, or about one-tenth of the total working sections—were showing dust concentrations above the allowable limits, and these sections had been issued a Notice of Violation.

During the eight months the dust provisions have been in force, 49 percent of the sections whose dust levels were measured—about 23 percent of the total working sections—had at one time or another been issued a Notice for exceeding dust levels. Each Notice subjects the operator to a financial penalty.

In addition to categorizing underground mining sections by degree of compliance with standards, the new Technical Progress Report gives estimates of the numbers of miners involved in the various categories. Of the Nation's approximately 78,600 underground coal miners, about 64,300 are working in sections being sampled for dust. Of these, 50,000 are working in sections where the dust concentrations are at or below legal limits, and 14,300 work in sections currently cited for exceeding legal limits. About 13,600 work in sections permitted to operate pending receipt of sampling equipment.

Technical Progress Report No. 32, "An Evaluation of the Respirable Dust Sampling Program in United States Underground Coal Mines" is by D. P. Schlick, R. G. Peluso, and W. E. Byers. Single copies can be obtained at no charge from the Bureau's Publications Distribution Section, 4800 Forbes Avenue, Pittsburgh, Pa. 15213. Requests should specify both the number and title of the report.

Also available from the Pittsburgh office is Information Circular 8504, "Computerized Programing of Respirable Dust Sampling Data," by D. P. Schlick and Kenneth Werner, an account of the system adopted by the Bureau to collect and collate dust sample data.

CONFRONTATION WITH MILITANT DEMONSTRATORS

(Mr. ABBITT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ABBITT. Mr. Speaker, today's confrontation on the streets of Washington between unruly bands of militant demonstrators and police and military units is a long overdue reaction to the threat of anarchy in America. The Justice Department appears to have finally realized the futility of trying to deal with this problem in any ordinary way and has responded with the only kind of answer these militant radicals understand.

Belated though the reaction is, law-abiding Americans have more faith in their Government this afternoon, now that those who have sought to disrupt the peace and challenged authority have been arrested. The test now will be how the Justice Department handles the cases of those who have been apprehended.

There can be no question of the intentions of those who came here a week ago, under the guise of seeking an end to the war in Vietnam. Their every move has been publicized extensively; their goals have been well-known from the beginning; and their utter contempt for our laws has been shocking in the extreme. This collection of misfits, hippies, beatniks, dope peddlers, perverts, and revolutionaries represents the basest elements of America. Their life style and code of morality is repulsive to every decent American. For much too long, we have sat back and permitted lawbreaking in the name of demonstration and anarchy in the guise of dissent. Our people have watched and waited for the Government to act—and often we have waited in vain. The Vietcong will never carry the flag into Washington's streets but radical bands of demonstrators have.

Law-abiding Americans are sick and tired of this double standard of law enforcement. They are appalled when they see our institutions being flaunted, our flag being desecrated, and every code of decency being violated with impunity. We are shocked by utter disregard for our laws and saddened when we see such conduct go unpunished.

I call upon the Attorney General to prosecute the guilty to the limit of the

law and he can act with the confidence of the support of the overwhelming majority of the American people.

The Government has now taken the initiative—but it must now act with equal vigor in the courts. Unless this is done, the whole business will be repeated time and time again.

ROGERS CITES ADMINISTRATION PLANS FOR CUTBACK IN TREATMENT OF ADDICTS

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

Mr. ROGERS. Mr. Speaker, I was alarmed and concerned to learn that while the Nation is in the middle of a drug crisis the Federal Government plans to reduce its capability for addict treatment by half and close the doors of the Fort Worth Clinical Research Center to the public.

As of last Saturday, May 1, the Fort Worth facility, which is a 600-bed hospital, will not accept any new patients. If the Department of Health, Education and Welfare sticks to its plan, this hospital will be turned over to the Department of Justice and into a hospital prison by the end of this fiscal year and many of the civilian patients will be turned back onto the streets to continue their lives in the wretched twilight world of the narcotic addict.

The National Institute of Mental Health estimates that there are probably more than 250,000 addicts in the Nation today. This number will unfortunately rise sharply before taking a downward trend. The demand will be on the establishment of more treatment, not less.

Thousands of Vietnam veterans are returning home with a newly-acquired drug habit and will need treatment. These veterans are estimated in the thousands. The Veterans' Administration is just moving to accept responsibility in these cases and have established five locations where veterans can be helped.

But the effort is small compared to the problem. More than 100 men are waiting to receive help at the New York clinic while the Government is closing its facility at Fort Worth.

One of the bitter ironies in the case of Fort Worth is that the HEW officials responsible for the Fort Worth facility say that the patients there will be sent to community mental health clinics for treatment under a contract. These are the same community mental health facilities which the administration refuses to provide funds to build. They want to send addicts to centers which they refuse to build.

At a time when we know so little about the variety of drugs now moving through a vast underground world, at a time when we are trying to find a method of treating addicts, I am concerned to see the Federal Government moving to reduce its efforts by one half. This leaves only the Lexington, Ky., facility, and if the argument being used now can be called valid, then the Lexington facility will also be closed.

I disagree with the position of HEW in this matter.

I do not believe that a well-staffed, well-equipped facility such as Fort Worth which has research capabilities, should be closed or turned into a prison. And I do not agree that the Government can afford to reduce its meager resources by turning over this hospital to the prison system.

If anything, we should open the doors wider in Fort Worth, we should expand its activity, not reduce it and turn those poor souls back to the streets.

I am today writing to the Secretary of HEW and asking him to review this matter thoroughly and to also examine his department's position against providing funds for the construction of community mental health centers.

STOP WASTING MONEY

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, I rise today to implore this august body to join with me in embarking on a humanitarian mission. I air this plea to all as I conceive the mission as bipartisan, as one directed to the resolution of a problem which has afflicted many of all political persuasions—unemployment.

We are past, I believe, the time when this issue can be subjected to the winds of political happenstance. When families are dissolving under the strain imposed by unemployment, when a man's self-concept is likewise irretrievably lost, it is time to overcome our differences and act responsible and, I might add, constructively on this paramount problem.

And we have the means at hand to cope constructive with the unemployment crisis. The Department of Labor is at this very minute developing and reviewing concepts on which to spend $42 million which has been allocated to "solve" this problem. This money must be used productively and it is in this role which this body can most effectively serve.

I am concerned lest this money go the way of so much which has preceded it. In letter after letter from my constituents—my District, by the way, now has 7.5 percent unemployed—I read, "Don't retrain me, find me a job!" We must seek and find productive uses for these funds, and I use the word productive in its social and economic sense—we must have a return on this investment. Such a return cannot come from mere retraining, it can only come from employment, employment which we must guarantee will result. In this light, I am today calling for assurances from the Department of Labor and Dr. Edward David, President Nixon's science policy adviser, that these funds will go to employment projects—if necessary, and as a last resort, employment by the Government.

There are at least two areas which I can see—and I am certain there are better men than me looking at this problem—which cry for funding and which deal directly with the largest sector of our unemployed, the aerospace worker. I urge an immediate and indepth study. First, of the employment needs of the economy, and second, of the ability of the economy to absorb any significant influx of trained personnel in response to those needs. This project, I believe, must have top priority as it has been and would be a senseless waste of money to redirect any more of these unemployed into areas where there are no jobs waiting for them.

As another use for these timely funds, and again, of direct benefit to our most sorely afflicted, would be the creation of a task force to educate nonaerospace industry as to the talents and skills of the many aerospace unemployed. Recently in the Los Angeles Times there was an illustration of the need for such a task force. An employer had refused to consider applications for aerospace unemployed because he had pictured these men as draftsmen and mechanics only. When Experience Unlimited, a referral group with which I have been working, detailed the qualifications of some of their subscribers, the employer, to the benefit of all, found what he wanted—a psychologist trained in personnel matters.

These then, are but a few of the directions which I feel we must actively pursue in overcoming this problem. I have spoken to this body previously on this matter. I have sponsored legislation which will resolve parts of the problem. I earnestly look forward to the day when this problem will no longer exist.

REPRESENTATIVE BENNETT INTRODUCES RESOLUTION TO ESTABLISH A JOINT COMMITTEE ON IMPOUNDMENT OF FUNDS

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

Mr. BENNETT. Mr. Speaker, today I am introducing a resolution to establish a Joint Committee on Impoundment of Funds. There are 52 cosponsors of this legislation, which has also been introduced by Senator SAM J. ERVIN of North Carolina.

This committee, I believe, is vitally needed if Congress is to maintain its constitutional obligation to enact the laws of our land. We need a committee to make a comprehensive study and review of the President's constitutional power to terminate authorized Federal projects for which appropriations have been made or to withhold funds from programs.

This is a serious question and one which should be looked into by a special committee of the House and Senate. My resolution would include five Members of the House and five members of the Senate and would report to the Congress and recommend suggestions for congressional action in the field of impoundment of Federal funds.

The total amount now being withheld by the President amounts to almost $13

billion, and this includes vitally needed appropriations for national defense, health, education, housing programs and other projects. With the unemployment rate at a damaging high, continued inflation and a weak economy, many of these funds are also necessary to provide needed services for our citizens and to protect the national security.

The following Members of the House are cosponsoring the resolution to establish a Joint Committee on Impoundment of Funds, and I hope very much the legislation can be approved at an early date.

Mr. PATMAN of Texas, Mr. SIKES of Florida, Mr. MILLER of California, Mr. PRICE of Illinois, Mr. EVINS of Tennessee, Mr. FOUNTAIN of North Carolina, Mr. Moss of California, Mr. GRAY of Illinois, Mr. WRIGHT of Texas, Mr. ULLMAN of Oregon, Mr. LENNON of North Carolina, Mr. BURKE of Massachusetts, Mr. DENT of Pennsylvalnia, Mr. KARTH of Minnesota, Mr. STRATTON of New York, Mrs. HANSEN of Washington, Mr. ADDABBO of New York, Mr. HAGAN of Georgia, Mr. ICHORD of Missouri, Mr. STEPHENS of Georgia, Mr. UDALL of Arizona, Mr. GONZALEZ of Texas, Mr. NEDZI of Michigan, Mr. PURCELL of Texas, Mr. GIBBONS of Florida, Mr. HORTON of New York, Mr. LEGGETT of California, Mr. LONG of Maryland, Mr. PEPPER of Florida, Mr. HUNGATE of Missouri, Mr. REES of California, Mr. BEVILL of Alabama, Mr. BRASCO of New York, Mr. BRINKLEY of Georgia, Mr. DELLENBACK of Oregon, Mr. EILBERG of Pennsylvania, Mr. NICHOLS of Alabama, Mr. GRIFFIN of Mississippi, Mr. ALEXANDER of Arkansas, Mr. MANN of South Carolina, Mr. MIKVA of Illinois, Mr. MELCHER of Montana, Mr. HARRINGTON of Massachusetts, Mr. ROE of New Jersey, Mr. ABOUREZK of South Dakota, Mr. ASPIN of Wisconsin, Mr. BADILLO of New York, Mr. DOW of New York, Mrs. GRASSO of Connecticut, Mr. MAZZOLI of Kentucky, Mr. ROY of Kansas, and Mr. RUNNELS of New Mexico.

RURAL DEVELOPMENT

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

Mr. SCHWENGEL. Mr. Speaker, because I have deep convictions about the importance of both preserving farming as a way of life and improving the farm economy, I have today introduced a bill to bring in tax sharing propositions to rural America.

Mr. Speaker, this Nation can no longer tolerate the continued depopulation of rural America and the amassing of millions and millions more in a few huge metropolitan areas. We cannot tolerate the poverty, crime and exorbitant social costs this creates in our cities. Neither can we tolerate the inadequate health and educational services and facilities, the lack of manpower programs, or the forced migration of our young people from rural areas.

We can and we must reverse these trends. We must alter the policies and forces that cause them if we are to have the balanced growth Congress committed itself to in title IX of the Agricultural Act of 1970. The Congress is committed to facing these issues and acting accordingly, and the people throughout America are similarly committed to meet the needs of their own communities.

Both assistance from Congress and the hard thought, study and commitment of resources by the local people are absolutely essential if we are to have balanced national growth and if we are to give people a choice of where to live and an opportunity for high quality service and facilities.

Let me focus on this latter point of "people helping themselves." We have an institution, the Cooperative Extension Service, that has an outstanding record of helping people help themselves. Through the cooperative efforts of the Federal office, the 69 land-grant universities and the more than 3,000 county and area offices. Extension has touched the lives of virtually every man, woman and child in this Nation. It can take much of the credit for our ability to feed and clothe ourselves with a relatively small share of our income, leaving the rest for the high standard of living that most of us enjoy.

With its information, educational assistance and highly effective delivery system to virtually every county in this land, Extension has helped farmers, businessmen, homemakers, and young people to understand their opportunities, make decisions and make the most of their resources.

The time has come when we must have this same assistance at the community level. With the growing complexities of community problems, communities need and are asking for help to resolve their problems. They need and are asking for help to mobilize their leadership, to define and attack their problems, and to make their community a better place to live, work, and raise a family.

County and area Extension agents trained in community development, working directly with local leaders, and with access to the knowledge and resources of the total university—as well as State and Federal agencies—can cause communities to improve decisionmaking and speed up development in rural areas. Extension has demonstrated its potential and has numerous examples to attest to it. The effort simply must be expanded.

An excellent example of Extension's potential occurred in my district and throughout Iowa this past winter. Three-day community and public affairs education programs emphasizing understanding local government were held in 40 locations throughout the State.

The "Government by the People" program was jointly sponsored by the three board of regents universities—Iowa State University, the State University of Iowa, and the University of Northern Iowa.

More than 3,500 citizens participated in the conference-workshops. Economists, political scientists, sociologists, urban planners, journalists, and Extension workers all contributed to the research and teaching.

The people attending learned more about the role and function of local government, who pays for government programs, what people think about local government—survey opinions—participation in government, how government operates and the strategies for making local government more modern, efficient and effective. In discussions, citizens were encouraged to identify their own goals and to discuss their own concerns about city and county government and other local units.

A second phase of the government by the people program is for the Iowa State University Extension staff to prepare materials for the high school social studies teachers to use with their junior and senior classes. These young people will soon be voting in all of the elections. This will help prepare them to be good citizens.

Another example of Extension's potential to help develop the kind of communities in which people will want to live and good industries will want to locate is unfolding in Fenton, Iowa. Fenton is now a small town with big plans. This farming community of about 400 people has its skyscraper elevator and too many empty stores, just like many of the 706 other small towns in Iowa. Fenton, by forming a community development corporation, faced the decline in farm numbers and the business that was lost. The FCDC has now been in operation for 2 years. A new optimism and excitement has been generated through this group.

Fenton now has its first public library. Townspeople donated books, the State traveling library helped out, and the Lutheran church leased a building to the town for $1 a year. The town pays the utilities.

A second project is a community youth center, the "Stop Inn." A third project, operating out of a once-vacant building, is a senior citizens' center.

The Extension resource development specialist working in this multicounty area helped community leaders to start their development group and continue to provide educational assistance. The FCPC's goal is "To make Fenton as fine a community to live in as possible."

Extension is helping the people of Fenton help themselves. Extension can and Extension must help the other communities across this Nation help themselves. It has the grass roots contacts, the delivery system and access to the resources of the university. Extension can help muster local leadership, it can help communities to understand their problems and know their opportunities, and it can help them to carry out community decisions.

As Extension has helped the farm, the firm, and the family in the past, it now has the opportunity to make equally as great a contribution to the community. An expanded Extension effort in community development can be an important part of the total effort to develop the kind of rural communities that will stem the rural depopulation trends and provide opportunity for those who choose to live in rural America.

The Extension Service is one of the

five agencies of the Department of Agriculture included in the President's rural revenue sharing proposal. There have been fears expressed by many people that this would have adverse effect on the continuation of this program which has been of such great help to our rural areas and in recent years to our urban areas as well.

The legislative proposal to accomplish revenue sharing specifically provides that the Extension Service will be maintained. I quote from the proposal:

> Each State shall use a sufficient portion of the moneys to which it is entitled to maintain and carry out a program of agricultural extension work through its Land-Grant college, or colleges, comparable in size and type of the agricultural extension program carried out in the State in fiscal year 1971 . . . and the Cooperative Extension Service shall be permitted to continue 4–H, nutritional aid programs, and other agricultural programs in metropolitan areas.

The proposed legislation if enacted will allow the States to conduct Cooperative Extension Service programs in essentially the same manner as they are now. This should alleviate the concerns that many have raised as to whether or not the program would be continued.

THE KATYN FOREST MASSACRE

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

Mr. DERWINSKI. Mr. Speaker, inasmuch as the media—press, radio, and television—seldom mention atrocities that have been committed by the Communists, it often becomes necessary for Members of Congress to call attention to some missing chapters in history. While daily newspapers and the periodical press have done a thorough job of publicizing crimes committed by the National Socialists, they tend to look the other way when crimes are perpetrated by the Communists.

The National Socialists, who came to power in Germany in 1933, were completely and finally defeated in 1945. During the intervening 12 years, they were the scourge of most of Europe, conquering a dozen nations and killing millions of people in the process. Their armies were eventually beaten and such of their leaders as survived were put to death as war criminals.

The Communists, who seized power in Russia in 1917, also conquered a dozen nations and killed millions. They are still in power and have yet to be tried as war criminals, even though they were accomplices with the Nazis in starting World War II.

This is an appropriate time to recall certain events that occurred during April and May of 1940. True, that was 31 years ago and the generation that has come upon the scene since then may shrug its collective shoulders and dismiss them as ancient history.

It is not that simple, however. The events were not reported at all when they occurred, back in 1940. They were not fully reported in 1943, when they came to light. They were stamped "top secret" in 1945, when they were called to the attention of the Department of Defense.

Mr. Speaker, I want the House of Representatives and the people whom we represent to have the facts regarding one of the most revolting war crimes of all times—the Katyn Forest Massacre.

World War II began soon after the Soviet Union and Nazi Germany became allies. Germany invaded Poland from the west on September 1, 1939, and the Soviet Union invaded it from the east on September 17. The two totalitarian powers divided the conquered nation between them, Germany getting 72,866 square miles of territory and the Soviet Union 77,620.

A quarter of a million Polish officers and soldiers, who had fought bravely but futilely against superior numbers, were sent to 100 prison camps in the Soviet Union. The officers, who included 12 generals, 250 colonels, 500 majors, 2,000 captains, over 5,000 young lieutenants, and 7,000 selected noncommissioned technicians, were sent to three prisoner-of-war camps. These three special camps were transferred from the Red army's jurisdiction and put under the control of the notorious Lavrenty P. Beria and his dreaded Soviet secret police.

Camp Ostashkov contained 6,900 Polish officers, Camp Kozielsk 4,500, and Camp Starobielsk 3,920. After 5 months of intensive Communist indoctrination, only 20 officers out of these more than 15,000 had become candidates for the roles of betrayers of their homeland.

In March 1940, Josef V. Stalin, the dictator of the Soviet Union, transmitted an order to Beria to quickly and secretly liquidate the stubborn Polish officers. The first step in carrying out Stalin's order was the transfer of all the officers from the three camps to Katyn Forest, a point about 550 miles southwest of Moscow. This took place between April 3 and May 12, 31 years ago.

The next step was the complete extermination of the 15,000 men, each of whom was shot through the back of the head with a pistol. Many of them had their hands tied behind their backs.

Following the murders, the men were buried in seven mass graves, each of which was 50 yards long, 30 yards wide, and about a foot and a half deep. One such excavation was filled with the bodies of two generals, 12 colonels, 50 lieutenant colonels, 165 majors, 440 captains, 542 first lieutenants, 930 second lieutenants, and 146 military physicians. Katyn was the greatest single mass execution of captives during the entire war.

Following the burials, the area was replanted with pine and spruce trees. In the ordinary course of events the scene of the crime would soon blend with the surrounding countryside. These, however, were not ordinary times.

In 1941, the Communists and their ideological bedfellows, the National Socialists, fell out and Germany invaded the Soviet Union. In August of that year the fast-moving German army occupied the Katyn Forest area.

It was not until April 13, 1943, that the Germans informed the rest of the world by radio that they had found several mass graves under some small trees in the Katyn Forest. After 155 corpses had been identified from personal belongings found with the clothing, the German army commander asked neutrals to witness the exhumations. The Moscow radio charged that the Poles had been murdered by the Nazis.

On April 30, 1943, an international medical group that included scientists of forensic and criminal medicine from Belgium, Italy, the Netherlands, Switzerland, and the Balkan and Scandinavian countries, and members of the Polish Red Cross, assembled at Katyn. The International Red Cross could not, under its charter, send investigators unless both Germany and the Soviet Union asked it to; the Kremlin refused its consent.

All of the observers were not neutrals. Among them were two officers of the U.S. Army, Lt. Col. Donald Stewart and Maj. John H. Van Vliet, who were prisoners of war held by the Nazis.

The witnesses, whom the Germans had flown to Katyn Forest, examined 982 bodies, of whom 70 percent were identifiable. They agreed that the dead men had been Polish officers who had been murdered and buried 3 years earlier—prior to the occupation of the area by the German army.

The Germans located seven mass graves altogether and had opened three of them by September 1943, when the Katyn Forest area was once more in Soviet hands.

I will let Major Van Vliet and Colonel Stewart give the details of the investigation conducted by observers from many nations. In 1950 the Department of Defense ordered Van Vliet, who had in the meantime been promoted to lieutenant colonel, to write a second report from memory. His earlier report, made on May 22, 1945, had been stamped "Top Secret" and had supposedly been "lost."

On May 11, 1950, he wrote:

> We followed our guide right down into each grave, stepping on bodies that were piled like cord wood, face down usually, to a depth of about five to seven bodies, covered with about five feet of earth. . . . All bodies have a bullet hole in the back of the head near the neck with the exit wound of the bullet being in the forehead or upper front part of the skull. . . . German photographers . . . took both still and motion pictures of our party while we inspected the graves. Copies of the still pictures were later given us."

Van Vliet continued:

> I hated the Germans, I did not want to believe them. . . . I tried every way to convince myself that the Germans had done it. . . . We pursued every line of attack to weaken the German story. . . . It was only with great reluctance that I decided finally that . . . for once the Germans were not lying; that the facts were as claimed by the Germans.
>
> I believe that the Russians did it. The rest of the group that visited the site stated to me that they believed that the Russians did it.

On October 11, 1951, the other American officer, Colonel Stewart, testified before the Select Committee of the House of Representatives that was investigating the Katyn Forest Massacre. He estimated that 10,000 bodies—all Poles—had been found in the three mass graves that the Germans had opened:

I left Katyn convinced that the Russians had executed those men. . . . That massacre just could not have been falsified or planted . . . We did not like the Germans. But these men had been executed by the Russians!"

Continued Stewart:

I can never forget, . . . those men were killed by the Russians while they were prisoners of the Russians.

The conspiracy of silence that enshrouded the Katyn Forest affair has been justified by some people on the ground that the Russians were our allies during World War II. To that I can only reply, "So was Poland."

After all, Poland was the first nation to be conquered by the Nazis during World War II, being divided between the forces of National Socialist Germany and Communist Russia—partners in crime. The genocide of Katyn Forest, however, was a crime for which the Soviet Union required no assistance from its erstwhile friends.

Mr. Speaker, may I also add that this coming Monday, May 3, is a Polish national holiday commemorating the Polish third of May Constitution Day. The freedom, which this document presented to the people of Poland, was an inspiration in the years of oppression and strengthens their resolve to consistently resist communism and Soviet domination.

The murder by the Soviets of Polish army officers at Katyn Forest was motivated by the Russian desire to establish control over Poland. It was an act of complete forethought.

Just as Poland withstood more than a century of foreign domination to see freedom restored to her in 1918, I am confident that she will persevere and eventually throw off the shackles of communism that presently confine her.

Mr. Speaker, in addition to the emphasis I have placed on the Katyn Forest Massacre, I wish to reemphasize the commemoration of the Polish National Day, May 3, a subject to which many Members with address themselves to this afternoon.

Therefore, I wish to conclude my remarks and insert in the RECORD at this point a message of the President of the Republic of Poland to the Polish nation:

MESSAGE OF THE PRESIDENT OF THE REPUBLIC OF POLAND TO THE POLISH NATION ON THE OCCASION OF THE POLISH NATIONAL DAY, MAY 3, 1971

His Excellency August Zaleski, President of the Republic of Poland-in-Exile, has issued in London a message to Poles all over the world on the occasion of Poland's National Day this year.

The text of President Zaleski's message follows:

Citizens of the Republic of Poland and Poles in the free world:

This year is the 180th anniversary of the Constitution of May 3, 1791, that great act of renewal which did away with many of the deeply engrained faults of the old political system of the Polish Commonwealth and created conditions for the effective functioning of state authorities, at the same time ensuring the proper development of the people in the direction of social and economic progress.

It was the work of a number of outstanding patriots who were deeply concerned with the welfare of the State. This great reform, however, did not please the neighbouring powers who considered the example of a liberal and democratic state in their midst as contagious and dangerous. In order to thwart this danger they decided together on armed intervention which resulted in the Partitions and brought the Polish people more than a hundred years of political subjection.

But the memory of the inspired act survived, and the Constitution was venerated by succeeding generations as the political testament of the Polish Commonwealth. The May 3 was celebrated year after year as the Polish National Day, and in the years of independence between the wars it was also a religious Feast of Mary, Mother of God, Queen of the Polish Crown.

The significance of this day is no less today when, as a result of the last war, our country is again under foreign domination of the Soviet Union and oppressed under an alien Communist system. It is an enduring expression of our political will to ordered freedom: the Constitution of May 3, 1791 is to us the forerunner of the latest expression of this free political will which is the Constitution of April 23, 1935. On the strength of this Constitution stands and acts the free Polish Government-in-Exile.

On this day I call on all of you, wherever you are at present, to stand united behind the legitimate authority of this Government and to join in our efforts and prayers for a free and independent Poland.

Given in London in May 1971.

AUGUST ZALESKI.

CONTRAST IN YOUTH ACTIVITIES

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

Mr. HORTON. Mr. Speaker, in the past 24 hours, I have witnessed two events which are in utterly fantastic contrast with each other. I want to describe this contrast briefly to our colleagues, so they can share with me the marvelous injection of spirit and inspiration on the part of American young people which I have received.

Yesterday, in Rochester, N.Y. the Teen League sponsored the city's second annual "Hike for Hope." This is a fundraising event which raises money for the humanitarian hospital ship SS *Hope* by obtaining pledges of contributions for every mile covered by each hiker for *Hope*. Under dreary skies and threat of rain, more than 35,000 young people hiked 25 miles each yesterday in a tremendous outpouring of musclepower, of stamina, of dedication, of fun and of a community-wide desire to get involved in a good cause.

Saying that 35,000 youngsters participated in this 25-mile hike only scratches the surface of the tremendous impression you get when you travel the route through the Rochester area and see an unbroken line of kids, six, eight and ten deep, stretching for over 17 of the 25 miles. And this army of 35,000 was mustered from a community less than one-third the size of the Nation's Capital.

With the memory of the happy faces, the blistered feet, and the tremendous cooperation between the young people and the local police in running the hike still very fresh in my mind, and with inspiration flowing from my lips to anyone who would listen, I landed this morning in the armed camp that is Washington. While police were helping and paving the way for thousands of hiking kids in Rochester yesterday, at the same moment Washington police were having to clear thousands of would-be disrupters from their West Potomac Park campsite. The stark contrast of moods in Rochester and Washington hit me as I drove across the 14th Street bridge this morning, greeted by the serious and chilled faces of U.S. Marines in battle dress, who were on hand to make sure that threats to close-down our Government today were properly rebuffed.

Both the Rochester like for *Hope* and the fizzled attempt to disrupt Washington traffic this morning were youthful demonstrations of concern. But their similarity stops there. In Rochester, the kids were marching for a cause they believed in—85 percent of the over $450,000 they raised yesterday will go to the S.S. *Hope*, the other 15 percent, or some $67,000, will be distributed to local charities chosen by a panel of teenagers who organized the event. In Washington, the stated purpose of the Mayday disruptions is supposedly to work for the cause of peace by working against our system of Government. If anything, the disrupters worked against their own cause by marring the memory of official Washington of the more constructive peace demonstrations held here a week before by thousands of young people and veterans who came to express their concerns about peace in a peaceful way.

Mr. Speaker, I think there is a lesson in the hike for *Hope* which took place in Rochester yesterday—it is a lesson of hope which has significance far beyond the nearly half million dollars which those 35,000 youngsters raised for the medical treatment and training ship. I have seen what this mass "getting involved," this mass outpouring of shoe leather for a good cause has done for the spirit of my home community, and for the image of young people in this country which is repeatedly tarnished by front page and TV news accounts of destructive demonstrations.

It took 35,000 kids hiking a total of over 850,000 miles to bring their constructive involvement to the front pages of this morning's papers in Rochester.

They did not march to show concern by tearing down a society or by disrupting a government—they showed equal or greater concern by underscoring their concern for human life, for the well-being of the poor and the sick across the earth and in their own back yards, and they did it with great personal effort and great personal sacrifice.

I am inspired by this hiking army, inspired to think that their spirit will infect thousands if not millions of people young and old across America. I am inspired to think that American kids are a tremendous positive force to be reckoned with—a force that can communicate to this society and to this Government their determination that their generation will, at the cost of great personal sacrifice, put the priorities of life and opportunity for mankind at the very highest level. This generation has the potential for breathing new life into the principles of equality, opportunity, charity and sacrifice upon which our Nation was built.

Mr. Speaker, a few words from a single observer of this hiking army of young people cannot recapture the spirit of this event. I should like to include several news articles and an editorial which describe other aspects of the hike for *Hope*. The articles follow:

[From the New York Sunday News, May 2, 1971]

A LIFESAVING WALK

People keep asking what's wrong with today's kids?

And the answer is ridiculously simple.

Nothing.

Sure, they wear their hair long and their clothes mod. And it's no secret that some smoke pot, use obscene four-letter words on occasion and are openly irreverent.

But the current generation is dedicated. They're committed to doing something about the evils that plague the country and world: things such as pollution and poverty and war. The truth is there never has been such an idealistic yet practical crop of young people in our history.

A perfect example of their all-out devotion to the sick and needy and poor can be readily seen this very minute in Rochester, N.Y. While you're reading this, upwards of 20,000 youngsters are tramping 25 miles throughout the upstate city solely to raise money for Project Hope. The unique Hike For Hope II will, hopefully, gain $250,000 to train medical people in underdeveloped areas around the world as well as in disadvantaged locales right here at home.

Last year, the first Hike for Hope attracted 8,000 Rochester teenagers. Each of the hikers was sponsored by friends, relatives and neighbors who pledged to donate a certain amount for each mile completed. Several hikers had more than 100 sponsors.

How many of the blistered-foot, weary youngsters will finish today is difficult to predict. Last year, fully 50 per cent managed to trek the entire 25 miles. Personal satisfaction was indeed a motive, but the primary driving force was the knowledge that every mile they walked contributed to helping someone somewhere.

[From the Rochester Democrat and Chronicle, Apr. 14, 1971]

HOPE HIKE GIVES KIDS A COMMITMENT

(By Bill Beeney)

Last year it was the most successful teenage fund-raising event in United States history.

Strictly a Rochester production . . . spawned here . . . $153,000 raised . . . in a single day . . . by 8,000 teen-agers hiking 25 miles (not all of them went the full route, but a great many did) for Project HOPE.

This year's hike on Sunday, May 2, beginning and ending at Aquinas Stadium, will be even bigger. If that seems a grandiose claim, just talk for a few minutes with David Polan and Matt Weider.

"It looks as though we'll have nearly 20,000 participants, the way things are shaping up," Polan said. He's chairman of the project, organized and managed entirely by the Teen League of Rochester.

"It was such a success last year," said Weider, "that all the kids want to take part this time. It should be really big."

Each hiker lines up as many sponsors as he can. The sponsor guarantees to pay the hiker 15 cents per mile, or more, for every mile hiked. Of the money raised, 85 per cent goes to Project HOPE, and 15 per cent to local charities which are selected by the teenagers themselves.

Now, then, we are talking about a lot of money in that 15 per cent. Last year $23,000 went to local charities. This year the amount could be—who knows?—maybe $30,000, $40,000. A goodly sum in any event.

And these kids are really going to make sure it goes where they think it will do the most good. It is money earned by the bunions on their feet and the aches in their muscles, so they are setting the ground rules.

The Budget Committee of the Community Chest has nothing on the teen-agers for following the dollar.

They've set up a five-man committee which will screen applications for funds from all local charities which feel they meet the teenagers' criteria of being self-help, people-to-people programs with emphasis on education and training, and a focus on youth.

I won't attempt to delineate the 17 questions the committee fires at the charities but, believe me, they probe every facet of operation and philosophy.

"Basically we want to get away from bureaucratic-type agencies, and try to help the smaller charities that do an effective job and need help," Polan said.

"We expect to have decided upon some of our charities by August, and then leave room for other allotments to be made later on. New things come up, and cutbacks occur, and we want to be flexible."

The committee consists of Polan, Jim Bower, Ray Greis, Sam Montello and Chuck Keenan. Bower, Teen League president, and Polan are seniors at McQuaid High School; Keenan and Montello are at John Marshall; Greis, Teen League treasurer, is at Eastridge. Lawyer Martin Weingarten has the application forms.

Success of the local effort apparently hinges upon the Teen League, only one of its kind in the country. From a nucleus of 300-400 active members, it represents 46,000 teen-agers in Monroe County. "They're all welcome in our group."

Why is the *Hope* hike such a drawing card?

"A lot of kids want to do something," said Polan, "but they don't have time to do something every day. But here, on one day, they can make a commitment to do something on a national and local level, and be proud of the results. Also it's a fun thing, too; everyone enjoyed it—even those who became tired."

There is a somewhat controversial aspect to this year's hike. As adult adviser to the *Hope* project said: "An imitation of our original hike followed us by some months last year. This year its sponsor had the bad grace to select a date one week before our date."

That would be the "Walk for Water" project. I hope there are enough water-walkers and *Hope* hikers to go around.

[From the Rochester Times-Union May 1, 1971]

THE HIKE FOR HOPE: 25 MILES OF CARE

(By Judy Adams)

Sixty-five pencil sharpeners. 50,000 staples. A huge supply of foot powder. A couple hundred shoeboxes. 190 cardboard cartons. 200 rubber stamps and 120 ink pads. 10 adding machines. Three ambulances. Five rock bands. 400 pencils. 80,000 cards. 10 radio cars. Papers, signs, posters, tables . . .

For nearly three months now, Chuck Keenan and Sam Montello, both John Marshall students, and other kids like them have been wrestling with the problem of how to gather all these items together for tomorrow's Hike for Hope.

It has not been easy. Not when you are also mapping out the 25-mile route, knocking on doors looking for adult volunteers (to free the kids to do the hiking) and arranging checkpoints.

But they have done it and with only a modicum of adult help.

At 9 a.m. tomorrow an estimated 20,000 people, most of them students shod in sneakers and other hiking shoes (sandals are forbidden) and carrying lunches, will march out of Aquinas Stadium down Ridgeway Avenue and off on the hike route.

The route, according to its planners, which included Police Lt. Charles Price, incorporates a "good cross section of the city," including several parks where marchers can relax with their lunches.

Radio station WBBF has planned to devote tomorrow to music for the hikers. Residents along the route have been encouraged to tune their radios so marchers can hear.

A radio hook-up with the hospital ship USS Hope is planned at Aquinas Stadium before the hike starts.

Three ambulances—two from Walters and one from National—and 10 REAT (Radio Emergency Action Teams) cars will patrol the route. First-aid handlers will be stationed along the route.

So will city trash trucks, to collect refuse which marchers are asked to gather in the 2,500 plastic bags donated by Mobile Chemical Co. Plastics Division in Macedon.

About 4 p.m. the five local rock groups: Rain, Orange, Main Street East, Chemestry and North, will start a six-hour rock concert at Aquinas Stadium.

Last year 8,000 marchers for Hike for Hope collected $150,000 from supporters who pledged donations on a per-mile basis. Eighty-five per cent of the money went to Project Hope.

The remainder was divided among the Summer Youth Opportunities Program, the World of Inquiry School and the Western Monroe Community Project, a self-help program for migrant workers.

A teen committee will decide what local programs or organizations will receive the local portion of the funds this year. They are seeking suggestions.

[From the Rochester Democrat and Chronicle, May 3, 1971]

35,000 HIKE FOR HOPE

(By Bill Beeney)

The Hike for *Hope* was, in a word: Spectacular!

Even more massive, more exciting, more successful than its teen-age sponsors had hoped for in their wildest dreams.

Nearly 35,000 hikers turned out . . . The total amount of money pledged to their efforts: an estimated $425,000!

It was a happening the likes of which has never occurred before in the history of Rochester. Or anywhere else, for that matter.

You had to see it to believe it. Even then it boggled the imagination.

Massive? . . . You know what 35,000 hikers means? That's like the entire city of Auburn getting up some morning and hiking out of town. It also was more than four times the number who took part in last year's hike, the first of its kind in the U.S.

Exciting? . . . There were kids from every corner of Monroe County. Some walked barefoot . . . hundreds of them stopped along the way to change socks, rub sore feet . . . one boy went at least half way on a pair of stilts . . . another kid did it on a unicycle.

Three or four girls rode most of the way in shopping carts pushed by their boyfriends. . . . One boy dribbled a basketball the full 25 miles . . . Several girls on roller skates . . . There was a lady on crutches who went a fair piece . . . and a boy in a wheelchair pushed by his friends.

And it was all done—on a gray coolish Sunday afternoon with the threat of rain constant—in high good humor. No incidents, no grumbling, plenty of aching muscle, of course . . . but also wonderfully bolstered egos as they accomplished their purpose.

Successful? . . . The estimated $425,000 is phenomenal! Of that amount, 85 per cent goes to the Project *Hope*, the hospital ship. The other 15 per cent will be given to local charities, then to be decided upon by the Teen League of Rochester committee. The League managed and directed the hike. David Polan was chairman.

There were so few adults among the hikers, they didn't really count. And that was as it should be. This was a youth project—"invented" by them, managed by them, participated in by them, made successful by them. There was one area in which the adults, members of "The Establishment," no less, did play an active and welcome role.

On the Academy of Medicine grounds at 1441 East Ave., an "Oasis" was established. Manned by local business and civic leaders, it was the haven—at the 17-mile mark on the route—for hikers to partake of free hot dogs, soft drinks, ice cream, coffee. It did a brisk business.

Dr. William B. Walsh, founder and president of Project HOPE in 1958, came in from Washington for the event. He is a prominent Washington heart specialist.

"Rochester should be more proud of the young people in its city than words can describe. I am thinking at the moment of the behavior of these youngsters, contrasted with what is going on in Washington.

"Here, kids are walking in hope. In Washington, the demonstrators are walking in despair. Here, they are eating hot dogs and drinking soft drinks and smiling. In Washington they are smoking pot. In Washington the police are being called in because the demonstrators are stealing from one another; here the police are helping."

There were so many hikers (the organizers had been hoping for 20,000 a couple of weeks ago), they couldn't all leave the Aquinas Stadium starting point for several hours.

The earliest participants, particularly those hardy souls who ran or jogged the course, took off at approximately 8:30 a.m. Some late starters were getting under way at 12:30 p.m.

At one point in early afternoon, the hikers were strung out, four or five abreast, for 17 miles along the route! It looked like a mass exodus.

The first boy to complete the route was 17-year-old Roger Messenger of 113 Mosley Road, Greece, a pupil at Greece Arcadia High School. He's a track man; he went the distance in 2 hours and 50 minutes.

The first girl to finish was Amy McGregor, 15, of 277 Hollybrook Road, Henrietta. But that was considerably later. Then they streamed in by the thousands.

At least 16 of the hikers were treated at hospitals, most of them for fatigue, two of them after falling from car trunks as they rode back to Aquinas Stadium.

Hundreds of "lost" parents looked for their sons and daughters in Aquinas Stadium at 10 p.m. when a rock concert that followed the hike ended.

At 11 p.m., despite the help of a loudspeaker announcer trying to match parents and their offspring, about 250 parents were still lost in the stadium.

One man who conducted a futile search for his son said, "Well, he walked 25 miles, so I guess he can walk six more." Then the father drove home alone.

[From the Rochester (N.Y.) Democrat and Chronicle, May 3, 1971]

HOT DOGS, REAL DOGS, SORE DOGS

(By Bill Beeney)

The most dramatic aspect of yesterday's Hike for HOPE, in my book, was this:

At 2 o'clock in the afternoon, as we drove along the route, there was an almost unbroken, line of hikers—from two to five abreast—stretching along 17 miles of the 25-mile course.

Imagine how Stuart Cole felt. When he started out from Aquinas Stadium, to begin the hike, "the first eight guys had already finished. Nearly 35,000 participated.

"I wasn't aware of the project until this morning," said Stuart, "so I guess I was one of the last to take off."

At the "Establishment Oasis," a free hot dog stand on the Academy of Medicine grounds at 1441 East Ave., they began the day with 7,000 hot dogs (donated by Tobin Packing Co.) "Then we began to hear the reports about the size of the crowd," said Fred Lapple, a County Legislator who works at the Tobin company.

So they zipped out and got 4,000 more "hots." And an hour later, when the hiker figure went still higher, Fred acquired another 3,000.

Joe Sarkis of ARA food service kept matching those numbers with coffee, ice cream and milk supplies, and Harvey Anderson had his Coca-Cola dispensers geared at that level. Wegman's and Star Markets came up with the rolls, and R. T. French the mustard.

Men like Herb Mossien, Charles (Red) Zelter, Daniel G. (Gerry) Kennedy, Dr. Louis Eilers, and their ladies, kept busy—to put it mildly—cooking and handing out refreshments.

I did notice some hitchhiking along the way. I don't mean just hitchhiking by getting into autos, but by piling all over the outside of them. Dangerous.

It wouldn't have been available if so many spectators hadn't decided to drive along the hike route, thereby getting caught in monstrous traffic jams of their own creation, and setting the scene for the large-scale hitchings.

When the early arrivals came into the "Oasis"—which was 17 miles from the start—they were given a round of applause by some of the Establishment workers. But that soon went out of fashion as the hikers began to troop in by the hundreds. There just wasn't time for it.

Robert Cable, 17, of Greece Athena High, who ran most of the way, said: "You sure meet a lot of friendly people along the way—although one dog did dash out and try to bite me."

Joe Vang, 16 of Gates-Chili High, and John Turbayne, 15, of Monroe High, were among early finishers—going at 88 and 45 cents per mile respectively. "I'm just glad we got out ahead of the big crowd," said Joe.

John Scobey, who works at American Optical, and his wife, Amy, an English teacher at Madison High, came in with their two dogs on leashes. The dogs, Stinky and Facha, were sponsored "at 37 cents a mile each," said John, which was just 13 cents less than the Scobeys themselves. The dogs were in high spirits.

Then came another dog, a Poodle—"Tiger" by name—owned by Judy Deisenroth of Pittsford High. "Tiger" was scooting along on a $3-per-mile basis. He was pooped. That's a long hike for a little poodle.

Mark Proudfoot, 13, of Britton Road School, a $2.35-per-mile youngster, was doing it on a unicycle. He was more than a little tired, and almost a little tearful, as he sank to the ground for a rest at the "Oasis." But he went on after a bit. "It's my brother Dave's unicycle; he loaned it to me."

There were a number of people carrying guitars along the route, one or two with bugles ("Charge!"), and one set of friends made sure they stayed together by hitching themselves up like mountain-climbers along a length of rope.

All this contributed to what Police Inspector Henry Jensen referred to as "the marvelous carnival spirit; everyone enjoyed himself, and there were no real problems at all. I'm proud of every one of them."

Mayor Steve May and the Rt. Rev. Charles J. Lavery, president of St. John Fisher College, don't really know what the hike cost them.

Both men sponsored "several" hikers. They aren't exactly sure how many. They did remember they had "been signing cards" frequently in recent days.

Father Lavery had put in a full schedule. "I was at that Channel 21 auction until 4 o'clock in the morning, and got to bed about 5, and was up for 9 o'clock Mass, and now this."

Steve May and William Dennison, mayor of Toronto, have collaborated to provide "The Mayor's Trophy" for annual professional soccer league competition between Rochester's Lancers and the Toronto Metros. It goes to the team scoring the most goals in season competition between Rochester and Toronto. Mayor May was a good soccer player (left fullback) at Wesleyan College. I dunno about Dennison.

Kim Murray of John Marshall High, admitting that "my legs are tired" when he reached the 17-mile point, has a baseball engagement today that will tax his energy. He's pitching for Marshall against Mooney; "I'm going to beat them, too."

Twelve-year-old John Smallridge of St. Jerome's School in East Rochester, was hiking at a rate of $2.80 a mile, along with his friend, Kevin Schneider (60 cents), and at that rate they barely slowed down for a hot dog before pressing on. "It's too hard to get started again."

Richard Davidson, son of Mr. and Mrs. Gerry Davidson of 65 Glen Ellyn Way, was a dollar-a-mile walker. Richard is only 8, and his mother, Mynra, didn't want the third grade youngster to tackle the task, when he asked her a week ago. "What's the matter," said Richard, "don't you care about saving lives?" She relented.

Although they were too young to hike, a group of 9-year-old third-graders wasn't too young to participate.

They set up free "oasis" of their own on South Goodman Street, near Highland Park, and before the day was done had given out 1,400 cups of Koolaid and ice water, and 200 gallons of chicken soup, to hikers.

The kids: Jonathan Dubner, Bobby Bills, Jimmy Zelter, Buzzie Yanchich, Stephen Corridi. And Jonathan's 12-year-old sister, Jollene, spent the day washing pitchers.

James P. Kenny, the old rhymer, put it all together this way yesterday:

> Thousands make the hike for HOPE
> And help us with our problems cope.
> Such acts like these of two-fold love
> Will bring us blessings from above.

One of the top producers of the hike was Kathy Smith. Kathy had 65 sponsors who pledged a total of $526.

[From the Rochester Democrat and Chronicle, May 3, 1971]

HOPES HIGHER AFTER SUNDAY HIKE FOR HOPE

"Fantastic" is a word used cautiously on this page. We believe, however, that the performance of the more than 30,000 young people who registered for the Hike for Hope yesterday fully deserves that distinction. How else can one describe their dedication and determination?

Mostly of junior and senior high school age but including younger students and very few adults, the marchers all contributed in their own way. It couldn't have been easy for wheelchair participants who provided their own power mile after mile, or for several marchers hobbled by crutches. There were blisters and aches and sore feet for thousands of others. But the hardships were incidental. There was a challenge to be met.

The enormous response to the Teen League-sponsored hike means that S.S. *Hope*, the floating international medical center, will benefit tremendously from proceeds brought in by the sponsored participants. But a spectator watching these enthusiastic, well behaved youths over a two-hour period could not escape the wonderful feeling that something more than a hospital ship was involved. Wasn't this magnificent giving of

themselves proof positive that our young people care about things that matter?

What was the magic of this mass appeal? Was it the fact that the teen-agers themselves planned and managed it? Was it the 15 per cent of the fund that will go to local charities of the young people's choice?

Maybe it isn't necessary to probe too deeply for motivation. Perhaps we should just be grateful. The fact is that the massive turnout and the orderly way the march was conducted made it unique in the nation. It has become a fund-raising approach certain to be copiously copied.

To the thousands of young people who made it possible, our warmest congratulations! Our community is proud of you.

Mr. Speaker, I would like to emphasize that the people in my community today are tremendously impressed with the Hike for *Hope*. But, I think it should be noted that the Hike for *Hope* is no isolated example of the constructive involvement of people in the Rochester area. The Hike for *Hope* followed by 1 week a Walk for Water in which 20,000 youngsters raised a substantial sum for clean water. In the intervening week a public television auction raised over $180,000 for the support of WXXI, Rochester's educational television station.

The Hike for *Hope* stands as an outstanding event, speaking out for the great concern and potential our young people have for constructive involvement.

TIME FOR ACTION

The SPEAKER. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 1 hour.

Mr. MELCHER. Mr. Speaker, there is a big country out away from the shores of the Potomac River that is worth saving and revitalizing.

From Maine to Alaska and Florida to California rural areas are declining. Even in the State of Hawaii, the magic islands, rural Hawaiians are losing ground.

Regardless, the concentration of votes in the metropolitan areas tends to dim interest in rural areas.

The varied and numerous needs of agriculture and rural America will be described and documented today during this second farm and ranch forum. On March 1, 79 members of the House discussed those problems and presented to the House some of the needs. On a bipartisan basis we shall do so again today during this hour and the time allotted to the very distinguished member, Mr. SEBELIUS of Kansas, Mr. ZWACH of Minnesota, and Mr. SMITH of Iowa.

Threading through all of the problems of agriculture and rural areas is one theme: a lack of adequate income, low or nonexistent net returns. It is not a refrain that is sung for the sake of singing. The economic drag, the loss of opportunity to make even a decent living, has syphoned capital away to areas of higher returns and the result is rural decline.

To reverse the pocketbook drain on rural America will mean bolstering farm prices. Without higher prices for farm and ranch products there will be no rural development. Putting sewer and water systems into rural communities—however much needed and appreciated—are not going to save them if the people who bring capital into the area and support the towns are all going broke. If rural development is to be more than a political slogan, income on the farms and ranches of the Nation must be improved.

The basic place to start rural development is in the agricultural marketplace, which puts cash into the pocketbooks of the people who make their living on the land.

The buying power generated there—the farm marketplace—is the primary ingredient that has been curtailed and lacking, causing the economic sag of the rural agriculture areas.

The parity yardstick, now at 69 percent of parity, shows the depth of the rural slump. The inevitable result of the cost/price squeeze reflected in that parity ratio is bankrupt farm and ranch producers and vacant, vanishing towns.

Adequate return for grain is basic in a farm price structure.

Grain price declines neither benefit consumers nor do increases in grain prices materially affect the cost of consumer goods. With the wheat in a loaf of bread worth only 2 or 3 cents—only 10 percent of the retail price—a substantial rise in wheat prices does not mean much in terms of bread or puffed wheat breakfast food cereal prices.

A fair and stable grain price will both save the producers and it will assure stable supplies, not only of grains themselves, but also of meat, milk and poultry.

Wild fluctuations in the live pork price during the past few months, with pigs bringing down to $15 per hundredweight, never really benefited consumers but did drive hundreds of pig producers to the wall.

Some farmers have been saved by an increase in cash corn prices, due to reduced production as a result of the corn blight, and a live cattle market that doggedly refused to drop more than 15 percent.

The old axiom that cheap grain means cheap meat is not an idle slogan. The increase in pig crops which lies behind current low pig prices was a result of cheap feed; before the corn blight hit feed prices were so low farmers believed their only means of breaking even was to raise pigs, feed them their grain, and market meat animals instead of the grain. They did breed too many pigs as a result, weakening market prices for pigs at the very time the effects of the corn blight were causing feed prices to go back up.

It does not take an economic wizard to know that pig prices are going to recover in the months just ahead.

During the first quarter this year, we have had 22 percent more pigs marketed than we did the year before and prices have been disastrously low.

In the months just ahead, everyone following the hog market knows that the oversupply of pigs will decline; by July the supply will probably be only 5 percent to 7 percent over 1970, and by September the supply of pigs will probably be 5 percent to 7 percent less than in September 1970. Last year barrows and gilts were bringing $21 to $22 per hundredweight in September. They will almost certainly be back up to that level in September this year.

But we have built a time bomb into our feed and hog situation, which can lead to another disastrous low-price pig cycle, by loosening up crop acreages this year.

We have hedged against a recurrence of the corn blight. We have adopted a set-aside farm program and as a consequence we have 10 to 11 million more acres planted to crops in 1971 than in 1970.

If the corn blight does not hit this year—and its effects are going to be reduced by increased use of blight resistant strains of corn—we can have a big surplus of corn, low prices, another big bulge in hog breeding, and another wave of liquidations down on the farm.

Corn prices currently are well above the $1.05 per bushel loan level, and prices of other feed grains are comparable.

But if the level of production for which our 1971 is achieved, we will produce more than enough feed grains this year than we will require for use during the year, adding a substantial quantity to stocks. Even before it is harvested, when favorable crop prospects are reported by USDA, it can break feed grain prices back to disastrously low levels.

Back in the 1966 marketing year we had unusually high exports and domestic utilization of feeds, resulting in a drawdown on our carryover stocks. The seasonal average price for corn reached $1.24 per bushel—well above the loan level.

As a consequence of the cut in reserves, a larger 1967 crop was produced. At harvest time it was expected to add to carryover.

This moderately larger 1967 crop caused market prices to drop below the Government loan level in the first 5 months of the marketing year. The price support loan on it was $1.05 per bushel. The U.S. average price in the first 5 months was $1.03 and the average for the whole year—even though it turned out that demand was larger than anticipated—was only $1.07 per bushel.

This experience indicates that if farmers do have a 1971 crop which meets current needs for feed grains and adds just a little bit to reserve stocks, the market price, which was at $1.41 per bushel national average, or 71 percent of parity on April 15—will again fall below the Government loan level of $1.05 per bushel.

I am for talk about the farm problem—lots of it. We need national attention to the serious plight of agriculture, and we are beginning to get it.

But we also need some action to lift farmers out of the bottom of the economic trough.

Therefore, Mr. Speaker, I now announce that later this week I am going to introduce a bill—and I invite cosponsors—to put the price support loans on wheat and feed grains up 25 percent in any year that the crop is expected to add to reserves, or carryover stocks. It would be effective with this year's crop, which represents substantial increases in acre-

age. Unless the corn blight is extremely severe, it will add to carryover stocks and depress prices.

So my colleagues may have access to the text of the bill I plan to introduce, I include it in the RECORD at this point.

H.R. —

A bill to protect producers' income when rebuilding reserve stocks of wheat or feed grains

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. Section 107(a) of the Agriculture Act of 1949, as amended, is further amended by striking the period at the end, inserting a semicolon, and adding: "Provided further, that whenever the Secretary of Agriculture announces a wheat adjustment program which will result in an addition to reserve stocks, the minimum loan level available to producers during that crop year shall be increased by at least 25 per cent."

SEC. 2. Section 105 of the Agriculture Act of 1949, as amended, is further amended by substituting a semicolon for the period at the end of the sentence in (a)(1) and adding "whenever the Secretary of Agriculture announces a feed grain adjustment program which will result in an addition to reserve stocks, the minimum loan rates available to producers during that crop year shall be increased by at least 25 per cent."

SEC. 3. The amendments contained in this Act shall be effective in relation to crops harvested in 1971.

Members who wish to join me as cosponsors of the measure will be welcome. They can call my office, extension 5-4415, and I will gladly place them on the bill.

I would personally prefer a bill which raises the minimum price support level for wheat and feed grains by 25 percent, as a year-in and year-out matter, and then added 25 percent during years of reserve building.

But I have tailored this bill to what may be attainable in face of the current administration's support of a low-price, high-volume policy.

It was extremely encouraging yesterday to hear the President of the United States speak about the serious plight of farmers.

Those who participated in the farm and ranch forum day in the House on March 1, and who have cooperated in preparing for this round of discussion today, can, I believe, take some satisfaction in the attention currently being given to agricultural problems.

The President's speech yesterday, the farm salute planned at the White House Friday, and the rural development hearings being conducted by a Senate subcommittee in the Midwest today and tomorrow are all events which have suddenly sprouted and flowered since our March 1 discussion.

The President has indicated that he is increasing funds to buy pork for school lunch. That is good. Hog prices are set to rise but really substantial Government buying can speed their recovery.

He has also indicated that he will increase funds to promote agricultural exports. That is fine but those increases in exports must not be achieved by reducing prices to farmers to less than their cost of production.

There is an old story in agriculture about the farmer who got into the business of selling hammers to his neighbors. The hardware man thought nothing of it when the farmer bought two hammers from him at $1.25 each. He began to wonder what was happening when his farm customer bought a dozen the next week at the same price. The third week, when the farmer asked for two dozen hammers, the hardware man asked him what he was doing with so many hammers.

"Selling them to my neighbors," he replied.

'How much are you getting?" the hardware man inquired.

"A dollar apiece," the farmer said.

"Why, you'll go bankrupt buying hammers from me at $1.25 and selling them for a dollar," the hardware man protested.

To that the farmer replied: "Maybe so, but it sure beats farming.'

Some of us are very worried that our agricultural export business is getting on that sort of basis—selling $1.25 hammers for $1 each to build volume.

American agriculture is not going to prosper even if exports are built to $15 billion annually if it costs $20 billion to produce those exports.

We are quite concerned that the minimum price for wheat in the International Grains Agreement has been subverted during the past 2 years and left entirely out of the new agreement recently ratified subject to Senate approval.

The world market for agricultural products has long been described as a dumping market where prices are set by the nation with the biggest surpluses.

Sicco Mansholt, vice president and agricultural spokesman for the European Common Market, came to the United States recently and described it as such a market, appealing for commodity agreements that would set a rational minimum price on the farmers' products in the commercial sector of world trade, with provision to take care of have-not nations at concessional prices based on their needs and their ability to pay.

I hope that along with any agricultural trade promotion efforts, there is a parallel insistence on minimum prices high enough to keep U.S. agriculture and our rural areas, healthy. Let us not sell $2 wheat for $1.50 or $1.75 corn for $1.25.

The fact is that while agricultural exports are being pushed today to maintain a favorable U.S. trade balance, it is being done at an expense—not at a profit—to our farm people.

Farmers are both the goats of inflation—their costs have gone up and their prices have not—and they are also the goats of a trade policy which seeks volume, and a dollar flow back into the United States with little regard to its profitability to the farmer-producers.

This must end, and one way to assure an end to it is through higher price support loans for the basic grain ingredients in all of our food products.

This is proposed in the bill I will introduce later this week. I hope many of you will join.

Along with talk, the time has come for some action.

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

Mr. MELCHER. I am happy to yield to our very distinguished Speaker.

Mr. ALBERT. Mr. Speaker, I desire first of all to commend the distinguished gentleman for the fight he is making on behalf of American agriculture. He has not only interested himself in this subject; he is doing something about it.

There is no part of our economy that does not feel the present recession, but there is no part of the economy that suffers more from the cost-price squeeze than the agricultural economy of this country.

When farmers took their products to the market last fall they found the price parity ratio lower than they had found it at any time since the beginning of the great depression in the early 1930's.

This is one of the serious problems facing not only farmers who live on the land but it is a problem facing the entire Nation, because unless American agriculture prospers America and American industry and American labor cannot prosper.

I join the distinguished gentleman in the fight he is making.

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

Mr. MELCHER. I am glad to yield to the distinguished majority leader.

Mr. BOGGS. Mr. Speaker, I would like to associate myself with the remarks made a moment ago by the distinguished Speaker. I commend the gentleman in the well for the remarks that he is making as well as those Members who will be associated with him.

Prosperity on the American farms is fundamental to the United States and it is almost incomprehensible, that we have to debate it and bring it before this body. Yet it is a fact that the migration from the farms continues and each year the farms become more and more corporate enterprises. Today we are confronted with terrible problems in the big cities of our country. Each time a person leaves the farm and goes to a big city he multiplies the problems that exist there.

It seems to me absolutely basic that this Congress must initiate and the administration must sponsor programs that will keep the farmers on the farms and give them greater prosperity. Without a prosperous farm economy it is impossible for our country to be prosperous.

Mr. Speaker, I wish to associate myself with the remarks that the gentleman is making.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. MELCHER. I am glad to yield to the distinguished whip.

Mr. O'NEILL. I speak now as a representative of an urban area. I want you to know that the people in metropolitan areas appreciate the contribution that the American farmer has made to the American way of life and the well-being of our people as a whole.

"Our daily bread" comes to us in many forms and varieties. The people of our country appreciate and enjoy the greatest variety of wholesome foods available in this world.

I wish to congratulate the gentleman

in the well for this series of hours that you have taken on the floor of the House to make the American public aware of the problems and needs of the American farmer.

I think when I first came to the Congress some 18 years ago, concern for the farms and the farmers was more present in the Congress than it is today. We were all aware of the fact that the economy of the farmer reflected the trend of the economy of the rest of the country. We need these reminders.

I congratulate the gentleman for bringing this problem to the eyes of the American public.

Mr. MELCHER. I thank the very distinguished gentleman from Massachusetts, our majority whip.

I now yield to the chairman of the House Committee on Agriculture, the very distinguished gentleman from Texas.

Mr. POAGE. Mr. Speaker, I think it is unnecessary to recount the importance of agriculture and its value to the general economy of the country. Previous speakers have made that plain. Most of us recognize it.

What we do not recognize and what I think is of much more immediate importance to the people of the United States is that their own cost of living is tied directly to the success of agriculture. An efficient agriculture provides the cheapest cost of living that the American people can have. An inefficient agriculture must charge all of the cost of its inefficiency to the ultimate consumer who is the housewife in the United States.

Mr. Speaker, we have an agricultural program in the United States that is probably subject to more criticism and misunderstanding than any of our Government programs. It is usually described as a $7 billion program, but it has never paid the farmers more than $3.5 billion since it was established.

There are other programs charged to the Department of Agriculture which do run up to probably another $2 or $3 billion. We have the special milk program, there is the school lunch program, there is the special breakfast program, the special milk program, and so forth, but those dollars do not go to the farmers. They go to the children of people in town and in the country. About 96 percent of it to those in town.

Then, Mr. Speaker, there is the food stamp program now in the amount of about $1.5 billion. It does not go to the farmers. Perhaps, $100 million of it does but the other $1.4 billion goes to the people in town. However, these are programs most of which go to the direct benefit of our urban citizens and are charged to agriculture.

Now, what is the effect of the $3 billion which is paid to farmers? The effect of it is to reduce the price of agricultural products in the grocery store. If that $3 billion did not go into the total farm income, it would have to come out of the grocery store because the costs of production have to be paid. When food comes through the grocery store it costs the consumer about three times what it does when it comes directly from the farmer, because the housewife goes to the grocery stores and buys a basket of groceries and the farmer gets only about 36 cents out of each dollar's worth of groceries.

Therefore, if you are going to make up the $3 billion, Mr. Speaker, you will have to use something like $11 billion on the part of the consumer. That, then, means that our farm programs are reducing the cost of living, and 96 percent of that is for people in town, money that goes to our town people in the amount of approximately $11 billion. I do not know where you could buy a better bargain when you pay out $3 billion and reduce your cost by $11 billion. In my opinion that is a pretty good bargain. Yet, that fundamental fact is something which most of our people either have not heard or do not want to hear. Sometimes I think they do not want to hear it. Sometimes I think that there is an intentional refusal to understand farm problems.

Mr. Speaker, we had that illustrated in our committee on last Friday. We were discussing the sugar program. We had a witness who said he appeared on behalf of "the consumers." He named one consumer only. He could not recall any others that he represented, but he did name one consumer, only one, and he felt that he must speak out in behalf of the consumers because he said he thought the sugar program was an outrageous scheme to saddle the burden of unreasonable prices on the consumers and to enrich a favored few.

Our colleague from Texas who will maybe want to say something about this asked him if it was not true that sugar was today selling in the grocery store for just a little over 12 cents a pound. The witness agreed that that was true. The gentleman from Texas (Mr. PURCELL) then asked him if it was not true that 20 years ago sugar was selling in our grocery stores at a little over 10 cents a pound, and he agreed that that was true.

Mr. Speaker, it does not take a Ph. D. to understand that that then means an increase in retail price of a little less than 20 percent in 20 years.

Mr. PURCELL then asked the witness if he could name one single major commodity sold in the grocery stores that had not increased more than 20 percent during the last 20 years other than sugar. The gentleman has not answered that one yet.

But of course he has been widely reported in the press as being a man of great fortitude and great insight to come before the committee and suggest that the consumers are being robbed. If that is the kind of robbery that is taking place I want more robberies, because I would like to have that sort of situation prevail in regard to more prices in the United States. And I submit the total price of sugar is the only major commodity sold in the grocery stores that has not had a greater increase than that in those 20 years, and the reason it has not increased more is because, of course, we have had a sugar program, not for the benefit of a few immensely rich, but for the benefit, not even of the farmers of this country, but for the housewives of this country who are buying the sugar, either directly or in manufactured product form.

Of course, 75 percent of the sugar in the United States is sold through manufactured products.

I simply submit, Mr. Speaker, that our city people are not getting an understanding—and neither are the Members of the Congress getting an understanding of the true value of these farm programs. Our sugar program has done far more for the consumers of sugar in the United States than it ever did for the producers of sugar in the United States. Our farm program as a whole has done more to maintain a lower cost of living for the American people than it has ever done to help the farmers of the United States. It has helped the farmers of America, and I am happy that it has, but it has also helped every consumer in the United States, and that is the only way these programs should work, and that is the way the agricultural program does work. It helps very much in agriculture, but it helps more in all of America.

I wish that it were possible for all of the Members of the House to visit with the Committee on Agriculture, and see that that committee is spending a very large portion of its time trying to maintain the living standards of America at the lowest possible cost to our consumers. I am proud to say that we have done a pretty good job, or a better job, than the people of any nation anywhere in the world at any time in history have ever done. Only about 16 percent of the disposable income of the average American family is spent for food, 16 percent. Anywhere else in the world that runs from 25 percent on up to as high as 75 percent in the Orient.

So, Mr. Speaker, I submit we have done a pretty good job. We have not done a perfect job, but it has been in the interest not simply of the farmers but in the interest of every man, woman, and child in the United States. We are eating better now than the people of any nation in the world today, and for a smaller percentage of our disposable income than anybody anywhere else in the world.

The gentleman now in the well, the gentleman from Montana (Mr. MELCHER) has been serving on the Committee on Agriculture for some 2 years, and I would suggest that he has done about as much in 2 years as anybody has ever done who has come there in that period of time. He has shown a deep interest not only in agriculture, but in the American people. I believe he has contributed to the welfare of the American people.

I believe that this is a subject that perhaps we should consider more often, and then perhaps we would pay better attention to it. When I was a boy they had what was known as horse-traders' day. The first Monday in the month was known as horse-traders' day, and I think that the first Monday of the month in Congress might well be called "horse-traders' day," at least to the extent that we might give some consideration to what we are going to drive home this afternon, and what we are going to put in the pen when we get home.

Anyway, Mr. Speaker, again I congratulate the gentleman in the well, who has made these arrangements, and who

is bringing this to the attention of the House.

Mr. MELCHER. Mr. Speaker, I thank the gentleman from Texas (Mr. POAGE) the chairman of the Committee on Agriculture, for his remarks.

Mr. Speaker, I now yield to my colleague and good friend, the gentleman from Illinois, and the City of Chicago, Mr. MIKVA.

Mr. MIKVA. Mr. Speaker, at the risk of being traded out of my horses, I would like also to commend the gentleman in the well for starting this dialog.

I know as an urban Congressman, who has a modest number of farmers left in my district that we do not always agree on the tactics by which the farmers and consumers' interests can be served. But we are in complete agreement that progress in this country is dependent upon both groups enjoying a measure of prosperity. Indeed, if one looks at the history of this country cyclically, one is aware that the great leaps forward have been when the ruralists and the urbanists—the factory workers and the farmers—found the common cause that held them together rather than arguing about the things that separate them.

Mr. Speaker, I think the dialog initiated by the gentlemen in the well has the very useful purpose of making us aware of some of the problems that the farm people face. This dialog helps those of us who claim to represent consumers aware that consumers have problems which are not caused by the farmers eating too high on the hog.

Mr. Speaker, I recently had the good fortune to visit Alliance, Nebr., where I addressed a group of ranchers. My remarks were confined to the many problems confronting the cities, and I hope I was able to modestly increase their understanding of the urban crisis. But I received more than I gave, and I was reminded that while the urban environment is deteriorating today, life on the farm is pretty grim too. Both the farmer and city dweller alike must realize this fact.

Every American housewife is understandably shocked at the boundless spiral in food prices. Frequently, the inference is that the farmer is responsible for these escalating prices, that he is getting rich off the labor of the working man. This is simply untrue. Most farmers are going broke, caught up in consuming struggle to stay ahead of inflation by cutting costs, improving efficiency, and working 16- and 17-hour days. In preparing for my Nebraska trip I was forced to confront some startling statistics. Since 1960, food prices have risen 33 percent. In that same period though, the prices farmers received for their products have risen only 10 percent. Meanwhile farm operating costs have soared; capital investment costs rose 79 percent, fertilizer costs rose 64 percent, pesticide and insecticide costs 20 percent, and feed costs, 33 percent. Even the most efficient businessman would be hard pressed to survive in the face of such increasing prices.

We Americans are very proud that only 16.7 cents of every dollar we earn is spent for food, an all-time low. Yet on the other side of the coin, farmers are getting only 37 cents at every dollar spent on food, an all-time low. While most of the population is spending less on food, the rural population is going broke, forced to pay more and more to produce farm products and receiving less and less in return. The situation is so distressing that many farmers are forced into other occupations just to survive. Nearly half of all income earned by persons living on farms or ranches in 1970 came from outside sources—jobs off the farm.

Clearly, the countryside is not a good place for a young man to make his fortune. Yet thousands of farmers are satisfied merely to subsist; they refuse to leave the land despite its cruel and exhausting challenges. The soil has meaning for these people, an attachement that makes rural America, like urban America, worth saving. William Jennings Bryan once said:

> Burn down your cities and leave our farms and your cities will spring up again as if by magic, but destroy our farms and the grass will grow in the streets of every city in the country.

In a very real sense, the countryside is the foundation of our society. It was rural farming community that first evolved in this country; it was on the open frontier that our democracy was forged and strengthened. The great social revolutions of American history have had a basis in rural society from the American Revolution to the progressive movements of the New Nationalism and the New Deal. And whenever farming has been economically depressed, the country has been in precarious economic straits, whether in the time of Shay's Rebellion, the Silver Movement, or the Great Dust Bowl.

A continuing deterioration of our farms will signal the decline of our civilization as much as will the death of the cities. Something must be done to reverse the trend in both the town and country. I commend my colleagues Messrs. MELCHER, SEBELIUS, SMITH, of Iowa, and ZWACH for providing these forums to keep before America the problems facing rural America.

Mr. MELCHER. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I now yield to the gentleman from Texas (Mr. PURCELL), chairman of the subcommittee on livestock and grains of the Committee on Agriculture.

Mr. PURCELL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, on September 14, 1968, President Nixon told a campaign audience in Des Moines, Iowa:

> In the Congress and as a member of the Eisenhower Administration, I learned long ago of the immense importance of modern American agriculture to the health and strength of our country. Nowhere else in the world do so few farmers and ranchers produce so much, so efficiently, and so reasonable for so many.

From the President to the housewife, American agriculture has long been admired as the most efficient industry we have. More has been produced for less than in any other segment of the economy. Everyone that steps foot in a grocery store benefits from it—except the farmer himself.

The President also took note of this problem. In the same address he said:

> Seventy-four percent of parity is intolerable in my book; farmers are entitled to better, and I pledge that in my administration they will have better.

Parity, Mr. Speaker, is a concept used to compare the prices farmers receive for their products and the prices they pay for goods and services. The 74-percent figure which President Nixon termed "intolerable" in 1968 meant that farmers were receiving only 74 per cent of what they were worth to the whole economy. He was absolutely right in calling it "intolerable." Yet, worse was to come. By December of last year that "intolerable" figure had plunged to 67 percent.

The American farmer was getting paid two-thirds of the real value of his tireless efforts. If the 1968 figure was "intolerable," the 1970 figure was absolutely unbearable—to the administration as well as the farmer.

In that same month the U.S. Department of Agriculture gamely announced that henceforth 1967 would be substituted for the years always used as the base for figuring parity. It almost seems as if the statisticians were called in to save the day for the administration. Suddenly, by the stroke of a pen, the ratio was 91 percent. If statisticians' dreams had only been dollars of farm income, Mr. Speaker, the American farmer would have his place in our economy.

Last Thursday I introduced a concurrent resolution which hits at this deceptive practice. I was joined by Mr. ABOUREZK, Mr. ANDREWS of North Dakota, Mr. BERGLAND, Mr. LINK, Mr. MELCHER, and Mr. OBEY, I am pleased that it enjoys this bipartisan support from leading farm State Members, and I am equally proud to be associated with Senator HUMPHREY, who has introduced identical legislation in the other body.

But the dreams were not dollars; the American farmer could not rejoice last December. Last year's Christmas tree was a little skimpier than the year before; and that one skimpier than its predecessor. For those who could live on agricultural statistics, Mr. Speaker, it was a fine Christmas. For the farmer, who must live on agricultural receipts, it was truly pitiful.

Our singular intention is to insure that the true "forgotten American"—the American farmer—is not written off by his Government.

If a parity figure consistently below 75 percent is "intolerable," then we do not offer justice to the farmer by rearranging the numbers on him. If the figures are embarrassing, we are obligated to address ourselves to the inequities which give rise to them. The purpose of this concurrent resolution is to say to all concerned that it is the official intention of this Congress to do just that.

Mr. MELCHER. I thank the chairman of the Livestock and Grains Subcommittee for his very pertinent remarks.

I now yield to our colleague, the gentleman from Arizona, Mr. UDALL.

Mr. UDALL. Mr. Speaker, you do not read much about it in the press, but the House of Representatives, as all of us know, is really the workshop of the legislative branch. This is where the work is done. There are dozens of unglamorous subjects that are important to the American people. The work on those subjects, by and large, is done in the House. The experience of the gentleman from Montana shows me once again that every Member of this body can make a contribution, can get hold of an important subject and dig into it.

In his brief time here, the gentleman from Montana has done perhaps more than any other Member to bring fresh thinking to bear on these tough agriculture problems.

Agriculture has not always been an entirely partisan subject. Sometimes it has been. I did not agree with all the farm policies of President Kennedy, and I certainly did not agree with the agricultural policies of Mr. Eisenhower and Mr. Benson. But I think one place where this current administration is vulnerable in is in its utter failure to lead out positively on this subject.

Someone said a long time ago that the job of leaders is to lead. Mr. Nixon, as a candidate, made some of the best farm speeches I heard. When the balloons came down, he could condemn in rousing terms, the short-comings of past farm policies than perhaps any other candidate. But for the first time in a generation—in fact, as far as I know, for the first time in this century—the President of the United States threw up his hands a year ago when the farm programs expired and said in effect, "I do not have any program. You in the Congress see what you can come up with. We may make a suggestion from time to time, but it is up to you to come up with a farm program."

The farmers in this country are in trouble. The crisis will get worse. We will perform our responsibility here in the Congress. But I hope the administration, as we go down this road between now and the election next fall, will come up with some suggestions, will come up with some programs, will come up with some help. At least Eisenhower and Secretary Benson in the 1950's presented some ideas. They had some programs. Those ideas were disastrous, most of us thought, but at least they undertook the obligation of trying to come forward with proposals.

So I want to commend the gentlemen, and I want to commend those participating today. I pledge my support for any effort on the part of this House or the leadership of this country to get to the bottom of the farm problem and give our farmers the solid basis they have had in the past.

Mr. MELCHER. I thank the distinguished gentleman.

I now yield to our colleague from North Carolina, a member of the committee, Mr. JONES.

Mr. JONES of North Carolina. Mr. Speaker, I am pleased to join with others in this House farm forum which obviously is designed to focus the attention of this House and the Senate as well as the entire Nation on the multiple problems of agriculture, and offer some suggestions hopefully to solving the aforementioned problems.

Perhaps most important is the rapidly declining farm population. I have mentioned this before on the floor of this House, but as yet little has been done to stem the tide. One solution, of course, would be to provide more jobs in rural areas which ultimately might have to be done with long-range Federal financing to small industries which would be peculiarly adapted to the farm economy; in addition, more varied locations of processing plants to handle produce in a given area. Also, we must be mindful that our rural citizens are just as entitled and desirous of modern conveniences as our urban friends; this includes an adequate water supply, sewers, electricity, and access roads. I hope that other Members of Congress will realize the importance of legislation to accomplish this.

If we are to continue to produce enough food and fiber to feed our expanding population, ways must be found to retain our young people in the pursuit of agriculture. Each year the average age of our farm population continues to increase. It is a rare occasion in the district that I have the honor of representing to see a young man willing to devote his future life to the farm. This can be solved only by providing the agricultural producer with a greater share of the consumer dollar. I am convinced that it will take governmental action and support to make this possible. This can be done by legislation which provides some means of collective selling and distribution. The farmer is the only segment of our population which in the broadest sense, asks how much will you give me, rather than telling the customer the price of the commodity.

In conclusion, Mr. Speaker, I respectfully ask that the Members of this House who so ably represent the urban areas realize the importance of a sound farm economy, and from time to time join with those of us who are most concerned in approving legislation designed to retain an adequate supply of farm produce for this and the other free nations of the world. To those who represent our large industries, need I remind you that agriculture is the largest single customer of industry. I think it is an essential truth that the farmer cannot survive without the urban customer; by the same token, the urban consumer cannot survive without the American farmer. So, we are interdependent on one another, and let us never lose sight of that fact.

I thank the gentleman for yielding.

Mr. MELCHER. I thank the gentleman from North Carolina for his remarks.

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

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

Mr. SCHERLE. Mr. Speaker, I thank the gentleman for yielding at this time.

I am sorry my colleague from Arizona is not present to hear what I have to say in regard to his criticism of President Nixon and the present administration. It would seem as though the whole, entire farm problem just developed within the past 2 years—and anyone who gives credence to that has not watched the deterioration of agriculture in this country.

We have lost 23 million farmers since World War II. The Republicans have had control of the Congress only 2 years in that entire period of time.

I always hesitate to get on this floor, particularly, when we talk about agriculture, and talk in a partisan nature because I believe agriculture is too important to be partisan at any point.

The gentleman from Arizona made the statement that President Nixon did not have a farm program.

No, he did not.

However, this being the legislative branch of Government, it should be and is the responsibility of this Chamber to initiate legislation and this includes farm programs; and it is not the responsibility of the executive branch of our Government.

We all know it took a long, hard time to develop the present farm program. I personally am not happy with it, but I do know it was a bipartisan effort of this body and of the other body across the Capitol.

I vividly recall that President Johnson, in his state of the Union message, had only 15 words, or one sentence, on agriculture.

Being a farmer myself, I can think of some really lean years starting in the late 1940's, early and running through the 1960's.

As a farmer, I can truthfully say we never made a lot of money. It was not because we did not try—costs were high and not income low.

But I, for one, have this to say: I do have faith in this administration. I do think they care.

I am sure that before President Nixon is out of office—which will be not only the completion of this administration but an additional 4 years—the farmers will be in a much better position than we have been in the past.

It is strange for me to hear partisan talk when we have so much at stake. The farmers of this country need support from both sides of the aisle. Only by collective attention to the problem will they benefit by anything we can legislate or hope to implement in this body.

I thank the gentleman for yielding.

Mr. MELCHER. I thank the gentleman from Iowa for his comment. It brings to mind the remarks of our senior Senator from Montana (MIKE MANSFIELD) the majority leader of the Senate, which he made in reply to a question posed to him by one of the participants during a recent news program. The question involved this: After all, who was to blame most—Republicans or Democrats—for our involvement in Vietnam. Senator MANSFIELD replied:

> When it comes to passing out blame as to which party is at fault in our becoming involved in Vietnam, there is plenty of blame to go around for both parties.

I think that is true of our problem in agriculture today, also. There is plenty to go around for both parties. Neither party when in power in the office of the presi-

dency has done an adequate job of protecting farm income and keeping rural America strong.

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

Mr. MELCHER. I am glad to yield to our colleague from Minnesota and one of the sponsors of this farm forum.

Mr. ZWACH. I very much appreciate your comment about the mutuality of the problem of fair prices. The gentleman will remember in our work in the subcommittee on feed grains who it was that sabotaged the program that we had worked to develop for months and months and months. The gentleman will remember that it was in the main the majority members of the subcommittee on feed grains who were the ones who sabotaged that program. So there is plenty of blame to go around.

I do hope this discussion will remain on a nonpartisan basis rather than trying to assess blame. If we do a good job, there will be plenty of credit to go around for everyone. If we do not, the blame will be broad enough to be borne by everyone.

I thank the gentleman for yielding.

Mr. MELCHER. I thank the gentleman from Minnesota for his remarks. I am well aware of the contribution on a bipartisan basis that the gentleman from Minnesota contributes on the Committee on Agriculture of the House and on the floor of this House.

I now yield to the gentleman from Louisiana, Mr. CAFFERY.

Mr. CAFFERY. Mr. Speaker, I am pleased to participate in this farm and ranch forum dedicated to helping agriculture. I have always held to the belief that if this country is to remain strong, we must revitalize the rural areas of America and give new life to its heartlands.

A few days ago I had the privilege of speaking to the Future Farmers of America of Franklin, La., at their parent-son banquet. I was a member of that organization at Franklin High School many years ago and it was refreshing and inspiring to me to go back and meet with these young farmers, upon whose shoulders will rest the future of America's agriculture.

This is what I told them:

SPEECH BY THE HONORABLE PATRICK T. CAFFERY

The American naturalist John Burroughs said, "One may return to the place of his birth—he cannot go back to his youth." I suppose that is true but certainly the closest I could come to returning to my youth would be to come here tonight for the parent-son banquet of the Franklin Chapter of the Future Farmers of America. Not only is it the place of my birth, but as a youth I sat in your chair as a member of the Future Farmers of America. The organization was an important part of my formative years and when Mr. Mac contacted me about coming back here to speak, I found I could, even still, remember the FFA motto—"Learning to do, doing to learn, earning to live, living to serve." I am not going to admit how many years ago I learned that motto but you can assume it was more than a year or two back. It speaks well for the impact of FFA on my life that I would retain that motto to this very day.

As you know, I did not pursue my interest in farming but instead chose law and eventually entered into public life. The leadership skills of FFA, however, have stood me good stead over the years. I also look forward to the day when my duties in Washington will be completed and I can return to the land and utilize the knowledge I acquired in Future Farmers. Of course, farming has made such progress that I might find myself a pretty poor farmer these days. I might be like a friend of Mark Twain who he described "as a very inferior farmer when he first began and . . . now fast rising from affluence to poverty."

Perhaps my longing to return to the land is just a desire to recapture my youth and the happy halcyon days when I was a Future Farmer. This is something one must guard against for it is easy to fall into sentimental reminiscing about the past. The fact is that the world is moving on and we must move with it. Future Farmers of today face challenges unknown to the farm boys of the past. I don't have to tell you of the dynamic changes that have created the new field of agri-business.

Agriculture is a big, big business. The current value of our farmers' assets is some $273 billion, which is about two-thirds of the total value of the current assets of all corporations in the United States. One-third of our entire labor force is related in some way to agriculture. Your options in agriculture now encompass great industries that supply farm machinery and equipment, fuel and oil for power, fertilizers and other chemicals for control of insects, weeds and plant diseases, feeds and medicine for livestock and many other production supplies. In addition, these items must be manufactured, transported, stored, financed, merchandised and serviced.

Agriculture is a growth industry both in the nation as a whole and in this area in particular. In the years ahead, agricultural output will be increased to meet the needs of an expanding population here at home as well as increased demands for food for export.

This presents a great challenge to you Future Farmers, especially as we approach the limits of land suited for crop production. These new land limits will test your ingenuity and innovative spirit. There is bound to be more specialization in crops and livestock, more land improvement through draining or irrigation and greater use of fertilizer along with more effective pest control and more productive crop varieties.

All of this means that the successful operation of the farm in your future will require management ability of a high order. Your farm will undoubtedly have even larger capital requirements than your father's operation required. This means credit will play an increasingly important role. You will need to have more precise information and do more long term planning as well as detailed annual budgeting. The use of electronic computers for such purposes will be commonplace by the time you are an established farm owner. You will have to cope with tax problems, estate planning, insurance and self-retirement programs as well as labor contracts and federal, state and local laws.

When it comes to dealing with high finance, you will find lending institutions are going to look hard, not just at your real estate collateral, but at your performance capabilities.

If this be the case, and I believe it will be then there is no better way for you to prepare yourself and insure your potential for success than right here in Future Farmers and under the direction of my friend, Pat McKoin. You parents here tonight have a valuable partner in the upbringing of your boys in the person of your vocational agriculture instructor and FFA adviser. He knows youth development, he knows the community and he has the ability and know-how to help your sons develop answers to problems facing them.

Never was he needed more than today I might add, for the Future Farmer faces challenges in a seemingly unending stream. The miracle benefits of our new chemicals are matched by the serious impact these fertilizers and pesticides have on our environment. The big business, computerized, mechanized farm life may bring material rewards and conveniences but it also may be destroying rural life as we know it. Future Farmers here tonight will have to live, not only with the consequences of what we parents have wrought, but with the consequences of your own progress in future years. The farmer of the future cannot revive the past or even maintain the present. You must create a new future with new products and technologies but without the old problems which have accompanied past developments.

We must recognize that the urban crisis we find in this nation is now and has been fed from rural areas. Today 70 percent of the nation's population is concentrated on 2 percent of the land. Many of our rural citizens were ill equipped for this rural out-migration. We face a threat that the resulting economic ills may become so acute in metropolitan areas that they come to infect our whole national structure. We must act together with intelligence and energy to prevent what might become a national catastrophe.

Future Farmers must shoulder the responsibility to help develop and conserve resources, improve the quality of living and expand opportunity in our open spaces, our smaller towns and our rural environment. Future growth in this nation should be in the green pastures where men, women and children can be near nature.

Future Farmers must develop opportunities for people to stay with the land and at the same time not destroy the quality of rural life while they are doing so.

This may sound like a tight-rope walking act and it is. But it is a challenge that Future Farmers have long accepted. In the FFA Creed are the words, "I believe that rural America can and will hold true to the best traditions of our national life and that I can exert an influence in my home and community which will stand solid for my part in that inspiring task."

I urge each Future Farmer here to stand by those words in your Creed. Don't weaken in your resolve as you grow older. Henry Thoreau once wrote, "The youth gets together his materials to build a bridge to the moon, or, perchance, a palace or temple on the earth, and at length, the middle-aged man concludes to build a woodshed with them."

I say hold fast to your dream of a vital rural America. Don't let the complexities of modern life or the bone-wearying work of farm life make you lose the sight and feel of the land. As Nathaniel Hawthorne said, "A man's soul may be buried and perish under a dungheap or a furrow of the field, just as well as under a pile of money."

You must continue to dream and strive because upon the shoulders of our future farmers rests the quality of our national life. A nation's cities can be burned and if the farms survive the cities will spring up again as if by magic; but if we allow our farmers and farm life to be destroyed and burned the grass will grow in the streets of every city in the country.

Hold dear to the land. The urban sprawl which creeps out from our cities is gobbling up land at an alarming rate. Every year we lose nearly two million acres of rural countryside to the bull dozers, developers, subdividers and highway engineers. The land crisscrossed by plumbing, asphalt and con-

crete each year would take a big bite out of the Third Congressional District which stretches from New Orleans to Lafayette.

We must protect our land and our way of life. If we are to preserve this land of ours as a livable environment for the men, women and children of tomorrow, we must develop a strong vibrant way of life which saves the good things and humanity that belongs to the heritage of rural America.

It is doubly important because American agriculture is the key to peace and tranquility for our nation and the world. Ours is a land of agricultural affluence and surplus but we still hear the cries of the malnourished in our nation.

The challenge to agriculture and to each Future Farmer was eloquently expressed by John F. Kennedy in his Inaugural Address. He said, "So long as freedom from hunger is only half achieved—so long as two-thirds of the nations of the world have food deficits—no citizen, no nation can afford to feel satisfied or secure. We have the ability, we have the means, and we have the capacity to eliminate hunger from the face of the earth. We only need the will."

That "will," President Kennedy spoke of and the power to make it a reality rests with our farmers of the future.

It seems to me as if we are going through an almost Biblical-like purge as our cities are wracked by violence, pollution, and congestion while our citizens continue to concentrate in huge sprawling urban complexes.

I look to the farm families and future farmers to accept the challenge to change all that. We cannot stand by and see the land laid waste by pollution. We cannot permit only a few to own all the land, or permit rich land to remain unproductive. No less a man than Thomas Jefferson warned us against the latter. He said, "Whenever there are in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right. The earth is given as common stock for men to labor and live on . . . The small landholders are the most precious part of the state."

I agree with Thomas Jefferson. The most precious part of this nation is our family farm.

I am proud of the Future Farmers of America, proud to have been part of it in the past and proud to be with you here tonight. Your parents are equally proud, not only of you and your organization, but of your resolve to take their place on the land and protect rural America.

Don't lose that dream, nourish it, protect it . . . make it a reality. For then you will have completed the last line of the Future Farmer Motto. You are now learning to do and doing to learn. You will soon earn to live—and when you keep rural America strong and vibrant, you will truly have lived to serve.

Mr. MELCHER. I thank the gentleman.

I now yield to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Few segments of agriculture are having a more difficult time, Mr. Speaker, than our sheep and wool industry, which is an important part of our farm economy in Wyoming.

Returns have been so poor, costs so high in recent years that our sheep, lamb, and wool business has been declining steadily for the past two decades. Sheep numbers in the United States are down 50 percent from the fifties and still steadily declining.

We have a target price of 72 cents per pound for wool—a commodity that many of our citizens and the armed services still want, in preference to artificial fibers which burn easily. Yet the domestic price for wool for the month of April was 26.1 cents—just 26 cents of parity, which is $1.01 per pound.

Producers get, in addition to the market price, a payment intended to lift their return toward the target level. Recently, in some areas of the Nation, due to imports of woolen fabrics, there has been no market for domestic wool, even at the disastrously low prices to which the market has dropped.

Because wool payments are dependent on the price at which a producer's wool is marketed, in the absence of a market there is no payment. In the absence of either a market or a payment, wool producers are without income from their product—a situation few can survive very long these days.

The farm income situation in the United States, overall, is a very serious matter and I am pleased to join my colleagues in urging every possible effort to improve the farm price structure. I agree completely with those who are saying on the floor that rural development starts in the farmers' pockets. With money to spend, they will support our rural towns and stop the migration from country to crowded metropolitan areas.

At the same time, I would like to suggest that the situation in the sheep business deserves special attention.

The Wool Act provides that the Department of Agriculture can support the price of wool through price support loans, purchases, or by other means, in addition to the payments program, which is funded with tariff receipts.

I hope that while the President is giving attention to farm problems this week, the problems of the sheep, lamb, and wool producers will get the attention they deserve, as well as the overall problems of the sugar beet and the feed grains, and the wheat farmers of the State of Wyoming.

Mr. MELCHER. I now yield to the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. I appreciate the gentleman yielding to me.

I would like to commend the gentleman in the well, Mr. MELCHER of Montana, Mr. SMITH of Iowa, Mr. ZWACH of Minnesota, and Mr. SEBELIUS of Kansas for sponsoring this farm forum, which is really a continuation of our forum of March 1 of this year.

I also note that the gentleman presiding at this farm forum in the Chamber of the House of Representatives is the very distinguished gentleman from Missouri (Mr. HUNGATE). I think it very appropriate that the gentleman be presiding because the gentleman, for the many years of his service in this House, has certainly been a dedicated and committed friends of American agriculture.

Mr. Speaker, on March 1 I made a speech during our farm forum in an attempt to direct attention at what I felt to be some of the pitfalls and some of the weaknesses of our farm program, as well as some of the administrative rulings that had been arrived at by this administration.

Now, very briefly capsulizing those complaints and those criticisms, I might point out that I have always been a stanch opponent, from the subcommittee right on through to the full committee, on the set-aside provisions of this farm program. I have always said, and I think the American producers agree with me, that the result from this set-aside proposal will be reduction in farm income.

Now, Mr. Speaker, insofar as the administrative rulings are concerned, to which I have referred and which I referred to on March 1 of this year in our earlier farm forum, I pointed out that this administration had given us the ruling on the disaster provisions of the farm program under which they ruled that if we had a disaster which was caused by adverse weather conditions, that the projected yield in the three commodities covered by the program could be adjusted only to the extent of 80 percent. We have never had that provision heretofore. If we had a 100-percent disaster, then we have had the right to adjust our yield by 100 percent.

If we continue to have crop disasters, as has been the case in my district in the past 5 or 6 years, this ruling could well spell ruination to the farmers of my congressional district.

Another point that I made on March 1 was the administrative ruling on preventive planting. This was the ruling whereby if a farmer lost his crop because of, again, adverse weather conditions—and I am referring specifically now to cotton production—if he lost his cotton crop, he could not later put in another commodity if it were too late to plant cotton. In other words, he could not put in a soybean crop or another late crop without sacrificing one-third of his payments under the cotton program.

Now, I am very pleased to say in fairness to the administration, that they have reversed their position and have invalidated this ruling with respect to preventive planting. I want to commend the Secretary of Agriculture on this ruling. I only wish we could get a like reversal on the disaster provision and a ruling on the set aside provision to let us plant soybeans and cotton on the set aside acres because the administration—information emanating from the administration has emphasized for months that we have a shortage of soybeans and we have a shortage of cotton and that we need both of these products.

The soybean market is at the threshold of $3 a bushel. Cotton is at the highest price it has been in years. The market prices are high because there is a scarcity of these products. The farmer should be permitted the planting of these commodities on the set aside acres. It is getting late for this crop year but I certainly hope the administration might give us that ruling and I would hope they would reverse themselves on the disaster provision which I have already discussed.

I would like to point out, Mr. Chairman, that just a couple of weeks ago the Standing Subcommittee on Agricultural

Research and General Legislation of the Senate Committee on Agriculture held hearings intended to investigate the departmental rulings of the Department of Agriculture under our new farm program. I would like to inform the House that I testified before that subcommittee headed by the distinguished gentleman from Alabama, Mr. ALLEN, and I think he made a substantial contribution in bringing to the attention of the administration the problems inherent in the administrative rulings with regard to our farm program. It was disappointing that no other Members of Congress appeared. However, national and State farm organizations were well represented.

Mr. Speaker, I want to very briefly allude to other points which I think need the attention of the Members of the Congress, matters which the American farmer has tried to emphasize to this administration. The first one has already been alluded to by the gentleman from Texas (Mr. PURCELL) when he pointed out that the administration had changed the parity system to show that rather than about 67 or 68 percent of parity, our farmers are getting, over 90 percent of parity. This is achieved simply by changing the rules, changing the system by which we arrive at parity. Changing the statistical rules, I submit, is not going to be of any value or benefit to the farmers. It is a subterfuge, a mirage, and an attempt to cloud the issue, and an attempt to whitewash what is actually happening to the American farmers. We should not permit this to be done.

Mr. Speaker, our President has failed to send a farm message to this Congress. He is the only President since Herbert Hoover who failed to do this. The gentleman from Iowa (Mr. SCHERLE) mentioned a moment ago in alluding to a speech by President Johnson that he had only 15 words in that message for the farmers. I am saying that we have not had any words from our President with regard to a farm program. He has sent some messages up here which have had some references about rural development, and some reference about the rural problems of America, much of which I could agree with, but he has not given us anything that is constructive so far as implementing, improving, and stabilizing farm income, and that is what the American farmer is interested in, his income.

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

Mr. MELCHER. I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Speaker, I thank the gentleman for yielding.

My criticism of President Johnson and our present President, President Nixon, for lack of farm messages holds true for both of them. As most of the Members of the Congress know, I have been a severe critic of the Department of Agriculture and the administration as far as the lack of a farm message is concerned. However, during the entire tenure of President Johnson I cannot recall of a single time that he did send up a farm message as such. Now, if you had the opportunity to listen to the radio yesterday you would have heard the President of the United States, speaking from the west coast, provide us with a farm message which I think, if you will take the time to read it, perhaps will give you more optimism than we have had in a long, long time.

I would like to take the opportunity, when our side of the aisle does have the time, to expound a little bit more upon this.

But I would like to say that the President is aware of the problem and is doing something about it, which as I recall, President Johnson did little or nothing about.

Mr. BURLISON of Missouri. Mr. Speaker, I appreciate the gentleman's contribution, and I am also pleased to hear that he agrees with me in my criticism of the President for not sending a farm message to this Congress.

I would hope that as a result of the encouragement which the gentleman from Iowa can give to the President that we may yet have a farm message touching on farm income and suggestions for improving that farm income

Mr. Speaker, I also wish to submit that it has not been a salutary recommendation, in my judgment, from the President that we abolish the Department of Agriculture. I have not heard a farmer yet who is in favor of abolishing the Department of Agriculture. I do not have the time and the gentleman does not have the time, of course, to go into this at this time, but I certainly will treat this on a subsequent occasion. But this is another valid criticism that I think we in the rural farming communities have of the present administration. The efforts to eliminate or abolish the spokesman for American agriculture, the Department of Agriculture, will not succeed.

Mr. Speaker, also I would like to point out that this administration has impounded $15 million in appropriated funds for urgently needed funds for the rural electric cooperatives and has even refused to discuss the release of those funds. This is part of the $12 to $15 billion of funds appropriated by the Congress that the President has impounded and has refused to release. It includes rural housing, flood control programs that are of interest to our farmers, water and sewage treatment programs that now is approaching $15 billion.

I would hope that this administration might be encouraged to release some of this money that has been appropriated to help rural America.

Mr. Speaker, I wish also to say that we have not heard anything from this administration as to what posture it might take on a proposal for farm credit modernization. There have been proposals introduced along this line that the Committee on Agriculture doubtless will be holding hearings on in very short order. Again I would be hopeful that this entire subject of an improved farm credit program, which I want to treat in more detail at another time, may ultimately receive the blessing of this administration.

Mr. Speaker, again I appreciate the gentleman from Montana yielding this time to me.

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

Mr. MELCHER. I yield to the gentleman from North Carolina who represents one of the most rural districts in America.

Mr. HENDERSON. Mr. Speaker, I commend the gentleman in the well and others who have given us this opportunity today to participate in this colloquy pointing out the problems of the farmers of America.

Mr. Speaker, I welcome the opportunity to say a word on behalf of the urgent need—indeed the dire necessity of—a strong American farm economy.

The U.S. News & World Report, a conservative oriented publication, which has not looked with particular favor on Federal farm programs, subsidies, allotments, diversion payments and the like, in its edition of April 12, 1971, has an article entitled "The Farm Crisis."

In this article, it is pointed out that while farm receipts are climbing steadily, production costs are rising even faster with the result that net farm income is down.

It is easy to get the impression sitting in an overstuffed chair in an office reading about an absentee farmowner salting away large Federal checks for not planting crops that farmers are literally living off the fat of the land. With food prices what they are at supermarkets and the price of cotton and woolen garments being what they are at department stores, one readily falls victim to the suggestion that farmers are deriving huge profits.

But the full story is seldom told. The full story is that it is becoming harder and harder for the family to survive with farm income as the source of its livelihood. Farms are being sold and consolidated by the hundreds. Young people are leaving the farm in droves.

At the very time when the public is requiring more and more basic food and fiber, our potential for producing it is struggling to hold its own, much less increase.

And the public needs to realize at least that the farmer is not to blame for the high cost of food on supermarket shelves. In July 1970, for example, hog prices at major Midwest markets averaged $25.13 per hundredweight. By December, they had dropped to $15.67, but the change in the retail price of pork at retail markets was negligible. The spread between the farm value of hogs and prices paid by consumers for pork rose from 36.1 cents per pound in July to 43.7 cents in November and held at 41.2 cents in December. It was not until February, following a demonstration by hog farmers in Washington, proposed action by the Secretary of Agriculture and other pressures that the spread finally dropped in February to 35.5 cents.

Despite modern fertilizers, irrigation equipment, pesticides, mechanical equipment, and new technical know-how, the farmer, more than any other businessman, is at the mercy of the elements as well as the fluctuations of the economy.

In 1970, the four leading corn-producing States in the South produced only 70 percent of their anticipated crop when it was hit by blight and drought.

This administration proposed to abolish the Agriculture Department and divide its functions among four new agencies.

I cannot imagine any action more likely to engender duplication, confusion, redtape, and useless proliferation of the bureaucracy than such a move.

We need to get away from the idea that the farm program is a program for farmers.

It is, instead, a program for consumers, and if we do not have a sound program for consumers properly designed to insure that their needs are met, we may one day reap the whirlwind of famine even in the richest country in the world. Unless we insure that the farm economy remains basically sound so that the farmer has a reasonable chance at a fair profit, we will wake up one day to find out that we no longer have enough farmers to supply our needs.

The time to act is now.

Mr. MELCHER. I thank the gentleman.

Mr. JONES of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Tennessee (Mr. JONES), a member of the House Committee on Agriculture.

Mr. JONES of Tennessee. Mr. Speaker, much has been said and written about the situation facing our Nation's farmers and the rural areas in which they live and work. Unfortunately, however, very little has been done to improve matters. Instead, the situation continues to deteriorate.

Recently, I gathered some data pertaining to the district I represent and to the whole State of Tennessee in relation to the cotton and feed grain programs. What I found was not encouraging.

Farmers in the Eighth Congressional District of Tennessee received $23.3 million for participating in the 1970 cotton program, but in 1971, under the new law, they can expect to receive only $18.7 million, a decrease of $4.6 million. In addition, they will receive approximately $10 less for each bale of cotton they produce as a result of recent policy changes.

My district has the 16th largest cotton allotment in the Nation, but the trend it reflects is general. The State as a whole stands to earn a total of approximately $10.4 million less than last year on its cotton, assuming that our farmers participate in the cotton program to the same extent this year as last.

For participating in the feed grain program, my district's farmers will receive $3.9 million less this year than in 1970. This is a reduction of 60 percent in 1 year. For the State as a whole, the reduction will be $15.1 million this year, or 59 percent below last year. The same thing is happening in farm areas all across the country.

There will be those who cheer these figures, for they will see these reductions as savings for the American public. But economics is not so simple.

Without a doubt, the result of this lost income will be a further reduction in the number of farmers in our Nation, and consequently fewer competitors at the marketplace. And ultimately the price of food and fiber will go up, and the consumer will be the loser.

Currently, Americans are spending approximately 16.5 percent of their disposable income for food, the lowest of any nation at any time in history. Even if we include the tax dollars spent in farm payment programs, the figure remains at approximately 17 percent, still far better than the second best. This figure has declined steadily during the past 30 years, but I contend that it has now reached the bottom and is about to start an upward trend with this year's crops—all because we lacked the insight to see what kept the prices down in the first place.

Not only will we see an increase in the prices of food and fiber, we will also see a further migration of people from the countryside to the urban areas. Perhaps this will add weight to the appeals for assistance to our Nation's cities, but it will have further complicated the overall problem.

The urban blight and the problems of rural America spring from the same source—population imbalance. Most of our efforts have been directed toward treating the symptoms of this illness with very little being done to treat the causes.

What we must do is to neutralize the causes of our population imbalance. We must offer counterincentives to prevent further migration to the cities and perhaps to reverse it. To do this we must have better services and better economic opportunities in our rural areas. We must not allow agriculture to deteriorate further as a desirable endeavor.

We must make the Nation realize that we are all in the same boat, and that, if one part of it sinks, the rest cannot long remain afloat. We must recognize our own self-interest and act accordingly.

I sincerely hope that the statement made by the President yesterday will mark the beginning of a new attitude toward the problems of agriculture and rural America. Although I applaud his actions in increasing the funds available for Farmers Home Administration loans and for rural water and sewer systems, I hope he will take action to raise parity above the current 69-percent level.

I commend the gentleman from Montana for making time available for spotlighting these issues of national concern.

Mr. MELCHER. Mr. Speaker, I now yield to the gentleman from Alabama (Mr. FLOWERS).

Mr. FLOWERS. Mr. Speaker, I want to commend the Members—Mr. MELCHER, Mr. SEBELIUS, Mr. SMITH of Iowa, and Mr. ZWACH—who made the arrangements for this discussion. It is timely and important that this body focus its attention directly on a problem of growing magnitude in America, the problems—economic and other—of the Nation's farmers, and I am happy to associate myself with this effort.

The catalog of ills of the American farmer represents a long list of dismal figures distressing to us all, for truly we are all involved. Parity price ratios have fallen to the lowest level since 1933. In 1969, virtually half of the income to our Nation's farmers was derived from nonfarm sources, shocking proof of the inability of the agricultural sector to rely on farming to produce a living wage. The farm population has dropped from 9.4 percent of the Nation in 1959 to only 5.1 percent in 1969. Farm prices are static or declining virtually across the board, but the housewife has seen no proportionate relief in the supermarket. Cotton, in particular, has returned less and less to the farmer, dropping more than 10 cents per pound in the last 10 years.

Mr. Speaker, in Alabama alone there will be 2,000 fewer farms this year than last, and last year's figure is 3,000 less than the year before. Thus, 300,000 acres were taken out of cultivation in Alabama between 1969 and 1970, and 200,000 will be taken out of cultivation this year. Because of this gloomy litany, the young are leaving the land by the thousands and no one can take their place.

I hope that these discussions will be fruitful and that they will produce constructive solutions to this problem. In 1781 Thomas Jefferson said, in commenting on their contributions to this land:

> Those who labor in the earth are the chosen people of God.

In every year since that time the men and women who have worked on the land have earned the gratitude of all Americans, and indeed of the people of the world. By these deliberations, I believe we can begin to put meaning back into the wise counsel of Mr. Jefferson.

Mr. MELCHER. Mr. Speaker, I now yield to the gentleman from Georgia (Mr. MATHIS), a member of the House Agriculture Committee and our good colleague.

Mr. MATHIS of Georgia. I thank the gentleman for yielding.

Mr. Speaker, I appreciate this opportunity to join with my colleagues in calling attention to the pressing problems facing rural America.

Although agriculture is the largest industry in our country, it is an industry in deep trouble. The farmer is in trouble because he is caught in a vice-like grip between increased production costs and steady to lower prices he receives at the marketplace. If the farmer is to make a living and stay on the farm, he must receive a fair return on his considerable investment.

The American farmer is feeding and clothing our Nation's 200 million people and much of the world more efficiently and economically than at any other time in history. Yet, our farmers are given little or no incentive to remain on the farm. They continue to be forced off the land for a multitude of reasons—often fleeing to the cities in pursuit of a job—only to find themselves hopelessly trapped in the unreal world of poverty, filth, smog, noise, crime, and deterioration of human character. There can be no doubt that

the problems of our cities today have resulted from ignoring the problems of rural America in the past.

Seven Americans in 10 now live in cities or suburbs primarily because that is where the jobs are. By the year 2000, we expect another 100 million people to be added to the U.S. census. Will these people add to the existing problems of our cities, or will they contribute to the revitalization of rural America.

The Nation and its people may no longer be able to withstand the strain of the stifling concentration of population and industry within just 2 percent of available land area. The small cities and towns of the countryside are the gateways to the remaining 98 percent of the land area and natural resources in the United States. This is where America's future lies. This is where the people must go if we are to save our cities from self-strangulation and our countryside from abandonment.

However, the continuing loss of population in rural America is making it increasingly difficult to support viable community services and job opportunities for remaining rural residents.

There is much to be done in rural America if we are to attract new industry and hold our farmers.

Half of the solution depends on more jobs, better educational and recreational opportunities and improved social services—in other words—the same opportunities the cities now offer.

When a new payroll is created in a small community, the impact is more far-reaching than in a big city. Not only does it hold the town together, but rural industrialization also makes it easier for surrounding family farms to survive by offering at least one member of the family a steady pay check.

Not to be overlooked as an equally important contribution to the growth and development of our rural communities is the maintenance and improvement of farm income. Let the farmer get pinched financially and you will see that it has a telling effect on the small town banker, grocer, equipment dealer, the preacher, doctor, lawyer, and practically every man in town. These communities simply cannot make a go of it unless farmers provide the economic foundation.

All of our rural business establishments and services—not to mention the significant number of urban dwellers—rely on the financial well-being of the American farmer. The farmer is not the only one who suffers from low farm prices. But he is the one who goes deepest in debt.

Ten years ago, outstanding farm debt was about $25 billion. Preliminary figures just released by the U.S. Department of Agriculture put today's farm debt at $60 billion. All the best studies available say that 10 years from now farm debt will be between $100 billion and $140 billion.

The farmer needs help.

Despite the fact that American costs of food production are the highest in the world, despite the fact that American processors, American laborers, American truckdrivers, American meatcutters, American foodstore clerks, American workers in every phase of agribusiness get the highest incomes in the world in their respective fields, the American food basket is still one of the best bargains around. The American consumer still pays the least percentage of his take-home pay for his food than any person who ever lived on the face of the earth.

We cannot allow the American farmer to bear the burden by himself.

If we are to make America a better place to live, we must have a prosperous agriculture to support it.

We do have urban problems. We also have tremendous rural problems. But these problems are more than just urban or just rural—they are American problems—and it will take the best efforts of us all.

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

Mr. MELCHER. I am glad to yield to the distinguished gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, I want to commend the gentleman from Montana for bringing to the attention of the Members and of the Nation the plight of the farmers of this Nation—a plight that is not getting better; a plight that in many areas we are ignoring.

I hope this discussion will lead to others and to better programs for agriculture in this country.

I want to ask the gentleman if he agrees with me that when we took off the investment tax credit we rendered a great disservice to the farmers of America.

Mr. MELCHER. I certainly do agree. I believe we rendered a great disservice to the agribusinesses—the small businesses—that serve our farmers and serve the people in our rural areas. I believe those businesses are essential along with farms and ranches and that the 7-percent investment tax credit was a very good feature in our tax law.

Mr. ULLMAN. I could not agree more. It is time we tied the investment tax credit to the problems of this country.

Mr. MELCHER. Mr. Speaker, Congressman JAMES ABOUREZK is in Sioux City, Iowa, today and will go to Vermillion, S. Dak., tomorrow with the special Senate Subcommittee on Rural Development.

At his request, I am inserting a statement he has prepared for this farm and ranch forum on the situation of the rural electric cooperatives.

Mr. WHITTEN. Mr. Speaker, I have been chairman of the Appropriations Subcommittee for Agriculture, now the Subcommittee for Agriculture and for Environmental and Consumer Protection, for many years. This position has given me a great appreciation for those who provide food, clothing, and shelter for all of us so that many of us can do other things. I salute them all today as we participate in this second farm and ranch forum.

Mr. Speaker, from the beginning, man's progress—man's supply of the good things of life—has been measured by how much time he had left for other pursuits after he provided food, clothing and shelter. With that yardstick before us, we can see the reason for our high standard of living; for with only 5 percent of the American people on the farm, 95 percent of our people are freed from farm labor to do other things. This is the key to our well-being.

Today about five percent of our population is now feeding and providing fiber for clothing the rest of us. Yet average farm investment has increased nearly fourteenfold in the past 25 years, from $6,158 in 1940 to $85,402 in 1969. The average return on farm investment has dropped more than 50 percent during this period, from 7.1 percent in 1945–9 to 3.1 percent in 1968.

As a result, we find fewer and fewer young people studying for agriculture in our colleges. More and more young people are moving away from providing food and fiber; and more and more established agricultural producers are leaving their vocation—from 500,000 to 600,000 annually for the last 6 years.

Of course, they can afford to quit—but you and I cannot afford to have them do so.

The trouble is everybody beats the drums, but few want to point out names, dates and places. The American farmers today, with an all-time low of 5 percent of the population, have little weight in national elections and with the news media—notwithstanding the fact that they are the biggest market for industry and labor and the consumer's most economical and best supplier, and the key element to the prosperity of the Nation. Many seem to believe it is the farmer who will be the loser if programs are reduced and funds needlessly cut off—in reality it will be the consumer he serves, along with industry and labor from whom he buys.

Several years ago we did a study of the contribution of the American farmer to our economy. I think some of the figures developed at that time will be of interest to all, and perhaps be a revelation to some of the Members of this body. At that time it was estimated that farm producers spent over $30 billion a year for goods and services, and another $12 billion a year for the same things that city people buy. Each year, farm purchases include more than $3.4 billion in new farm tractors and other farm vehicles, and another $3.4 billion for fuel, lubricants, and maintenance. Farmers use more petroleum than any other single industry, and 320 million pounds of rubber (about 9 percent of the total used in the United States, or enough to put tires on nearly 6,000,000 automobiles). They consume annually more than 28 billion kilowatt hours of electricity and use more than 5 million tons of steel.

Agriculture is not something apart, but with expenditures and investment substituted for people, it is the first and major partner in the firm of agriculture, labor and industry.

We must get across to all Americans that it is their supply of food and fiber that we deal with; and a sound economy must be based on sound agriculture—for that is the basis for all the rest.

It is high time we stood up to applaud the efforts of those who must invest almost enough money to start a bank,

and have enough nerve to rob one, to get started in farming—then fight the elements to raise crops, fight the insects and diseases which seek to destroy them, while contending with the high costs of preparation, delivery, marketing; and then suffer the criticism of those who blame him for the high retail food prices even though the high prices come from consumer demand for processed, packaged, and frozen foods, and not from the price he receives.

I am proud of our American agricultural producer and will support him with all my strength.

Mr. FOLEY. Mr. Speaker, I must commend my colleagues Congressmen JOHN MELCHER, KEITH SEBELIUS, NEAL SMITH, and JOHN ZWACH for coordinating this second farm forum. It provides an excellent opportunity for us to discuss the problems of rural America and register our concern that regionalism and partisanship will prevent these problems from being solved.

For several years the Nation's cities have demanded our attention; we have recognized and tried to deal with their many problems: insufficient housing, inadequate health facilities, rundown schools, imperfect transportation systems. The attendant problems of the urban poor are well-known both in Congress and throughout the Nation.

Frequently, on the other hand, we have failed to recognize the true situation of rural America. Too often the romantic myth of the hard-working but happy farmer or rancher has blinded us to the facts of rural poverty. Indeed, while only 27 percent of the Nation's population lives outside the central city, 40 percent of the poverty-stricken, 14 million Americans, live in this rural setting.

Many of the problems of our urban areas are evident to a greater extent in rural America. There even greater inadequacies in housing, health care, and education are complicated by a shrinking revenue base. The cost of food in this country has fallen to only 16.5 percent of the disposable national income, a lower percentage than that of any other Western country. In addition, the farmers' share of the Nation's food expenditures has continued to decline. They now receive only 5 percent of the consumer's disposable income.

In order to earn more money, farmers are urged to increase their production efficiency. Such improvements, however, require increased capital, capital that is being denied them at reasonable interest rates. In my district in Washington, and in others throughout the Nation, the unavailability of money has threatened to force farmers out of business, especially those on small family farms where income cannot keep up with rising operating costs.

One group in particular, older farmers, must face the worsening of conditions in rural America with little hope for the future. Few have much money; they did not come under social security until the 1950's. In addition, total retirement is an unappealing prospect after lifetimes of habit-forming hard physical labor. Often unable to work full time, they may feel rejected and useless. Under these conditions their health usually declines, bills pile up, and their situation grows even worse.

Green Thumb, a 5-year-old work program sponsored by the National Farmers Union, has come to the aid of some of these elderly citizens in rural areas by providing training and job opportunities not otherwise available. Operating under a grant from the U.S. Department of Labor as part of its "Mainstream" program, Green Thumb is financed by funds from the Nelson amendment to the Economic Opportunity Act, supplemented by funds from more than 100 different State and local governmental units, as well as many nonprofit organizations. Since its beginning in 1966, Green Thumb has expanded from five original States to 17. I would hope that in the future even more will be able to join this program which has proved so successful in helping older Americans.

Applicants to the Green Thumb program are screened for age, income, and background by the State employment offices. To qualify for the program a person must be at least 55 years old, have a farming or rural background, and be living below the poverty level. A physical examination is also required. Over 3,000 men are now employed under Green Thumb. Their average age is 69—the oldest is 94—and their average income from outside the program is $900 a year per couple.

Each Green Thumb employee works a solid 8-hour day 3 days a week and earns up to $1,600 a year. In addition, one of the most heartening results of the program is the report by doctors that the health of the men usually improves after working for Green Thumb.

Green Thumb people are divided into crews of seven, with one man designated foreman. Local agencies provide all necessary materials for the projects, such as lumber, cement, and plantings. Green Thumb provides the project supervision.

Employees work to improve the environment, beautify the land, and build better communities. Their projects have included aiding in flood control, curtailing plant disease, restoring old parks and building new ones, landscaping highways, and cutting hiking trails. They have planted over four million trees. Hundreds of rural public schools have been helped by Green Thumb crews who build shelves, restore worn woodwork, and help keep up the grounds.

Local agencies report that these important Green Thumb projects are done quickly, skillfully, and thoroughly. The men have a special pride in their accomplishments; they appreciate the opportunity to work and support themselves. The value of the Green Thumb program lies in this symbiotic relationship between the individual and his community.

I hope the administration's degree of concern for rural America is not exemplified by the state of the Union address, which made no mention of farmers at all. Much remains to be done to provide adequate services, facilities, and job opportunities outside the central city. Green Thumb plays a small but important part in the improvement of rural life for many older citizens. I commend this valuable program to the attention of the Members of Congress and would hope that in the future it could be extended to include many more Americans.

Mr. PRICE of Texas. Mr. Speaker, it is important to every American citizen to know what is happening to agriculture in this country. Our food and fiber supplies are dependent upon the farmers who must keep pace with changing times and methods of production. At the same time they must face the increasing costs that assail their operations and their families.

One of the best reports I have read in recent months on the current position of agriculture and outlook for the future was presented April 27 at the National Agricultural Marketing Conference in Denver by Under Secretary J. Phil Campbell.

In discussing the situation affecting all of us the Under Secretary said:

> The future is always a little closer than we think, and we all need to seek the means of dealing with and adjusting to the changes it brings. . . . If we are to do our job, it will not be sufficient for us simply to react to changes and challenges after they arise. On the contrary, we must move forward and take the offensive, we must see the cloud on the horizon and make whatever preparations are necessary before the storm breaks.

Under Secretary Campbell then went on to point up the needs of our farmers, what is happening, and what must be done to make certain that Americans will remain the best fed at the lowest comparable cost at the same time that our producers are assured a fair share of the Nation's income.

I want everyone to have an opportunity to read what the Under Secretary had to say. For that reason I include his talk in the RECORD, and commend his remarks to my colleagues:

PUBLIC AGENCIES AND THE CHANGING FOOD AND FIBER INDUSTRY

I feel privileged to take part in this National Agricultural Marketing Conference.

I am particularly impressed by the people I see here today. The broad range of representatives from agri-business and the number of representatives of Federal and State agencies sponsoring this meeting underscore the significance of this marketing conference. Your presence also lends emphasis to the vast changes taking place in the food and fiber industry which demand the attention of public agencies.

You have given me the honor of striking the keynote of this conference. As I conceive it, this means that I am to set the stage for those who follow me on the program—but not to steal their thunder.

You have asked me to speak on the responsibilities of public agencies to the changing food and fiber industry. This implies recognition of a basic fact—the fact that agriculture is not only changing, but that it has entered a new era. This new era is being determined mainly by changes that are taking place in the American capitalistic free enterprise economy as a whole.

There is a saying, "What is past is prologue." In other words, the future grows out of the past, and we can predict many of the agricultural changes of the Seventies on the basis of what happened in the Sixties.

Between 1960 and 1970—while total U.S. population was increasing by 14 percent—farm population dropped by 38 percent. The number of people on farms declined from 15.6 million in 1960 to about 9.7 million last year. The number of farms declined from nearly 4 million to less than 3 million.

On the other hand, farms became larger. Average acreage increased from 297 to 382 acres. The average investment per farm, excluding the farm dwelling, more than doubled, increasing from $42,100 to $91,700. While most of this resulted from rising land values, there was also a sharp increase in farm equipment and capital investment.

Despite the sharp drop in the farm population and the number of farms, agricultural output rose by about 18 percent and livestock production by about 20 percent between 1960 and 1970. Output per man-hour of farm work increased by about 75 percent—2½ times the increase achieved by nonfarm workers. And whereas one farm worker supplied farm products for 26 persons in 1960—by 1970 he was supplying the needs of 46 persons, again nearly double the previous figure.

We expect these trends to continue during the Seventies.

Thus, the total number of U.S. farms may decline to fewer than 2 million by 1980. As much as 90 percent of all farm products marketed in 1980 may be produced by some 500,000 to 600,000 farming units. Commercial farms will be fewer, larger, and more efficiently operated.

The amount of land used for agriculture will probably be about the same as today, but farmers will use much more capital and considerably less manpower. Production per man-hour will continue its sharp rise.

Other equally significant changes occurred during the sixties. Consumers have shifted their diets toward more beef, poultry, and convenience foods. Major technological progress in the production and marketing of chicken and turkey helped bring an almost phenomenal increase in per capita consumption of poultry meat. People today eat less fresh fruits and vegetables but this is offset by larger consumption of processed products. Both at home and abroad demand has soared for feed grains and soybeans.

On the other hand, cotton and wool have suffered from the inroads of synthetic fibers both at home and abroad and natural oils have lost a large part of their industrial outlets in such products as paints and detergents.

Again, these trends are continuing in the seventies.

We have also seen striking and continuing changes in the marketing of farm products.

Marketing today does not just convey products from farm to consumer. It sorts, processes, packages, and inspects for wholesomeness, and affixes grade and label or both. It advertises and promotes and gives coupons, trading stamps, and sometimes pottery and other give-away items.

One thing we've learned is that the American housewife is willing and even eager to buy convenience and time-saving in a package. We see this in a multitude of examples—such as ready-packaged steaks, pork chops, chicken or chicken parts, all cleaned and ready to be cooked. They look sanitary and they are wholesome.

There are also processed fruits, vegetables, juices, instant potatoes, heat-and-serve rolls, and heat-and-serve dinners.

Some convenience foods are cheaper than the fresh products. But even when they cost a little more, it seems that the American consumer has long since concluded that it pays to have somebody else do the washing, the cutting, removing the bones, peels, and seeds, and doing the combining and packaging. And it pays also to have a product of uniform quality. Today's housewife does not have time to shuck corn and shell peas—or churn milk for butter. A large percentage of housewives work away from home as do their husbands.

These changes in the structure of agriculture, in consumer demand, and in the ways farm products are marketed have thrust U.S. agriculture into a new era—an era that is being determined by the growth of the capitalistic free enterprise system in America. The fact that all of these processes are continuing makes it clear that agriculture is only at the beginning of this new era.

Population growth and increasing income are the primary forces which influence demand for farm products. Technological advances in food processing provide a secondary force.

Our U.S. population is now abount 206 million. By 1980 it may total around 230 million. Our Gross National Product last year was $976 billion. By 1980 it may be almost double that—nearly 2 trillion dollars. In terms of buying power, total consumer income after taxes is expected to rise by about 50 percent and per capita purchasing power by about one-third.

As people get more money they improve their diets. On a per capita basis beef consumption last year totaled 113 pounds, up from 85 pounds 10 years ago. By 1980 per capita beef consumption will likely reach 130 pounds. We will need to produce over one-third more beef than we did last year.

Per capita consumption of chicken and turkeys, which totaled nearly 50 pounds in 1970, may rise to about 60 pounds in 1980. This would require a production increase of between 35 and 40 percent.

The growing demand for livestock products will also bring about larger markets for feed grains, soybeans, and even for wheat.

For these and other reasons I have been optimistic about the future of agriculture, especially the livestock segment. But if agriculture is to take full advantage of its opportunities in the new era it must be aware of its challenges—and specifically the market challenge.

Until quite recently marketing was regarded as of very secondary importance by farmers. Agriculture produced the products and other people processed, packaged, and marketed them.

Only in recent years have farmers awakened to the fact that marketing is no longer secondary, no longer subordinate. There are even those who say that as regards some products—for example, broilers—"agricultural production is now an appendage of distribution."

Cattlemen, dairymen, and egg and poultry producers are in the forefront of an ever-enlarging effort to enable producers to influence the marketing of their products.

The American National Cattlemen's Association is increasingly affecting the market by guiding its members in their production plans.

The development of regional dairy bargaining cooperatives is one of the most dramatic efforts by farmers to gain strength in the market place. Four new dairy regionals organized recently are: Associated Milk Producers, Inc.; Mid-America Dairymen, Inc.; Dairymen, Inc.; and Milk, Inc.

Also, a new National Broiler Marketing Association has just been formed. Its purpose is to plan and develop long-range programs that will bring greater stability to the industry.

United Egg Producers was established in 1969 as a national organization made up of several regionals. United Egg acts as a clearinghouse to balance longs and shorts and tries to match buyers and sellers. It collects marketing information that is current and uses it to achieve sounder and more orderly marketing. I understand it has recently begun issuing a price quotation for eggs to serve as a check on other nationally-issued price quotations.

These are a few examples of how farmers are getting a better grip on the decision-making part of the marketing process through cooperative action. They are doing this to be able to continue as independent farmer-businessmen. This is a positive development and it is encouraged by the USDA.

Last spring Secretary Hardin issued a statement declaring that it is the policy of the Department to give support, help, and encouragement to farmers with their cooperatives.

"Farmers and other rural residents," Secretary Hardin said, "have long recognized cooperative action as an effective instrument to help them adjust to a dynamic society. A progressive farm policy includes support for those who seek to help themselves through constructive group action."

To strengthen our work with cooperatives we have recently reorganized USDA's Farmer Cooperative Service to make it more responsive and effective in meeting farm co-op needs.

Today, old-line marketing patterns and customs are disappearing and new ones are taking shape. Buyers and handlers are becoming fewer. This means an increasing concentration of decision-making and pricing. Pressures on margins at the many steps along the marketing way are increasing.

Buyers no longer are compelled to see and feel the product. They buy on specifications from people or firms they can depend on to furnish the quality, volume, size, condition, and delivery scheduling they expect.

Many retailers, however, have buyers, grading stations, and packing sheds at country points.

This is an era of mass buying, of mass merchandising. Over the years, the supermarkets have become increasing important in the marketing and direct-buying picture. Now another trend has moved up past the horizon. This is the institutional and restaurant market and the still more lusty infant of commercially-prepared meals.

This trend to fully-prepared meals can mean more bypassing of the established markets. Firms now in this business are already either doing more direct buying on specification from producers or producing the foods themselves.

Thus, farmers and middlemen are both being bypassed in varying ways—and to their disadvantage. Farmers who do not know and grow what the new buyers want and need can well find themselves out of the game. Housewives' buying changes can actually change breeds of livestock on the farm. We are all familiar with the leaner breeds of cattle now being grown in areas as a means of meeting the demand for leaner meats. The word "fat" is about the most unpopular word that exists today and buying changes all tend to get away from this unpopular item.

Keeping up with changes is by all odds the greatest challenge to agriculture on the marketing front. Public agencies can help guide agriculture and agri-business to solutions that will best serve the interests of the entire nation.

But, as we all know, government is involved in many other ways in the marketing of agricultural products.

Daily and even hourly market news reports on many commodities are vitally important in marketing agricultural products.

Regulatory programs help maintain fair and open competition for the benefit of producers, marketers, and consumers.

Marketing orders enable producers to join together to achieve more orderly marketing and more stable prices.

Grades and standards tell buyers what they are getting for their money.

Inspection is available also for fruits and vegetables, eggs, dairy products, and other foods.

Research, which is the mainspring of agricultural progress, continually improves production and marketing efficiency.

Commodity programs, such as those provided under the Agricultural Act of 1970, help producers plan their production and give them essential income protection.

All these services will undoubtedly be

treated in detail by others at this conference.

But, I wish to point out that government should not over regulate. Unfortunately, too often this is the tendency. There are some in government who lose their perspective and fall into the trap of regulating for regulation's sake without giving any additional protection or benefit to consumers. Regulations in food should be to assure a wholesome product and to protect from fraud such as shorting in weight, mislabeling, false packaging, and misleading claims in advertising. To go beyond these basic protections to the consumer quite often inhibits the development of new products, stifles business, and hinders competition without any additional benefit to the public.

The point I want to make is that the future is always a little closer than we think, and we all need to seek the means of dealing with and adjusting to the changes it brings. The USDA, the State Departments of Agriculture, the Land Grant Institutions, the Extension, marketing, and research agencies all face the necessity of adjusting their services to the needs of a new day—and in some cases devising new or different services.

If we are to do our job, it will not be sufficient for us simply to react to changes and challenges after they arise. On the contrary, we must move forward and take the offensive, we must see the cloud on the horizon and make whatever preparations are necessary before the storm breaks. And fortunately, there is in the Federal, State, and academic agencies and institutions the expertise to do this.

Let me illustrate. Yesterday morning I spoke at the Annual Convention of the National Independent Meat Packers Association in Chicago. As you know, NIMPA is in the forefront in modernizing the meat packing industry.

I pointed out that as industry gets more modern we must advance also in our regulatory and inspection techniques. Regulation must be strict enough to assure safety for consumers—but not be so rigid as to impede industrial experimentation and the development of new technology and new products. We are pushing forward vigorously in upgrading our personnel and improving our techniques.

In the Wholesome Meat Act of 1967, Congress explicitly called for a partnership approach with the States. If this partnership approach is to work, the USDA must not only maintain a strong Federal system but we must also strengthen our ties with the State inspection programs right down to the working level.

Our field offices are being reorganized this year to establish a Federal area supervisor position in most State Capitals. Besides being responsible for Federal inspection in that State this supervisor will be our chief liaison with the State program officials.

To further assure uniform standards of inspection, we are encouraging the States to work out cooperative agreements with us for the cross utilization of Federal and State inspectors.

We are modernizing and simplifying the ways in which we do inspection. At the plant level there will be a single inspector in charge for each plant.

Alluding to the fact that packers make particular use of market news and other economic information provided by USDA and the States, I pointed out that information systems will be even more important in the future than they are now. So we are studying our programs and making plans for improvements which will enable us to serve the industry better in the 1970's.

Public agencies must be on their toes. We should not only keep up with changes, we should anticipate them.

We must work together. There is a long history of successful cooperation among the Federal and State governmental agencies, the Land Grant Colleges and Universities, and private groups. Yet, this cooperation is neither as close nor as effective as it needs to be.

In the 27 months during which he has headed up the USDA, Secretary Hardin has taken some big strides to improve our working relationships.

In March 1969, President Nixon ordered the departments and agencies of the Executive Branch of the government to undertake a 3-year Federal Assistance Review Program aimed at greater, more consistent decentralization of Federal assistance programs.

Secretary Hardin promptly initiated USDA action. Representatives for USDA and the National Association of State Departments of Agriculture developed criteria and recommendations for the decentralization of USDA inspection, grading, and regulatory programs.

Just a year ago Secretary Hardin issued a memorandum establishing the criteria and responsibilities for expanding State participation in *all* programs of the Department of Agriculture.

That same month a joint NASDA/USDA Task Force was formally set up to provide aggressive leadership in carrying out the recommendations for decentralization. This Task Force meets on occasion, most recently Wednesday of last week.

The central idea of the Nixon Administration is to bring government back within reach of the people. The closer government is to the people, the better the government and the lesser danger there is of losing our free society. This is what we mean by the term—"A New Federalism."

I think it is important that we discuss the New Federalism briefly this morning. The application of this philosophy of government is going to affect the role of public agencies in our changing agriculture. The Federal Government has become unmanageable from the top by whichever person the people elect to the White House. Also, it has become unresponsive to the people underneath. It has grown up through the years by add-ons, without reorganization. Every President since World War II has had study commissions and they have all been 80 percent in agreement.

What the President is proposing is a three-item package, consisting of (1) revenue sharing, (2) decentralization, and (3) reorganization. It is essential to consider the total package rather than to look at each proposal as a separate entity.

Revenue sharing will help the States and cities solve their financial crises. In the words of the President, it will "put the money where the needs are" and "put the power to spend it where the people are."

General revenue sharing would allocate $5 billion to State and local governments the first full year, beginning January 1, 1972. This $5 billion would be added to the States' general revenue without being earmarked for special purposes.

In addition, $11 billion of special revenue sharing funds would be distributed to be used for: Rural community development, urban community development, education, manpower training, transportation, and law enforcement. All of these programs deal with State or local problems and the decisions concerning them should be made at the State or local level.

Eliminating the Federal administration of these programs, and the duplications that inevitably arise, should finally result in a significant lowering of the cost of government of all levels.

Revenue sharing is essential to decentralization. We must move away from bureaucratic decision-making—by which I mean the making of decisions by somebody who has sat so long behind a desk in Washington that he has lost his perspective of the local scene. You do not have to go to Washington to find bureaucracy. You can find it at the State level, in Wall Street corporations, and in farm cooperatives. However, 98 percent of civil servants in the Federal Government are dedicated. Occasionally one gives all a black eye.

Decentralization would move certain programs back to the States for local decision as to whether they should be continued or abolished because of more important local demands on resources. It would give the people a bigger voice in deciding for themselves the questions that most intimately concern their lives. There is nothing magic about being on the Federal payroll. A Federal pay check does not increase one's wisdom or judgment.

Local decision-making builds stronger, more stable, and more progressive State and local governments. It builds more citizen participation. It reduces the temptation to be apathetic.

On the other hand, strong State and local government makes for a better national government. It frees Washington from tasks which it cannot perform well and allows it to concentrate in the areas where it can be most effective.

The third part of the proposal is the reorganization of the Federal Government. This is long overdue. The Federal Government has been organized in a hodgepodge of overlapping departments and agencies which makes it difficult for State and local governments to work effectively with the Federal establishment.

For example, in the Department of Agriculture over the years we have accumulated a great variety of programs that have little to do with farm people or farm issues.

Now let me make it clear that I think it is a great tribute to the capacity and the efficiency of the JSDA that the Congresses and Presidents of the United States in the past have given it responsibility for all these widely assorted functions. But the fact remains that the Department of Agriculture today carries out many functions which have little to do with agriculture.

So, we ought to recognize that one of the most beneficial effects of the reorganization will be to "get off the back" of the farmers these many nonfarm-related items which have over the years been added to the USDA budget. It will go a long way toward correcting the public's mistaken impression that the government spends 8 to 10 billion dollars a year to subsidize farmers through an Agriculture Department bureaucracy that continues to grow while the number of farmers declines.

By separating out the welfare programs, forestry programs, and the community development programs, the public can more easily see that only one-third of the Agriculture employees—approximately 28,000 who would become a part of the Department of Economic Affairs—actually work on farm problems, and this number has been declining steadily in recent years. Furthermore, it will help us show that nearly one-half of the money now in the USDA budget does not go for farm programs, but for these items the farmers have been saddled with—and these expenditures for nonfarm purposes have been steadily rising each year.

Finally, it ought to be understood that no existing agencies of Agriculture and none of the jobs they involve are going to be eliminated. Reorganization simply will assign these agencies and the jobs to the department where they belong according to function and purpose.

As the President said recently: Despite the tremendous changes in farming and rural living, "we have sat in Washington with the same Department of Agriculture we have had since 1862."

The Federal Government needs to be reorganized according to its modern major purposes and objectives. These objectives are concerned with:

The balanced and constructive use and conservation of the lands and other natural resources of the nation.

The development and well-being of individuals and families.

The quality of urban and rural communities as places for people to work and live.

The maintenance and strengthening of the American economy.

To carry out these purposes more effectively, seven existing departments and a number of independent agencies would be merged into four departments:

A Department of Natural Resources.

A Department of Human Resources.

A Department of Community Development.

A Department of Economic Development.

There has been some fear that under such a reorganization Agriculture would lose some of its influence. On the contrary, I believe agricultural interests would be served more effectively. There is no particular magic in the name "Department of Agriculture." What farmers want is Federal agencies which will help them effectively to achieve expanding markets, higher quality products, more efficient operation, adequate credit to meet growing investment needs—and all the other things which work to improve the income and standards of living of our farm people.

This philosophy of government—this New Federalism—is important to all of us as Americans because it will help our States and localities operate more effectively in serving the needs of the people.

Just last month, for example, President Nixon asked the Congress to establish a new $1.1 billion program of special revenue sharing for rural America to replace 11 aid programs now on the books and to add $179 million in new money.

One of the important effects of this program would be to supply rural areas with additional means to attract industry and thus create more economic opportunity in rural America.

The New Federalism ties in also with expanded efforts to improve the natural environment. We are all vitally concerned about the need to improve the quality of the American environment. However, I'm sure you have been disturbed, as I have also, because the popular approach to environmental problems has often been much more emotional than factual. There has been a growing tendency to make agriculture the scapegoat in environmental pollution.

The New Federalism would assure that State and local problems would be considered at the Federal level with open ears and open minds. Also, Federal environmental efforts would be coordinated more closely with State and local conservationists.

The President's objectives deserve the understanding and support of the whole American people. If the people want them, they *will* be achieved. And if they are achieved it will mean, so far as agriculture and agri-business are concerned, that public agencies will be able to meet the needs of our changing food and fiber industry with greatly enhanced effectiveness.

Mr. TERRY. Mr. Speaker, it is again a pleasure to join with my colleagues in speaking for the farmers of this Nation. We are now moving into implementation of the Agricultural Act of 1970, and there are certain misgivings among our farmers over this law. The goal of this legislation was to permit more rapid orientation of our farm production to changes in the market by granting our farmers more flexibility in their planting. This is what we would all like to see I feel. Only a market oriented farm economy will, in the final analysis, make economic sense. However, we should watch this closely.

Historically, farm legislation over the years has just about come full circle. We started with domestic allotments, then went to flexible price supports, and finally production payments. Now I think we are all coming back to the realization that the market economy is really the best one for our farmers. Instead of artificially restraining our farm economy, we in the Congress should be aiding our farmers in taking advantage of the growing affluence of our friends abroad who now have the means and desire to improve their diets. Europeans are asking for more meat. Ten years ago the average Japanese ate 90 eggs a year, and in 1970 he ate 210, to cite just one example. The same thing is true of the post-World War II switch in Japan from rice to bread, which has meant a great export market for American soy beans.

However, as we strive for a free market, the farmers will continue to need our assistance. The Congress needs to consider further measures such as rural development, rural revenue sharing, farm credit assistance to family farms, and regulation to protect our farmers from being inundated with foreign farm imports. To these ends, I think we today can wholeheartedly pledge our renewed efforts.

Mr. ABOUREZK. Mr. Speaker, I was very proud to join 73 of my colleagues in taking part in the first farm and ranch forum before the House of Representatives on March 1. The success and response to his effort to call attention to the problems of rural America was so overwhelming that a second forum has been called. I want to commend Congressman JOHN MELCHER, Congressman KEITH SEBELIUS, Congressman NEAL SMITH, and Congessman JOHN ZWACH for coordinating this effort.

At the last forum I examined the success of the ACP program and expressed my concern that despite its proven effectiveness and need that it was in danger of being scuttled. Today I would like to discuss another program that faces the same situation—the Rural Electrification Administration.

On March 18 of this year, thousands of people in southeastern South Dakota got a rude reminder of what it was like to live in the country in the 1920's and 1930's.

Snow and ice and high winds disrupted electric power service over a wide area. Ten rural electric cooperatives reported 1,500 line breaks and 500 poles down.

The co-ops all pitched in and helped each other, and they did a great job in restoring service. But even so, some people in hard-hit areas had to do without electricity for days. Talk about never missing the water till the well runs dry—some people in South Dakota have changed the words in that old adage. When the switch doesn't turn anything on, you are liable to miss the water and just about everything else you need to live.

It seems almost incredible that rural South Dakota had to do without the blessings of electric power service, and yet the records show that in 1935 before, there was an REA, only 3.5 percent of the farms had service. And the people in many small towns were in the same fix. Today almost all of our farms and ranches have electric service—98 percent of them. We have 32 distribution cooperatives and two power-supply co-ops, and except in the event of a tremendous storm, such as that of March 18, the people on the rural lines are getting good sevice—and getting it at cost.

The problem is: How can the rural electric systems keep up with the growing demand for electricity?

No longer do we think of electricity as a convenience only—it is a necessity.

It is essential to farming and to rural business and industry.

It is essential to rural development.

We can attract business and industry to rural South Dakota only if we have a plentiful supply of electric energy, available at locations where it is needed, at rates on a par with those of heavily populated places.

The rural electric systems are willing to do their part. They are just as willing to meet the growing demand as they were to provide the initial service where none existed. You would expect this because the co-ops are made up of all the people who use the service—the people who benefit from the new business opportunities that come from rural development based on electric service. But willingness is not enough. It takes a lot of capital to expand service.

And the electric co-ops are starving for capital.

Congress is still the only major source of capital for rural electrification. Yet, despite the growing need, despite inflation, the rural electrification loan program is being held down to the same level year after year. Congress has appropriated $35 million extra in the last 2 years, but the administration has impounded the extra funds.

The rural electric systems have plowed back into their business large amounts of money, including funds that REA until recently urged them to hold in reserve as general funds.

In many cases, co-ops that have been forced to reduce their liquid reserves to very low levels are unable to draw upon their previously approved loans for cash.

Moreover, instead of getting new loans to cover 2 years or more of construction, they are now usually held down to loans for 1-year construction even though this is less efficient.

They are using up the advance payments they have made through the years to meet their current payment schedules.

And the backlog of applications for new capital grows larger every year.

The South Dakota co-ops at the end of 1970 had a backlog of applications that totaled $992,000. They reported to their national association that they were planning to turn in additional applications by June 30 of this year totaling $4.8 million. They said they would have to apply for an additional $3.5 million in fiscal year 1972, making a total of more than $9 million that they need by June 30, 1972.

The story is the same from other States. In total, the rural electric systems report they need to borrow more than a billion dollars by the end of fiscal

year 1972. Subtract the money REA had remaining for the last half of this fiscal year, and subtract a reasonable amount for applications being processed, and the amount needed for fiscal 1972, as reported by the National Rural Electric Cooperative Association, is $804 million. This compares with the administration's request of $345 million.

The electric cooperatives have started their own finance cooperative to supplement the REA program, but it is barely getting started, and the most it can be expected to lend in fiscal 1972 is $50 million. It is neither expected nor intended to take over the responsibilities of Congress in meeting the basic credit needs for rural electrification.

Each year we fall farther behind. Unmet needs of the past year are added to the unmet needs of the present.

Meanwhile distribution cooperatives across the country are confronted with demands from power suppliers for tremendous increases in wholesale power rates. These demands range as high as 73 percent in western Kansas, and no part of the country is immune. The Nation is suffering from a shortage of electric power. It is getting worse, and the demands for rate increases are sure to grow. The major bargaining weapon the co-ops have had is the G. & T. co-op. The co-ops in the past have been able to borrow money when necessary through the REA program to generate and transmit power for themselves. However, no loans are being made for this purpose. The co-ops go to the bargaining table with no bargaining muscle. Like the farmer who must take his product to market without the ability to state his selling price, the co-op must go to the supplier and pay the price that is asked.

We say we are proud of our rural electrification program. We say we are proud of the rural electric systems. We say we are proud of the miracle that has been wrought in rural America in our lifetimes.

If we truly mean what we say, we will not stand by and allow the rural electrification program to falter and fail.

We have the capability to rescue this vital program and enable it to make its full contribution to the economic development of rural America. No grants are required—only loan funds. Even the loan funds are small in relation to the costs of war, in relation to the costs of unemployment, in relation to costs of rehabilitating our cities and the blighted lives of those cities.

Let us open our eyes to the promise that lies in meeting the needs of rural America.

Mr. OBEY. Mr. Speaker, it is hard to talk about rural America without speaking about the importance of co-ops to our rural communities.

And so I think it is appropriate that the REA and its problems be discussed here today.

Recently the Wisconsin Electric Cooperative, the statewide association of rural electric co-ops in my State, devoted a part of its annual meeting to an examination of the serious problems confronting them.

To a large extent the problems of the Wisconsin co-ops are problems that stem directly from Washington—from mistakes and failures of the administration and, frankly, the Congress. In addition to the normal operations problems that any utility might have, the Wisconsin electric co-ops have their own individual shares of national problems that require the attention of this Congress.

These problems, including the capital squeeze facing REA, were concisely summarized by Kermit Overby, of the National Rural Electric Cooperative Association. I think it is worthwhile to call your attention to his five main points:

Point No. 1—*Lack of loan funds has put the rural electric co-ops on a starvation diet for capital.*

At this point let me make one thing perfectly clear: This is not David Hamil's doing. On the contrary, he deserves the highest of accolades for trying to bring eventual relief through our new supplemental finance institution, and for spreading the money available to him so that a remarkably large number of applicants have had the opportunity to share in the pot. He has kept a sharp eye peeled for emergency situations. But until we somehow succeed in getting the Administration to request and the Congress to appropriate more loan funds, the REA Administrator has no choice except to operate on a make-do basis. In such a situation, the pressures at one point lead to pressures at other points until a gigantic squeeze is on. Inadequate loan funds lead to desperation policies on reserves that lead to dangerous rate increases that lead to consumer-member dissatisfaction and a potential "sell-out."

Our basic problem is not to get an ambulance to this or that emergency—important as that is—but to save the whole program and rural America along with it from galloping anemia.

The figures bear this out.

Rural Electric systems responding to the NRECA annual survey of loan needs revealed totals which will require $804 million in REA loan fund appropriations for fiscal year 1972. This requirement figure is one on a rising trend. It was $600 million for 1970, $745 million for 1971, and now $804 million for 1972.

The amount grows larger each year because the need for system improvement and growth increases while the amount of funds made available stays about the same.

About the same? Not quite. The inflation sees to that.

The REA loan dollar is building less lines and other facilities each year. In terms of what a dollar would buy in 1967, today's Administration projected loan program of $345 million will build only $310 million in plant. Wholesale prices increased 11.3 percent in the last four years. Meanwhile, needs for service increase.

Is it an exaggeration then to say we are on a road to disaster when we face up to facts such as these? I think not.

Point No. 2.—*Whether it stems from the lack of loan funds or from a policy decision, the embargo on generation loans has taken the sap out of the rural electric wholesale bargaining.*

G–T loans were a key factor in the REA program from the very beginning. The Act specifically provides for "financing the construction and operation of generating plants."

The longstanding G–T loan policy in REA recognized that the co-ops should have generation loans (1) where power supplies were short and (2) where leverage was needed to negotiate lower wholesale rates.

Today the lack of loan funds and the stated policy of both the Congress and the Administration to shift priority away from generation loans have combined to repeal in effect both the law and the policy.

As a result, existing G–Ts faced with the job of keeping up with their members' increased loads have almost insurmountable tasks in finding low-cost capital for building new capacity. Beyond that, distribution co-ops outside G–T areas have the prospect of wholesale rate increases because they are no longer able to sit down to the negotiating table with the real threat of a G–T loan in their bargaining kit.

Getting hefty rate boosts is not a theoretical possibility. It is a fact. Power companies have moved to raise their wholesale rates to co-ops in state after state—not just by the amount of the inflation but by whopping percentages as high as 73 percent.

So, to secure the future of rural electrification we need not only to fight for adequate loan funds but we need to put the wholesale bargaining leverage back into the hands of co-op people.

Point No. 3.—*As a stop-gap measure to get around the loan fund shortage, the cash management program is a failure; worse than that, it has serious side effects on rural America development.*

The cash management program was inaugurated several years ago as part of an arrangement with the Budget Bureau that hopefully would give dependability to the co-ops line of credit. As a condition for approval of a loan, co-ops were called upon to hold their reserves below 8 percent (frequently a fluctuating level) and to maintain a level of advance payments.

A number of rural electrics have repeatedly declared that the 8 percent level does not give sufficient leeway for these expenditures under varying local conditions.

More recently, an increasing number of systems report that their loans are being approved by REA only if they are willing to reduce their own general funds to levels ranging as low as two percent.

Basically, cash management thus means the co-ops end up with smaller amounts of liquid funds. Not as much REA loan money comes into the community.

If the purpose of this and other related policies is to induce co-ops to finance a larger portion of rural electrification, it is succeeding. The total amount of their own general funds that REA borrowers have put into plant increases each year. In the last seven years the dollar amount has doubled.

The question is: does this work to the best interests of rural electrification, rural America and the nation? Each of us will have to arrive at our own judgment on this. My own opinion is that a policy that leaves the co-ops with inadequate working capital, that pulls dollars out of country banks and in effect sends them to Washington, is bound to have a debilitating effect on the rural economy and cannot help but contribute to the migration, sending more young people from the country to the city.

Point No. 4—*The uncertainty as to when, or if, co-ops can draw funds under approved loans is raising havoc with co-op business operating stability.*

Through the years the government's word has been as good as its bond. When it committed itself in a loan approval, the local citizens who ran the electric knew they could get the money when they asked for it. It was a deal.

Today a loan approval is a maybe.

The holding up of advances puts the operations of the rural electric systems on an even more stringent hand-to-mouth basis than it has been. The shorter financing period costs more in paper work and engineering studies. Co-ops report that the hold-up of advances damages their credit rating, prevents taking advantage of 'cash' discounts, and impedes efficient and effective operations of the business.

It is difficult to see a net benefit derived from such a costly practice.

Point No. 5—*The rationing program that was designed to spread the available loan funds has accomplished that purpose. But, meanwhile, the U.S. Treasury has not been effectively helped while the co-ops have been hurt by this stop-gap, hand-to-mouth business.*

How severely the restrictions are being felt can be seen in what has happened to two indicators of the rural electric state of health.

One is advance payments on the debt service. They're down.

REA recommends that borrowers maintain the equivalent of two years' repayment of principal and payment of interest as a cushion of credit. This money goes into the U.S. Treasury. During the 1960s the rural electrics responded to an appeal to increase their advance payments. These payments reached a $350 million level by the end of 1968.

Since that high point and coinciding with the current belt tightening, the balance of advance payments has steadily declined.

In the last six months of 1970, borrowers were drawing upon their cushion of credit at an annual rate of more than $30 million a year. And this downward trend is continuing in 1971.

Another indicator is the REA report on delinquencies. They're up.

On December 31, 1966, the total in arrears was $269,029. On December 31, 1970, the total was $3,685,991, the highest it has been in years.

There you have what I consider to be the five most important points that make up the road to disaster: The starvation diet of loan funds, the embargo on generation loans and resultant deduction in bargaining strength for wholesale power, the reduction in co-op cash supplies, the reduction in the co-ops cushion of credit and increase in delinquency. As I indicated earlier, the basic element in the trouble is the lack of loan funds. Unless something can be done about this problem, probably very little can be done about G–T, wholesale rate increases, eroding reserves and other concerns that threaten your independence and your success now and in the future.

Mr. Speaker, I doubt that the term "road to disaster" was chosen lightly. Hopefully we will not take it lightly either.

Mr. BEVILL. Mr. Speaker, in the last 10 years the State of Alabama lost 16 percent of her total cropland acreage, and small farms of less than 50 acres declined almost 25 percent.

Historically, Congress has passed legislation which favors big farms. There is a great need to develop a strong farm program which will provide substantial assistance to the small farmers of America.

There has been, in recent years, more attention focused on the needs of our rural areas and small farmers. But, to date, most of the attention has taken the form of dialog and recommendations. Little concrete help has filtered down to our small family farmers.

The situation in rural America is very serious. It demands and deserves the attention of our leaders at all levels and in all branches of our Government.

Over the weekend, President Nixon announced that he would recommend additional funds to the Farmers Home Administration for insured loans and for loans to rural water and sewer systems. This is good. These programs help our rural areas. But he failed to set out in detail what he is going to do for our small farmers.

Unfortunately, many of the programs that have been instituted by the Congress over the years seem to be directed toward breaking down the family farm—getting them out of the way of technological developments, rather than strengthening them.

Our United States agricultural revolution is one of the most significant, important and promising breakthroughs in modern history. It is most unfortunate that, to a large extent, our small farmers have been neglected in the rush of these technological advances.

As pointed out before, in 1970, we produced 30 percent more food and farmers were paid $800 million less than in 1950. This pretty well sums up the bleak economic realities our farmers face.

I strongly favor the adoption of a farm program which would increase the income of our small farmers. Our small farmers constitute the economic foundation for a strong rural America. Since becoming a Member of Congress, I have worked for a stable farm program, one which would provide substantial aid to the small farmers of America. I plan to continue working for such a program.

If we are to keep our economy strong and insure our national security, we must establish and maintain a strong farm program—one that will insure fair treatment for our small farmers.

Mr. HUNGATE. Mr. Speaker, I would like to call attention to some of the problems experienced today by our family farmers. The family farm has always been looked upon as a reference for the kind of unity of family, of community, most of us have deemed the strength of our society. Possibly, today, farming is the only place in our society where we can still find real cooperation of people with a shared goal, where their livelihood is almost dependent on this cooperation.

The Federal Government has recognized this integral part of America as evidenced by the fact that the latest available figures show that $26,008,000 was spent in fiscal year 1969 for vocational agricultural education. Millions of dollars are expended to encourage young people to continue to be involved in farming. And young people have always provided a vital work force for farmers.

In considering any new laws or regulations which would affect farmers, we must assure that the farm community is protected from any unreasonable disruption in their farm operations.

A good example of regulations being proposed for farmers without this consideration is the Department of Transportation Bureau of Motor Carrier Safety driver qualifications which were to go into effect January 1, 1971, and which we were able to postpone until July 1, 1971.

The DOT's proposed regulations on interstate commerce would: first, maintain a gross weight limitation of 10,000 pounds for farmers hauling their own produce and livestock in their own farm trucks; second, prohibit young men under 21 from driving such farm vehicles; and third, require physical examinations of all farmers hauling their own produce in their own equipment exceeding 10,000 pounds gross weight although they are duly licensed by their own State. Such stringent regulations would bring an unnecessary hardship on our farmers.

Major farm organizations and others have been meeting with the DOT to seek more equitable regulations for farmers. Spokesmen for the farm groups urged that the weight maximum be increased or at least provide regulations under which farmers could operate realistically. They also urged that the legally permissible age for operators of such vehicles be lowered from 21 to either 18 or 16.

The farm groups have organized an Agriculture Advisory Council to provide the Department of Transportation with valuable insight into the views and particular needs of farmers. I would urge my colleagues to support the Council's efforts in trying to assure the best possible treatment of our Nation's farmers.

Following is a list of the members of the Agriculture Advisory Council and their organizations:

Mr. Richard F. Turney, Chairman, American Association of Nurserymen; Mr. Matt Triggs, American Farm Bureau; Mr. Ward Seals, United Fresh Fruit and Vegetable Association; Mr. Joe Quinn, National Grange; Mr. Weldon Barton, National Farmers Union; Mr. Donald Graham, National Council of Farmer Cooperatives; Mr. Fred Burrows, International Apple Institute; Mr. Carl Schwensen, National Association of Wheat Growers; Ex Officio Member: Mr. James Lauth, Consumer and Marketing Service, U.S. Department of Agriculture.

These men and the groups they represent are doing an excellent job of representing the views and needs of the Nation's farmers and nurserymen. I urge everyone to give them wholehearted support because to do so will be not only in the best interest of American agriculture, but in the best interest of all our citizens.

Mr. MONTGOMERY. Mr. Speaker, I like to commend my four colleagues who are bringing to the attention of the Congress and the Nation the importance of agriculture to America. I would like to point out that not only is the importance of agriculture involved, but the many problems facing the farmers of America.

The dominant economic force in my home State of Mississippi is agriculture, and in my congressional district the majority of the people I represent work in agriculture or agriculture related industries.

Mr. Speaker, one of the disturbing facts of agriculture was contained in the President's economic report. In 1970, we produced 30 percent more food than we did in 1950, but the farmers were paid $800 million less for this most important agricultural commodity.

This is a very alarming statistic and we in the Congress should dedicate ourselves to remedy this glaring inequity.

The farmers of America have been the backbone of America. They have created this great Nation of ours and we should see that they are paid a fair price for the food and fiber they produce.

Mr. Speaker, there has been some discussion about doing away with the Department of Agriculture in President Nixon's reorganization proposals. I certainly oppose any such action. Instead of eliminating the Department of Agriculture we should strengthen the Department to help the farmer get a fairer price for his commodity. I will do all I can to protect the Department of Agriculture in any reorganization plans.

Mr. BEGICH. Mr. Speaker, the Nation's dairy farmers are, in a large part, responsible for the health and well-being of American youth who need the calcium, vitamins, and minerals that milk supplies for proper physical growth and development. We owe the dairy farmers of the country a large vote of thanks for American good health, yet the Agriculture Department and the Nixon administration have consistently refused to properly fund milk subsidy programs, and related farm programs that could ease the plight of the underpaid dairy farmer. It was only recently that Secretary Hardin finally responded to congressional pressure by increasing parity on milk to 85 percent and unless a strong front is produced, Rural Electrification Administration 2-percent loan programs are in danger of being eliminated.

Dairy farming constitutes almost one-half of the entire farm industry in my State of Alaska, and the problems faced by Alaskan dairy farmers are somewhat unique. However, they typify the problems faced by dairy farmers, and farmers in the entire Nation.

Dairying is the leading agricultural pursuit in Alaska. Income from milk constitutes more than half of total farm income. Despite this dominant position of milk in Alaskan agriculture, not enough milk is produced in the State to satisfy the needs of the population. This is largely because the high production, processing and distribution costs make it more economical for the marketer to obtain his supplies of manufactured milk products from the "lower 48," notably Seattle, Portland, and Canada. Even considering the relatively high cost of transporting those dairy products from Seattle to market areas in Alaska, imported milk is still cheaper than local milk in Juneau, and costs the same as local milk in market areas like Anchorage, Fairbanks, and Kodiak.

What does this mean for the Alaskan dairy farmer? It means he must compete with a lower-priced produce while meeting tremendous production costs. It is small wonder to me that Alaskan dairy farming has not developed as rapidly as it should.

The average price of milk in the Southern States is approximately one-half that of the average price in Alaska. The investment per cow in Alaska is about 25 percent above the Southern States. Cost of labor and for shipping of necessary feed supplements raises the operating cost of the Alaskan farmer to the point where the margin for the average operator is relatively low, as indicated by a low level of "take home pay," when compared with that of Southern States. The average size of a herd in Alaska is approximately 50 cows, while the average size in the United States is 200 cows on a mechanized farm. Faced by the high costs and the cheaper competition, is it any wonder that the number of dairy farms in Alaska dropped from 80 in 1964 to 41 in 1967. The decline in milk production between 1961 and 1966 was slightly less than 20 percent. The decline in the total value of production declined about 18.5 percent in that same period, due to some slight rise in the price of milk during the period.

What these figures indicate is the Alaskan dairy farmer cannot meet outside competition in his State, and consequently has reduced operations. Now that the milk surplus in the "Lower 48" is reduced and the market for milk and milk products in Alaska is rising—to an estimated 75 million pounds by 1975, four times the 1966 output—Alaskan dairy farmers must increase their output to make up the difference. To do this, herd size and efficiency of operation must be increased, but farmers have no incentive or sufficient capital at the present time to do so.

Recent Nixon administration policy moves do not indicate any sympathy for the plight of any farmer, much less dairy farmers in Alaska. The attempt to sabotage REA 2-percent loans during the debate on the rural telephone bank bill, and Secretary of Agriculture Hardin's reluctance to increase milk parity to 85 percent are only two examples of their general unrural attitude to the Nation's problems. To save the farmers, this Congress must insure that development funds are available through the FHA, REA, and other rural help organizations.

The plight of Alaskan dairy farmers is only one example of the problems faced by American farmers today. It is up to us to help them.

Thank you.

Mr. MILLER of Ohio. Mr. Speaker, I am pleased to again join my distinguished colleagues in participating in this second "farm day" of the 92d Congress. Throughout the Government, increasing attention is being given to the needs and problems of the American farmer and his rural neighbors. This special order today is just one example of the growing sentiment that we must focus more attention on the plight of the agricultural community. The dialog in which we engage today is useful, but we need to translate our words into action. I consider that one of our major objectives in agriculture is to maintain farm income and strengthen the family farm structure, not just for a few farmers, but all farmers, big and small. For some time I have been attempting to redress what I believe to be a gross inequity in the present feed grain program which is detrimental to the small family farm unit. I would like to address my remarks today to this problem and what I feel we should do to correct it.

In previous years a small farmer with a feed grain base of 25 acres or less could elect to divert 100 percent of his entire base to approved conservation practices and receive full diversion payments on the entire acreage. For the minimum required diversion the small farm payment was computed by multiplying 20 percent of the price-support rate times the estimated feed grain yield times the number of diverted acres. For additional diversion, he would receive a payment based on the estimated yield on the diverted acreage multiplied by 40 percent of the price-support rate of $1.35 times the number of additional diverted acres. In other words, where a small farmer elected to divert his entire base he was not eligible for price-support payment, but was able to receive diversion payments on both the required minimum diversion and additional diversion. Producers on other farms received no diversion payment on the required minimum diversion. Therefore, under the previous feed grain program the small farmer with a feed grain base of 25 acres or less could choose to retire his entire acreage rather than contribute to the surpluses.

By keeping his farm in permanent grass, the small farmer was therefore entitled to compensation for reducing supply and helping the conservation of our resources and the reduction of soil erosion.

However, the Agricultural Act of 1970 contained no small farm bonus provision and instead placed unrealistic requirements on small farmers for their continued participation in the program. The 1970 act provides that participating producers who make the required set-aside of cropland, maintain their conserving base and meet other program requirements will be eligible for price-support payments on 50 percent of their feed grain base whether or not any increase is actually devoted to feed grains. Although this price-support payment for small farmers is greater than the diversion payments they received for required diversion in 1970, no payments are offered for additional diversion above the required 20-percent set-aside. The new law also provides for the reduction of a feed grain base if the producer plants an acreage of feed grains less than the portion of the feed grain on which payments are made available. If no acreage has been planted to feed grain for 3 consecutive years, the feed grain base is lost. Specifically, the base would be reduced 20 percent the first year, 20 percent the second year, and 60 percent the third year and the farmer would be out of the program and his base would be placed in a national pool for redistribution. The farmer, in effect, must plant at least 45 percent of his feed grain base to preserve history and keep his base from being reduced in future years.

The following example, I feel, will illustrate the drastic reduction in payments incurred under the need program:

EXAMPLE 20-ACRE CORN BASE (80 BUSHEL YIELD)

	1970	1971
Payment for diverting 4 acres (20 percent)	[1] $86.40	[2] $256.00
Payment for diverting 16 acres (80 percent)	[3] 691.20	(not offered)
	$777.60	$256.00
Payment per acre idled	$38.88	$64.00

[1] 20 percent of $1.35=27 cents per bushel × 80 bushels × 4 acres.
[2] 32 cents per bushel × 80 bushels × 10 acres.
[3] 40 percent of $1.35=54 cents per bushel × 80 bushels × 16 acres.

By eliminating the small farm bonus provisions of previous years and requiring that 45 percent of the feed grain base be planted to protect the base from being reduced and to continue payments, I believe we will be working an unjust and severe hardship on thousands of small farmowners. I have found that the majority of these farmers in my district fall into this category and these farmers who participated in the feed grain program over the years have relied on these diversion payments to supplement a small fixed or retirement income. With the exception of social security benefits, in most cases these payments are the only income these people have and it is used to pay their taxes, health care, personal debts, and farm upkeep and maintenance. We are talking about farms that once supported a family. But now these farmers are elderly, retired, widows, or of poor health. In many cases, they are physically unable to sustain a viable farming operation or are financially unable to come up with the capital outlays for the necessary farm equipment and machinery. It seems the equipment they do own is either worn out or outdated for today's operations. Their base acreage is often so small, isolated, or hilly that it is unrealistic or not economically feasible to rent out the land. If the base is leased to a more efficient producer, his production would be added to the surplus thus adding to program costs. In essence, without these payments under the present law, the farm will become a liability to these people who will be unable to support it or themselves. However, with this supplemental income they can continue to live where they want to live and maintain their dignity as members of the rural-agricultural community.

It is quite apparent. I believe, that we have created a very serious problem and undue hardship for the thousands of small family farms across this Nation. We are reducing their income and offering no viable alternative for income supplementation for these proud, independent people.

I have introduced a bill, H.R. 2501, which is intended to help these people by restoring a small farm bonus provision in the feed grain program. This amendment would allow small farmers with a feed grain base of 25 acres or less to divert 100 percent of his base to conserving practices, receive full diversion, and protect his historical feed grain base. As I have indicated, under the present law he can divert his entire base acreage, but in 3 years he will lose his base and therefore his payment. Without being able to divert 100 percent of his feed grain base and receive payment, we will be forcing many of these farmers back into production thus adding to feed grain surpluses and program costs. By forcing many of these small farmers into production, we are also disturbing the permanent grasslands which have been an important part of our conservation program.

The requirements applied to small farmers under the new program are unrealistic and I feel are contrary to the intent of the law of improving and maintaining farm income without additional production.

On April 6, my bill received a hearing before the Livestock and Grains Subcommittee of the House Agriculture Committee. I would urge those who share my concern with the plight of the small farmer to join me in an effort to secure fair and equitable treatment under the law.

Mr. McCORMACK. Mr. Speaker, this is the second time in recent weeks I have joined my colleagues in speaking out on the crisis within the agricultural community of our country. I have today submitted two new bills designed to aid or protect the farmers of this country and in particular, those in the Fourth Congressional District of the State of Washington.

The first of these bills is designed to exclude agriculture from the provisions of recent Department of Transportation regulations which would require that drivers of farm trucks be 21 years of age and licensed essentially as is required for professional truck drivers in interstate commerce. These regulations proposed by the Department of Transportation are typical of the continual encroachment of an unfeeling society upon the small minority of our population who provide this great country with its daily bread, and its daily food and fiber of all kinds. Such a regulation would not only impose severe financial hardships on the farmers, if it were possible to carry it out, but it would exclude from healthful and gainful farm labor tens of thousands of young, dedicated men and women, many of whom are students, and sons and daughters of our farmers; young people who will one day assume the responsibility now so well executed by their parents.

Another piece of legislation I have submitted, along with Congressmen MELCHER, LINK, and JOHNSON of California, would provide a 7-percent tax credit for the first $15,000 of capital investment by small business, including farmers. Little as this is, it may provide some legitimate assistance for many of the family farmers throughout the Nation and help stimulate the farm economy and the various industries which our farmers support.

Mr. Speaker, the plight of the farmer is being recognized here today as it has been all too infrequently in many other parts of our country. Recently, however, an excellent editorial appeared in the Herald Republic, published in Yakima, Wash. This editorial is entitled "The Farmers Plight." It contains a number of wise observations including the political harvest that the administration is reaping as a result of its indifference to the problems in the agricultural community. The editorial is as follows:

THE FARMERS' PLIGHT

Asked what parity means, the average office or factory worker probably would not know whether it is an imported bird or a golfing term. And if you hinted that it had to do with a farmer's purchasing power or net income, chances are you'd get a sharp retort about boondoggling and the evils of paying a farmer for not working.

That is the situation the farmer is seemingly locked into, at a time when all other income has long since outdistanced the farmer's take-home pay—and the farmer gets the brunt of the blame for high food prices.

Obviously, neither the farm subsidy program nor the farmer's ability to demand a fair return is working well. As a matter of pure fact, all the chatter about how welfare has not worked—and certainly it has not—leaves most farmers even more aware that their own pricing and market system makes the cumbersome, bumbling welfare plan look like computerized excellence.

In the past 22 years, the average prices received by farmers have gone down instead of up on 15 out of 24 major products. The farmers justifiably boast that scientific operations have boosted production many times over in most crops—while allowing them a struggling chance to stay somewhere near even in actual returns on the investment.

The burgeoning production level applies to wheat, especially, and that is about the only thing that has saved the wheat grower from disaster. The farm price per bushel on that most basic commodity in mid-January was 31.7 per cent below the 1947–49 crop average. But in that same period, the index of prices paid by the farmer—for daily living, farm machinery and supplies, taxes, interest and so on—has gone up by 59.6 per cent.

One national source—admittedly farm-oriented but even if somewhat discounted, nevertheless showing a striking contrast—reported that since 1947, these changes have been made in other endeavors: Manufacturing workers' income has gone up 123 per cent; rental income 249 per cent; business and professional income 158 per cent; stockholders' dividends 287 per cent; creditors' interest 696 per cent; gross national product 320 per cent; farmers' production expenses 140 per cent; farmers' gross income 65 per cent, and farmers' net income only 4.9 per cent.

Despite the more dramatic issues such as Vietnam, welfare, city decay, crime in the streets and a misshapen economy which features high unemployment and outlandish inflation at the same time, the farm issue remains a hot one in the farm belt states. President Nixon, politically astute, surely realizes that the farm problem is one of the silent but ever-present factors in his own popularity decline. And one unassailable political fact is this, that of 13 governorships taken away from the Republicans last November, nine were in agricultural states of the heartland, Arkansas to Idaho.

The farmers, right or wrong, blame whatever politician is available, and that time it happened to be a Republican President and administration.

Some day, someone in government will discover that the present system is bad enough to deserve a change from more of the same. Meanwhile, we can hardly blame the farmers for growing uneasy.

Mr. JOHNSON of California. Mr. Speaker, 2 months ago during a similar discussion of the importance of the agricultural industry to this Nation of ours, I pointed out that in this space-oriented age in which I am pleased to say California has played a major role, the leading industry in our Golden State continues to be agribusiness. Farming is the State's leading employer, providing jobs for 163,000 people, producing an annual farm income of $4.5 billion in the State of California. Throughout the Nation three out of every 10 wage earners are employed by agricultural operations of one sort or another and the total farm assets amount to $307 billion or the equivalent of about half the market value of all corporation stocks listed on the New York Stock Exchange.

Food and fiber are, of course, basic to our way of life and I think all of us would agree that for the most part we are fortunate in the quality and quantity of our food and clothing. When you compare the cost of these items to what the same things cost people in other lands, you can see that the American people are getting a very fine bargain. For instance, approximately 16.5 percent of the American consumer's disposable income goes to food, in Western Europe consumers spend 25 percent of their income on food and in the Soviet Union consumers spend half of everything he earns to feed himself and his family.

The Federal Government, through a vast program of research and development assistance, can be proud of this accomplishment for we have had a substantial role in achieving this very favorable balance.

This is no time, however, for us to rest on our laurels and reduce the type of programs which we have accomplished so well in the years gone by. I fear, however, that in some areas a reduction does appear in evidence. A prime example is the Rural Environmental Assistance Program of the Agricultural Stabilization and Conservation Service. The ASCS in California assisted an estimated 30,000 farmers during 1970. Their program involved substantially more than $200 million. Only a fraction of this, an estimated $4 million, went to the agricultural conservation program, now referred to as the Rural Environmental Assistance program. This is one of the most important cooperative conservation efforts which this Nation sponsors. Programs assisted under the Rural Environmental Assistance program last year and being helped this year include such things as timber stand improvement on private lands, construction of dams and wells for livestock water, conversion and improvement of permanent pastures, control of noxious weeds and erosion problems, land leveling and many other items. Nationally Congress appropriated $195 million for this type of effort. Only $150 million of this was released by the Office of Management and Budget and it is my understanding that for the coming fiscal year only $140 million is being requested. This will mean a substantial reduction in Federal assistance for this type of conservation programs which are so essential to our rural environment.

Specifically I would also mention one particular aspect of this program, namely the conversion of croplands to grasslands and rangelands. I think all of us would support the concept of reducing the acres of land on which surplus crops are raised and converting them to other purposes. This is one of the important goals of the Rural Environmental Assistance program as it converts these lands to grasslands. If there is any question as to the need for these lands, ponder for a moment the figures cited by the Under Secretary of Agriculture, who predicted that in the decade of the 1970's this Nation's population would grow to somewhere around 230 million people. During those same years the per capita consumption of beef would increase from a present 113 pounds per year to 130 pounds per year. With an increasing population and an increasing per capita consumption, we have got to increase our beef supply and that means more feeder cattle and that means more grasslands.

One other aspect, I would like to commend the SCS for a fine program, but I feel that they too need additional support for we must more adequately meet the conservation operational needs of the local soil conservation districts and we must more adequately plan and construct the watershed projects which will help the local districts carry out their programs.

In conclusion, I would like to congratulate and commend the loyal Department of Agriculture employees who are making these programs work and I would also like to urge my colleagues here today to insure that these faithful workers are given the tools by which they can carry out this mission of insuring that the consumer continues to have the most favorable cost-benefit ratio in the world when it comes to comparing his investment in his food supplies.

Mr. PREYER of North Carolina. Mr. Speaker, it is not my purpose to attempt to spell out a national farm program or even to highlight the kinds of things it must include.

I do want to state my simple conviction that the preservation of rural life in this country is vital to the preservation of much of the strength of our character as a great nation.

An America with its roots in the soil is a stable America. The family farm—not the ghetto—is the backbone of our country. We must save that way of life and keep people on the land if we are to prevent our Nation from becoming one giant megalopolis where rootless and alienated and homeless Americans live in shadows of discontent.

In doing this we need not deviate from our concern for the problems of urban Americans. Indeed many of the problems are the same. Jobs are needed in both places just as are housing and paved streets and roads.

Our task is one of bringing greater balance to our urgent sense of renewal in both the city and the farmlands of our country. We are such a whole nation that if any one section or segment of the population is left behind, all America suffers.

Some of us have joined Congressman CULVER in his bill to assist rural areas and small communities in renovating and beautification as a force for keeping people in those areas and encouraging the return of some who have gone away.

Similar efforts to insure the stability of the small and medium-size farm; to continue the amazing accomplishments in rural electrification and homebuilding; and those countless other programs of enriching our rural life will demand the best that we can give in imagination and hard work.

Rural Americans have done a fine job for our country. The average family now spends only 17 percent of its income on food—the lowest in the history of mankind. It is only fair that the farmer receive parity of income with the rest of the country that he has done so much to help.

Even more is what he has given to our spirit as a people. Years ago a novelist of the Old South wrote that "the land is the only thing worth fighting for, worth dying for; never let it go."

That kind of romanticism may have a new reality in a day when we need to reexamine the strengths of our nationhood so that we may preserve and protect that which makes living worthwhile.

Mr. FOUNTAIN. Mr. Speaker, I am delighted to take part in this discussion of the needs, problems and opportunities of agriculture and rural America.

We should never lose sight of the fact that agriculture is the most basic business of all, and that if agriculture is in trouble the entire economy will eventually feel the effect.

Make no mistake about it, agriculture is in trouble. Not since the depression years of the early thirties have farm prices sagged so low on the parity scale.

Early this year some farm leaders publicly said that they felt the much publicized "economic game plan" of the administration was simply an attempt to solve the problem of inflation at the expense of our Nation's farmers.

But, the farmers of America—a minority growing smaller and smaller year by year—are not the economic culprits and should not be made the scapegoats for our industrial society. Farmers suffer as much as and perhaps more than others from the vicious cost-price squeeze.

Farmers and rural Americans also suffer from the lack of many of the amenities of life.

In this connection, the widespread public attention focused on the problems of pollution and environmental quality in the past year will, hopefully, bear dividends for a long time to come in the form of greatly accelerated technical progress toward a better quality of life for all of our citizens, including those who live on farms.

Public opinion is a most powerful voice in our democratic society. It can move mountains and, as most will agree, there are mountains to be moved if life on the farms of America is to be improved the way it should be and this includes, the environment in which rural Americans also live and move and have their being.

Included among our many environmental improvement goals in the decade of the seventies should be: A much faster pace of rural development; improved ways to use our land, water, and timber in the light of our tremendous population growth; a cleaner country, both in rural and urban areas; and better food and water safety standards.

Many of the rural parts of our Nation have suffered a decline in recent years, during which one-third of the farm population moved away.

Rural development in the seventies can and hopefully will be sparked by such things as new water and sewer systems where none exist today, better health, and recreation services, and better housing. These are all rural, as well as urban needs so which must somehow be met.

In this connection, I understand the Farmers Home Administration plans to finance 1,420,000 houses in the next 7

years. And private mortgage financing is expected to do much more than that toward improving rural housing.

Similar moves are underway utilizing both public and private funds for other areas of rural need and these revitalizing efforts must not be allowed to lag. If the national economy is to grow by half a trillion dollars during the seventies, we should all work together to see that rural American gets its rightful share. In spite of all our progress, so much more remains to be done to provide rural America with more of the blessings of life.

The way our land and other natural resources are used in the years ahead will be keys to overcoming environmental problems. Sound, workable and understandable plans are needed, and must be formulated on the local level, if the best alternatives are to be chosen. Many questions will have to be answered properly, including: where and how agricultural and forest products are produced, where industry locates as well as judgments about the quality of all new industry; where highways run; how cities and towns grow; and where and how wastes are disposed of and utilized.

The goal of cleaning up America is daily becoming harder to achieve. Each of our 205 million people throws away about 7 pounds of solid wastes each day. Much of this ends up in dumps or just scattered across the countryside. This is not good for us from either a health or esthetic point of view.

An effective cleanup program in both rural and urban America can do a lot to overcome this problem. And much of it can be done by simple means, including the use of just our hands and our minds.

Another basic and highly essential goal to seek in the seventies is a higher standard of food safety—food free from residues of mercury or pesticides or any other harmful chemicals, food handled and carefully processed for consumption according to high levels of cleanliness.

Improving our environment in the seventies will be a complicated and terribly difficult task. Work must continue in the areas I have mentioned, and in many others such as industrial and automobile pollution.

Nevertheless, I am convinced that the American spirit and will to succeed can overcome great obstacles—move mountains, if need be. I am confident that in the years ahead we can and must make great strides in environmental improvement; but must adopt more positive and constructive programs. Our future health and happiness together demand it.

So frequently mentioned is the fact that tens of thousands of people leave the rural areas each year and move into the big cities, creating "strip cities," hundreds of miles long, filled with urban blight and social problems.

These people move seeking jobs and the good life. They may find jobs, but they soon discover they have left the good life behind in the rural area they came from—where the air they breathed was fresh and clean and safe.

What they find in the megalopolis is spiraling, excessive taxes, high prices, crowded living conditions, poor public transportation, long distances to work or play, and general deterioration.

The time has long since passed for us to do something about this trend toward herding-together in unbelievably big cities. If America does not act soon, the entire countryside will become nothing but big cities connected by interstate highways running through empty land. Highways are good, but empty land and crowded, blighted, polluted, and unhealthy cities are a menace to the health and well-being of our people.

One part of the answer, in addition to a healthy agricultural economy, is more industry for our rural areas. We should bring jobs to the people to the greatest extent possible. More jobs and opportunities must be created where the space is—in rural America.

I am proud and happy with the industrial progress we've seen in North Carolina in recent years—particularly in the Second District. Many people have worked hard to make it possible. The change we've seen is amazing. It is far better than many had ever hoped or dreamed for. In fact, it is the kind of progress that made America "the land of the free and the home of the brave."

But, we cannot afford the luxury of resting on our laurels. We must do what we can to combat the national flight to big cities. We must create greater and more meaningful career opportunities for all of our children at home. Too much of our talent—especially just out of our schools and colleges—is being attracted to big city areas in other States.

And yet, the way of life in our area is something big city businessmen have long dreamed of. Our recreational possibilities are endless. There's hunting and fishing for the asking. There are no traffic jams to compare with the usual big city rush hour. There is time and space to enjoy life. Our people are God-fearing, friendly, warm, and hospitable.

We have space, plenty of it, to offer to industry, and many productive workers. Our people are independent—yes, but also loyal, dedicated, conscientious and honest.

America can preserve the amenities of living for more of its people, if it soon wakes up and reverses the trend toward concentration of masses of people in big cities. Many have already found the way to us. Let us thank God for it. But there must be more movement of industry toward God's own creation—rural areas, and more jobs and opportunities for all people close to home.

The only alternative appears to be the eventual creation of a megalopolis so polluted with ugliness and so filled with poisonous air and water, and crime that only a few of those who live there can be happy. America has the land. Let's use it wisely.

Looking at the problem of land-use from another angle, we should seriously consider all types of usage, including tree farming.

The demand for timber to use in a multitude of ways, such as in building houses and business facilities, and in producing paper and other wood products can only go one way in the years immediately ahead—up and up and up.

This means that the Nation will have to rely more and more on privately owned woodlands and tree farms, instead of the national forests of the west, in order to properly meet our needs. Consequently, there should be an increased opportunity for profit to those in rural areas, including those in our part of North Carolina. It also emphasizes the continuing need for reforestation programs.

The substantial amount of our land is now being used for timber production, but there is probably other idle land that might profitably be put to work in this way. Of course, forest cultivation takes a lot longer than other crops, but it's not always necessary to wait a whole generation before realizing a profit.

Pulpwood production, for example, doesn't take nearly so long as production of lumber for construction and, I understand, they're trying to cut down the pulpwood cycle from the present 10 years to only 5 years.

As with other natural resources, the population explosion practically guarantees a steadily increasing market for timber. Forestry people expect such an increase in population that they can foresee no possibility of a slack off in demand. Each increase in population has a multiplier effect on the demand for construction lumber and paper products of all kinds.

For example, the American paper industry now uses about 50 million tons of pulp a year. But, by 1985 they'll probably be needing 100 million tons a year.

Not only is there a rapidly growing need for timber in America, but also in many, many other countries around the globe.

The total world demand for wood products is expected to double by 1985—only 14 years from now.

Trade experts say this will offer an increasingly good market for American timber, one in which the United States will have a comparative advantage over many nations.

In this connection, I think it is highly important for our country to look to agriculture for larger and larger contributions to a favorable balance of trade. Tobacco, of course, already brings in hundreds of millions of dollars each year, and there are other agricultural products which could be promoted as wisely and as well.

Incidentally, it should be recalled that tobacco was America's first export in Colonial days. Since then—for approximately 359 years—the tobacco trade has made incalculable contributions to the economy, not just of North Carolina, but also of the Nation as a whole.

New developments in forest products at every step—production, harvesting, processing, engineering, and recycling or reuse of waste fiber—are being worked on. Hopefully these developments will contribute to more profits for tree farmers and woodland owners and also to environmental improvement as well.

Environmental considerations are important these days, and a wooded landscape does a whole lot to help preserve a healthy environment. Trees protect against erosion, cleanse the air, serve

as a refuge for wildlife, and perform many other tasks vital to the cycle of life.

Tree farmers and other owners of woodlands have various avenues for obtaining news of these developments, as well as other expert advice and assistance. One of these, I am told, is the U.S. Department of Agriculture's rural environmental assistance program, which gives high priority to improved forestry practices such as better management and reforestation.

Better management of all of our natural resources, including our forest resources, is a vital necessity, if we are to house and shelter our people adequately in the years ahead.

And, better treatment for our farmers and all rural Americans is also a vital necessity, if our country is to advance and prosper as it should in the decades ahead.

We cannot afford to do less.

Mr. GALIFIANAKIS. Mr. Speaker, it is entirely fitting that we are assembled here at this time to focus congressional attention on the problems, plight, and promises of the American farmer.

Today, we are confronted with an alarming paradox. Farm production costs are rising rapidly, while farm income is turning downward. These negative economic factors are forcing a migration away from the farm at a time when farmers are being called on to produce even more goods and services, because of staggering population increases.

To put it simply, unless the trends are reversed, we are at the brink of agricultural and economic disaster, and a Nation with resources as rich as ours cannot afford to let that happen.

In my own State of North Carolina, the importance of agriculture cannot be exaggerated. Its significance can best be illustrated by the fact that 50 percent of our total land area is in farms, and 35 percent is classified as cropland. Obviously, our income—derived primarily from tobacco, corn, cotton, peanuts, soybeans, and livestock products—is a vitally-important contributor to the total income of the State.

Each of us here has a special interest in agriculture because we know that the continuing success of agriculture is vital to the welfare of our Nation. Each of us shares a degree of dismay at the apparent lack of understanding the current administration has displayed at the urgency of the farm situation, and each of us shares an obligation to impress this urgency upon Representatives of nonfarm States.

Town and city people must be made to understand that farm programs benefit them as well as farmers. A rise in farm income benefits not only the merchants along main street, but hundreds of thousands of industrial workers as well. The success of agriculture, in fact, affects the lives of every human being.

Because of the lack of positive action by the administration, I believe it is incumbent upon the Congress to enact legislation to alleviate the current plight of the farmer—and indeed, to insure that this comprehensive segment of our economy and our lives, continues to produce goods and services under far more favorable circumstances.

Mr. MATHIAS of California. Mr. Speaker, hardly a day goes by without the public's attention being directed to the problems in our cities and urban areas, yet there is very little said about the equally serious problems in our rural areas. Economic instability, the lack of jobs, and poor community services are all part of life in rural America.

Our farmers have become more efficient in recent years in the production of food and fiber, but the returns they receive for their work and investments are not adequate. The 1970 per capita disposable income of the farm population was only 78 percent of the income for the nonfarm population. However, Americans still pay less for food than any other country in the world. Only 16 percent of our disposable income is spent for food, which is the lowest percentage in our history.

Coupled with inflation, incomes for the small- and medium-size farmers have not kept pace with other areas in the economy. Even some of the large producers have found themselves in trouble in years of price or crop decreases.

Not only are farmers fighting for their economic survival, with many of them being forced out of business because of declining prices, rising production costs, and higher taxes, but their communities are steadily deteriorating. While the Nation's attention has been focused on the problems of the cities, our rural communities have suffered from a lack of attention and interest.

Rural Americans are faced with a situation where the increase in farming efficiency and a lack of employment opportunities are forcing more and more people to leave the countryside and seek employment in the already overcrowded urban areas.

The problems in the rural communities are very real.

More than 60 percent of all substandard housing is in rural areas, and nearly half the poor. Over 30,000 rurals towns do not have any water systems, and an additional 45,000 lack adequate water facilities. Unemployment has been as high as 18 percent in many areas, and it is estimated that about $12 billion worth of manpower leaves the countryside annually, all because of a lack of jobs. Medical services and facilities are in short supply with 130 counties not having any private doctors at all.

In short, there is a serious shortage of jobs, adequate housing, industry, medical services, and public facilities in rural America.

We must deal with these problems in a way that will bring new life and vitality and opportunity to the 55 million people who live in the 2,600 rural communities.

I think President Nixon's special rural development revenue sharing program offers a realistic approach to meeting the needs of our depressed rural areas. This plan will substitute a comprehensive all-encompassing program of rural development for the piecemeal approach that is presently being used with little success. It will give the States and local communities more effective tools and greater financial resources for rural development.

As President Nixon said:

> More money, plus more freedom to spend it, plus better planning in doing so, add up to better living for rural Americans and brighter futures for rural communities.

Once given the opportunity and resources, I am convinced that rural people can handle their own problems and development more effectively than is now being handled by the Federal Government. Experience has shown us that it cannot be done by the Federal bureaucracy.

Local initiative and adequate financial resources combined with a minimum of Federal intervention are the best way to handle rural development.

It is time that we face up to the seriousness of the problems and realize that in order to enhance the economic and cultural values of our small communities, business and industry must be encouraged to locate in rural areas. I believe that revenue sharing holds the promise to developing the resources and realizing the potentials hidden deep within the heart of our rural communities.

Mr. RAILSBACK. Mr. Speaker, I am proud to represent a portion of western Illinois which contains some of the very best of American agricultural business. In addition to farm implement makers, we have many successful and productive farms in the 19th District of Illinois.

It will certainly come as no surprise to the farmers that their expenses last year increased faster than gross farm income. As a matter of fact, the U.S. Department of Agriculture reports that there was a decrease in net farm income from the 1969 level. In 1969 total net farm income in the United States was $16.2 billion and in 1970 it dropped to $15.8 billion.

Over the 1960–70 period, total current operating expenditures of farmers increased by 50 percent from a level of $19 billion to a level of $27.4 billion. Taxes on farm real estate and personal property totaled $2.8 billion in 1969. Of this, State and local real estate levies came to $2.3 billion, 11 percent over 1968; a further rise of nearly 10 percent was recorded for 1970.

Farm wage rates rose 29 percent from 1967 to 1970. Farm machinery costs rose 38 percent during that same period on the wholesale price index. Of course, seed costs will definitely rise in 1971 due to the corn blight concern and the demand for certain hybrids. Farm debt outstanding at the beginning of 1971 was 6 percent above a year ago. And unfortunately, farm real estate value rose less than 2 percent in 1970, the smallest percentage increase since 1960.

With respect to money costs and interest rates, there is nothing I can say except that they were the highest they have been in 50 years. And through it all, the American farmer still puts food on our tables for a smaller cost to the consumer comparatively than in any other country in the world.

I include a recent editorial from the Chicago Tribune of Sunday, March 14, 1971, at this point in my remarks:

BARGAINS IN FOOD

Secretary of Agriculture Hardin reportedly is receiving an increasing volume of mail from housewives and other consumers protesting his recent remarks that food is a bargain and that higher retail prices are in order. Hardin was quoted as saying in Dallas last month that he hopes food prices this year will increase so farmers can share in higher returns for their products.

The secretary's critics, many of them older people on fixed incomes, may now find another target in President Nixon himself. In Des Moines recently he took up Hardin's theme, describing America as the best-fed nation in the world, where the housewife "pays less of her budget for food than in any country in the world."

The evidence supports the President and his secretary of agriculture. The average American family last year spent only 16.7 per cent of its income, after taxes, for food. This compares with family food expenditures of 25 per cent of income in Europe and nearly 50 per cent in the Soviet Union.

The evidence also supports the administration's contention that the big majority of American farmers do not share equitably in the national prosperity. Statistics from Hardin's department indicate that farmers average only about three-fourths of the income of the rest of the working population—and this includes income earned by farmers from part-time jobs off the farm at which a great many of them are employed.

Aside from the farmer's productive efficiency, a basic reason why family food expenditures are relatively low is that the nation's wage rates and personal incomes have increased faster than food prices. The farmer periodically has to take lower prices for his raw commodities while consumers continue paying the same or even higher prices for processed foods. This is because the "middleman's" markups continue to rise as costs of labor, packaging, transportation, and other factors continue to escalate.

Moreover, the housewife who finds her weekly "grocery" bill going up often overlooks the fact that it includes detergents, cigarettes, magazines, hosiery, phonograph records, and an assortment of other nonfood items which the food store also handles.

Recognizing these factors, it must also be said that part of the cost of food to consumers is hidden in the huge federal farm subsidy program. Price tags on many food items sooner or later would go up if the government stopped dispensing the $4 billion or more it now spends annually to support farm income. Consumers who think they have a complaint now would really scream if farm prices in the market place ever rose to a level sufficient to give the average farmer a fair return on his labor, management skill, and investment.

Even with the sudsidies—which amount to nearly a fourth of total annual net farm income—a great many farmers are not making it. The parity ratio, one measure of farm prosperity albeit an unsatisfactory one, is down to the lowest since the Depression days of 1933.

While the subsidies help to hold down the price of food, they obviously have failed to provide the economic stimulus to agriculture for which they were designed. In a 1968 campaign speech Mr. Nixon said he was "concerned" that farmers were so heavily dependent on the government for their livelihood. Since then his administration has had nothing better to suggest than what amounts, basically, to a continuation of the same costly programs.

As the Tribune states, one basic reason why family food expenditures are relatively low is that the Nation's wage rates and personal incomes have increased faster than food prices. It is also true that the Federal farm subsidy programs which support farm income have helped to keep food costs down to the individual consumer. But these subsidies have obviously failed to provide the answer to the farmer's income problems.

The 91st Congress chose to continue more or less with the same farm programs which have failed to provide the answer thus far. This was not the President's recommendation as the Tribune article implies—it was a consensus determination in a very real sense and involved the Congress intimately. I am hopeful that better ways can be found to attack the problem of the farmers and of our rural areas.

An outstanding editorial on the subject was contained recently in The Galva News of Galva, Ill., in the 19th District. I ask unanimous consent that the editorial be printed at this point in my remarks.

THE BIG PICTURE—HELP FOR RURAL PROBLEMS

A recent article in the Wall Street Journal, by Monroe Karmin, a member of the newspaper's Washington bureau who specializes in urban affairs, should provide encouragement for small towns in rural areas throughout America.

If Mr. Karmin is right in his interpretation of President Nixon's program for local development through federal revenue sharing, the rural areas could cease to be the forgotten lands.

It could even be a beginning of an end to heavy federal emphasis on programs for big cities that do nothing but increase these tremendous concentrations of population and compound the problems that go with too many people in too small a land area.

Mr. Karmin says that what "seems to be afoot is a Nixonian policy that would seek to help the big cities, or at least be offered in that context, by keeping more people 'down on the farm' or in smaller and medium-sized cities."

"As everyone knows the population trend in this country is from the outlying regions to the big urban centers. One White House insider says the President wants to slow, or perhaps even reverse eventually, this flow by funneling more federal resources into areas that are losing population.

"Mr. Nixon will point out that Americans live not only in big cities, but in suburbs, and medium-sized cities, and small towns and rural areas as well, and that all of these communities have problems that need attention."

Of course, to counteract Mr. Karmin's interpretation of Mr. Nixon's 58-page budget and economic messages on the state of the Union, there are others by equally keen Washington observers who say the big cities will have their way and crash-funding of metropolitan aid programs will continue.

We would like to put our trust in the Wall Street Journal article. But it is hard to visualize from a rural heartland that very much of any federal money returned to Illinois will escape the clutches of Chicago, East St. Louis, and other metropolitan areas.

The rural areas do not need preferred vast federal spending on programs that rarely accomplish their goals. But for the welfare of the entire nation they do need federal recognition of the actual problems that exist and equal opportunity to solve them.

It is a paradox that what is considered to be the most enlightened, most affluent nation to ever exist, continues to encourage two-thirds of its people to use just two percent of its land area—then spends billions in attempts to correct the abuses caused by such unequal distribution of the population.

All of the major problems of this nation—pollution, ecological imbalance, inadequate mass transit facilities, lawlessness, poverty, even corruption in government—can be directly traced to craming too many people into too small an area.

And while people gang up in metropolises, like a fire-frightened crowd at an emergency exit, small towns in rural America die on the economic vine because they haven't the people to be self-supporting, nor the jobs to attract additional people.

The whole paradox could be erased in a short time by federal recognition of the problem and support to correct it—and the cost would be nothing like the bill we are having to pick up in a fruitless attempt to keep the major cities in operation.

A program of attractive federal tax benefits for industries willing to locate in rural areas would encourage many a plant to leave the big cities. And their people would be happy to escape the problems that surround them by following their jobs. This is not a new proposal. Legislation along these lines has been suggested at every session of congress since 1964.

Along with a tax program, federal revenue would have to be turned back to rural communities to provide facilities they do not have now that would become necessary to handle population growth—additional sewage and water capacity, medical facilities, schools. Federal funds are already being used in each of these fields now.

But first must come the realization by federal planners that the rural problem is no longer a farm problem. It can not be approached by subsidy programs aimed—as Mr. Karmin says—at "keeping people down on the farm." The subsidization of agriculture is an altogether different issue, and the day is not far off when the government will be paying money to assure production, not discourage it.

There is a correlation between the rural and urban problems, and by solving the plight of rural communities you take a major step toward cleaning up the mess that exists in the major cities.

As the Galva News so appropriately reminds us, the rural problem is not just a farm problem and it cannot be solved simply by subsidy programs aimed at keeping people down on the farm.

Now that land values seem to be leveling-off, the farmer's hopes of paying rising costs from increased borrowing capacity from his land have been diminished. There is a great need for some direct relief from the 125 percent increase in the farmer's costs during this generation.

I have joined today with our distinguished Republican Whip, the Honorable LESLIE C. ARENDS, my friend and colleague from the 17th District of Illinois, in introducing legislation which we feel can have a very direct and beneficial effect upon our farmers, particularly our small farmers. Our bill would reinstate the 7 percent investment tax credit for small farmers on their expenditures for buildings, farm equipment and the like up to a maximum investment of $20,000. For instance, if the farmer purchases a farm implement for $10,000 he could deduct from his tax bill a total of up to $700—the same as he would have been able to do prior to the enactment of the Tax Reform Act of 1969. Our bill can provide the needed stimulus to the economy of rural America and make possible the improvement and modernization of our farms and equipment. Prob-

ably no industry needs help more than the farmer.

We are hopeful that this Congress will see the great importance of our rural economy in connection with our Nation's overall economic health and will at an early date revise current law to permit this tax relief and economic stimulus for the small farmer-businessman.

Mr. ROGERS. Mr. Speaker, I am pleased to rise in support of the remarks of my distinguished colleague from Montana concerning the critical shortage of health services in rural America.

Mr. Speaker, the Subcommittee on Public Health and Environment, of which I am Chairman, recently concluded hearings on proposed health manpower legislation. Our hearings were not limited to Washington, D.C. The subcommittee conducted hearings at the Mayo Clinic in Rochester, Minn., and in Topeka, Kans. In addition, members of the subcommittee visited medical schools, hospitals and other health facilities across the country.

During the course of our hearings, the subcommittee learned of steadily increasing manpower shortages in virtually every health profession. We were advised that today's shortage of physicians in this country approaches 50,000 and that the shortage of nurses is three times that number.

Most alarming, Mr. Speaker, were our findings of a shocking maldistribution of health personnel. We found that in many isolated rural areas, physicians and other health personnel are virtually non-existent. For example, during the hearings in Topeka, we learned of a 7-year effort of a rural Kansas community to obtain a physician. Although members of the community have contacted over 250 physicians with promises of immediate construction of a clinic with community funds, their efforts have met only failure. In another Kansas community, by a rural doctor's own admission, farm animals receive better care than human beings. I am saddened—but not surprised—to learn of similar situations in communities in eastern Montana.

Mr. Speaker, I assure the gentleman from Montana that members of the Subcommittee on Public Health and Environment realize the critical nature of health manpower shortages in rural areas. We are attempting to combat the problem in every way we know how. For example, last year we passed the Emergency Health Personnel Act, which authorizes assignment of Public Health Service personnel to areas which demonstrate shorages of health services. Ten million dollars has been budgeted for implementation of this emergency act for fiscal 1972. During our recent health manpower hearings, the Secretary of Health, Education, and Welfare assured the subcommittee that he intended to announce the appointment of a council to determine critical shortage areas, as required by the act, and to issue regulations implementing the act in the very near future. I am hopeful that this program will help alleviate many of the manpower shortages in the district represented by the gentleman from Montana.

Moreover, Mr. Speaker, I anticipate that the health manpower legislation which we intend to report to the floor of the House shortly, will contain incentives for the training of physicians in family medicine and a program of forgiveness of loans to physicians who agree to practice in areas which demonstrate critical health manpower shortages.

Mr. Speaker, I commend the gentleman from Montana for his sensitivity to the health needs of rural America and assure him that our subcommittee will continue to work with him in an effort to alleviate one of our country's most demanding problems.

Mr. GRAY. Mr. Speaker, nothing is the matter with rural America that a strong, healthy commercial family farm structure will not cure. It is within the province of this Congress to revitalize rural America, by insuring the farmer parity of income, equal to other segments of the economy.

The commercial family farm of America has been the foundation of the most progressive and efficient agriculture the world has ever known. It has contributed to the economic growth of the Nation, provided an abundant supply of food for domestic consumption and relief of hunger over the world. We reaffirm our traditional support of the commercial family farm unit and urge that all programs and policies be constituted and implemented to protect and promote the well-being and continuance of the commercial family farm.

Although the agricultural horizon is somewhat clouded by many factors, which at times are more political than economic, one fact is quite clear—agriculture is undergoing a change.

Agriculture, and therefore the farmers that comprise it, have a real decision to make. By their actions will they pave the way for an industrialized, corporate structure or continue on the road of the commercial family farm? This is not to say that contracts or growers' agreements and integration do not have a place in the family farm structure—they do, and will continue to be a moving force—as long as their goal is to improve the economic position of the farmer. If such marketing methods are to be tools to improve the profit position of large corporations which have invested in agriculture, I am not so sure that the results will be in the best interest of agriculture, the family farm or the general public.

The number of farms and the amount of land in farm use continue to decline. USDA reports that it expects about 2,876,000 farms in operation in the United States during 1971. That's down 1.5 percent from the 1970 total, 26 percent below a decade earlier and the smallest number since the 1870's. The size of farms, estimated at 389 acres for 1971, is up from 383 acres last year and 306 acres in 1961.

Both of these trends are likely to continue, but at a slower rate. I would hope that they would not only slow down, but that the trend could be reversed in the decade of the 70's. I, for one, do not believe that all problems in agriculture or rural America can be solved by simply moving human resources out, off the land and away from rural areas.

Fewer farms, or larger farms, may solve some of the economic ills of farming, but it will not solve the economic and social problems of rural areas or help alleviate the urban crisis that has been a result of such migration in the past. I believe it was Whitney Young, the late Chairman of the Urban Coalition, who said:

> The problems of rural areas today become the urban problems of tomorrow.

There was a time when this country needed the migration of people from soil to city to sustain the industrial revolution, but I submit that with unemployment reaching increasingly higher levels, economic opportunities no longer lie in the metropolitan areas. This is especially true in the age of automated manufacturing with its low requirement for unskilled labor.

Farm programs designed to assist the family farmer must be continued and improved if economic opportunities are to remain in rural America. There is nothing wrong with "countryside U.S.A." that a little increased profit in agriculture won't cure. With increased profits will come increased opportunities for rural people. Money now allocated in grants to States for rural development might be better spent in improving farm income.

Disposable personal income — after taxes—per capita of the farm population was $2,633 in 1970. The ratio of average disposable income of farm people to nonfarm people was about 78 percent.

This gives some idea why farm-to-city migration has slowed down in the past few years. Improvement is always good—but it is not good enough. We will be watching the new farm programs as they are administered during the next 3 years to see if they can improve upon the record of the previous 4 years of the Agriculture Act of 1965.

A viable family agriculture is essential to rural development. Rural communities will not be able to exist on new factories moving to rural areas. Rural communities will be lucky to attract one new manufacturer and most won't have any industrial development. Communities that depend upon one type of manufacturing as the sole source of off-farm employment are not balanced economically and suffer with the ups and downs of that industry. To have real growth in rural America, agriculture must be economically strong to provide a balanced economy and prosperity for Main Street in the rural towns of the United States.

The productivity of American agriculture is the envy of people around the world. The land-grant college system of this Nation, with its Agricultural Extension Research and Educational Service, has brought the newest in improved varieties and advanced practices to farmers regardless of financial status. The rapid adoption of technology and an efficient, well-organized and managed system of production provide consumers with a variety of products that requires the smallest proportion of disposable income of any nation. We believe that American farmers have the capability of meeting the needs of the growing population in this country and helping to feed

the growing world population. This can become a reality only if the farmer receives the cost of production plus a reasonable return on his labor, management and investment.

All efforts should be continued to seek new cost-reducing methods. It must be recognized, however, that cost reduction alone does not guarantee an adequate level of income. Most gains from this source have, in fact, accrued to American consumers. Greater efficiencies that lead to lower costs of production cannot be expected to solve the income problems of agriculture. There must be a continuation of farm programs to ease adjustments in this sector and to stabilize and improve farm prices and income.

My farmers in southern Illinois want and need a better break. We must push hard to help them and their fellow farmers in this great country. Thank you.

Mr. BLANTON. Mr. Speaker, I want to join my colleagues in commending the efforts of American agriculture, and particularly the thousands of Americans who have made it one of the most important sectors of our economy.

Just in case my urban colleagues do not realize it, I would like for them to remember some of these statistics. There are 3 million producing farms in the United States, employing more than 4.6 million workers. This is more than the combined employment in transportation, public utilities, the steel industry, and the automobile industry.

Three out of every 10 jobs in America in private employment are related to agriculture. And 8 million people have jobs storing, processing, and merchandising the products of agriculture, while another 6 million provide the supplies our farmers use.

The total gross agricultural assets of America exceeds $307 billion, which is two-thirds the value of current assets of all corporations in the United States, and one-half the market value of all corporate stocks on the New York Stock Exchange.

So farming is not only essential to America, it is one of its biggest industries.

I just want all my urban colleagues to remember the importance at stake when they vote on programs for rural and farm areas.

I get the impression too many of the Members of this body fail to realize not only the importance of agriculture, but the economic impact it has on America.

American farmers, I might add, are the most efficient in the world. In the 1960's, when output per man hour in nonagricultural industry increased only 3 percent a year, productivity in agriculture increased by 6 percent a year. Mr. Speaker, one farmworker in America produces enough commodities of food, fiber, and other produce for himself and 44 other Americans.

Five percent of our population are strictly farmers—yet these people are feeding not only 205 million Americans, but a sizable portion of the world, too.

Mr. Speaker, the President is declaring Friday as "Salute to Agriculture." As a farmer myself, I certainly appreciate his interest. But I sure wish he would do more than make meaningless platitudes toward our people. I wish he would adopt a Government policy of helping farmers and the agricultural industry. I wish he would help the farmers overcome what has been the worst 3 years in more than a quarter of a century. I notice that farm parity decreased again last month to 69. It means the farmers are not getting the fair share of their services. It means that his net return on net invested capital is far lower than that received by the rest of industry.

The American farmer is proud of his accomplishments. But he wants a fair shake, too.

Mr. FASCELL. Mr. Speaker, I commend colleagues JOHN MELCHER, KEITH SEBELIUS, NEAL SMITH, and JOHN ZWACH for sponsoring this farm and ranch forum in the House.

The problems faced by agricultural and rural America are many and complex. The remarkable productivity of the American farmer belies the difficulties which continue to beset our agricultural industry.

We are still experiencing the extended backlash of conversion over the last century to an urban, industrialized society. Thomas Jefferson's noble and virtuous farmer continues to feed the Nation, but incredibly he produces more with less land and fewer workers.

As economies of scale are making the survival of the individual small farmer ever more difficult, his children are moving to the larger cities and towns to pursue less arduous and more profitable employment. Caught in the economic squeeze, subject to the vagaries of weather, and aware of his precarious position, the American farmer looks to his Government for some assurances of security in return for the risks he takes to feed our growing population.

The support which we give to American agriculture is in the highest interests of this Nation, for a productive agricultural industry literally gives the Nation the energy to achieve excellence in all other areas of national concern.

Mr. Speaker, shifts in population and migration over the last century have been reflected in the changing composition of the House. Many of us now represent districts which are primarily urban or suburban. But I believe it is important to focus, as we are doing today, on the needs and opportunities of rural and agricultural America. Its importance to our future and the future of this planet can never be overestimated.

Mr. KASTENMEIER. Mr. Speaker, much has been made of the recent announcement continuing dairy price supports at 85 percent of parity for the coming year. No one who is interested in dairying can deny that this was an improvement over Secretary Hardin's earlier announcement which would have permitted these supports to drop to 80 percent of parity now and to an even lower figure by April 1, 1972.

In spite of this pronouncement there are still a number of unsettled areas requiring Government action which affect dairying.

First among these is the special school milk program. President Nixon's budget, as submitted to Congress, called for no money for this program for next year. He contended that the program is being phased out. Yet one finds only a modest drop in its usage as some schools switch from a milk program to a complete lunch program.

Congress has long felt that the program should be continued. I am convinced it will so express itself again this year. However, this must be done in such a forceful way that the Office of Management and Budget will be mandated to release the necessary funds, instead of attempting to hold them up as they have done in other years.

Imports of dairy products are a concern to our Nation's dairy farmers and should be of concern to all of us in Congress. Unlike most other items any American-produced dairy item which is replaced by an import is likely to have to be purchased by the Commodity Credit Corporation. Yet, in spite of this obvious fact we have seen dairy imports increase to the point where they replace approximately 2 billion pounds of milk, more than double the import level of 1964.

Currently the Tariff Commission is holding hearings on one of the worst import offenders—cheese costing over 47 cents a pound. I do not want to prejudge what they may recommend as a result of such hearings, but I am concerned that the President may ignore their findings as he did only a few months ago.

Last summer, the Tariff Commission held hearings on four other dairy products. They recommended quotas of zero on three of these items and a very nominal annual quota on the fourth. President Nixon, in his establishing of quotas, set them far higher than these recommendations, as well as far higher than his own Secretary of Agriculture recommended. Based on these actions I am concerned that history will repeat itself to the detriment of the American farmer.

The final area in which I feel the American dairy farmer is being ignored is that of research. Over 10 years ago the Agricultural Research Service, USDA, pointed out the need for a dairy cattle research laboratory. In 1968, a study of theirs showed a potential benefit of $92 for every $1 of annual operating cost and recommended that it be built. Since 1962 the University of Wisconsin has had a standing offer to provide a site free of charge for this facility.

Yet, in spite of all this favorable evidence, it has not been approved. In this 10-year period other livestock and crop laboratories have been built. This is fine. From the reports I receive they are proving a great benefit to their type of agriculture.

The proposed dairy cattle research laboratory could do the same for dairying. The needed planning funds for it should be provided this year.

GENERAL LEAVE TO EXTEND

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to revise and extend their remarks on the subject of this special order, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

SECOND FARM DAY

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH), is recognized for 1 hour.

Mr. SMITH of Iowa. Mr. Speaker, I want to thank all those who have cooperated in this second and also in the first "Farm Day" in the House. This bipartisan effort to draw attention to the facts that exist in agriculture will not in and of itself provide the needed adjustments in prices and financial structure, but it will at least make our colleagues and some others more aware of the facts that are necessary for proper and rational distribution of the various issues that come before the Congress either in the form of legislation or in the form of our oversight power relative to the administration of existing laws.

I think the first Farm Day on March 1 was successful. Upon scheduling that Farm Day, it has been alleged that people in the executive branch took notice of it and that was one of the reasons why the President went to my congressional district on that very day and give some attention to the problems of agriculture. Here we are 2 months later for another Farm Day and on yesterday the President made a radio speech promising to support some of the things we have been demanding including release of funds for the rural, water and sewer program and a recognition of the farm price cost squeeze. Whether the President's actions were a result of our activities on the "Hill" or not is somewhat beside the point and for whatever reason he took these actions, I am glad to see his attention to the matter.

In addition to the President's attention on these two occasions, I have, and I am sure many of you have, received more questions from our colleagues relative to the farm situation and indicating some additional awareness that there is something wrong.

To be sure any investigation of statistics on prices and costs do show that not only is something wrong, but that in fact so much is wrong that the American farmer is even worse off than he was during the depression in the 1930's. Although parity may not be a completely accurate barometer, the American farmer received 81 percent of parity during the depression and only 67 percent now, and even after some allowances for some adjustments in the comparison mechanism it would obviously still leave the farmer worse off than he was during the depression as a relative matter and I ask you who else in the United States is worse off than they were during the depression. Perhaps we should take a look at some of the statistics that show what is going on.

Parity or a fair price for corn compared to things farmers buy during the 1910–14 period was $2.50 per bushel. Using the 1947-49 base period, it was $1.77. Cash corn in Chicago today—in the market year following blight and drought which cut farmer's production—is less than $1.50. Parity for wheat in the 1910–14 period was $3.44, for the 1947–49 period it was $2.82. Cash wheat today in Kansas City is $1.55. Parity for soybeans, for the 1910–14 period was $4.01. For the 1947–49 period, it was $3.78. Cash soybeans in Chicago today are $2.94. Prices of other products indicate a similar severe slide when measured on a parity basis which compares them with the prices of products farmers must buy to produce these products.

Under some of the food distribution programs, the Agriculture Department purchases food products on behalf of hungry people, schools, and others. Naturally they try to purchase those that are the biggest bargain and increase purchases when prices are lower. Pork purchases are the highest they have been at anytime since 1956. It is another way of saying that hogs have reached the lowest level since 1956 and a look at agricultural statistics and market reports bear this out. This comes at a time when taxes on farmland—most of it goes to pay for schools—has almost doubled in the last 5 years in a large number of areas in the country.

The demand for capital with which to farm has increased very rapidly at the same time that interest rates have been increasing. With the investment required to farm today, almost no farmer could be expected to farm without using borrowed capital. Many average family farms used $300,000 of capital goods. The average of the whole United States in 1970 was $85,000. This compared with an average capital outlay of $45,000 in 1960. With interest rates twice as high and the capital required twice as high, this means that the farmer must receive four times as much income for allocation to interest or the use of money but that income simply was not forthcoming.

Another way to measure what has happened in this regard is to look at the return on the investment. The return on investment has dropped from 10 percent in 1950 down to 6 percent now and that return does not provide any allowance for labor and management. In other words the average farmer receives 6 percent on the investment, including borrowed capital which cost more than 6 percent, and had to provide his own living for himself and his family and his contribution to his community from that 6 percent. Obviously in many, if not most cases these family farmers received less than they would have if they would have put their money into Government bonds and sat around all year instead of farming.

To look at it another way, the average farm family which works 60 hours per week at hard labor received only two-thirds as much income for their 60 hours of hard work as they would have been eligible to receive had they been on welfare in New York City. We hear a lot about reforming welfare and getting people back to work. Well, I say it is time we pay some attention to those who are now trying to eke out a living and produce some goods that the Nation and the world needs and to some how give them a chance to secure their fair share of our national production.

Some may say that with inflation, dollar figures today are not comparable and that some of the statistics I have used would not apply. Although I have tried to select those where a fair comparison can be made, just to make doubly sure let us look at the farm income comparison in constant dollars. If we use 1969 dollar values, when farm income was $16 billion total, measured in those same dollars—1950 income would be $20 billion. In other words farmers lost 25 percent in income in constant dollars in a 20-year period and at the same time that other segments of our society from the youngest to the oldest received increased incomes. As a matter of fact the processors and retailers of these farm products received 2000 percent more on their investment in 1970 than did the farmer. This kind of result might be expected if farming were an inefficient industry but everyone admits that farming today is the most efficient of all our industries in the United States and has made the greatest progress toward efficiency. In other words, efficiency is being penalized.

Of course, consumers cannot be overlooked. They do have a stake first in having an abundance available at whatever prices may be required, and second in securing it at a fair price. The precentage of distribution of consumer income received by the farmer for his raw products in 1947 was 11 percent. It dropped to 8¾ percent in 1950, 6¼ percent in 1960, and slid on down to 4 percent in 1970. And, yet I hear some of my colleagues making antifarm speeches and trying to blame the farmer, because food costs are not even cheaper. It seems like the more benefit some people receive, the less they appreciate.

The annual campaign to deride the farmers and to preach hate toward the farmer and to want to deny the agricultural community the cooperation of government in assuring them some kind of income while they are producing such an abundance is about to begin again. They will distort the figures again this year. Farmers are being asked to produce so much that even if there is another dry year, there will be plenty of food for consumption and export. In reality, he is also being asked to produce more at his own peril because even a normal crop will result in a drastic slide in his return and inevitably result in prices at less than the cost of production. But how many of those who want to be assured of an abundance of food are recognizing the equities and also providing for protection to the farmer in the event of an overproduction? In fact, they want to do the opposite. Some are calling for big slashes in the programs designed to give some stability and in doing so they take the total cost of the Department of Agriculture and allege that it all goes to farmers. They divide it by the number of farmers and talk as if each farmer receives it in cash. Such patently unfair and fradulent attacks are an annual affair even by those who know that 50 percent of the USDA budget is for benefits to consumers and the general public. The USDA budget includes our domestic

food distribution programs, related to foreign affairs, health protection activities, including meat inspection and detection of traces of pesticides and other materials in milk and other food products. It also includes money needed to police honest labeling and packaging.

I am reminded of a vote which you might want to look at in the CONGRESSIONAL RECORD of May 27, 1969. On that occasion, two appropriation bills were on the floor of this House that same day. The same people who had only a couple of years previously voted to reduce the price of wheat to processors by paying for some of it from the Treasury, voted then to only make partial payments to those who had produced most of the wheat. Within 2 hours, there was another vote on an amendment to the appropriation bill covering the Post Office Department. An amendment to that bill using the identical wording that had been attached to the farm bill would have limited postage subsidies for the slick magazine. On that vote 155 Members who had voted the curb on farm producers did a flip-flop and voted against the same curb on publishers. It leads one to ask, "what is important in this country?" Are the producers of food no longer appreciated?

I suppose some lack of understanding could be expected due to the fact that so many no longer understand the problems of food production. Hundreds of thousands of children in this country have never even seen a cow or a hog. When their political leaders paint such false pictures of farmers as if they were a special privilege class, many really have no way of knowing any better. The nearest thing they have to getting an education is when one of these former farmers moves in next door. The problem here is that most of those that migrate from the farms go to the ghetto areas. They are the ones that are the least prepared to compete for the better jobs. They may have been a very skilled farmer, but in the life of city work, most of them are common laborers or unemployed.

I want to say to my colleagues here today that it is time for America to sit up and take notice of what is going on down on the farm. The prices of the things that farmers buy, including electrical equipment, fertilizer, chemicals, clothing, petroleum products, tires, trucks, machinery, and all the rest have increased constantly and rapidly while the price of the farmer's products has been going down. The squeeze has not been greater since the days of the great depression and some way must be found so that this segment of our population which has made a great contribution can come closer to receiving its fair share of the national income.

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

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

Mr. ULLMAN. I thank the gentleman. I was commenting to the gentleman from Montana that when we eliminated the investment tax credit it was a very ill-advised move, in my judgment, both for American industry and for American agriculture.

I believe the gentleman from Iowa is as conscious as any other Member here of the technological advances in agriculture and of the fact that American agriculture has taken the lead throughout the world in productivity. Would the gentleman agree?

Mr. SMITH of Iowa. That is certainly true.

I am glad to have this opportunity to have this colloquy with the gentleman from Oregon. I remember that in 1959 and 1960 he was one of the 12 Members who met day after day after day trying to figure out new approaches to farm programs. It was partly through those meetings that the feed grains program emerged, not as the ideal program but as something realistic which could be sold.

The gentleman at that time was a great promoter of, and still is, various ideas on farm bargaining and those kinds of programs which permit farmers to adjust their own supply to demand.

I certainly agree with the gentleman's comments.

Mr. ULLMAN. I thank the gentleman.

I now wish to give recognition to the contribution of the gentleman from Iowa in the field of agriculture. I have followed his leadership in numerous areas concerning which he is an expert. I appreciate the gentleman's reference to the restoration of bargaining powers to the farmer; had we been able to do that, I think we would have advanced a long way toward the solution of agriculture's problems. As the gentleman well knows, our attempts in that direction have been countered by opposition from those who would be hurt should the farmer acquire bargaining powers. Because the farmers are so numerous, and, so prolific in their bargaining activities, it has been impossible for them to gain any cogent bargaining power. The market is unreliable, therefore they take the price they can get, often at the wrong time of the year; they find that financing is difficult. As an alternative, we have been forced to resort to agricultural programs.

Returning to the previously mentioned problem of agricultural technology, we must recognize the importance of maintaining a technological superiority in this country. In my opinion, a return of the investment tax credit would be extremely helpful to the farmers of this country by aiding them in the purchase of the equipment that they need so desperately in order to keep abreast of advancing technology. Would the gentleman agree with that?

Mr. SMITH of Iowa. I certainly agree. I know the gentleman was one of the few who worked very hard a few years ago to keep the $25,000 investment tax credit at least. I think that was very helpful. In fact, it would take care of most of the family farmers of America if they had up to a $25,000 investment credit. Also it means a lot to some of the farm machinery companies and the people who work in those factories. Without that 7 percent investment credit to help with the down payment, many farmers have to use machines past their usable life.

Mr. ULLMAN. I thank the gentleman.

I remember the fight we had in the committee and on the floor of the House, which we lost, to retain the credit. But economic situations now have changed and certainly point up the need for restoration of that credit. I am hopeful in the committee and on the floor of the House we will be able to get this thing back so that we can make it active again in our tax laws and it can contribute to the modernization of American plants and help farmers keep abreast of American technology.

I thank the gentleman.

Mr. SMITH of Iowa. I thank the gentleman for his contribution.

As I listened to these various Members discuss the farm situation today I could not help but be reminded of the story of Washington throwing a dollar across the Rappahannock. Then a fellow said a few years ago "But a dollar will not go so far today." Well, it will not go so far for anyone, but with the farmer he does not have as many dollars, either. So he gets hit both ways.

Then I am reminded also of the lawyer who called for a plumber. After the plumber had worked about a half an hour he said, "The bill will be $15." The lawyer said, "Why, that is more than I make per hour." And the plumber said, "Yes. That was more than I made when I practiced law, too."

You see, whenever people find after a period of time that they simply cannot make as much at their given profession or occupation as they can earn somewhere else, they are forced to move. That is what has happened in this country to the tune of millions of farm families in the past 20 years. The movement is still on. The difference is, though, in the case of farmers they usually have no other professions to move to. They are very skilled farmers, but when they get to the city, they do not have the skills that are in demand in the city, so they go onto the ranks of the unemployed or those that are unskilled and probably end up in a ghetto or some place, where we do not want more people in this country to go.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I am happy to yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I commend the gentleman for his contribution and for also pointing out the strange case of disparity between the plumber and the lawyer. The lawyers are doing pretty well for themselves and so are the plumbers, but I think the consumers must bear in mind that 20 years ago, when bread was selling for 16.5 cents for a 1-pound loaf, the farmer was receiving only 3.4 cents for his contribution. However, today with bread selling for 25 cents a pound that the consumers buy at the grocery store, the farmer receives the same 3.4 cents for the wheat which goes into it as well as the other ingredients. It is really tough for the farmers today who are caught in the cost-price squeeze.

Mr. Speaker, last month I was invited by the State National Farmers Organization to attend what was called a "Tell it like it is" meeting of their North Dakota members. Farmers' concern over their future was demonstrated by the

fact that well over a thousand farmers and farmers' wives crowded into Bismarck City Auditorium to tell their story. Making the turnout even more impressive was that the event fell in the middle of planting season. It takes a pretty serious situation to make a North Dakota farmer turn off his tractor and drive a couple hundred miles to attend a meeting at that time of year.

Rather than listen to speeches from their congressional delegation, these farmers were encouraged to stand up and report to us on the situation on the farm to "tell it like it is." Their reports indicated that they are more worried than ever that family farms are in danger of disappearing, taking with them a way of life that has meant a great deal to the economic, political, and social stability of this country.

Milton Ulmer, a Dickey County, N. Dak., farmer, stood up to talk about the feeling he says is pervading rural areas. He says farmers now feel defeated, frustrated, negative, and angry. He says they feel that way because they face the biggest cost-price squeeze in history, he and other farmers at the meeting say credit is difficult for them to get. He pointed out that lack of funding has stopped most Farmers Home Administration loans.

Several speakers at the meeting claim that a farm revolt is brewing, that farmers desperate to save their way of life, are listening to almost any scheme or idea that holds hope for them surviving.

It is estimated that another 1,000 farmers will leave the land in North Dakota this year, a migration that will certainly add to the problems faced by already overburdened urban population centers. Not all of these departing farmers are the marginal, inefficient operators either. Several speakers said things have come to the point now that even a good farmer is not assured of survival. One farmer said he did been working in the aerospace industry until a few years ago when he decided to return to North Dakota and get into the farming business. He said he has been applying modern management techniques, including computerized recordkeeping, that he has been expanding the size of his operation and, in short, has been following the latest recommended agricultural practices. Despite that, and despite large amounts of labor contributed by his family, this particular farmer says his net worth has declined each year. Also, this farmer reflected the deep attachment he has for the land by saying, "If things continue to decline and I have to leave, they're going to have to carry me off."

The problems faced by the farmer are, of course, felt immediately by the businesses of scores of small towns in rural America. A North Dakota implement dealer told that meeting that he is afraid he will not be able to last beyond this year and that his competitor probably will not last long either because of the depressed state of the farm economy.

In my brief remarks to the NFO meeting in Bismarck, I pointed out that exports of farm products are an increasingly vital necessity for our farmers. By their response, these farmers indicated they too are well aware of the need for our Government to do everything it can to promote marketing overseas. They spoke of their desire to produce food for a hungry world, food they know they can produce more efficiently than anybody else, but they need the Government's help in breaking down the tariff barriers that keep this food out of prime markets such as Europe.

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

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

Mr. CHAPPELL. Mr. Speaker, I want to associate myself with the intent and purpose of all those who have spoken today to bring to the attention of the American people the plight of the farmer in today's world.

I know that many times we overlook the fact that this is the only segment of our industry that pays retail prices for what it buys, and sells its products at wholesale prices.

I think it is good for us to take this time and in recognizing the plight of the American farmer and to take part in a dedication to doing those things that we all need to do in order to help them through their plight.

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

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

Mr. ROBERTS. Mr. Speaker, not only has the farmer had a reduced income, because of the application of the Nixon administration farm program, but the cattlemen, particularly the cattle breeders, have learned that they cannot trust the recommendations of the Department of Agriculture.

Specifically, Mr. Speaker, the Department of Agriculture has been encouraging cattle breeders to vaccinate against anaplasmosis. Some of the Department personnel have even gone so far as to appear with representatives of the sole manufacturer of the vaccine.

The facts are that the vaccine is remarkably effective in preventing anaplasmosis in cows. However, it is just as effective in causing anaplasmosis anemia in the offspring for as long as 3 years. This has been documented by some of the finest veterinarians in the United States. Thousands of cattle are being lost yearly as a result of the vaccine.

The manufacture and sale of this vaccine should be stopped or at least the Department should require proper labeling.

Since 1969, I have been requesting the Department of Agriculture to go to work on the problem that cattle breeders are having in regard to immunization against anaplasmosis. So far, I have not been able to get much help from this Department in investigating the vaccine used against anaplasmosis. I have received reports from breeders all over Texas that they are losing calves from anaplaz-anemia, but I do not seem to be able to substantiate this to the satisfaction of the Department of Agriculture.

No one denies that the vaccine reduces the cases of anaplasmosis in the cows. I have sent testimony from some of the outstanding veterinarians in the United States to the effect that the vaccine causes anaplasmosis anemia in the offspring for as long as 3 years.

Recently, April 16, 1971, Dr. Keith E. Gudgel, D.V.M., Post Office Box B, Celina, Tex., wrote me:

DEAR SIR: I hope that this letter will be of some benefit to you in your endeavor to review the problem we are experiencing with the use of the Anaplasmosis vaccine. It is my desire to only inform you of the degree of incidence within my area of practice, as I am certain you are familiar with the reaction by now.

I have a total of five breeders in my area who have used the Anaplasmosis vaccine, and all five of these breeders have lost calves associated with the reaction. This raises the question in my mind as to just how widespread this particular condition is occurring. I find it interesting that five out of five breeders who have used the vaccine are experiencing the condition. I would be interested in a survey of Veterinarians in an attempt to obtain a degree of incidence of this reaction; perhaps sponsored by the United States Department of Agriculture. The following figures are only calves lost, and by no means include the number of calves treated and saved.

Mr. M. L. Nelson has lost a total of fourteen Charolais calves in the last two years.

Mr. Don Rucker has lost fourteen calves over a period of two years out of twenty vaccinated cows. Also, Mr. Rucker has one cow which has lost her third calf in a row.

Mr. Ralph Stelzer has lost three calves out of sixteen cows in the past two years.

Mr. Joe Frank Willard has lost a total of ten calves out of approximately thirty cows in two years.

Mr. J. B. Stelzer has had a total of thirteen cases since he became my client in August of 1970. Mr. Stelzer has lost three calves out of these thirten cases. I feel safe in assuming that the degree of incidence within Mr. Stelzer's herd would run very close to 50% if he did not spend as much time as he does watching these cows and attempting to prevent the calf from nursing until he can milk the cow out a couple of times.

I am in no way advocating the complete removal of the vaccine, but I do feel that a second investigation should be made by some government agency forcing these people to put a proper warning on their vaccine. I hear this vaccine advertised over the radio several times daily telling the rancher how many cows and calves he can save by the use of this vaccine, but there is nothing said about how many calves he could lose with the use of it.

Sincerely,

DR. KEITH E. GUDGEL.

The following report from Texas A. & M. appeared in the Journal of the American Veterinary Medical Association dated June 15, 1970. The conclusions reached by the research team apparently substantiate the claims by breeders that the vaccine has a serious effect on the calf crop:

NEONATAL IMMUNOHEMOLYTIC ANEMIA, AND ICTERUS OF CALVES

SUMMARY

An isoimmunohemolytic disease characterized by anemia and icterus of neonatal calves is reported. In some affected herds, 15 to 24% of all newborn calves died from this disease. Most of the calves became anemic and jaundiced within 24 to 48 hours postpartum and died during the first week of life. Lesions observed in these calves included anemia, icterus, and marked splenomegaly which was due to massive sequestration of erythrocytes. A few less severely affected calves survived the acute episode and returned to normal health in 2 to 3 weeks. Some calves died within 24 hours of birth

of a peracute form of the disease in which the principal clinical sign was dyspnea and the lesions were pulmonary edema and splenomegaly.

Dams of affected calves were all inoculated with an anaplasmosis vaccine of bovine blood origin. The serums from dams of affected calves contained antibodies which agglutinated and lysed the sires' erythrocytes. The calves' erythrocytes if obtained prior to becoming antibody coated (Coombs' test positive) were also agglutinated and lysed by antibody from the dams' serums. Erythrocytes of affected calves were Coombs' test positive and lysed when serum complement was added. The antibody eluted from the calves' erythrocytes agglutinated the sires' erythrocytes.

Since the early months of 1969, newborn calves affected with an immunohemolytic anemia and icterus have been observed at the College of Veterinary Medicine, Texas A&M University. To this date, our investigations have demonstrated this disease in more than 15 herds and it has been responsible for losses of 15 to 24% in some herds. Although hemolytic diseases are not uncommon in cattle, the clinical and pathologic features of this disease do not resemble those of the reported diseases of calves, but do resemble those of the isoimmunohemolytic diseases of foals and pigs.

In this report, the clinical and pathologic characteristics of the disease and evidence of its isoimmunohemolytic nature are described.

MATERIALS AND METHODS

Although the clinical, serologic, and pathologic characteristics have been the same in all herds studied, most of the data presented in this report have been derived from a dairy herd in the Gulf Coast area and from a beef herd in north-central Texas. These two herds were selected because they were accessible, records were available, calves were observed daily, and herd owners were cooperative.

Tissues collected at necropsy were fixed in neutral buffered 10% formalin and embedded in paraffin. Tissue sections were stained by the Warthin-Starry technique lected sections of liver and kidney were stained by the Warthin-Starry technique[3] for the demonstration of leptospires. Fresh tissues were cultured for aerobic and anaerobic bacteria.

Hemagglutination Test.—The hemagglutination tests were performed in duplicate using a microtiter technique. Serums were inactivated by heating at 37 C. for 30 minutes and stored at −60 C. until used. Serial twofold dilutions of the serum (up to 1:64) were made with a pH 7.2 phosphate buffered saline (NaCl) solution (PBSS) containing 1% inactivated normal rabbit serum (NRS). Test erythrocytes were washed 3 times in PBSS and resuspended to a 1% suspension in PBSS containing 1% inactivated NRS. "Albumin" or "high-protein" agglutinins were determined in the same manner as the above saline agglutinins, but with 22% albumin of either rabbit or bovine origin added to the PBSS.

Hemagglutination controls included: (1) a combination of serum and erythrocytes which were known to produce a positive agglutination, (2) a combination of serum and erythrocytes which were known to produce a negative agglutination test, and (3) erythrocyte suspensions in diluent alone (PBSS with 1% inactivated NRS).

Erythrocyte Lysis Tests.—The lysis tests were performed in duplicate in the same manner as the agglutination tests except for the addition of complement (fresh normal rabbit serum). Systems were examined for lysis at intervals of 30 minutes, 1 hour, and 3 hours.

Lysis test controls included: (1) a combination of serum and erythrocytes which were known to produce a positive lysis test, (2) a combination of serum and erythrocytes which were known to produce a negative lysis test, (3) erythrocyte suspensions in diluent alone (PBSS with 1% inactivated NRS), (4) erythrocyte suspensions in diluent and fresh (not inactivated) normal rabbit serum, and (5) erythrocyte suspensions in diluent and inactivated normal rabbit serum.

Coombs' Test.—Direct Coombs' tests were performed using a 2 to 4% suspension of saline-washed erythrocytes from affected calves. Rabbit (anti-bovine γ-globulin) antiserum was used. Controls included (1) erythrocyte suspension and saline solution instead of rabbit antiserum, (2) a combination of the rabbit antiserum and calves' erythrocytes known to produce a negative Coombs' test, and (3) a combination of rabbit antiserum and calves' erythrocytes known to produce a positive test.

The indirect Coombs' test used the same rabbit (anti-bovine γ-globulin) antiserum as did the direct test. The sources of test erythrocytes were the sires' blood and test serums were from diseased calves. The test cells and test serums were mixed, centrifuged, and incubated. If the agglutination were negative, weak, or questionable, the cells were washed with saline solution, rabbit antiserum was added, and the suspension was centrifuged and examined for agglutination.

Antibody Elution and Radial Gel Diffusion.—These procedures were done according to previously described techniques.

Transmission Studies.—Fresh citrated blood from affected calves was injected intravenously into 2 newborn calves and 2 splenectomized calves.

CLINICAL OBSERVATION

Since early 1969, calves with this immunohemolytic disease have been referred to Texas A&M University, College of Veterinary Medicine, from cattle herds in Texas and Louisiana. Examination of the clinic's case records and histories from these herds indicate that deaths from this condition were occurring in the fall of 1968, and may have occurred as early as 1967.

The dairy herd, which was one of the 2 herds extensively studied, consisted of 150 grade Holstein cows which were inoculated with anaplasmosis vaccine in 1968 and 1969. On this farm from January, 1969, to November, 1969, 23 of approximately 95 newborn calves died from this disease. The beef herd consisted of approximately 1,100 cows of mixed breeding. From September, 1969, to November, 1969, 51 of 340 calves in this herd died from this disease. The cows were inoculated with anaplasmosis vaccine in 1966, 1967, 1968, and 1969. Similarly, in all other herds where this immunohemolytic disease has appeared, the cows have been innoculated with this anaplasmosis vaccine.

The description of the clinical disease is based on observations made on 33 calves. Clinical determinations on most calves did not begin until the calves were obviously sick. However, 4 of 6 cows, selected because of high serum titers of antierythrocyte antibodies, gave birth to calves which became affected and it was possible to observe the course of the disease beginning with the intake of colostrum. In all 33 cases, the calves were born of healthy dams and were healthy at birth and during the immediate postpartum period. The clinical disease manifested itself in 1 of 3 forms: a peracute form characterized by severe respiratory distress and death within the first 24 hours of life, an acute form characterized by severe anemia and icterus and usually with death occurring within 5 days after birth, and a nonfatal form characterized by moderate anemia and recovery over a 2- to 3-week period.

Calves affected with the peracute form became suddenly sick 12 to 16 hours after birth. At this time, the calves were depressed, respiratory rates were increased, and mucous membranes were congested. Severe dyspnea and cyanosis progressively developed and occurred as early as 2 hours after the onset of clinical signs. The packed cell volume (PCV) of the blood decreased slightly early in the disease but increased terminally. Four of the 33 calves were affected with this peracute form of the disease.

The acute form of the disease was the most common (23 of 33 calves). The earliest signs appeared 24 to 48 hours after birth and included depression, increased respiratory rate and in some, increased rectal temperatures. The calves became dyspneic and their mucous membranes became pale. The pallor became masked by the development of jaundice which became more pronounced the longer the calf lived. A few calves developed only mild jaundice. Although weak and listless, the calves retained their appetite until the terminal stages of the disease. The PCV fell precipitously during the course of the illness, reaching values as low as 6 to 7%. Intense bone marrow response to the hemolytic episode was indicated by as many as 140 nucleated erythrocytes/100 white blood cells in peripheral blood. Affected calves usually died 4 to 5 days after the development of the disease, but a few (4 of 33) survived.

A less severe form of the disease, observed in 6 calves, was characterized by a more gradually developing anemia. The PCV decreased to about 18% during the first week of life but increased to 30% by 3 weeks of age. The calves were dull and lethargic during the first week but continued to nurse. As the PCV increased, clinical improvement became evident. Bone marrow response was indicated by increased numbers of immature erythrocytes in the blood. As the PCV became stable at 3 weeks of age, these immature forms gradually disappeared from the blood.

There was no evidence of disease in either newborn or splenectomized calves given the whole citrated blood from diseased calves.

IMMUNOLOGIC STUDIES

Direct Coombs' tests were performed on fresh blood of 15 calves with this hemolytic disease and 15 control calves. Erythrocytes of all 15 affected calves were Coombs' test positive, whereas those of unaffected calves were negative (Table 1). Erythrocytes obtained from 6 calves selected prior to their receiving colostrum were Coombs' test negative, but in 4, the erythrocytes became Coombs' test positive within 12 hours after the calves received colostrum and the calves subsequently developed anemia and icterus. The erythrocytes of the other 2 calves remained negative and the calves remained unaffected. Antibody eluted from the direct Coombs' test positive cells agglutinated the sires' erythrocytes in an indirect Coombs' test, but did not agglutinate those of the dams. The eluted antibody from 3 calves has been characterized as an immunoglobulin G (IgG) by radial gel immunodiffusion. Serums of 10 diseased calves were used with their respective sires' and dams' erythrocytes in indirect Coombs' tests. In these tests, 8 of the serums were positive of 2 were negative to the sires' erythrocytes (Table 1); all were negative to their dams' erythrocytes.

Serums from the dams of 13 of the 15 diseased calves were tested for the presence of antibodies to the erythrocytes of their diseased offspring. Serially diluted serum from 12 of the 13 dams failed to agglutinate the erythrocytes of their respective offspring (Table 2). The other cow's serum at a dilution up to 1:16 agglutinated her calf's erythrocytes.

Coombs' test negative erythrocytes were obtained from 4 calves prior to their nursing colostrum and developing the hemolytic disease. Three of the 4 cows' serums agglutinated their calves' erythrocytes. The serum of 1 cow did not contain agglutinins to her calf's erythrocytes, but antierythrocyte antibody was demonstrated by an indirect Coombs' test (Table 2). The colostrums of all 4 cows agglutinated erythrocytes obtained from their calves prior to nursing. Colostrum titers ranged from 1:32 to 1:64.

TABLE 1.—RESULTS OF IMMUNOLOGIC STUDIES OF DISEASED CALVES

	Direct Coombs' test on calves' erythrocytes		Lysis of calves' erythrocytes with addition of complement		Indirect Coombs' test with calf's serum and sire's erythrocytes	
	Positive	Negative	Positive	Negative	Positive	Negative
Calves with hemolytic disease	15	0	14	0	8	2
Nondiseased control calves	0	15	0	15	0	[1] 4

[1] Serum was obtained from these 4 calves prior to their ingestion of colostrum. After nursing, 2 calves became diseased and are included in the 8 calves recorded.

TABLE 2.—RESULTS OF IMMUNOLOGIC STUDIES ON SERUMS OF COWS WITH DISEASED CALVES

	Agglutination using dam's serum		Lysis using dam's serially diluted serum	
	Positive	Negative	Positive	Negative
Erythrocytes (obtained prenursing) of calves which (postnursing) developed anemia	[1] 4	0	4	0
Erythrocytes of calves with hemolytic anemia	1	[2] 12	([3])	([3])
Erythrocytes of sires of calves with hemolytic anemia	[4] 28	0	25	3

[1] Serum of 3 cows contained saline agglutinins; the serum of the other cow agglutinated her calf's erythrocytes in an indirect Coombs' test.

[2] Although no antibody was demonstrated, by this test, in the cow's serum, this test does not indicate the absence of antierythrocyte antibody since the calves' erythrocytes were already antibody coated (Coombs' test positive).

[3] Undetermined since the erythrocytes were lysed upon addition of complement alone.

[4] 25 of the 28 were demonstrated by saline agglutination tests; the other 3 were demonstrated by agglutination in a high portein medium.

The erythrocytes of diseased calves frequently agglutinated in undiluted serum of their dam. However, the same reaction often occurred in undiluted serum of almost any cow.

Washed erythrocytes, suspended in saline solution, from 14 affected calves were lysed when complement only was added (Table 1) and the reaction was prevented by destroying the complement with heat. This lysis with the addition of only complement to the erythrocytes prevented the determination of lytic titers of their dams' serums (Table 2). Lysis with the addition of complement was not found using erythrocytes of 10 control calves, nor were any lytic titers found in their dams' serums. Erythrocytes obtained from the 4 selected calves, prior to their receiving colostrum, were lysed by the dams' serums and colostrums at dilutions of 1:8 to 1:64.

The serums of 28 cows whose calves died with the hemolytic diseases contained agglutinins and lysins to the erythrocytes of the sires of their calves (Table 2). In 3 of the 28 cows, only "high-protein" agglutinins could be demonstrated.

Cows of 8 herds inoculated with anaplasmosis vaccine had a high incidence of agglutinating and lysing antibody titers to certain bulls' erythrocytes (Tables 3 and 4). In 6 nonvaccinated cattle herds, agglutinating and lysing titers (to all bull bloods tested) were absent or at a very low incidence. A high incidence of antibodies (especially agglutinating antibodies) to the herd sire's erythrocytes was associated with a high incidence of diseased calves (Table 4). Herds (both vaccinated and unvaccinated) with a low incidence of antibody titers to their herd sire's erythrocytes had a low incidence or absence of diseased calves.

NEOCROPSY FINDINGS

The organisms isolated from some tissues at necropsy were *Escherichia coli* and *Corynebacterium spp.* They were considered to have no relationship to the disease because (1) they are routinely isolated from tissue samples postmortem, (2) the lesions observed were not those associated with infections by these organisms, and (3) the transmission trials revealed no evidence of an infectious agent in the blood.

Macroscopic Lesions.—The outstanding lesions observed in calves which died of the peracute form of the disease were pulmonary edema and splenomegaly. The lungs remained inflated when the thorax was opened. The interlobular septums were distended with serous fluid, the bronchial tree was filled with froth, and serous fluid flowed from cut surfaces. The spleen was greatly enlarged (up to 30 cm. long and 10 cm. wide), firm, turgid, and dark red. The capsule contained numerous echymotic hemorrhages and the capsular veins were engorged. The cut surface was dark red to black and bulging, and dark blood oozed from it. Mucous membranes were congested and cyanotic. Petechiae were widely scattered in submucosal and subserosal tissues. Slight icterus was apparent in one case.

The acute form of the disease was characterized by those lesions usually associated with anemia, icterus, and splenomegaly. All tissues were pale and were stained to a variable degree with bile pigment that was readily soluble in water. In 2 calves, a yellow, water-soluble, crystalline material had precipitated in the renal medullas. The lungs were moderately congested, edematous, and jaundiced. The myocardium was pale and flabby and there were numerous subendocardial petechiae along the coronary grooves. The splenic lesions closely resembled those in calves with the peracute disease, except that imbided hemoglobin stained the capsule and the adjacent serous surfaces.

In 2 recovered calves examined at necropsy, splenic lesions were the only significant findings. In 1 case, the spleen appeared normal but was only half the size of the spleen of a normal calf of the same age. In the other case, the spleen was small, firm, and fibrotic and the capsule was adherent to the rumen and to the diaphragm through fibrous adhesions. On the cut surface, small areas of tissue resembling red pulp located around larger arteries were interspersed with areas of white, firm scar tissue continuous with the thickened capsule.

Microscopic Lesions.—Spleeen.—In the peracute and acute forms of the disease, there was marked distention of splenic sinusoids with erythrocytes and extensive necrosis of the pulp which was almost completely replaced by erythrocytes. The only cellular components of the pulp which remained were necrotic remnants of the lymphatic follicles. The trabeculae were widely separated and many contained discrete foci of necrosis. Similar foci of necrosis were in the splenic capsule. Capsular blood vessels were severely congested and many contained hyaline or fibrin thrombi and leukocytes adhered to the endothelium. Of the spleens of the 2 recovered calves, the small but otherwise grossly normal spleen was normal microscopically except for mild diffuse fibrosis of the red pulp. The fibrotic spleen consisted of nodules of viable splenic parenchyma surrounding arterial branches, and the necrotic pulp was being replaced by granulation tissue.

Liver.—Lesions including acute congestion, severe bile stasis with plugging of bile canaliculi and portal ducts, and centrilobular lipidosis and necrosis, probably resulting from hypoxia, were observed in the acute form. Erythrophagocytosis by Kupffer's cells was observed, but only to a limited degree. There were no leptospires.

TABLE 3.—INCIDENCE OF ANTIERYTHROCYTE ANTIBODY RELATED TO ANAPLASMOSIS VACCINATION

	Serum of cows not anaplasmosis vaccinated				Serum of cows anaplasmosis vaccinated			
	RBC of 3 bulls siring calves of which some have developed hemolytic disease		RBC of 3 bulls siring calves of which none have developed hemolytic disease		RBC of 3 bulls siring calves of which some have developed hemolytic disease		RBC of 3 bulls siring calves of which none have developed hemolytic disease	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Incidence of agglutinating titers	7	(6 of 90)	1	(2 of 190)	81	(94 of 115)	9	(9 of 102)
Incidence of lysing titers	9	(8 of 90)	2	(3 of 190)	94	(99 of 105)	37	(38 of 102)

TABLE 4.—INCIDENCE OF ANTIERYTHROCYTE ANTIBODIES AND DISEASE WITHIN[1] A LARGE HERD USING SEVERAL BULLS

	Bull 1		Bull 2		Bull 3		Bull 4		Bull 5	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Cows' serums containing agglutinating antibody	[2] 92	(34 of 37)	80	(8 of 10)	0	(0 of 10)	0	(0 of 13)	0	(0 of 15)
Cows' serums containing lysing antibody	97	(39 of 40)	100	(10 of 10)	20	(2 of 10)	15	(2 of 13)	0	(0 of 15)
Disease incidence	40	(20 of 50)	33	(5 of 15)	4	(1 of 24)	0	(0 of 25)	0	(0 of 15)

[1] Cows pastured together according to calving dates and not sire.
[2] Chart shows serum antibody and disease incidence involving cows bred only to the particular column's bull. Serums taken randomly from cows; disease incidence taken from number of cows that have calved to date.

Lungs.—Edematous fluid in alveoli, alveolar septums, and interlobular septums was the outstanding lesion in the lungs of calves which died of the peracute form. In the acute form, edema was less severe and was associated with widespread alveolar and interstitial emphysema intermingled with areas of atelectasis. In 1 calf, precipitates of bile pigment were observed in the edematous fluid. In 2 calves, there was marked congestion of pulmonary veins and in another, numerous capillary hemorrhages. Septal capillaries contained numerous leukocytes, many being immature forms, and septal macrophages were active in erythrophagocytosis.

Other Tissues.—Femoral bone marrow in 1 calf was congested, edematous, and hypocelluar, but in most calves similar areas were interspersed with foci of intense hematopoietic activity. There were numerous leukocytes in the blood vessels of tissues. This was considered to be the result of marked stimulus of hematopoietic tissue associated with the hemolytic crisis.

DISCUSSION

The clinical and pathologic features (anemia, jaundice, and splenomegaly) which characterized the most common form of this disease are features of hemolytic disease. The clinical signs and pulmonary lesions of the peracute form closely resembled those produced by experimental anaphylaxis in cattle and are considered to be the result of the shock-inducing activity of the erythrocyte-antibody reaction. The severe splenic engorgement is the result of massive erythrocyte sequestration and necrosis of the pulp, and infarction of trabeculae is a consequence of stagnation.

During the investigations of the disease, infectious agents such as *Leptospira, Anaplasma,* and *Hemobartonella* were considered and eliminated as causes of this disease for reasons including the following: (1) the acute nature of the disease, (2) the young age of affected calves, (3) the absence of other signs of history suggestive of the above diseases (e.g., abortion or hemoglobinuria as occurs in leptospirosis), (4) the absence of lesions suggestive of an infectious disease, and (5) the failure to find an infectious agent by microscopic examination, by culture of tissues collected at necropsy, or by transmission. Hemolytic toxicants were ruled out on the basis of the calves' ages and the lack of known exposure.

The immunohemolytic nature of the disease was established by the demonstration: (1) of antibody (IgG class) coating the erythrocytes of diseased calves (positive direct Coombs' tests), (2) that such antibody-coated cells needed the addition of only complement to induce hemolysis, (3) that antibody eluted from the affected calves' erythrocytes and free antibody in the calves' serums would agglutinate their sires', but not their dams', erythrocytes (positive indirect Coombs' tests), (4) that the cows' serums contained antibodies that would agglutinate or lyse their calves or the sires' erythrocytes, and (5) that antibody titers to erythrocyte antigens were produced in the cows by inoculation with a vaccine of bovine blood origin. These immunopathologic characteristics are not associated with any of the infectious diseases considered, but are associated with the postparturient immuno-hemolytic diseases of the human infant, pig, and foal.

The failure of the dams' serums to agglutinate the erythrocytes of 12 of 13 affected calves does not indicate a lack of antierythrocyte antibodies since the calves' erythrocytes were already coated with antibody as indicated by their Coombs' test positive state. The antibodies (called incomplete antibodies) which produce Coombs' test positive erythrocytes from being agglutinated by erythrocytes are known to prevent the saline (or complete) antibodies. The presence of an antierythrocyte antibody in the serums of the dams was demonstrated by the agglutination of erythrocytes obtained from calves prior to their drinking colostrum and thus before the erythrocytes became antibody coated (Coombs' test positive). In undiluted cow serum, the calves' Combs' test-positive erythrocytes did frequently agglutinate, but this agglutination probably indicates the unstable state of the antibody-coated erythrocytes and not specific antibodies in the cows' serums. Thus in most instances the demonstration of the presence of antierythrocyte antibodies in the dams' serums required that the test erythrocytes be derived from calves before they drink colostrum or from their sires. In 3 of 28 cows agglutinins to the sires' erythrocytes could not be demonstrated in saline solution (saline agglutinin negative), but were demonstrated in mediums containing 22% albumin (Table 2). Absence of saline agglutinins, but the presence of albumin agglutinins occurs in isoerythrolysis of human infants. The albumin agglutinins are described as antibodies which require a high protein medium, provided in this instance by albumin or serum, for the cells to agglutinate. These antibodies can also be demonstrated by a Coombs' test.

Previous experimental attempts to produce isoimmunohemolytic anemia in calves have not been successful. The inoculation of cattle with bovine-blood-origin anaplasmosis vaccine, however, presents several features different from those of the experimental investigations. These include (1) the use of an adjuvant, (2) the lyophilization and subcutaneous inoculation of fragmented erythrocyte particles, (3) inoculation of erythrocytes pooled from numerous cattle bloods, (4) inoculation of large numbers of cows of different genetic backgrounds, and (5) the use of a large number of bulls of different genetic backgrounds to breed vaccinated cows. These factors should ensure both a more efficient stimulation of the immune mechanism and a much greater opportunity for the occurence of sensitive erythrocyte antigen incompatibilities which would be important in the production of isoerythrolysis. The sporadic involvement of vaccinated herds, the incidence of antibodies to only certain bulls' erythrocytes (Table 3), and occurrence of disease in cows bred to this group of bulls (Table 4) indicates this is in fact what is happening.

Antierythrocyte antibodies were demonstrated in a few unvaccinated cattle, but their origin and significance have not yet been determined. The incidence of titers was much greater in cows which had been vaccinated with blood-origin anaplasmosis vaccine (Table 3), but not all cows with titers produced affected calves. Probably to be affected, a calf must possess sensitive erythrocyte antigens which are different from those of its dam but which are present in the vaccine which the dam is given. The incompatible antigens are assumed to be inherited by the calf from its sire. This concept of pathogenesis also applies to isoimmunohemolytic diseases in other species. In swine, isoimmunization has been associated with the use of hog cholera vaccines prepared from whole blood. Sows, sensitized by incompatible erythrocyte antigens in the vaccine, secrete antibody in the colostrum which causes lysis of newborn pigs erythrocytes bearing the same incompatible antigens. Mares may be sensitized by equine fetal tissue vaccine so that hemolytic disease is produced in a similar way.

Further studies will be required to determine which erythrocytic antigens are involved in the pathogenesis of the disease, which antibodies present in serums of vaccinated cattle are capable of initiating the hemolytic process, and what is the relationship between these antibodies and those antierythrocyte antibodies found in the serums of unvaccinated cattle.

Further investigation by the Department of Agriculture is certainly warranted and it would appear desirable to place additional restrictions on the use of the vaccine. In the meantime, I have requested the chairman of the House Agriculture Committee to call hearings on this matter.

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

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

Mr. RANDALL. Mr. Speaker, I want to commend the gentleman from Iowa and others from his State who are here on the floor today as well as the gentleman from Montana for reserving this time.

I feel very pleasant and very comfortable to follow the gentleman from Texas who has just spoken on this special order.

A while ago I asked to be recognized following a unanimous consent of one of our colleagues, the gentleman from Illinois (Mr. PUCINSKI). I thought he was going to participate in this discussion and it would have been very appropriate if he had participated, or for that matter any other of our colleagues from our larger urban centers because the so-called farm problem is a city problem as well.

It has been pointed out before, and at the risk of being repetitive, I think we should say it again that our people in the cities have enjoyed the biggest bargain in food prices and the people all over America have been the beneficiaries of the biggest bargain in food prices of any country in the world. I do not know whether it is 15 percent or 16 percent or 17 percent of the total budget that goes for food in this country but it is in that general category. In any event the figure jumps to 25 percent and to 28 percent in certain of the Western European countries.

Then in Eastern Europe it goes on up to 35 percent, and to 40 percent. In

Soviet Russia 50 percent of the budget of a family goes for food. In the Asian countries, the percentage amounts to as high as 75 percent. So we are discussing a problem today that involves city people as well as the farmers.

It is also a matter that involves the cities because of the importance not only of farming as an agribusiness.

So for these reasons as well as others it is vital that we as a Congress must give some attention to the income of the farmers and particularly to that of the family farmer.

Moreover, it is most important in the field of so called urban problems that we recognize that the urban problem can be solved and be prevented from becoming greater if we can keep some of our population in the rural areas and prevent the further out-migration from our rural areas and our small towns to the big cities.

Someone has said that unless that is done, it is not going to do much good to spend money on model cities or slum clearance, because as surely as we do, unless this migration trend is in some way stopped or reversed, there will be another ghetto arise, just as soon as the old one is rebuilt.

I do not want to labor the point, but I think we are all delighted and we are all gratified that the President has seen fit to recognize the farm income problem in his comment over the past weekend. It was timely. In the opinion of some of us this comment was long overdue.

There is another area to which the President can direct his attention, which would be most helpful to this overall problem of outmigration from the rural areas and that is to make rural life in the small communities of America more comfortable and more livable. That is why, releasing the so-called budgetary reserve, impoundments or in other words, those moneys which have already been appropriated to the Farmers Home Administration for rural water districts, to make life more livable in the rural areas, more comfortable, more attractive—will help to prevent further migration from the rural areas. We are all hopeful that the President may see fit to release these appropriated funds in the very near future.

Mr. Speaker, I hope this special order makes some contribution to a solution of rural problems. Those who have arranged it are to be commended.

Mr. MATHIS of Georgia. Mr. Speaker, will the gentleman yield?

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

Mr. MATHIS of Georgia. Is the gentleman aware of the low prices for hogs around the country?

Mr. SMITH of Iowa. I am. They are at least a third lower than a year ago, a drop from about $27 to $17.

Mr. MATHIS of Georgia. I would like to inform the gentleman that one of my constituents told me over the weekend when I was in the district that he had two friends who had formed a partnership to go into the hog business. One would steal the hogs and the other would steal the corn, and even at that they lost over $4 a hog.

Mr. SMITH of Iowa. In view of the rising cost of gasoline, trucks, and equipment, that might not be so farfetched.

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

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

Mr. SCHERLE. Mr. Speaker, I thank my colleague from Iowa for yielding. I might reminisce with some of the statements made here this afternoon. I do support the remarks made by my colleague from Missouri (Mr. BURLISON), in one or two different areas. I, too, am totally opposed to any type of dismantling or dismembering of the Department of Agriculture. I do not believe that any benefits whatsoever could ever be gained by doing that. I totally abhor the idea of even considering the matter. Because we only represent 5 percent of the total population of this country does not mean that we do not count. If we were to abolish the Department of Agriculture by sticking it in four different other agencies and burying it in the bowels of those agencies, we could never recognize where the buck would stop. At least now when we disagree we know where to go. But if that change were to take place, I am sure agriculture would be as extinct as the dodo bird.

I also agree with the dialog that took place between my colleague from Iowa and the gentleman from Oregon (Mr. ULLMAN), in regard to the 7-percent investment credit. I think this is a total mistake. When we did that, we gave the small businessman in agribusiness, the implement business, and the farmers of America an opportunity. It was a shot in the arm. And once again, in 1969 we took it away from them. I support reinstatement. I know many of the Members of the Congress do likewise.

I have a bill in that will do that. I certainly hope the Ways and Means Committee will have hearings on it.

I also agree with the statements made today based on the new statistical method of deciding what parity is.

The old system actually told the truth. The new system, devised by the Department of Agriculture, is deceitful. I would certainly support the measure advocated by my colleague from Texas (Mr. PURCELL), so that this method of deceit can be done away with and agriculture and everybody else can be given a firm, honest, factual picture as to what parity in this country is.

So far as the farm picture in the United States is concerned, I have faith in this administration and I have faith that something will be done.

We look upon agriculture almost as we would look upon a funeral, with agriculture as the body. I believe this administration is in a position, not right now, to revive that body, but at the present time it is in a position to sympathize with the survivors. I hope in due time, before the present administration expires, we might even be able to revive the body, because without a sound agriculture we will find grass growing on the streets of every city and town in this Nation.

It is that simple. The consumers of America are getting a bargain now, but whenever the farmer fails to have a fair return for his investment this country and the nations of the world certainly will suffer.

There are one or two things I am sorry to see deleted from the farm program.

One is the provision on 25 acres or less. I believe this is a horrible mistake, because on those small acreages there are the old, the elderly, and those with low incomes. Because of the nature of the past feed grains program, where we incorporated the 25 acres or less, these people were allowed to stay on those small farms. Now we have debauched their income. We have sent them into the cities. We have provided them with lower incomes than they were used to previously.

I certainly hope the Committee on Agriculture, in dealing with this problem, will see fit to reinstate and reinstitute this part of the program.

Yesterday afternoon President Nixon made a speech, a farm speech, which is something for which we have been waiting a long, long time, not only from this administration but also from previous administrations, concerning what can be done.

I guess that we may be in the process now of reviving that body, as I said before.

What I should like to do is to go through here rather hurriedly and to call attention to some of the highlights of the speech.

President Nixon made the statement that he would like to see our exports total $10 billion a year. So would I. Hopefully, presently we will have a high this year of $7.4 billion.

The President also has increased the amount of money for the foreign agricultural service, to the extent of $1 million, to help achieve this goal. This is a fine beginning.

President Nixon also is recommending that the level of farm operating loans be increased by $75 million in fiscal year 1972, from $275 to $350 million. I can say this is one thing that will have a direct effect on the young farmers of America, making these operating loans available, because no one can tell, when we deal with the elements or any other conditions from 1 year to the next, what the financial status of an individual might be. This money must be available. In this the President has had the foresight to administer the program.

With regard to the FHA and to increase its availability of insured owner loans, this is being increased by almost three-fourths, from $210 million in the current fiscal year to $350 million. This also is another help or aid to the young farmer.

There is an additional $7.6 million to the Agricultural Research Service and the State experimental stations. I certainly hope that Ames, Iowa, and Texas A. & M. are included in this. This will go toward fighting the problem we have of the southern leaf blight which has caused untold thousands of dollars of damage in the production of corn last year.

There will be $2 million for controlling the fire ant and the gypsy moth.

All of this is not just for the farmer and all of this is not just for rural America.

Another very important thing is this: Our soil and water conservation pro-

gram. The President is increasing the budget request by $12 million to provide more manpower for this very valuable work. Federal grants for small watershed works will be increased by $28 million to a level of $105 million, and loan programs will be made available to help local communities finance their share. This will be quadrupled.

Also he is ordering an additional increase of $100 million this year and $111 million next year in our insured loan program for building water and sewer systems in rural areas. This is also a very important factor in keeping people on the farms and providing means for expansion and growth and the enticement of new industry.

One more thing that developed in the State of Iowa when the President went to visit there a few months ago, as was mentioned by my colleague from Iowa (Mr. SMITH), is this: He included $1.1 billion in special revenue-sharing programs to help develop our rural communities, which means rural development, hopefully, to reverse the flow of people to the cities and keep them on the farms or in suburban areas.

These are only a few examples of the various changes that the President made in our farm program when he spoke to us yesterday. I would hope as many have ventured today to say it is only the beginning. We still have a long ways to go. When we have lost 23 million farmers since World War II or on the average of 600,000 farmers per year, this means there is only one place that they have had to go; namely, our urban areas. It is profitable and sensible to halt this migration in reverse. The administration has started it. They are on the right track. I hope it will not all be lost at this point. There is too much to be gained. The young farmers of our country depend very much on what the Government thinks about their tenure on the farm and also what we can hopefully do to alleviate some of their problems. As far as I am personally concerned, you can take all of these programs and do away with them completely. If the farmer can be assured of a net income, he would take care of everything he needs himself. I think we should zero in on that. Our prime course is a good, healthy net income for the farmers. With the various segments of our economy all benefiting it is very disturbing to me to have the person, the producer who provides all of the things to make our life worthwhile feel that he is not cared for and that he is a second-class citizen.

Mr. Speaker, I include the speech of the President of the United States which was given to us yesterday, in the RECORD:

REMARKS OF THE PRESIDENT: "A SALUTE TO AGRICULTURE"

Good afternoon, my fellow Americans.

Next Friday, May 7th, I ask the people of the United States to join with me in celebrating the Salute to Agriculture Day. As a part of that celebration, I am honoring representatives of agriculture at a series of events in Washington, D.C.—including a special dinner at the White House. I officially designate this day, however, in the hope that our celebrations will extend far beyond Washington—and that it will give our people, in every walk of life, an opportunity to learn more about both the accomplishments of the American farmer and the problems he confronts.

During the last quarter century, I have had the opportunity to visit some 75 countries around the globe. I have spent a good deal of time in studying their agricultural systems and their techniques of farming. I have talked with peasants in Poland, with cultivators in India, with shepherds in Africa, with South American gauchos. And I have often been very impressed with what I have learned.

But nothing I have seen anywhere on earth can even begin to compare with the success story written by the men and women of agriculture on our own country. The surging vitality of our agriculture has made our country the best fed, the best clothed nation on earth, and it has contributed immensely to our strength abroad and here at home. I have been involved in international diplomacy and international economics since my first visit to Europe as a Member of Congress in 1947. Again and again, I have seen the problems which result for a country when its leaders must deal from a position of agricultural weakness rather than agricultural strength. Some even have had to cope with the inability of their farmers to feed their own people.

For American leaders, on the other hand, the situation has been just the reverse; our farmers have not only provided a solid base for the United States economy, they have also helped to feed the people of other lands. Our strong international position has grown even stronger in the last few years. As recently as the 1968 Fiscal Year, farm exports actually dropped by half a billion dollars, a condition which I promised in 1968 to remedy during my Presidential term. I am happy to say today that we have delivered on that promise. Our agricultural exports this year will be at an all-time high. Their volume will be some six percent higher than it was a year ago and their value is expected to reach at least $7.4 billion.

Today, we are exporting the production from approximately one acre out of every four we harvest in America. Two-thirds of our rice crop, more than half of our wheat and our soybean crop, and one-third of our cotton crop are now going to foreign markets. This is a very good record. And yet we want to do even better. We would like to be exporting some $10 billion worth of American farm products each year. To help achieve this goal, I am announcing today an increase of $1 million in the Fiscal Year 1972 budget for the Foreign Agricultural Service—the Federal agency which helps our farmers expand their sales abroad. And I also pledge that we will continue our efforts to lower trading barriers to our farm exports around the world.

From Rotterdam to Singapore, from Galveston to Duluth, a new current of energy has been felt along the trading lanes of the world in the last few years. Aspirations are rising, economies are growing, purchasing power is increasing—and our farmers have proven their ability to capitalize on these new opportunities. We know that American agriculture can compete successfully—whenever it has the chance. And we are determined to see it has that chance.

The new market energy we see abroad has also been felt in our own country. For example, beef consumption per person has gone up by one-third in the last 10 years. This means that for every three pounds of beef he consumed in 1960, the average American is consuming four pounds in 1971.

What these growing markets can mean, of course, is growing farm income. As a result, in part, of expanding markets, soybean prices, for example, have been running a good half dollar a bushel above the price support level. Grain prices and cotton prices are also well above loan levels. Cattle prices have recovered and stand above their levels of a year ago. Hog prices, of course, are still too low. To help meet this situation, the Department of Agriculture has already purchased over 145 million pounds of pork for its food distribution and school lunch programs in this fiscal year. This is the highest level of pork purchases since 1956. Our purchase program is continuing and we expect that hog prices will show substantial improvement later this year.

All in all, it is clear that the total income of American farmers will be higher this year than ever before in our history. But this brings me to another of the major difficulties which confront our farmers, the fact that increases in total income are not always reflected in more net income. Now the reason, of course, is the high cost of farming. Over two-thirds of agriculture's gross income goes right back out again to pay for farm expenses.

This is why the farmer has such a tremendous stake in the battle against inflation. In a sense, he has a double stake, for inflation hits farmers in two ways. It drives up both the cost of farming and the cost of living. I am particularly pleased, therefore, to report that while the battle is far from won, we are definitely making progress against inflation. The rate of inflation in the first quarter of 1971 was the lowest in four years, only one-half of what it was in 1970. We are working very hard, then, to ease this perennially troublesome cost-price squeeze. At the same time, we recognize that the supply of farm credit is now extremely tight and we are working to expand it.

To begin with, I am recommending that the level of farm operating loans be increased in Fiscal Year 1972—just as soon as the Congress enacts my proposal to allow the Farmers Home Administration to insure loans for operating expenses—as it can now do for ownership purposes. In addition, I am directing the FHA to increase the availability of its insured ownership loans by almost three-fourths—from $210 million in the current fiscal year to $350 million next year.

It is my hope that these efforts to expand farm credit will be especially helpful to the farmers of the southwest who have been suffering so much from one of the worst droughts in history.

And I hope, too, that expanded credit will strengthen the position of younger farmers, of the hundreds of thousands of family farm operators, because they are still the backbone of American agriculture.

Let me turn now to another set of problems—crop, plant and livestock disease. I am today announcing several measures to step up our fight in this area. In the first place, I am asking Congress to provide an additional $7.6 million to the Agricultural Research Service and to the State Agricultural Experiment Stations. A good deal of this money would go for fighting Southern leaf blight which recently created such major problems for corn farmers. Some of this added research money would also be used to find new ways of controlling insects, including cattle ticks, and do needed work on the relationship between hosts and parasites, and on disease resisting plants.

At the same time, I am offering or ordering the use of two million from this year's budget for more applied research on controlling the fire ant and the gypsy moth which is seriously threatening our Eastern timber stands.

I have also directed that more money be used for accelerated research on matters like cotton seed proteins and insect pests.

Another area where government should do more to provide technical assistance for farmers is that of soil and water conservation. Long before most Americans were thinking very much about the environment, our farmers, our ranchers, our woodland owners, were working together with the government to conserve our natural resources. I believe

we should now be providing more help for our dedicated corps of soil conservationists whose number has dropped sharply in the last four years.

I am therefore increasing my new budget request for the Soil Conservation Service by $12 million to provide more manpower for this valuable work. I am also proposing that Federal grants for small watershed projects be increased by $28 million to a level of $105 million, and that 75 new projects be authorized. I am further recommending quadrupling of loan programs to help local communities finance their share of these projects.

In many other ways we are working to fulfill our responsibilities to the agriculture community. For example, I am ordering an additional increase of $100 million this year and $111 million next year in our insured loan program for building water and sewer systems in rural areas. Through such programs I know that this Administration can work closely with farmers, with farm organizations, and with the Congress to serve agricultural America more effectively. Working together we can resolve difficult issues involved in pesticide control, farm labor, farm bargaining legislation, other complex matters, as well as the many aspects of other national policies that bear directly on the lives of farmers.

But even as I mention all of these government programs, I know that the agricultural community also shares my feeling that in the final analysis the problems of American agriculture can best be solved by those who know farming best, farm people themselves, with government backup when necessary. That is one reason why I have high hopes for the new farm programs which are in effect this year. They remove some of the old restraints in a way which gives every farmer a chance to make more of his own decisions about the kind of farming that suits him best. At the same time, we are continuing our search for better methods of maximizing the receipt of farm income from the market.

After all, some 60 percent of farm income comes from commodities that are not price supported and have not been supported in the past. Moreover, the major supported commodities are now selling well above loan levels. It seems to me that the brightest future for agriculture lies in actions that stimulate new energy in the free market system.

As I think about the challenges that confront American agriculture, it occurs to me that farmers must, by nature, be incurable optimists. Like everyone else they are concerned about the great questions of war and peace, about the economy, and education and crime, and all the other issues that face our society. But in addition, the agricultural community also has its own special problems to worry about, including such uncertain factors as the weather, the condition of volatile markets, and even the direction of government policies in this country and abroad. Their vocation, moreover, requires them not only to be good farmers, but also to be good scientists, skilled engineers, able businessmen. All of these challenges have been successfully met by America's farmers.

In that process, they have achieved a remarkable record of production, setting a brisk pace for the rest of our economy. And they have also provided a continuing source of moral and spiritual strength for America, giving shape and substance to our national character from the very heartland of America.

And so we approach Salute to Agriculture Day in a spirit of gratitude with a sense of obligation to the farmers of this country. Though only a small group of farm representatives will be able to be with us at the White House next Friday night, I feel that every farmer and rancher in America, his wife, his family, will be with us in spirit.

What we will be saying on that occasion is very simply this: Agriculture was America's first industry. For most of our history it was our largest industry. Today it continues to hold an honored place in our society, a keystone not only for our economic strength but also for our entire way of life.

Mr. SCHERLE. I want to thank my colleague from Iowa, my good friend, NEAL SMITH, for making this time available to me.

Mr. SMITH of Iowa. I thank the gentleman for his contribution.

I now yield to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I would like also to commend the gentleman from Iowa for taking this time along with our colleague from Montana and our colleagues, the gentleman from Kansas (Mr. SEBELIUS) and the gentleman from Minnesota (Mr. ZWACH) who I understand are participating in focusing attention on the needs of rural America.

In West Virginia we are not particularly interested in the large payments to farmers. In fact, there is a great deal of opposition to huge payments to farmers with large acreages.

We have consistently voted for those limitation amendments that have limited such payments.

However, Mr. Speaker, there are many aspects of the farm program that are of nationwide significance. I can think of no one better than the Representative from the State of Iowa to talk about these programs, because when a President of the United States or a Presidential candidate thinks about where he can most appropriately make a farm speech, he usually picks Iowa as the heartland of America. I daresay that the 1948 Presidential campaign was fought out and won on the battleground of Iowa.

I would like to underline the importance of the Farmers Home Administration programs which have been alluded to and which deal with grants to rural areas and small towns for water and waste treatment systems. I think no better investment could be made to enable these communities to expand economically and in fact to exist through the kind of assistance that is necessary in order to guarantee clean water and pure water.

I would also call the attention of the gentleman from Iowa and others to the fact that when alluding to the soil and water conservation program, there is a development in this Nation that is not supervised by the Department of Agriculture which I think threatens the soil and water of this land. I refer to the widespread and escalating strip mining of coal throughout this Nation which is adding sediment to the streams, which is adding acid to our rivers, lakes and streams, and which through the blasting of the rock to obtain this surface mining coal is diverting water and the water table and blackening the drinking supplies of many people in rural areas.

Mr. Speaker, much of this strip mining also results in serious damage to the soil in the way of runoffs into the streams, the denuding and decapitating of land, all of which I think contributes to some of our productivity problem in this Nation insofar as the soil is concerned and insofar as our pasture lands are concerned.

I think it is unfortunate as to the manner in which we have to approach problems both in the Congress and in the executive branch and that the responsibility for these things are divided among several different committees and several different departments. But I would urge the gentleman from Iowa and others interested in the farm program to give attention to this creeping threat to agriculture which has been posed in many agricultural areas by the strip mining of coal on land which is otherwise used for the production of crops.

Again, I would like to add my commendation to the gentleman from Iowa for bringing this important subject matter to the attention of the House. I certainly hope that additional attention would be focused by the Congress in solving the problem which he is bringing to our attention.

Mr. SMITH of Iowa. I thank the gentleman from West Virginia for his contribution and all the others who have cooperated in this second farm day forum and to assure everyone that there will be continuing attention directed to the plight of the American farmer as long as this situation exists, for there are Members of the House interested in the problem.

Mr. BERGLAND. Mr. Speaker, most Members of Congress have been hearing about the farm problem all of their political lives. Many, quite understandably, are beginning to think that there is no answer.

I am a firm believer in the need for a Federal farm program. The production genius of the American farmer makes it possible for him to produce himself into bankruptcy. This gives support to the argument that he must have the business tools that only Government can provide: linking production to demand; and providing for a strategic reserve of feed, food, and fiber in the event an emergency should arise.

A modern farmer can operate the best land in the country, use the very best and most efficient equipment, and employ the soundest of business practices, but because of factors over which he has little or no control, he can still go broke. Weather is, of course, one factor. But the greatest concern of the modern-day farmer is the awesome power which Government administrators hold over farm prices.

Ever since the New Deal days of FDR, paternalism has been a cornerstone of Federal farm policies. "Uncle Sam knows best" has been our attitude. Because these policies have often failed in the past, it is no wonder the farmer views Washington with feelings of suspicion.

I believe that it is time that we provide the family farmers of this Nation the power to at least influence, if not control, their own destiny. If they are not provided with this power, I am convinced that during the next 30 years we will see the family farm driven out of existence, to be replaced by corporate giants who will, themselves, establish supply and price policies. God help us if food production is abandoned to them.

Farmers are about the only economic force in our country who have little or no control over themselves as an industry. Labor unions negotiate; lawyers are licensed; automakers regulate supply to protect price; banks are chartered and deposits insured; public utilities are guaranteed a profit. On and on it goes. But not the farmer. He buys at retail; sells at wholesale; and pays the freight both ways. He is subject to the tender mercy of Government policies over which he has little or no control. It should not surprise us that young people refuse to enter farming.

Mr. Speaker, it will be nearly 3 years before we can take action on meaningful farm legislation. But during this time, I believe that Congress must study the ways and means of providing farmers with the power to become involved in the administrative decisionmaking process embodied in new legislation.

I think future legislation ought to provide for an apparatus by which farmers can elect, from among their number, persons to serve on national food and fibre committees authorized to bargain with consumer and Government representatives in determining the supply, export, and pricing policies of the Nation.

Mr. Speaker, I believe such a policy would bring the farmers, marketing system into the same modern environment that he has developed to produce so efficiently. It is perhaps the only way we can preserve and strengthen the family farm system of agriculture that has served the United States and the world so well.

Mr. LENNON. Mr. Speaker, we all know that farming is the backbone of a strong and viable economy. And, yet we know, too, that the problems of rural America are compounded by a lower general income for farmers, and the outmigration of people on the farms for the better life of urban America.

We must encourage today's farmers to remain on the land, and this can only be done by the Federal Government making it possible for rural America to enjoy an average income compatible to that of our city workers.

Farmers have been forced to invest more in machinery and equipment to offset the loss in work force. These costs are high, and yet farm income has remained stable in some commodities and declined in others. Careful consideration should be given to all proposed legislation for the general well-being of America's farmers.

Mr. McCOLLISTER. Mr. Speaker, I am concerned about the plight of the American farmer, and like the administration, am anxious to alter what at the present time, the future appears to hold for this segment of our society. My concern is influenced by the fact that I was born and raised on a farm, and added to because I represent a district in Nebraska which contains a good deal of rural area. But I voice my concern primarily because I am one of 200 million people in this Nation who looks forward to sitting down to a meal and enjoying fresh vegetables, to eating beef nurtured on farm products, to enjoying some of the hundreds of services provided by those involved in agriculture.

I speak with growing concern, realizing that there is a great deal of misunderstanding among our citizens over farm problems and the importance of agriculture as a leading industry. The American farmer over the years has provided us with a greater abundance of choice at a lower cost than exists anywhere. Too often he is blamed for spiraling costs not of his making when he should be praised for his efforts in keeping prices as low as they are. Consumers today would be paying a much higher price for less food if it were not for the extraordinary efficiency and productivity of the farmer.

I am proud to be from a State which can claim a part in the excellent job which farmers have done in feeding the Nation. Often at their own sacrifice, they have been responsible for bringing the United States its high standards. They deserve a chance for an income which compares to what people in other walks of life can command. And if they do not get it, the people of America stand to lose every bit as much—if not more—than the farmers themselves. The Nation's national economy is built with an agricultural base.

One very serious problem the Nation is facing along with the farmers is the terrific outward movement by those engaged in agriculture. Millions of people each year are being forced to leave our small communities and migrate to the larger cities. This puts an additional burden on our cities, to be sure, but more significantly, leaves us with fewer people involved in the production of food. City life under these circumstances wastes the skills of those increasingly rare people who are trained to operate our farms and it puts them in an unnatural, and therefore often uncomfortable, atmosphere.

The problems scream for our attention. Rising product expenses, higher taxes, declining farm prices—all are forcing the farmer out of business. Couple these things with the closing of many business establishments in rural communities, the lack of adequate housing, educational opportunities, health care facilities, community services, and water and sewer facilities. It is no wonder that the farmers are striking out for the big cities.

Mr. Speaker, our farmers are hardly asking for handouts. We have taken this segment of our society for granted too long. The farmers deserve recognition, and they deserve our efforts in working together to stimulate economic activity and create income opportunity for farmers and rural and smalltown U.S.A.

Mr. LEGGETT. Mr. Speaker, last evening President Nixon in his nationwide radio message to the American public praised the success story of American agriculture. He stated cheerfully that we have delivered on the promise made in 1968 to remedy sagging U.S. farm exports. Mr. Nixon also noted that total farm income will reach an all-time high this year.

While these phrases may help reassure urban residents that the American farmer has not become forgotten by the Nixon administration, it is unlikely to convince the average farmer who knows this cheery picture lacks any degree of reality.

While Mr. Nixon spoke of increased exports in his 1968 campaign, his main emphasis was on the urgent need to do something about the farm cost-price squeeze crunch. In his campaign Mr. Nixon stated in Des Moines, Iowa:

> These (new) policy directions include dedicated efforts to improve market prices and strengthen our market economy; 74 percent parity (1968) is intolerable in my book; farmers are entitled to better, and I pledge that in my administration they will have better. (Des Moines—Sept. 14, 1968).

The farm parity which was intolerable at 74 percent in 1968 is now 5 percent lower at 69 percent according to Department of Agriculture figures released Friday—figured on the same basis as during the presidential campaign. In November parity was at 68 percent, the lowest level since the depression of the 1930's. In last evening's address, Mr. Nixon wisely made no mention of parity.

At a time when farm income is higher than ever before so are farm costs. Per farm earnings were $3,332 in 1961 as compared with an average earnings of $4,500 in manufacturing. Today per farm earnings are up $1,000 to $4,300 per farm in 1958 dollars, but factory earnings are also up to $5,100.

With agriculture parity dropping from 80 percent in 1961 to 69 percent last week it is obvious that the only reason that per farm income has not similarly deteriorated is because there are nearly 2 million fewer farms in operation today. If the same number of farms were operating today as in 1960, per farm income in 1958 dollars would slide from $3,332 to $3,100.

While the numbers in agricultural economics are sometimes baffling, one thing is perfectly clear: the problem is not a rural one nor an urban one, it is a national one.

It is estimated that over 20 percent of the growth of the big cities during the last 15 years was due to migration from rural areas.

In 1960, 80 percent of the urban residents lived in sound homes while 50 percent of the rural people enjoyed the same conveniences. Forty-four percent of all housing units that lack structural soundness were located in rural areas although less than 30 percent of all housing units were in these areas. Almost 30 percent of the housing units in rural areas were without inside plumbing.

The average cash income of a farm family has been roughly 60 percent of that of an urban family. The nonfarm rural resident earns only 85 percent as much as the average urban resident. With fewer persons and smaller incomes it is a much greater burden for rural communities to provide public services. Educational and vocational training systems, adequate health care systems and other opportunities for an equal standard of living are less accessible for farm residents. When one looks at the difference in education, housing, and health the actual discrimination against rural residents is very apparent.

In the urban areas, the average resident completed 11.1 years of school while the rural nonfarm average is 9.5 and the rural farm average only 8.8 years. Be-

cause the cost per child is much higher in school districts with under 1,000 pupils and because vocational training courses require large investments and a substantial number of pupils per courses in each of the various trades, an equal chance for that kind of training has been almost out of the question.

While the health services available in rural areas are less than in urban areas, the needs are even greater per capita. Twice as many people in rural areas per capita suffer from chronic health conditions and 60 percent more per capita suffer from an actively limiting chronic health condition. Twice as many per capita die from accidents and the cause of this is generally attributed to the lack of emergency services and medical personnel in rural areas.

According to official figures one out of every 13 rural houses is classed as unfit to live in. In terms of living conditions, over half the Nation's substandard housing is located in rural areas.

Production per man-hour has increased almost three times as fast on the farm as in the city but instead of reaping benefits from this tremendous increase in farm production, it has caused reduction in prices to offset any increase in the return from the higher volume. While the people of the United States use less and less of their income to pay for food, the farmers are getting a smaller and smaller portion of the food dollar. Partly due to this tremendous increase of production per person, rural unemployment rates are constantly higher than they are in urban areas. In fact, all of the gains in employment in the United States in 1969 were in the nonfarm areas. While farm employment actually dropped by 210,000 in 1969, total nonagricultural employment increased 2.2 million.

As a result, in the cities, one person in eight is poor. In the suburbs one person in 15 is poor. In rural America, one out of every four persons is poor.

Unfortunately things are programed to get worse—building trade rates recently negotiated can only exacerbate the agricultural exodus.

It is my frank view that farmers and others on relatively fixed incomes can only be spared from the theft of Government tolerated inflation by a system of wage-price guidelines, and control themselves if intermediate conservative methods prove inadequate.

There has been much discussion of late over the possibility of farm bargaining legislation. I anticipate such discussion will grow rather than diminish in magnitude for I believe it poses the greatest possibility for maintaining a healthy farm economy.

Agriculture and cooperative, it seems to me, have been thrashing about for years to redraft the rules of economic social justice such that a man working in agriculture could aproximate the returns to his urban counterparts.

While the urbanites moved to the Wagner Act in the early 1930's setting forth the absolute right of urban workers to bargain for wages collectively setting forth unfair labor practices—agriculture workers have consistently been excluded.

Congress early provided for the right of producers to band together in cooperatives under the Capper-Volstead Acts of 1922 and 1926 and regardless of the criticisms that have been leveled about the ineffectiveness of cooperatives—the fact remains that in a number of areas and commodities due to particular phenomena some crop bargaining has been inordinately successful.

In the main, however, I believe that it has been the farmers' own consistent efforts to refrain from unemployment insurance coverage, minimum wage coverage in prior years, and labor relations act opposition that has led to the virtual total secularization of the agriculture community that has continued to aggravate the agricultural exodus.

Rather the agriculturalists since the 1930's have moved in the direction of priming the pump at the intermediate producer level that has led to scandalous overproduction of basic commodities—total indifference to specialty crop development and production, unjust enrichment of many basic crop producers due to a consistent failure of Congress and the Department of Agriculture to recognize an economic difference in the size or geographic location of those producers. As an example—the laws you lobby for generally fail to recognize that the average cotton producer in California producing two bales plus of good cotton on 250 plus acres is averaging $50,000 net plus, whereas the average producer in South Carolina produces less than a bale on about 7 acres—consistently nets less than $1,000.

To my mind farmers are as different as plumbers and basketball players and the failure to recognize the difference has been a fundamental problem restraining development of better legislation.

I do not mean to totally indict the system of price support and supply management of basic crops—this system to my mind has been farmers' best indirect bargaining tool—our overmesmerization with basic commodities—corn, wheat, grain, and cotton—is the problem.

Mr. Nixon's address did show encouraging signs. Not so much for its description of an improving farm economy, but by its evidence that the American farmer has made it clear to the President that much needs to be done. The farmer still works the longest hours for the lowest wages and receives the poorest return on his investment of any segment of the American economy.

SECOND FARM FORUM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 60 minutes.

Mr. SEBELIUS. Mr. Speaker, I appreciate very much the opportunity to again take part in the second "Farm Forum Day" in the House of Representatives as we try to discuss and find answers to the income crisis in rural and small-town America.

There has been a great deal of meaningful discussion today regarding the obvious fact we must revitalize rural and small-town America, and the related and sometimes ignored fact that the problems of our urban areas and our rural areas are really interdependent.

I appreciate the interest and cooperation of the membership of this distinguished body in trying to find bipartisan answers to the problems of inadequate farm prices and low farm income. Since it is my privilege to represent the congressional district with the most tillable acres in all of the Nation, the "Big First" District of Kansas, my priority interest in Congress is to do what I can to revitalize rural and small-town America.

In this regard, I appreciate very much being able to join my distinguished colleagues, Mr. MELCHER of Montana, Mr. ZWACH of Minnesota, and Mr. SMITH of Iowa in organizing and helping to sponsor this second Farm Forum Day. I can assure farmers across our Nation that rural America is being heard in Washington, both here in Congress today and as evidenced by the President's remarks yesterday and later on this week when the President will pay tribute to the American farmer during Salute to Agriculture Day.

Mr. Speaker, I think it is obvious the most pressing problem today in rural America is income and the most direct and simple solution to economic expansion in our rural areas would be to increase income.

Today, farm prices are far from adequate. However, I would like to point out a quick review of farm prices does reveal some progress in the last few years.

A comparison of farm prices in January 1969, and April 1971, illustrates what the Nixon administration inherited in 1969. The U.S. average price for wheat has increased from $1.27 to $1.40 per bushel, still a deplorable level, only 48 percent of parity. The price of corn increased from $1.08 to $1.41 per bushel—76 percent of parity. Grain sorghum prices jumped from $1.74 to $2.19 per hundredweight—still only 71 percent of parity. The U.S. average price for beef increased from $23.80 to $29.10 per hundredweight, approximately 85 percent of parity. The price of swine slipped from $18.70 to $16 only 55 percent of parity. These figures represent substantial progress in achieving fair prices for farmers. However, farm prices are grossly inadequate when we consider that farmers received only 78 percent as much income as nonfarm people in 1970.

Despite this limited progress, the farmer continues to suffer economically more than any other segment of our economy as high interest rates and inflation combine with low farm prices to force rural migration at an ever increasing rate. It is important for all Americans to realize that in rural areas many of our farmers are forced to live as second-class citizens. It is a paradox of tragic irony—the hardest working people in our economy who are engaged in one of the Nation's most important jobs are not sharing in this Nation's prosperity.

Twenty-five years ago 26 million Americans earned their living on 6 million farms. Today, less than 10 million people are trying to earn a living on 2.8 million farms. We are witnessing the continuation of one of the most far reaching sociological and economic changes in history—the urbanization of our society.

Still, the American people, if given a

choice, would prefer to live in the countryside. According to a 1970 Gallup poll, six out of 10 people would rather live in the country—if they had a choice. A brief look at rural and smalltown America provides some insight why less than 5 percent of the U.S. population lives in rural areas.

Despite the Federal payments farmers receive in one form or another, the money farmers receive today for crops has not increased in more than 20 years. Yet, during the same 20 years per hour earnings of manufacturing workers have increased 127 percent, corporate dividends are up 251 percent, farm expenses are up 54 percent. Farm income is up only 2.9 percent. Those farmers who have been able to stay in business have been able to do so only through borrowed capital, increased efficiency and productivity and at considerable economic and social sacrifice.

When I refer to the term "second class citizen," I am convinced the description is not over exaggerated.

Sixty percent of all substandard housing is in rural areas. Nearly half of our Nation's poor reside in rural America. Over 30,000 rural towns do not have any water systems, 45,000 additional communities lack adequate water facilities, 32,000 rural communities still do not have adequate waste disposal systems.

In many rural areas, the unemployment figures have been as high as 18 percent. The Secretary of Agriculture estimates that about $12 billion worth of manpower leaves our rural areas annually—young people migrating to the cities.

President Nixon has stated in a recent message to Congress that over one-third of our Nation's counties have less than the national average of doctors per person—these counties are in rural America. In my district, citizens in several communities must drive in excess of 100 miles to receive medical care. In the "Big First" of Kansas the ratio is as high as one doctor for every 4,500 patients.

In urban America, the average citizen completes 11.1 years of school. The rural farm average is only 8.8 years. Due to small enrollments, limited tax resources, many rural schools lack library, laboratory, and language facilities or the benefits of a wide educational curriculum. Moreover, the Federal aid to education programs discriminates against rural and smalltown America, pouring millions of dollars into school districts without regard for need.

Mr. Speaker, what I am saying in essence is that one of the reasons we are losing a traditional and proven and preferred way of life is that throughout rural America we have a substandard quality of living. I am talking about substandard water and sewer systems, transportation, rural health care, access to cultural activities, parks and recreation, inadequate housing for our senior citizens, lack of job opportunity for our young people and many more urgent needs.

Mr. Speaker, I do not mean to dwell on the negative aspects of American agriculture today and I think as we consider the plight of the farmer in our Nation, perhaps we tend to be prophets of doom and gloom to the extent we ignore what progress is being made regarding farm income. However, just as we try to work together in what I hope will be bipartisan cooperation to revitalize rural and small town America, I think we have an obligation to tell the farmer's story like it is. As we "tell it like it is," I want to make it very clear the problems of American agriculture should not be a matter of blame. We are interested in answers not partisan accusations.

In this regard, I am convinced the U.S. Department of Agriculture, under the able leadership of Secretary Clifford Hardin, has exhibited both concern and I think a good record of achievement in working to improve farm income and over the long term, stop and reverse the flow of people and economic opportunity from rural America. I am also convinced President Nixon and this administration are dedicated to finding long-range and workable answers to the problems of rural America.

I would hope in this regard we can achieve some degree of farm unity and support for legislation and programs that will benefit rural America. The much talked about goal of farm unity both in Congress and among farm organizations is not impossible. Nine farm organizations are currently working together with the Department of Transportation to exempt normal farm operations from arbitrary and unrealistic vehicle safety regulations. I do not see why we cannot achieve the same kind of unity regarding many of our other problems and in particular the problem of farm income.

Mr. Speaker, in order that we recognize and fully understand that we are aware of the farmer's crucial needs, I would like to submit for the record information entitled "What's Being Done for Agriculture," prepared by the USDA. It represents, I think, a good compilation of an excellent beginning toward progress in revitalizing rural and small town America:

The information follows:

WHAT'S BEING DONE FOR AGRICULTURE?

The U.S. Department of Agriculture under Secretary Hardin has truly amassed a remarkable record for assisting farmers of this country. If we look under the surface of the day-to-day operations of the Department, scores of innovative programs are contributing mightily to the improvement of farm income. At the same time, rural America is also benefiting from the direction pursued by USDA in all other areas in addition to farming. USDA recognizes that people in the cities and towns depend upon a viable agriculture and its giant contribution to the social and economic welfare for their own progress and prosperity.

Consumer Position. Secretary of Agriculture Clifford M. Hardin told interviewers in February that consumers must expect to pay more for food if producers of our food and fiber are to secure a fair price at the farm. A more forthright stand on behalf of farmers has not been taken by any Agriculture Secretary in decades, and should be proof beyond any doubt that this Administration is attempting to place agriculture on an equal plane with industry, labor and consumers—a goal that has not been achieved in many decades.

Retail Improvement. To make certain that consumers are going to benefit when prices drop at the farm level in times of excess production or other depressing situation, USDA has made it plain by way of emphatic public announcements that the pricing system at retail outlets should more quickly reflect lowered costs to the retailer. The latest such admonishment came during the near-disaster hog market of last fall and early winter. Response from retailers was immediate, and consumers thus obtained a real saving in pork at the same time that the heavy supplies hanging over the market were lowered to bring prices up considerably shortly after the new year of 1971. Both consumers and farmers thus benefited from this USDA action.

Pork Price Support. Almost immediately with the down-turn of the hog market last August, USDA began buying pork products for use in school lunches and needy families of the nation. At the same time Defense has doubled its pork purchases, beginning last September. The USDA purchase program has continued into March. At the present time more than 160 million pounds of pork products have been taken off the market—considerably more than in any comparable period in USDA history. Needy people and the school children of the nation have also benefited greatly.

Dairy Supports and Imports. Secretary Hardin announced the fourth week in March that supports on manufacturing milk would be increased to $4.93 cwt., from the previously stated $4.66 level. The new rate recognizes boosts in the cost of operation for dairymen, including transportation. Even though dairymen in 1970 had been granted the largest increase ever at the start of a marketing year, the Secretary reassessed the situation and determined that the 27 cents per hundred boost was essential to maintaining a healthy dairy production in this country. This, of course, is only about one-fifth of a cent per pound and could not conceivably add inflationary retail values. A recapitulation of fiscal 1970 support purchases for dairy products reveals a grand total of $279 million, but expenditures for this assistance program are expected to soar to $380 million in fiscal 1971, and $400 million plus in fiscal 1972. Cheese purchases have accelerated since February this year, with this product being contributed to the school lunch program and needy families. Imports were placed on a more realistic basis at the beginning of this year, with ice cream being cut by 95 percent to preserve the U.S. support program and to restore a more equitable share of the American market for domestic producers, processors, and employees.

Adequate Chemicals. USDA is in a better position than ever before to champion the needs of agriculture in the area of herbicides, pesticides and other essential chemicals required for safe and economcial production of food and fiber. Although demand for abolition of all chemicals has reached a near-hysteria stage by a few environmentalists, the Department of Agriculture can now plead the case for farmers and consumers because the department has been freed from the untenable position of being both advocate and enforcer. Placing regulation of agricultural chemicals in the hands of a separate Environmental Protection Agency has put the crucial matter in its proper perspective so that USDA can, and does, enter the fight on the side of farmers. In recent weeks such vital herbicides as 2,4,5–T have been saved, and safety reviewers will undoubtedly permit use of other highly important chemicals . . . although some under restrictions.

Barter Exports. One of the best programs in the export picture has been seized upon by this Administration to not only help farmers but to develop a better balance of trade situation with other countries. A record $575 million total barter export value was set during calendar year 1970 by the program, up about $235 million from the previous year. Barter has reversed previous trends when hard dollars were paid out for commodities to foreign countries for military and other U.S. operations.

Advisory Councils. Secretary Hardin is making excellent use of the advisory committees selected for nearly every agricultural commodity in the country. Scores of committees have been chosen to help guide programs and future plans by representatives involving all phases of production, marketing and retailing. Several new committees have been added ranging from science and education to rice, broiler, forestry and regional farmer advisory committees. Adding to the voice of local economic units is a basic mandate of the Administration.

Import Quality. USDA has assisted in improving quality of some imported fruits and vegetables by applying the same regulation to the imported products as required of U.S. producers. Farmers have benefited from this policy, along with consumers.

Housing Needs. Demand for housing in rural America has reached such proportions the Farmers Home Administration has revised its procedures to expand the supply of modern homes. At least 125,000 housing units will be financed during fiscal 1971 and 227,500 are proposed in 1972. Much of the spade work for speeding up local housing projects has been placed upon private concerns, and the staffs of FHA in 1,700 offices throughout the country are assisting with planning and application work.

Rural Development. Secretary Hardin has placed a top priority tag on giving every available aid to improvement and building of rural America. The aim here is to return initiative to the people in the states and the local level. As a part of this program, revenue sharing is essential in order to make fullest use of both financial and human resources on farms and in the small towns and cities comprising 65 million of our population.

Self Help Planning. Farmers Cooperative Service has been regearing its programs to help farmers find profit centers in agriculture, and is continually adjusting programs to help solve critical problems. Special research teams are studying forward integration (the processing, manufacturing, packaging, merchandising, and distribution segments of agricultural business), cooperative bargaining, financing and member relations. The Secretary of Agriculture has set the policy by stating "A progressive farm policy includes support for those who seek to help themselves through constructive group action."

Electric-Telephone Services. Rural Electric Administration has been setting records in approving services needed to place Rural America in a position to take advantage of job-creating industries that must have both electric energy and telephones as an essential part of any operation. At the same time, farmers have been doubling use of electricity every ten years in order to more economically provide the food and fiber required by all Americans and much of the world. REA provided 319 electric loans—the highest number since 1958—during fiscal 1970, and the second highest dollar amount in the programs' history went for 182 telephone loans.

Land Use and Improvement. More public interest in water supply, recreation, pollution abatement, recycling of waste products and land-use planning has increased demands for Soil Conservation Service technical assistance. Most of the assistance is channeled through more than 3,000 locally organized and managed conservation districts. By the close of fiscal 1970, 753 million acres of land were involved in soil and water conservation projects.

Statistics Reporting. At the instigation of Secretary Hardin a study was made of important statistical reporting which supplies farmers with needed advance information on production intentions, estimates and other basic data. The object was to eliminate some reports, scale down others and entirely eliminate those which no longer applied to modern agriculture. The Statistical Reporting Service, like many other agencies, had grown without considering changing conditions and thus required a pruning and revamping long overdue. Eight different categories have been realigned, while the September and October general crop product reports will be combined.

Meat Imports. In line with the needs of both consumers and producers, the Secretary of Agriculture has continued the ban imposed last July on reshipments of meat through Canada and other countries which last year had amassed a giant 25 million more pounds of imported meat under the Meat Import Act of 1964. A larger supply, however, is provided for in 1971 by allowing direct shipments somewhat above the 1969 figure but in line with last year. Better inspection of foreign meat has been developed in recent months to make sure that consumers will get a product that is wholesome.

Boxcar Shortage. The recurring shortage of boxcars to move grains out of high production areas to ports and processing centers is receiving high attention of USDA. Among strong efforts of this Administration to help ease conditions arising from the shortage has been to secure higher rental rates from railroads making use of the boxcars, thus forcing their return to the railroads owning them—mostly in the high production grain areas. USDA is encouraging legislation to provide new rail cars, and in 1970 secured temporary lower rail rates from some Western lines to help move grain from bulging elevators to export shipping points. Meanwhile, Agricultural Stabilization and Conservation Service is making more loans at lower rates for farmers to provide their own storage facilities to ease the sudden harvest loads upon commercial facilities and the railroads. In February alone, ASCS made 184 loans representing about 1.2 million bushels of storage capacity. A total of 96,022 loans were outstanding as of February 28 for a total of many more millions of bushels.

Training Programs. The Forest Service and other agencies are involved in highly significant job-training and youth programs which will accelerate this year with addition of the Youth Conservation Corps. This new project will employe 1,100 youths for an eight-week period this summer on a pilot basis. Enrollees will be young men and women, aged 15 through 18, from all economic and social backgrounds. Environmental problems will be a major study and work program for these young people to take back for use in their home areas. Other manpower programs include Operation Mainstream, Green Thumb, Neighborhood Youth Corps, Manpower Development and Training Act, and others. About 10,000 individuals were involved in this phase of the training operation. Twenty Job Corps Civilian Conservation Centers are operating with 7,000 underprivileged young men offered training in various skills so they may enter the labor force, return to school or enter the military.

Dairy Import Loophole. Hydrogenated butterfat from Belgium totaling about 2 million pounds was imported illegally into this country before USDA stopped shipments this year. New York customs officials permitted entry of the product and did not inform Washington. It was not until the Import branch of USDA made a routine check that the loophole was detected and plugged. Customs has ruled that the "hardened butterfat" is subject to quotas for butterfat mixtures, and therefore could not be classified as "animal fat" which is not a quota item.

Foreign trade, the most promising growth area for agriculture, is soaring. When the Nixon Administration took office, agricultural exports were in their second straight year of decline, falling to $5.7 billion. Last year an all-time record of $7.2 billion was set, and farm exports are currently running 16 percent above last year's levels.

Overseas market expansion is getting heavy emphasis. Secretary Hardin created the Export Marketing Service to group expertise and facilities for greater effectiveness in market development. In personal consultations with European Leaders he defended American farmers' right to market access under international agreements.

Soybeans are setting the pace. Total export approaches half the U.S. crop of more than 23 million acres, whereas only 15 years ago, not that many acres were planted to soybeans. The use value of soybeans is growing, from $2.3 billion in the 1968–69 marketing year to $3.6 billion this year. One factor in the upswing was the Secretary's decision to lower the soybean support price, thereby making soybeans more competitive in marketplaces of the world.

New farm programs resulting from the bipartisan Agricultural Act of 1970 are designed to give farmers more flexibility, greater freedom in deciding what crops they can produce most efficiently for developing markets. Specific limitations on what farmers can grow were removed, so that production can be geared more closely to the demands of domestic and foreign markets.

Corn blight problems were dealt with swiftly . . . USDA research and Extension Service task forces tracked the situation . . . seed industry cooperation was obtained in stepping up production of blight-resistant seed in Latin America and Hawaii for use this spring. Thanks to the flexibility of the new "set aside" program, growers in blight zones can plant alternative crops and farmers outside the affected area can shift tq greater corn production without losing payment benefits.

Farm income improvement is the aim of many varied efforts on behalf of farmers. Government pork purchasing was stepped up by millions of pounds when prices slumped last fall. The President and Secretary Hardin tightened meat imports. Private business participation in supplying agricultural credit has been stimulated, increasing the availability of loans for farm operations and land purchases.

It will take time for the new farm programs and pricing policies to become fully effective and add dollars to farmers' net earnings. But early indicators such as this spring's planting intentions show that farmers are already exercising greater choice in crops, resource allocations, and markets. Government-owned stocks and CCC loan inventories are decreasing . . . this will help reduce pressures on markets and prices. And prices received by farmers are generally above the price-support levels. These are all positive signs.

Consumer services of the Department of Agriculture are expanding, meanwhile. To assure that all Americans have wholesome, truthfully labeled products, the meat and poultry inspection program was broadened in scope, and 35 State meat inspection programs have been certified as equal to the Federal program. During 1969 and 1970, 413,000 man hours of training were provided to State employees. Foreign inspection systems have been upgraded and computerized histories established.

Food assistance programs for poverty victims have been doubled in coverage, from 6.9 million persons when the President delivered his "Hunger Message" in May of 1969 to more than 13.6 million. Food Stamp assistance shot up from 2.9 million in January, 1969, to 9.8 million. . . the value of "bonus coupons" climbed from $18.5 million a month when the Nixon Administration took office to a current level of $130.8 million. And the geographic scope has increased, to all but 10 of the Nation's more than 3,000 counties and independent cities. Nutrition aides, of whom there were none in January, 1969, now number close to 7,000—they work in low-income communities to teach food values and food preparation.

More needy children are receiving free or

reduced-price meals than ever before. . . the total has more than doubled from 3 million in May, 1969, to above 6.6 million at present.

Conservation and environmental improvement activities have been stepped up and given sharper focus. After President Nixon broke a Congressional log-jam on watershed work, 163 projects were approved. This is one-sixth of all projects approved in the 16-year history of the watershed program. And in the past two years planning help was approved for 22 new, multi-county Resource Conservation and Development Projects, bringing the total to 78 now under way—over one-fourth of all such projects since the program began.

Public benefits, stressing pollution abatement are being given priority in the new Rural Environmental Assistance Program. This is a shift from annual, individualized production practices to permanent improvements in the public interest.

Rural development efforts have likewise been strengthened and given new direction. Funding levels of principal USDA rural developmental programs have gone up from $1.4 billion in Fiscal 1969 to more than $2.5 billion currently and to an estimated $2.7 billion in Fiscal 1972. The emphasis is on water and sewage facilities and related community services, along with a maintenance of a continued high rate of expansion of job-generating rural electric and communications services.

Family farms rate as the most efficient type of agricultural production unit, in the judgment of Secretary Hardin, and the total effort of USDA on behalf of agriculture and Rural America is expected to help maintain the pattern of family farming.

Wheat Agreement. USDA has given its blessing to the new three-year International Wheat Agreement as one that will help growers compete and will encourage stability through a regular review of trading conditions. The agreement also provides a framework for subsequent price negotiations when these may be desirable. Rigid provisions of the 1967 agreement proved unworkable and contributed to market instability in 1968 and 1969. The new arrangement takes effect July 1, 1971, subject to ratification by the U.S. Senate.

Farm Credit. Several factors are contributing to easing of farm credit problems and interest rates. Money is becoming more available under relaxation of policy by the Federal Reserve Board, and prime interest rates have dropped from 8.5 percent in June 1969 to less than 6 percent in early 1971. The credit situation appears better for 1971 than in several years. Farmers today are borrowing more than twice as much as at the start of the 1960s, much of it to be used as a tool to expand and increase productivity.

Using Space Knowledge. An early warning system has been perfected to detect corn blight onslaught at its inception, if the disease strikes corn in the midwest and south again this season. The National Aeronautics and Space Administration will provide high altitude aircraft capable of photographically recording presence of the blight. Directors of the North Central State Agricultural Experiment Stations have worked out plans to use the remote sensing equipment.

Mr. Speaker, I would also like to take this opportunity to introduce legislation that I feel can be a part of the solution to many of our rural problems as well as problems regarding environmental protection and hunger and malnutrition.

It is most appropriate that this legislation, called "the Marginal Farmland Conservation, Restoration and Environmental Act of 1971" be introduced during this second "Farm Forum Day" activity.

Enactment of this legislation would authorize the Secretary of Agriculture to formulate and carry out a program to conserve and restore marginal farmland and to devote the land to conservation and pollution-abatement uses, recreation and beautification until it is needed to satisfy the demand for food and fiber.

This program and bill, H.R. 7951, is not designed to retire cropland, reminiscent of the "soil bank" and other cropland retirement programs. This is a voluntary contractual program similar to the Great Plains conservation program, but producer participation is limited to marginal cropland, only. This farmer-selected cropland would be devoted to practices to halt soil erosion and to restore soil fertility. Besides limited cropping, this acreage could be used for much needed recreation and beautification programs.

The Secretary of Agriculture may limit the total acreage placed under contract by any landowner or operator in such amount as he may determine desirable except that persons over 65 years of age may include their entire farm under the agreement. However, the total acreage placed under agreements in any county or local community shall be limited to such amount as will not adversely affect the economy of the county or local community. In addition, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers and to preserve the producer's crop allotment history.

As a result of the farmer's economic struggle for survival and the growing demand for food and fiber, our limited soil resources have been seriously depleted. Today, on the average, only 8 inches of topsoil across the United States comprise the difference between an adequate food supply or starvation. This fact is even more dramatic in view of current consumption and population projections. U.S. Department of Agriculture economists project that by 1980, consumers will spend about $206 billion for food—an increase of $97.8 billion over similar expenditures for 1970, and an increase of almost 100 percent. Census projections reveal that U.S. population could increase 100 million or 50 percent in the next 30 years.

This information is even more startling when we realize that it takes nature between 400 and 1,000 years to build up 1 inch of topsoil. It is obvious that we must accelerate our efforts and devote some of our Nation's financial resources to restore the soil that is our heritage and the foundation for our very existence.

I am hopeful we can profit by our experience in the 1930's and the lessons of history regarding our soil resources and how proper stewardship of these limited resources relate to the Nation's supply of food and fiber and economic stability and prosperity.

Taxes, low farm prices, and population growth forced a more intensive use of our soil resources in the 1930's. The steel plow destroyed Buffalo grass and other vegetation and exposed the sponge-like humus to the ravages of sun, wind, and rain. As the humus was destroyed, the soil lost its cohesiveness. On March 11, 1934, 300 million tons of precious soil were blown away in a single duststorm.

Recently, the Soil Conservation Service estimated more than 7 million acres of crop and pasture land in the Great Plains area were in a condition to blow. This compares with 4.8 million acres a year ago at this time.

This has occurred in spite of soil conservation districts that have been established in all parts of the Nation to implement conservation programs to prevent a reoccurence of the "dust bowl days" of the 1930's. However, according to SCS officials over 60 percent of the farm and ranch land still has not been "adequately treated." This means that soil is being lost by erosion more rapidly than it is being formed on 60 percent of the land due to inadequate conservation appropriations and inadequate farm income.

The conservation and restoration practices resulting from participation in the program I am proposing today would help reduce water and stream pollution and would provide land suited for much needed beautification, recreation, and pollution abatement.

This program would keep soil sediment, the world's greatest nontoxic pollutant, out of our rivers and reservoirs and would reduce agricultural chemical pollution as well. In addition, this would encourage the development of vegetation, return feedlot runoff and animal wastes to the land and vegetation without polluting soil and water. This program would help accomplish the overall environmental objective of successful recycling.

It is estimated that the total amount of sediment moving into the Nation's rivers, lakes, reservoirs, and streams reaches 4 billion cubic yards each year. In the Nation's reservoirs, annual deposits of sediment are estimated to exceed 850,000 acre-feet. This is approximately equivalent to the combined land area of Rhode Island and Washington, D.C., 1 foot deep.

It is obvious that we must expand soil conservation efforts, establish more long-range conservation plans and practices, and restore vegetation to halt this threat to our environment. This is necessary not only for wildlife and our environment but to assure an adequate supply of food and fiber for future generations.

As I mentioned earlier, this will help satisfy several domestic problems by improving farm income, stimulating rural development, providing a sound economic base to prompt a reverse migration back to the countryside to relieve the pressure in our overcrowded cities, and by protecting the quality of our environment.

Not only will this program improve the outlook for rural and urban development, but it will do it at the lowest possible cost. To illustrate this, a farmer with poorer land that grows 20 bushel of wheat and nets $5 an acre would likely defer it for a $5 payment. By contrast more productive land that yields 40 bushels to the acre and nets $20 would likely cost $20 to defer. If you set aside 4 acres of the poorer land for $20, you would defer 80 bushels of production, However,

a $20 payment on better land would defer only 40 bushels of production. So at the same cost you could defer twice as much production from the poorer land and through conservation and restoration more than double the productive capacity of the acreage for future generations.

I feel that this could compliment our present farm policy and pollution abatement programs and satisfy the short-run and long-range objectives of each. I am hopeful that my colleagues on the House Agriculture Committee and the distinguished membership of this body will consider the Marginal Farmland Conservation, Restoration, and Environmental Act of 1971 as a partial solution as we strive to improve the quality of life for rural and urban America in the decade of the 1970's.

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

Mr. SEBELIUS. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Speaker, it is a privilege and honor to join with my colleagues in calling to the attention of this body the contributions to society made by agriculture.

I join with all those who proudly claim their heritage in the soil—I share their concern that the vital role played by agriculture in the lives of every man, woman, and child will be minimized to the extent that our very existence will be threatened. But, rather than spending my time finding fault and pointing out shortcomings, I would prefer to compliment agriculture and its accomplishments. I invite all my colleagues to join in praising those whose sweat and toil place our daily food before us.

Of all the products of American agriculture deserving of praise from consumers, I would place beef cattle at the top of the list. No product is more in demand than beef, and consumption is continuing upward each year. Cattlemen have not asked for supports by taxpayers, in fact have resisted interference by Government in their operations. Perhaps this is the reason that the beef industry remains as the most viable of all the commodities coming off the farms and ranches of the country.

It is true that cattlemen have faced many years of hard going, of ups and downs in prices, and of increasing costs of operation. But, beef producers have weathered each storm on their own initiative and resources until today they stand as the outstanding example of the free enterprise system. Many of them are deeper in debt than ever before; many have dropped out of business; and still others are hanging on by grace of their bankers. This same condition applies to other farmers who have had Federal supports for a number of years. The point is that cattlemen have wanted to stand independent as possible, fighting for a fair shake with other facets of our national economy while avoiding direct handouts from the U.S. Treasury.

To achieve the position cattlemen hold today in consumer product acceptance, in community standing and as a bulwark of agriculture across the country, has required more skills in every phase of management than most any other comparable business. Developing increased efficiency at every stage of production is a grueling task that few urban folks could or would tackle, particularly when the low income and almost total lack of investment return from cattle operations are considered.

For the cattlemen who can hang on for this decade of the 1970's, however, there appear to be bright rays of future economic improvement appearing. More beef per capita is being eaten by American consumers each year; the population increase is expected to require an additional 11 to 12 million slaughter cattle by 1980; and people in countries now exporting beef to the United States are beginning to increase their consumption so that competition from imports may lessen.

Just this month, the Canadian Department of Agriculture noted that exports of beef and veal to the United States for the first 13 weeks of 1971 were 3.5 million pounds less than the level for the same period in 1970. At the same time Canada is importing more U.S. live cattle. Other imports are also down somewhat, revealing that needs of families in the exporting countries may be demanding more of the local beef supply.

Cattlemen are currently not without stiff competition from foreign countries. Last year saw record imports permitted under the 1964 Meat Quota Act. At the same time, a loophole in the act is allowing more so-called prepared fresh and frozen beef to enter in the form of portion cuts, rolled roasts and similar minimum preparation items. This type of import is expected to total 65 million pounds this year, compared with only 5 million at the time the 1964 act was passed.

The cattle industry not only provides the basic product, but also makes use of about 25 percent of all the grain produced by farmers in feeding operations that provide our consumers with the tasteful and juicy kind of meat they prefer. This makes beef production the largest single agricultural pursuit, and it obviously will become even more important in the years ahead.

During the past decade the price of cattle at the farm and ranch rose only 5 percent. At the same time, beef at retail rose almost 20 percent which reveals that cattlemen are unable to pass along their increased costs of doing business on any kind of comparable basis with processors and retailers. From the producers viewpoint, consumers are obtaining a real bargain.

In my State of Montana, cattlemen have increased beef herds as a part of the national goal to keep pace with consumer demand for American beef. Just this past year the total number of beef cattle increased to 2,943,000 head from 1,984,000 in 1953—nearly 1 million more head on the ranges and farms, resulting in a total value of about $371 million at the present time, including the dairy herds. New wealth produced by the cattle industry each year adds greatly to maintenance of our towns, cities, local schools, and governments.

I feel strongly that the cattle industry, because of its vital importance to our consumers and to the total economy of the Nation, has earned our acclaim today as we salute American agriculture. And equally important we owe these entrepreneurs of our free-enterprise system our fullest support in seeing that the industry is given fair treatment in all legislation affecting the 1½ million or more families engaged in beef production as a major part of their income. Rural America would lose much of its vitality, so badly in need of further bolstering, if cattlemen are not given full opportunity to achieve a level with other industry and labor in the early years of this decade.

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

Mr. SEBELIUS. I yield to the gentleman from Montana.

Mr. MELCHER. I want to commend my colleague from Montana for his very pertinent remarks in the well today. I want also to commend the gentleman from Kansas, who has participated in this second of our farm and ranch forums, for his contributions that are made on a bipartisan basis, that I believe are going to lead this House into an area where we can better serve our constituents and our farms and ranches back in our home districts.

Beyond that I believe we would better serve the Nation when we approach these problems on a bipartisan basis and solve them. As we draw the subject to the attention of the House today, we are well aware that the problems are there, they are serious, and they need correction.

I thank the gentleman for yielding to me.

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

Mr. SEBELIUS. I yield to the gentleman from Minnesota.

Mr. NELSEN. I thank the gentleman for yielding.

Mr. Speaker, I do not happen to be a member of the Committee on Agriculture, but I have listened to some of the speeches that were made in a very decided partisan tone. However, I notice that those particular speakers immediately left after they had thrown their harpoons. I want to say to those who are sincerely concerned about rural America, however, that the bipartisan attitude which prompted this opportunity for us to discuss the agricultural situation is one to be complimented.

Mr. Speaker, I have lived on a farm all my life. I have lived on the farm because I like it. I like the tranquillity of rural America. We reared our family on the farm. It is a wonderful place to live. Certainly, we want to preserve it, but when we deal with the agricultural problem and attempt to assess blame, I am

reminded of the old saying, "Let him who is without guilt cast the first stone."

Some of the Members who has spoken loudly and sharply have been in a position of leadership and they could have done something. However, I have not heard from those same people any recommendations as to what we ought to do. However, to the gentleman in the well, Mr. SEBELIUS, let me say congratulations because you have dealt yourself with conservation and rural health and some of the many things to which we have been giving some attention in our legislative process.

I have watched rural America, and seen how we have scrambled to get every acre into production, and yet have given little emphasis to preserving some of our wetlands that are necessary, in my judgment, to keep the kind of atmosphere we need—and I am talking about physical atmosphere—to preserve some of our areas of our country.

In the field of health right now in our Subcommittee on Public Health and Environment we are doing everything we can now to shape legislation for programs to produce more doctors and more nurses. The legislation we are considering moves in the direction of encouragement to general practicitioners to come to rural areas, even with forgiveness features in the loan provisions in the bill so that they will locate in rural areas.

I can think back to the days of the rural electrification job that I had in the Eisenhower administration, and I learned so well of cases where issues were raised about telephone policies, and also in the electrical field, and yet those policies that we instituted at that time stimulated the telephone program so that today most of the farmers have telephones. In the electrical program, again the policy of partnership which we instituted has been successful.

So, Mr. Speaker, we have tried, and I have tried in my legislative life, to move in a positive way. It is with a great deal of regret that I see so many times that the farm program becomes a vehicle for political enterprise rather than really a vehicle to improve rural America. I am sure, that all of us who have stuck it out here on the floor to the bitter end have expressed our interest by being here, indicating we are not interested in just partisan results, but in real results.

I compliment the gentlemen who have worked together in a bipartisan way to honestly move in the direction of a better rural America. That is what we need.

For all such reasons, I was delighted by President Nixon's special focus on rural America again this past weekend. In his radio address yesterday, he set a goal of boosting agricultural exports to $10 billion a year from this fiscal year's projected $7.4 billion. This goal, if attained, would most dramatically put extra dollars in millions of farm pockets. Additionally, the President pledged he would ask Congress for a $351 million expansion in farm credit during the next 2 years, a move that would certainly strengthen the position of younger farmers and many family farmers. The President called as well for a $52 million increase in funds for pest eradication, research and watershed development. In view of the troubles we have in the Midwest with flooding, grain blights, and so forth, these additional increments should be most helpful if the Congress can be persuaded to back the President's proposals.

Certainly, we all recognize that a good deal more is required. As the President himself noted when he submitted his rural community development revenue sharing proposal earlier this year, median family income in nonmetropolitan areas is still 22 percent below that in metropolitan areas.

However, I believe we can see some progress being made, and some more enlightened attitudes starting to prevail. For example, our current Secretary of Agriculture, Clifford Hardin, is the first Secretary in my memory with sufficient intestinal fortitude to advise consumers that they must expect to pay more for food if producers of our food and fiber are to secure a fair price at the farm. The Secretary's advice is not unreasonable when we stop to realize that American consumers today are getting the best food buy of any people in the world at any time in history—they spend only 16.6 percent of their disposable income on food. But his advise is unusual when we remember the many times back in the 1960's when others high in government attempted to make the farmer the scapegoat for inflation, employing the Government itself to help drive farm prices down.

I might add that I do not believe the Nixon administration is being given proper credit for the many actions that have been taken during its life of 2 years and 3 months to correct poor rural conditions and to rebuild rural America along the lines universally desired.

So, in order to help set the record straight on behalf of the administration, I am pleased to introduce into the RECORD at this point a partial summary of actions taken that we certainly hope are helping rural America to get back on its feet and to progress.

I thank the gentleman for yielding.

The material follows:

WHAT'S BEING DONE FOR AGRICULTURE?

APRIL, 1971.

The U.S. Department of Agriculture under Secretary Hardin has truly amassed a remarkable record for assisting farmers of this country. If we look under the surface of the day-to-day operations of the Department, scores of innovative programs are contributing mightily to the improvement of farm income. At the same time, rural America is also benefiting from the direction pursued by USDA in all other areas in addition to farming. USDA recognizes that people in the cities and towns depend upon a viable agriculture and its giant contribution to the social and economic welfare for their own progress and prosperity.

Consumer Position. Secretary of Agriculture Clifford M. Hardin told interviewers in February that consumers must expect to pay more for food if producers of our food and fiber are to secure a fair price at the farm. A more forthright stand on behalf of farmers has not been taken by any Agriculture Secretary in decades, and should be proof beyond any doubt that this Administration is attempting to place agriculture on an equal plane with industry, labor and consumers—a goal that has not been achieved in many decades.

Retail Improvement. To make certain that consumers are going to benefit when prices drop at the farm level in times of excess production or other depressing situation, USDA has made it plain by way of emphatic public announcements that the pricing system at retail outlets should more quickly reflect lowered costs to the retailer. The latest such admonishment came during the near-disaster hog market of last fall and early winter. Response from retailers was immediate, and consumers thus obtained a real saving in pork at the same time that the heavy supplies hanging over the market were lowered to bring prices up considerably shortly after the new year of 1971. Both consumers and farmers thus benefited from this USDA action.

Pork Price Support. Almost immediately with the down-turn of the hog market last August, USDA began buying pork products for use in school lunches and needy families of the nation. At the same time Defense has doubled it's pork purchases, beginning last September. The USDA purchase program has continued into March. At the present time more than 160 million pounds of pork products have been taken off the market—considerably more than in any comparable period in USDA history. Needy people and the school children of the nation have also benefited greatly.

Dairy Supports and Imports. Secretary Hardin announced the fourth week in March that supports on manufacturing milk would be increased to $4.93 cwt., from the previously stated $4.66 level. The new rate recognizes boosts in the cost of operation for dairymen, including transportation. Even though dairymen in 1970 had been granted the largest increase ever at the start of a marketing year, the Secretary reassessed the situation and determined that the 27 cents per hundred boost was essential to maintaining a healthy dairy production in this country. This, of course, is only about one-fifth of a cent per pound and could not conceivably add inflationary retail values. A recapitulation of fiscal 1970 support purchases for dairy products reveals a grand total of $279 million, but expenditures for this assistance program are expected to soar to $380 million in fiscal 1971, and $400 million plus in fiscal 1972. Cheese purchases have accelerated since February this year, with this product being contributed to the school lunch program and needy families. Imports were placed on a more realistic basis at the beginning of this year, with ice cream being cut by 95 percent to preserve the U.S. support program and to restore a more equitable share of the American market for domestic producers, processors and employees.

Adequate Chemicals. USDA is in a better position than ever before to champion the needs of agriculture in the area of herbicides, pesticides and other essential chemicals required for safe and economical production of food and fiber. Although demand for abolition of all chemicals has reached a near-hysteria stage by a few environmentalists, the Department of Agriculture can now plead the case for farmers and consumers because the department has been freed from the untenable position of being both advocate and enforcer. Placing regulation of agricultural chemicals in the hands of a separate Environmental Protection Agency has put the crucial matter in its proper perspective so that USDA can, and does, enter the fight on the side of farmers. In recent weeks such vital herbicides as 2,4,5–T have been saved, and safety reviewers will undoubtedly permit use of other highly important chemicals . . . although some under restrictions.

Barter Exports. One of the best programs in the export picture has been seized upon by this Administration to not only help farmers but to develop a better balance of trade situation with other countries. A record $575 million total barter export value was set

during calendar year 1970 by the program, up about $235 million from the previous year. Barter has reversed previous trends when hard dollars were paid out for commodities to foreign countries for military and other U.S. operations.

Advisory Councils. Secretary Hardin is making excellent use of the advisory committees selected for nearly every agricultural commodity in the country. Scores of committees have been chosen to help guide programs and future plans by representatives involving all phases of production, marketing and retailing. Several new committees have been added ranging from science and education to rice, broiler, forestry and regional farmer advisory committees. Adding to the voice of local economic units is a basic mandate of the Administration.

Import Quality. USDA has assisted in improving quality of some imported fruits and vegetables by applying the same regulation to the important products as required of U.S. producers. Farmers have benefited from this policy, along with consumers.

Housing Needs. Demand for housing in rural America has reached such proportion that the Farmers Home Administration has revised its procedures to expand the supply of modern homes. At least 125,000 housing units will be financed during fiscal 1971 and 227,500 are proposed in 1972. Much of the spade work for speeding up local housing projects has been placed upon private concerns, and the staffs of FHA in 1,700 offices throughout the country are assisting with planning and application work.

Rural Development. Secretary Hardin has placed a top priority tag on giving every available aid to improvement and building of rural America. The aim here is to return initiative to the people in the states and the local level. As a part of this program, revenue sharing is essential in order to make fullest use of both financial and human resources on farms and in the small towns and cities comprising 65 million of our population.

Self Help Planning. Farmers Cooperative Service has been regearing its programs to help farmers find profit centers in agriculture, and is continually adjusting programs to help solve critical problems. Special research teams are studying forward integration (the processing, manufacturing, packaging, merchandising, and distribution segments of agricultural business), cooperative bargaining, financing and member relations. The Secretary of Agriculture has set the policy by stating "A progressive farm policy includes support for those who seek to help themselves through constructive group action."

Electric-Telephone Services. Rural Electric Administration has been setting records in approving services needed to place Rural America in a position to take advantage of job-creating industries that must have both electric energy and telephones as an essential part of any operation. At the same time, farmers have been doubling use of electricity every ten years in order to more economically provide the food and fiber required by all Americans and much of the world. REA provided 319 electric loans—the highest number since 1958—during fiscal 1970, and the second highest dollar amount in the programs' history went for 182 telephone loans.

Land Use and Improvement. More public interest in water supply, recreation, pollution abatement, recycling of waste products and land-use planning has increased demands for Soil Conservation Service technical assistance. Most of the assistance is channeled through more than 3,000 locally organized and managed conservation districts. By the close of fiscal 1970, 753 million acres of land were involved in soil and water conservation projects.

Statistics Reporting. At the instigation of Secretary Hardin a study was made of important statistical reporting which supplies farmers with needed advance information on production intentions, estimates and other basic data. The object was to eliminate some reports, scale down others and entirely eliminate those which no longer applied to modern agriculture. The Statistical Reporting Service, like many other agencies, had grown without considering changing conditions and thus required a pruning and revamping long overdue. Eight different categories have been realigned, while the September and October general crop product reports will be combined.

Meat Imports. In line with the needs of both consumers and producers, the Secretary of Agriculture has continued the ban imposed last July on reshipments of meat through Canada and other countries which last year had amassed a giant 25 million more pounds of imported meat under the Meat Import Act of 1964. A larger supply, however, is provided for in 1971 by allowing direct shipments somewhat above the 1969 figure but in line with last year. Better inspection of foreign meat has been developed in recent months to make sure that consumers will get a product that is wholesome.

Boxcar Shortage. The recurring shortage of boxcars to move grains out of high production areas to ports and processing centers is receiving high attention of USDA. Among strong efforts of this Administration to help ease conditions arising from the shortage has been to secure higher rental rates from railroads making use of the boxcars, thus forcing their return to the railroads owning them—mostly in the high production grain areas, USDA is encouraging legislation to provide new rail cars, and in 1970 secured temporary lower rail rates from some Western lines to help move grain from bulging elevators to export shipping points. Meanwhile, Agricultural Stabilization and Conservation Service is making more loans at lower rates for farmers to provide their own storage facilities to ease the sudden harvest loads upon commercial facilities and the railroads. In February alone, ASCS made 184 loans representing about 1.2 million bushels of storage capacity. A total of 96,022 loans were outstanding as of February 28 for a total of many more million of bushels.

Training Programs. The Forest Service and other agencies are involved in highly significant job-training and youth programs which will accelerate this year with addition of the Youth Conservation Corps. This new project will employ 1,100 youths for an eight-week period this summer on a pilot basis. Enrollees will be young men and women, aged 15 through 18, from all economic and social backgrounds. Environmental problems will be a major study and work program for these young people to take back for use in their home areas. Other manpower programs include Operation Mainstream, Green Thumb Neighborhood Youth Corps, Manpower Development and Training Act, and others. About 10,000 individuals were involved in this phase of the training operation. Twenty Job Corps Civilian Conservation Centers are operating with 7,000 underprivileged young men offered training in various skills so they may enter the labor force, return to school or enter the military.

Dairy Import Loophole. Hydrogenated butterfat from Belgium totaling about 2 million pounds was imported illegally into this country before USDA stopped shipments this year. New York customs officials permitted entry of the product and did not inform Washington. It was not until the Import branch of USDA made a routine check that the loophole was detected and plugged. Customs has ruled that the "hardened butterfat" is subject to quotas for butterfat mixtures, and therefore could not be classified as "animal fat" which is not a quota item.

Foreign trade, the most promising growth area for agriculture, is soaring. When the Nixon Administration took office, agricultural exports were in their second straight year of decline, falling to $5.7 billion. Last year an all-time record of $7.2 billion was set, and farm exports are currently running 16 percent above last year's levels.

Overseas market expansion is getting heavy emphasis. Secretary Hardin created the Export Marketing Service to group expertise and facilities for greater effectiveness in market development. In personal consultations with European leaders he defended American farmers' rights to market access under international agreements.

Soybeans are setting the pace. Total export approaches half the U.S. crop of more than 23 million acres . . . whereas only 15 years ago, not that many acres were planted to soybeans. The use value of soybeans is growing, from $2.3 billion in the 1968–69 marketing year to $3.6 billion this year. One factor in the upswing was the Secretary's decision to lower the soybean support price, thereby making soybeans more competitive in marketplaces of the world.

New farm programs resulting from the bipartisan Agricultural Act of 1970 are designed to give farmers more flexibility, greater freedom in deciding what crops they can produce most efficiently for developing markets. Specific limitations on what farmers can grow were removed, so that production can be geared more closely to the demands of domestic and foreign markets.

Corn blight problems were dealt with swiftly . . . USDA research and Extension Service task forces tracked the situation . . . seed industry cooperation was obtained in stepping up production of blight-resistant seed in Latin America and Hawaii for use this spring. Thanks to the flexibility of the new "set aside" program, growers in blight zones can plant alternative crops and farmers outside the affected area can shift to greater corn production without losing payment benefits.

Farm income improvement is the aim of many varied efforts on behalf of farmers. Government pork purchasing was stepped up by millions of pounds when prices slumped last fall. The President and Secretary Hardin tightened meat imports. Private business participation in supplying agricultural credit has been stimulated, increasing the availability of loans for farm operations and land purchases.

It will take time for the new farm programs and pricing policies to become fully effective and add dollars to farmers' net earnings. But early indicators such as this spring's planting intentions show that farmers are already exercising greater choice in crops, resource allocations, and markets. Government-owned stocks and CCC loan inventories are decreasing . . . this will help reduce pressures on markets and prices. And prices received by farmers are generally above the price-support levels. These are all positive signs.

Consumer services of the Department of Agriculture are expanding, meanwhile. To assure that all Americans have wholesome, truthfully labeled products, the meat and poultry inspection program was broadened in scope, and 35 State meat inspection programs have been certified as equal to the Federal program. During 1969 and 1970, 413,000 man hours of training were provided to State employees. Foreign inspection systems have been upgraded and computerized histories established.

Food assistance programs for poverty victims have been doubled in coverage, from 6.9 million persons when the President delivered his "Hunger Message" in May of 1969 to more than 13.6 million. Food Stamp assistance shot up from 2.9 million in January, 1969, to 9.8 million . . . that value of 'bonus coupons" climbed from $18.5 million a month when the Nixon Administration took office to a current level of $130.8 million. And the geographic scope has increased, to all but 10

of the Nation's more than 3,000 counties and independent cities. Nutrition aides, of whom there were none in January, 1969, now number close to 7,000—they work in low-income communities to teach food values and food preparation.

More needy children are receiving free or reduced-priced meals than ever before . . . the total has more than doubled from 3 million in May, 1969, to above 6.6 million at present.

Conservation and environmental improvement activities have been stepped up and given sharper focus. After President Nixon broke a Congressional logjam on watershed work, 163 projects were approved. This is one-sixth of all projects approved in the 16-year history of the watershed program. And in the past two years planning help was approved for 22 new, multi-county Resource Conservation and Development Projects, bringing the total to 78 now under way—over one-fourth of all such projects since the program began.

Public benefits, stressing pollution abatement are being given priority in the new Rural Environmental Assistance Program. This is a shift from annual, individualized production practices to permanent improvements in the public interest.

Rural development efforts have likewise been strengthened and given new direction. Funding levels of principal USDA rural developmental programs have gone up from $1.4 billion in Fiscal 1969 to more than $2.5 billion currently and to an estimated $2.7 billion in Fiscal 1972. The emphasis is on water and sewage facilities and related community services, along with a maintenance of a continued high rate of expansion of job-generating rural electric and communications services.

Family farms rate as the most efficient type of agricultural production unit, in the judgment of Secretary Hardin, and the total effort of USDA on behalf of agriculture and Rural America is expected to help maintain the pattern of family farming.

Wheat Agreement. USDA has given its blessing to the new three-year International Wheat Agreement as one that will help growers compete and will encourage stability through a regular review of trading conditions. The agreement also provides a framework for subsequent price negotiations when these may be desirable. Rigid provisions of the 1967 agreement proved unworkable and contributed to market instability in 1968 and 1969. The new arrangement takes effect July 1, 1971, subject to ratification by the U.S. Senate.

Farm Credit. Several factors are contributing to easing of farm credit problems and interest rates. Money is becoming more available under relaxation of policy by the Federal Reserve Board, and prime interest rates have dropped from 8.5 percent in June 1969 to less than 6 percent in early 1971. The credit situation appears better for 1971 than in several years. Farmers today are borrowing more than twice as much as at the start of the 1960s, much of it to be used as a tool to expand and increase productivity.

Using Space Knowledge. An early warning system has been perfected to detect corn blight onslaught at its inception, if the disease strikes corn in the midwest and south again this season. The National Aeronautics and Space Administration will provide high altitude aircraft capable of photographically recording presence of the blight. Directors of the North Central State Agricultural Experiment Stations have worked out plans to use the remote sensing equipment.

Mr. SHRIVER. Mr. Speaker, I am pleased today to join my colleague from the First District of Kansas, KEITH SEBELIUS, and others in this second Farm Day in the House of Representatives. The first Farm Day, which was held last March 1, provided an excellent opportunity for those of us who represent substantial numbers of farmers and ranchers and their nearby marketing communities to discuss the problems of modern agriculture with our urban colleagues. This sort of rural-urban dialog is long overdue, and I congratulate those who have requested this special orders time again.

As we continue these discussions, it is important that we recognize that the rural-urban gap is a thing of the past. We must acknowledge that the economic needs of rural Americans are the same as those of urban Americans. Congress recognized this fact in passing the Agricultural Act of 1970. Title 9 of that act provided for a review of all existing rural programs and for assuring rural residents the same Federal service and privileges the urban dweller enjoys.

The problems facing our farmers and ranchers are varied and complicated, but they can be summarized in one word: income. In 1970, the per capita disposable income of the farm population was only 78 percent of the income of the nonfarm population. Is it any wonder that between 1960 and 1970, while total U.S. population was increasing by 14 percent, farm population dropped by 38 percent? The number of people on farms declined from 15.6 million in 1960 to about 9.7 million last year. The number of farms declined from nearly 4 million to less than 3 million.

Despite this massive decline in the number of farmers, farm production has actually increased impressively. Farm products output increased by 18 percent and livestock production by 20 percent between 1960 and 1970. Because of this efficiency, Americans now pay the lowest percentage of their disposable income for food of any country in the world. That percentage, 16 percent, is the lowest it has ever been.

While farmers and ranchers are justly proud of their efficient methods which feed our Nation so well at such a low cost, we must be concerned about the extent to which low food prices result from inadequate returns to the producers of that food. In this regard, Secretary of Agriculture Clifford M. Hardin told interviewers in February that consumers must expect to pay more for food if producers of our food and fiber are to secure a fair price at the farm.

The Secretary of Agriculture is supposed to be the advocate of the farmer, and I was pleased to see that Secretary Hardin has taken this forthright stand on the issue of food and farm prices, the first such Secretary to do so since I came to Congress in 1960.

The reactions of farmers and ranchers to actions the present administration has taken in the field of agriculture thus far have been mixed, judging from mail I have received. The most promising aspects of the administration's policies are a willingness to listen to the farmers themselves regarding their problems and a refreshing trend away from overregulation.

One example of this willingness to listen and then respond occurred earlier this year. The mail of the Department of Agriculture and all Members of Congress representing dairy farmers was heavy following the announcement of a support rate for manufacturing milk which was unrealistically low. As a direct result of this mail and the subsequent urging of these Congressmen, this support rate was raised to $4.93 per hundred-weight on March 25.

The Nixon administration has also acted positively in the field of market development, both foreign and domestic. When the administration took office, agricultural exports were in their second straight year of decline, falling to $5.7 billion. Last year, an all-time record of $7.2 billion was set, and farm exports are currently running 16 percent above last year's levels.

On the domestic front, I support the President's actions, which have tripled the number of people receiving food stamps and increased from 3.8 million to 6 million the number of needy children receiving free or reduced-price meals at schools. While improving the nutrition and health of the recipients of this food, these actions also serve to expand domestic marketing possibilities for farmers. This is also an example of rural-urban cooperation with resulting benefits for all concerned.

The Congress will take a long and hard look at the President's proposals for revenue sharing, decentralization, and reorganization of farm programs before any action on them is taken. The decentralization plan recognizes that a Federal paycheck does not increase one's wisdom or judgment, whether it be for administering farm programs or urban programs.

One advantage of the reorganization plan would be to get some of the expensive, nonfarm programs which are now in the Department of Agriculture, off the back of the farmers. Many of our urban colleagues are under the impression that far too much money is spent for farm subsidies when, in fact, many of these programs in the agriculture budget support various urban assistance activities. Only one-third of the Agriculture Department's employees now work on farm problems, and this number has been declining steadily in recent years.

While these proposals and actions indicate encouraging changes in the tone of farm program administration from the policies of the 1960's, the details are yet to be explained. There is no conflict between programs which are good for farmers and ranchers and those which are good for the country as a whole. I urge my colleagues, both rural and urban, to consider additional farm legislation this year which places primary emphasis on the day-to-day living needs of our agriculture community.

In this regard, I have joined with other members of the Kansas delegation in Congress in introducing the Rural Job Development Act. If we can successfully create or attract job-creating industries in the rural areas, we will benefit not only the rural communities but our cities as well. Rural job development is a must if we are to provide economic opportunity for the people who want to remain in our small towns and on the farms.

In addition, I have introduced two

bills designed to modernize Farmers Home Administration operations. One bill would transfer funding of the operating loan program from the Federal budget to the private money market. By taking this action, the Farmers Home Administration would obtain access to a broad range of private capital sources.

The second bill would increase farmers home loan limits on the operating loan program from $35,000 to $50,000. Inflation and rises in costs of equipment, fertilizers, feed, livestock and other essential farming items have made this limit totally inadequate.

Other legislation I have introduced this year includes a bill to provide additional financing for the rural telephone program. This bill is designed to assure rural America the means to establish comparable telephone service as is available in urban areas. I am happy to say that this bill has already passed both the House and Senate, and final action is scheduled on the conference report in the House tomorrow.

Concerning the dairy price support problem I mentioned earlier, I introduced legislation to prevent similar situations from arising in the future under any administration. This bill would raise the minimum support price for manufacturing milk to not less than 85 percent of parity rather than the present legal minimum of 75 percent.

In February I introduced a bill to require that imported meat and meat products be labeled "imported" at all stages of distribution until purchase by the ultimate consumer. This measure would protect both the consumer from unsafe imports and the American producer from unfair competition.

In March, I cosponsored with Congressman SEBELIUS a measure to provide for a 1974 centennial celebration in Kansas to commemorate the introduction of hard red winter wheat into the United States. In a similar bill which I intend to cosponsor later this month, the President would be directed to proclaim the observance of Harvest Festival Week and a "National Day of Bread" this October. This is identical to legislation which passed the Congress last year and led to such an observance and promoted increased consumption of Kansas wheat products.

Next week, I intend to cosponsor legislation to provide that estate taxes on family ranches, farms, and small businesses be computed on the property's earning power instead of inflated sales prices based on speculative land values. This bill is designed to encourage younger farmers and businessmen to continue ongoing family enterprises and to stay in our rural areas.

Finally, I am today reintroducing legislation aimed at increasing the number of boxcars available for the upcoming harvest by authorizing the Department of Defense to purchase and construct a sufficient number for its own use. This bill, which I previously introduced in the last Congress, would release the boxcars currently in use by the Defense Department on which substantial demurrage charges are being paid. Instead of continuing these demurrage charges, this money should be used toward finding a solution to the annual problem of transportation snarls during the harvest season.

In introducing all of these bills, it is my intent to aid in the expansion of the quantity and quality of economic and social opportunities in rural America. I strongly urge all of my colleagues to give favorable consideration to these measures. It is important that we form a rural-urban coalition in the Congress to work for the long-term betterment of conditions in rural America.

Mr. Speaker. I thank the gentleman from Kansas (Mr. SEBELIUS) for yielding me some of his time.

Rather than spend a great deal of time of the entire body in reviewing agricultural problems, or trying to lay blame in a partisan manner for the plight in which American farmers find themselves, I would like to suggest two concrete pieces of legislation Congress could enact which would be beneficial to the farmers of my area.

Last year, the Congress passed amendments to the Feed Grain Act which could do a great disservice to feed grain farmers. The 32-cent direct payment on corn provision has a booby-trap in it.

In the event such things happen as southern leaf blight, which would decrease the production of corn, the Secretary of Agriculture might find it necessary in some future year to reduce the set aside below 20 percent. In that case, the present law provides for a proportionate reduction in direct payment. None of the other commodities utilizing direct payments carry the same danger.

Feed grain farmers in my area, and I would expect all over the United States, were led to believe that the 32-cent direct payment was guaranteed, no matter what happened to the price. It is only when the market price drops below $1.03 on an average that the direct payment would be above that amount and by whatever the market price dropped below that figure of $1.03.

I believe that the Congress should amend the law to guarantee a direct payment of 32 cents on corn no matter what set-aside is required.

The second change that I believe necessary is to provide adequate credit for farm real estate and farm operating loans. An untenable shortage exists, making it extremely difficult not only for young farmers to get started in operation, but for many struggling farmers to secure the operating loans necessary for them to either improve operations or secure the funds necessary to produce a crop or meat, milk or poultry.

While this will take a little time, the first action in providing sufficient credit ought to be to dramatically raise the ceiling on the amount of private loans on which the Federal Government could provide a guarantee.

The above is coupled with all the other good recommendations made this afternoon, plus the efforts the Nixon administration is making to improve the lot of the American farmer. The nonfarm consuming public must be aware that their existence is dependent upon the capabilities of the American farmer and it is of utmost importance that farmers be permitted to produce for profit in order that abundant food and fiber be made available not only for our Nation—but also for other countries as well.

Mr. THOMSON of Wisconsin. Mr. Speaker, there is a large and pressing need for sufficient farm credit. Even during periods of "easy money," the farmer finds it difficult to obtain enough capital. In times of "tight money," an adequate farm loan is a rarity.

My urban colleagues may wonder why this should be the case. Farming is a high-investment, low-profit business. It is not unusual for an effective family-sized farm to cost well over $100,000. In addition, there is a continual need for heavy reinvestment—for example, a medium-sized tractor may cost $7,000 or more.

Yet the per capita disposable farm income in 1969 was a little over $2,400. This small profit, combined with seasonableness of income, makes it exceedingly difficult to accumulate capital for investment. As a result, farmers are continually forced to seek long-term loans of considerable sums.

In the past, the Farmer's Home Administration has provided farm-operating and farm-ownership loans. These programs have assisted the farmer considerably, but the total resources available do not approach the demand. Last year, for example, there were 64,350 applications for operating loans; of that number, only 46,657 were granted. It is estimated that in 1971 the number of applications will increase by 6,000 while the number of loans will drop by 1,000.

To improve the situation, I intend to introduce legislation this week which would make greater resources available for farm-operating loans. My bill would allow the Farmer's Home Administration to insure or sell operating loans similar to what has been done so successfully in the FHA's housing programs. I anticipate that my bill would expand farm credit dramatically with practically no additional cost to the Government.

Last fall considerable opposition was expressed by some groups to the feed-grains section of the Agriculture Act of 1970. I am pleased to report, however, that the program appears to be well accepted by the farmers. In my Third District of Wisconsin, 16,362 farmers accounting for an aggregate of 563,848 acres, are enrolled in the program this year; 1 year ago there were only 1,489 farmers with 415,723 acres enrolled. The Department of Agriculture informs me this is not an isolated instance. It is a general trend throughout the country.

While the time is yet too early to evaluate the success or failure of the new feed-grains program, the evidence cited above would suggest it is off to a good start.

Mr. MARTIN. Mr. Speaker, agriculture today is in a precarious situation. Parity prices—parity is based on the cost of the items the farmers must purchase in relationship to the price he receives for his products—are less than 70 percent, and the lowest percentage since back in the thirties. The cost of wheat is actually lower today than it was 10 years ago, but the price of the items which the

farmer must purchase has gone up several hundred percent.

Labor, through labor agreements, is guaranteed a certain wage and under some labor contracts, a guaranteed annual wage. Yet, the farmer in many instances receives as low as 10 cents an hour for his labor, plus a very small return on his investment.

Agriculture is the most important segment of our economy, and the continued production of adequate supplies of food is essential. Agriculture represents a greater money investment than any other segment of our economy. It purchases more steel, rubber, petroleum products and chemicals than any other industry, yet agriculture seems to be the stepchild of participating in the rebounding prosperity of our Nation.

A farmer is certainly entitled to an adequate wage for the hours which he puts in in the operation of his farm, plus a fair return on his investment. The wheat farmers in western Nebraska, Kansas, the Dakotas, and many other States in the Midwest are in a real economic squeeze. Farmers in the panhandle of western Nebraska are only able to raise one crop—wheat. Corn and other crops simply will not grow in this section of the State. Two years ago, wheat was selling as low as 90 cents a bushel at some of the elevators in western Nebraska, with parity standing at approximately $2.80 per bushel.

It simply is not possible for the wheat farmer to make a living off his farm under these conditions.

President Nixon is placing great emphasis on the rural development program. This will be of great help to us in Nebraska and rural America, but the wheat and feed grain farmer needs to receive prices which will insure him a fair wage and an adequate return on his investment.

The dairy farmer was recently given an increase in the support price of milk effective April 1. The wheat and feed grain farmer needs this same kind of assistance.

If America is to remain prosperous and strong economically, the farmer must be prosperous. As a Representative of 61 counties in Nebraska, all of which are agricultural, I intend to devote my energies to the goal of improving the economic plight of our farmers.

Mr. THONE. Mr. Speaker, I am speaking today on behalf of my constituents in the First Congressional District of Nebraska and because of my personal belief that as a Nation we must have an aggressive soil and water conservation program. Presently we are recognized as the world leaders. Many countires have studied our programs and have asked for assistance in organizing a conservation agency such as our Soil Conservation Service and local entities of Government like the 3,000 plus soil and water conservation districts that we have in this country. This local self-government with assistance from the State and Federal Government has proven to be a highly successful arrangement to carry out a soil and water conservation program.

Presently we are very concerned about the deterioration of our environment. Many say we must have new programs. I agree that in some areas new programs may be needed and some old programs may need some redirection but first I feel we should consider adequate funding of some of our present programs, especially those concerned with soil and water conservation. I feel this is the best approach and will be more effective in conserving our resources and in improving our environment. This is why I am talking here today in support for funds to increase our effort in soil and water conservation.

The people in my district and their economy are tied to the soil. And they are aware of this. They know that soil conservation and management of water is beneficial not only to those in rural areas but to every individual in this Nation. They know the absolute necessity of a livable environment and, finally, they know that the conservation measures which are being applied under the leadership of soil and water conservation districts with technical assistance from the Soil Conservation Service and cost-sharing from the Rural Environmental Assistance program contribute to a proper environment. I am proud of the job these agencies have done in cooperation with soil conservation districts. In the First District of Nebraska we have:

More than 32,000 farms and ranches cooperating with soil and water conservation districts.

Over 80,000 linear miles of terraces.

Twenty-three authorized watersheds.

Some 16,000 dams.

Over one-half million acres seeded to grass and a host of other practices all of which help control pollution, maintain the quality of water, and enhance the environment.

Uncontrolled wind and water erosion results in sediment polluting the streams and atmosphere. Not only does it create an undesirable environment but causes a serious deterioration of our resource base. It is this basic cause of pollution which is being curtailed and can be alleviated a great deal further by an eccelerated conservation program.

In my opinion, gentlemen, we could provide no greater benefit in efforts against pollution and at the same time to add stability to rural economy than by adequately funding the programs that are presently attacking this problem.

Let me tell you some of the conditions that face us in Nebraska.

The latest conservation needs inventory shows 1,021,000 acres of silt-producing land that is being cropped but should be planted to permanent cover.

The same inventory shows miles of terraces and diversions and wind strip cropping systems yet required on 7,735,000 acres of land suited to cropping but which lacks protection.

The Nebraska Livestock Feeders Association estimates 20,000 feedlots in Nebraska. Based on a survey conducted by the State department of environmental health, 17,000 lots will require technical assistance to alleviate pollution and by State law will require help before December 31, 1972.

These and countless other problems involving our environment are brought to soil and water conservation districts and to the Soil Conservation Service. This is why we need to assure that adequate funds are provided.

I would like first to comment on the budget for conservation operations. Every county in my district, and in fact, every county in Nebraska is covered by a soil and water conservation district. It is this going program through such districts that depends on technical help from the Soil Conservation Service.

In 1957 the technical help was sufficient to provide an SCS man-year for each 130 district cooperators. In fiscal year 1970, funds provided only 1 SCS man-year for 270 district cooperators. A recent survey conducted for the district association shows a need for an additional 53 man-years to just meet current demands.

I recommend an increase of at least $12,000,000 in conservation operations funds for fiscal year 1972.

PUBLIC LAW 566—SMALL WATERSHED PROGRAM

In Nebraska we have the need and a excellent opportunity for the small watershed program. Although planning has not kept up with applications, construction work lags further behind. The State and local sponsors have been doing their share but Nebraska's allocation of Federal funds has continued to shackle the popular watershed program.

I agree with the National Association of Soil and Water Conservation Districts and recommend an appropriation of $100 million for watershed construction funds in 1972 to bring the construction more in line with the need.

THE GREAT PLAINS CONSERVATION PROGRAM

Although only one county in my district is under this program, a number of others would like to be designated if funds permitted.

I think this program offers the best approach for enduring conservation and buys the most soil and water protection for the Federal cost-share dollar.

I strongly recommend an increase in the 1972 budget of $5 million.

RESOURCE CONSERVATION AND DEVELOPMENT PROJECTS

Nebraska has one research and development project and could use more for economic deevlopment. This program has shown excellent potential for improving the economic and social well-being of rural communities. An appropriation of $20 million in 1972 would permit a realistic acceleration of this program.

RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

And finally, I ask that Reap be funded in 1972 for at least as much as appropriated in 1971. The changes made in this program now offer more potential for the kind of cost-sharing program we need for critical environmental and conservation work.

I ask for these increases because my State and my constituents are ready and willing to do their fair share in protecting the environment. I feel strongly that we at the Federal level must not let them down.

Mr. MIZELL. Mr. Speaker, it is always a pleasure for me to speak in behalf of rural America and the millions of good

people who live in that heartland of our Nation.

I want to thank my distinguished colleagues, Mr. MELCHER, Mr. NEAL SMITH, Mr. SEBELIUS, and Mr. ZWACH, for arranging this time for Members of this body to focus our attention on the needs, the problems, and the opportunities of our agriculture industry and of rural America in general. And I appreciate their generous invitation for me to address myself to those concerns today.

As a boy living on a farm near Vinegar Bend, Ala., I learned a great deal about rural life.

I learned that people who live in rural areas are the most hard-working, honest, and generous people anywhere.

I enjoyed times of plenty and rich harvest with them, and struggled through times of want and failing crops with them as well.

I believe that experience has helped me to have a far better perspective on rural America as a whole than I would have had otherwise.

As a member of the Committee on Agriculture in this House, I have come to a full realization of just how important the agriculture industry is to the success and progress of the Nation at large.

And through both those early and recent experiences, I have become convinced that, as Thomas Jefferson asserted one and three-quarters centuries ago, "cultivators of the earth are the most valuable citizens."

The contributions of the farmer, as well as his needs, are being well documented by others here today, so I am turning my attention to the overall picture of rural America, encompassing both farming and nonfarming people and needs.

As a member of the Committee on Public Works, I have become increasingly more familiar with the programs of economic development now being applied in rural America, and more aware of the need for a truly comprehensive approach to rural development.

Many of the programs now in operation in service to undeveloped or underdeveloped areas have performed admirably and effectively. These include the Appalachian Regional Commission, the Economic Development Administration, the title V regional commissions, and similar programs.

But I believe a more comprehensive and consolidated program could reap far greater benefits than even the most effective of these existing programs could do individually.

I believe that President Nixon's proposal of rural community development under special revenue sharing could provide that better way.

In terms of funds appropriated, revenue sharing would channel far more funds into rural America than are now being utilized there.

In my own State of North Carolina, for instance, the three major development programs operating there, the Appalachian Regional Commission, the Economic Development Administration, and the Coastal Plains Regional Commission, spent a total of $24,716,168 for projects in fiscal 1970.

Other programs involved in rural development obligated a total of $13,644,116 for North Carolina projects, bringing the total federal effort in rural development in my state to $38,360,284.

By contrast, President Nixon's rural development plan would give North Carolina $47,308,559 to carry on essentially the same work. The program would reach 91 of North Carolina's 100 counties.

So in terms of dollars and cents, in terms of efficiency and effectiveness, the revenue sharing plan is clearly preferable to the present piecemeal approach to rural development.

But whatever one's preference might be, it is imperative that we continue to improve the conditions of rural America and the lives of its citizens.

We must provide the roads and schools and health centers, the sewage and water treatment plants, the job opportunities, and new industries that will make rural America the thriving and prosperous place it should be.

The fate of rural America and the fate of the Nation's cities are closely intertwined, more than most people realize. And it is for this reason, that occasions such as this one are so necessary and so appropriate.

For sooner or later, we must all come to realize that until we revitalize rural America, we cannot hope to improve the quality of life in urban America. Until we can provide needed opportunities in rural America to stem the tide of migration to the Nation's cities, we are fighting a losing and ever more costly battle.

Mr. PRICE of Texas. Mr. Speaker, in all the colloquy about farm problems occurring on this second Farm Day, from the point of view of the farmers and ranchers in my district—the 18th Congressional District of Texas—no farm problem is more acute than that of drought.

As I advised the membership at the time, the April 21 trip which I organized was quite successful. Secretary of Agriculture Clifford Hardin; Gen. George Lincoln, Director of the Office of Emergency Preparedness; Senator JOHN TOWER, and I were able to get a good firsthand look at the ravages caused by the terrible drought besetting the Texas Panhandle and other parts of the Midwest.

I can now report that as a result of this trip to the panhandle every county in the 18th Congressional District has been declared by the Secretary of Agriculture to be an emergency county. In addition, feed grain may be sold to eligible farmers and ranchers to preserve and maintain foundation herds of cattle at not less than 75 percent of the feed grain current basic county support rate, including the value of any applicable price support payment in kind.

For livestock other than foundation herds eligible farmers and ranchers may obtain CCC-owned feed grain at not less than 100 percent of the current basic support rate, including the value of any applicable price support payment in kind.

As regards the matter of eligibility, the sale of feed for both the foundation herds and for other livestock in a designated emergency area can be made only to a person who does not have, and is unable to obtain sufficient feed for livestock owned by him through normal channels of trade without undue financial hardship.

Grazing and haying on feed grain, wheat, and cotton acreage setaside or diverted from production may be permitted to alleviate hardship caused by severe floods, drought, and other disasters. This permission to graze or hay on set-aside or diverted acreage is given by State or county ASC committees. And it is granted for either grazing or haying on acreage only in areas certified by the Governor of the State and with concurrence of the Secretary, who designates the disaster areas.

Finally, in all these emergency counties, those who can qualify are now eligible for long-term, low-interest-rate emergency loans in the FHA.

Mr. Speaker, as a followup the focusing White House attention and action on west and south Texas drought areas I have taken two additional initiatives:

I have personally requested Treasury Secretary Connally, Agriculture Secretary Hardin, and Office of Management and Budget Director Schultz to immediately lower interest rates on FHA operating loans.

In addition, I am today introducing legislation authorizing the Secretary of Agriculture to furnish assistance to farmers and ranchers in areas, such as the 18th Congressional District, that are beset by natural disasters.

At the present time the Secretary of Agriculture is already authorized to make payments to farmers to carry out emergency conservation measures to control wind erosion or rehabilitate farm-land damages by wind erosion or other natural disasters.

My bill would augment this authority. It authorizes the Secretary in case of an emergency caused by a natural disaster to furnish livestock feed including hay, as well as commodities owned by Commodity Credit Corporation, on such terms and conditions as he may deem in the public interest. My bill also authorizes the Secretary to provide such assistance as he deems appropriate to unemployed farmworkers and ranch hands. Finally, under my proposal the Secretary is empowered to cancel up to $2,500 of the principal of emergency loans made by the Farmers Home Administration to cover losses and damage resulting from natural disasters.

Mr. Speaker, I urge my colleagues to expedite this proposal not only in the interest of the farmers and ranchers in my district who are plagued by this devastating drought, I urge them to expediate this proposal for the sake of farmers and ranchers throughout the Nation who may also fall victim to similar or other natural disasters.

Mr. BROWN of Ohio. Mr. Speaker, it is a pleasure for me to join with my many colleagues who rise today to speak about the problems and the promises of American agriculture.

Throughout our Nation's history the success and development of America as the strongest economic country in the world has been tied directly to the progress of the agricultural industry. As the American farmer increased his productivity through the decades, especially during the first half of the present cen-

tury, millions of Americans were freed from the land to provide the workers for our factories, business, and service enterprises, until today less than 2 percent of all Americans are required to grow the food and fiber for the rest of the Nation. Today each American farmer produces enough food and fiber for himself and 44.3 other people, and he has become so efficient and so productive that he does it on the same acreage that was tilled nationally at the beginning of this century—which is roughly 60 million acres less than were farmed at the peak of agricultural growth during the period from the 1920's to just before the 1950's.

But the beneficiaries of this agricultural revolution in America have not been the farmers. While the costs of food and fiber had declined for all Americans as a percentage of income, the costs of production to the farmers have climbed steadily while prices received for their products have gone up little during the past 25 years. This has forced thousands of small farmers, caught in the cost-price squeeze, off the farm or into part-time off-farm occupations in order to maintain a decent standard of living for their families. On the other hand, those farmers who have been able to remain on the farm have had to expand their holdings and investment in more expensive machinery with little promise of a more fair profit return. We need to find some answers to this dilemma or soon see the day when the "family farm" as a way of life that embodies much of our historic heritage in America is seriously endangered—if that day is not already upon us.

Nevertheless, there can be no turning the clock back in American agriculture. Progress will continue to provide Americans with an abundant and low-cost supply of food and fiber and to expand American exports in this vital field.

In the January 16, 1971, edition of the Ohio Farmer there was an excellent article by Dr. Roy M. Kottman, dean of the Ohio State University college of agriculture, outlining this challenge to American agriculture to the year 2000. So that some of my colleagues who would be interested in the article may have an opportunity to read it, I include it in the RECORD at this point:

SWEEPING CHANGES FOR AGRICULTURE AS WE LOOK AHEAD ANOTHER THREE DECADES

As we focus on Ohio life in the year 2000, we see agriculture already a multibillion dollar industrial giant in 1970, doubling in size as it continues to be the largest source of new wealth for Ohio and for our nation. We see agriculture continung as Ohio's largest employer and the most important user of land in our state.

We see fewer but much larger and more highly capitalized units among the business and industry firms which provide supplies and services to farmers, as well as those which produce our food, process it, wholesale it, and retail it. As a result of the continuing growth and development of Ohio's agricultural industry, Ohio citizens will continue to have an abundant supply of wholesome, safe, and nutritious food. They will be able to buy it for an ever-decreasing proportion of their income—less than 14 percent in the year 2000, compared with 16.5 percent today.

Our planning teams anticipate that we will have more than 16 million consumers in Ohio by the year 2000—50 percent more than today. There will be 300 million American consumers—50 percent more by 2000 than there are in 1970. And there will be six to seven billion consumers on our planet earth—twice as many as in 1970.

Population growth by the year 2000, when coupled with food requirements needed to wipe out hunger and malnutrition, will require that we produce more and more food from every acre of Ohio land that can be used to produce food. Production limitations will be a thing of the past.

By the year 2000, we'll need, and we expect to make possible through research and extension programs, dramatic increases in yields from both crops and livestock. Ohio corn yields, for example, will increase from present maximum yields of 175–200 bushels per acre (with an average of 177) to maximum yields of 400 bushels per acre and average production of 200 bushels per acre. We see the possibility to greatly increase corn yields, because we know that the solar energy striking each acre of land has the potential for producing up to 760 bushels per acre!

Our planning teams anticipate that Ohio's dairy cows will average 18,000 pounds of milk per year by the year 2000—that's twice today's production!

There may well be only 3,000 dairy herds in the state 30 years from now, but each herd will have 100 or more cows in it. And Ohio's dairy herd will produce 5.5 billion pounds of milk per year, compared with only 4.5 billion pounds in 1970.

Today we produce the majority of Ohio's livestock and poultry out-of-doors as we always have done throughout history. By the year 2000, we will produce large numbers of livestock in confinement with automated systems for recycling wastes and thereby minimizing environmental pollution. Large factory-type units will be the basis for family operations of the future. Crops as well as livestock to an increasing extent will be produced in controlled environment, utilizing inflated plastic enclosures with almost unlimited size.

Weather modification may well become practical by the year 2000. Accurate long-range forecasting will be commonplace.

By the year 2000, all fruits and vegetables for processing, and many for the fresh market, will be harvested mechanically.

By the year 2000, the pencil and the adding machine of today will give way to computers and data banks as the management tools for agriculture.

We'll be using earth satellites, and airborne platforms, for detection of plant disease epidemics, for early warning of insect infestations or of drought, as well as to inventory livestock or to survey natural resources on a world-wide basis.

Our most basic natural resource is land. Our planning teams tell us that we'll be increasingly concerned about how it's used in Ohio during the next 30 years. More effort will be expended in taking steps to preserve the beauty of our land resources, and to conserve the productivity of our farms.

At the same time, we will become even more vitally concerned about those problems which arise when too many people have too little space in which to live. Today, 43 percent of all Ohioans live in just five counties. If present trends continue, we'll have 48 percent living in just seven of our most highly urbanized counties.

We face a choice. We can continue crowding into our cities, or we can develop the economy of our rural counties so that they will become the centers of population growth. Our planning teams have indicated a conviction that population redistribution to rural areas will be well underway in Ohio by the year 2000.

But if this is to take place, we must revitalize our small communities. These communities must develop new industries to provide more jobs, and they must find ways to provide more and better housing with greatly improved public facilities and services. If we are to have viable rural communities throughout Ohio by the year 2000, we must systematically review and update our community government and tax structures, even as we develop the format for wise action in planning and zoning.

All across Ohio, we expect to see a restored environment by the year 2000. Air that was once clean and is now polluted will be clear again. Water that was once fresh and is now polluted will be safe again. Once-beautiful landscapes that are now cluttered will be enjoyable again. The hunter will not want for wildlife, because we will have preserved land where wildlife will flourish. The fisherman will not want for fish, because we will develop new impoundments, and new species of fish suited to farm ponds, streams, and lakes.

There will be plenty of opportunity for both youth and adults to learn about our wildlife and other natural resources. Commercial forestry will continue to be a significant industry in our state, but our six million acres of forest land will increasingly provide abundant opportunities for Ohio families to "get away from it all" in a host of new recreation areas close to home for Ohio families to enjoy.

We'll have more than five million families in Ohio by the year 2000, compared to about 3½ million today. Our greatest population increases will come in the younger and older age groups. Family life styles will continue to change in response to changing social patterns as we seek to find ways to avoid the alienation now affecting our society. Many of the traditional family functions will continue to be transferred outside the home to institutions such as day care centers and schools, as the proportion of mothers working outside the home continues to increase. However, in spite of pressure that would undermine the structure of the family, we believe that the family will still be the basic social unit in our society as we move toward Life 2000.

Income for Ohio families is expected to double to an average of $20,000, thus enabling the large majority to enjoy the "good life 2000." Of major concern to many families will be decisions of how to best use increased income and an abundance of material resources. We believe, however, that despite a continually improving situation, there will be some families concerned with obtaining enough resources to meet basic needs. Hopefully, we will virtually eliminate the poverty seen today in the 875,000 Ohio families who have less than $5,000 annual income.

During the coming years, we believe that there will be a marked reduction in substandard housing in both rural and urban areas. We see a need to build more than 70,000 housing units during each year of the next 30 years to raise housing standards and to accommodate the needs of new families. Houses in Life 2000 will not only be more aesthetic but will be designed also to eliminate drudgery through such developments as automated meal centers.

There has been evidence of a declining nutritional status among our U.S. population in recent years. In 1965, for example, only half of all Americans were found to be consuming adequate diets, compared with 60 percent a decade earlier. By the year 2000 we believe all consumers can be educated to the importance of maintaining good eating habits. We'll have the potential to eliminate the unknowns associated with nutrition and health, and to provide abundant quantities of highly nutritious food to our population. We will have reversed current trends, and virtually eliminated inadequate diets among the people of Ohio and the United States.

We are all consumers. Present trends suggest that in the years ahead we'll be spending relatively more for services, compared to expenditures for goods; more for personal

satisfaction and proportionately less for necessities. As consumers, we'll be better informed and better protected in Life 2000.

As we look to the turn of the century, more than three million Ohio consumers will be youth between the ages of six and 18. These will be better educated than previous youth. They'll start to school at a younger age—as early as age three! Emphasis will be on individualized learning both in school and in family learning centers located in the home. Tomorrow's youth will have greater opportunity for vocational and technical education.

Tomorrow's youth will be more intelligently aware of social and economic issues than they are in 1970, and they will be more involved in helping to avoid problems such as drug abuse, malnutrition and social inequality.

The youth of 2000 will be concerned about their health and appearance and with development of skills as well as leadership abilities. Both youth and adults will be better informed about our world, for the world will continue to shrink because of advances in transportation and communication.

By the year 2000, many more Americans will live and travel in foreign lands. International trade will expand.

How extension will help you in the next 30 years:

In the new world of three decades hence, the Ohio Cooperative Extension Service will be helping to build a better "Life 2000" in Ohio. Our basic mission will be to continue helping people to utilize educational information in solving problems, with emphasis on ideas. Let me illustrate:

Innovation (synthesis of new ideas);

Development (making new ideas practical);

Education (translating new ideas into action);

Assistance (making action meaningful);

Service (meeting the needs of society).

During the next 30 years, we will continue to serve all rural residents of Ohio, but we will also expand our efforts in urban areas. Thus, our audience will be all the citizens of Ohio.

We will continue our programs directed toward commercial agriculture, and assisting Ohio farmers to obtain maximum economic returns. Greater emphasis will be directed toward assisting agricultural businesses and marketing firms, especially food processing firms, to improve their products and services.

Through our work with farmers, we will be instrumental in boosting annual income from meat animals from an average of $377 million now to $575 million by the year 2000; dairy products from $239 million to $450 million; feed grains and hay from $162 million to $240 million; soybeans from $136.5 million to $240 million; poultry and eggs from $97 million to $150 million; vegetables from $61 million to $120 million; greenhouse and nursery crops from $51 million to $100 million; and fruit from $12 million to $30 million.

We expect income from sales of livestock and livestock products to increase from $713 million at present to $1.175 billion annually by the year 2000. Sales of crops will go from $499 million to $825 million; and total farm income will increase from $1.2 billion to $2 billion by the year 2000.

For our part in achieving these goals, we plan to develop a computerized record-keeping and analysis system that will assist farmers as well as all members of the agri-business community in improving their management capabilities. Services such as forage testing and pesticide monitoring will be added to our present highly successful services of soil testing, livestock performance testing, and plant tissue analysis. In addition, we will use computers to minimize the use of persistent pesticides and to improve all facets of the marketing of farm products. We believe that the computer will be a significant tool in helping Ohio farmers reach the goal of $2 billion in farm income by the year 2000.

Mr. MICHEL. Mr. Speaker, I am not going to try to cover ground already covered so well by my colleagues here this afternoon.

The problems of agriculture have been definitely outlined. The statistical proof of agriculture's importance to the national economy has been cited. The significance of rural America's contribution to our society has been pointed out, and the case for renewal attention to the needs of agriculture and rural America has been put before us in very persuasive fashion.

These are points which must be made, and I want to commend my colleagues for presenting them so cogently.

There is another point, though, which also needs to be made. It has to do with an aspect of our approach to farm problems which I feel is a critical element in our eventual success or failure in finding solutions to those problems. I am talking about attitudes.

How many times in approaching an agricultural problem do we automatically take the attitude that government, not the farmer, must provide—or attempt to provide—a solution?

How often do we neglect to look for mechanisms to help farmers help themselves, and create instead, another layer of bureaucracy, or another level of decisionmaking?

Obviously, in many cases we must turn to the Federal Government for control, mediation, regulation, financial assistance, as the case may be. But, there are many, many instances where what farmers really need are new or different legal tools—mechanisms with which they can work together to solve their own problems.

As a member of the House Appropriations Subcommittee on Agriculture and Environmental and Consumer Protection I have seen firsthand how this approach works. Given their heads, with the help and encouragement of Government, farmers themselves have accomplished things that no amount of money and Government decisionmaking alone could have achieved. And everyone—farmer, Government, and consumer—benefits from this in the long run.

Mr. Speaker, President Nixon is to be commended for his efforts to tune in the voice of agriculture and rural America. His intention to set aside May 7 for a salute to the Nation's farmers is especially fitting, and is welcomed by all of us who represent agricultural areas.

The President said:

We hope to remind the Nation symbolically by this day at the White House how much America owes to the farmer.

And I wholeheartedly share his hope that this event will help dramatize to the American people the farmers' contribution to our way of life.

It must also remind us, Mr. Speaker, of how much harder we must work to get the farmers' story to the consumer, to improve the agricultural economy and to put U.S. agriculture on a par with other sectors of our economy. If the American people expect to continue to be fed they must also expect to adequately pay the producer of that food.

Mr. SEBELIUS. Mr. Speaker, I would like to conclude by stating that I wish to extend my thanks to all who have participated today, and especially to the gentleman from Montana (Mr. MELCHER), the gentleman from Iowa (Mr. SMITH), and the gentleman who is going to follow me, the gentleman from Minnesota (Mr. ZWACH), for their bipartisan efforts to present the farmers' problem.

GENERAL LEAVE

Mr. SEBELIUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to revise and extend their remarks and to include extraneous matter.

The SPEAKER pro tempore (Mr. HUNGATE). Is there objection to the request of the gentleman from Kansas?

There was no objection.

SECOND FARM FORUM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. ZWACH) is recognized for 60 minutes.

(Mr. ZWACH asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. ZWACH. Mr. Speaker, I am glad that some of you have stayed, and I address myself especially to those at the rostrum, and those who have suffered with the long-suffering agriculture in this country of ours.

Second, Mr. Speaker, I must compliment the gentleman from Montana (Mr. MELCHER), the gentleman from Iowa (Mr. SMITH), and the gentleman from Kansas (Mr. SEBELIUS), for taking this time today and for keeping their remarks on a broadly based and nonpartisan basis. While there was some strain, the people who have provided this time are sincerely interested in truly helping countryside America, and I must commend them for that position.

As you know, Mr. Speaker, I have long been the advocate of parity for rural America. In fact, I am known as "Mr. Parity" around much of the Capitol, and to indicate the nonpartisanship of this principle I would like to insert now in the RECORD the parity on January 1969, and on April 1971, for some of the main products. I will recite these to you, and then I wish to comment on them.

Wheat, in January 1969, 47 percent of parity; April 1971, 48 percent.

Corn, 1969, 65 percent of parity, and in 1971, 76 percent of parity.

Cotton, 1969, 41 percent of parity; 1971, 43 percent of parity.

Milk, 1969, 83 percent of parity; 1971, 82 percent of parity.

Butterfat, January 1969, 74 percent of parity; April 1971, 70 percent of parity.

Barley, 1969, 71 percent of parity; April 1971, 69 percent of parity.

Sorghum, January 1969, 70 percent of parity; April 1971, 71 percent of parity.

Soybeans, January 1969, 70 percent of parity; April 1971, 71 percent of parity.

Beef, 1969, 78 percent of parity; April 1971, 85 percent of parity.

Hogs, January 1969, 74 percent of parity; April 1971, 55 percent of parity.

Mr. Speaker, this indicates that some products rate a higher parity today than they did in January 1969, and some are lower.

Wheat, corn, cotton, sorghum, soybeans, and beef are at a higher percentage of parity today than they were in January of 1969.

Wool, flax, oats, hogs, lamb, eggs—and especially hogs and eggs—are at a much lower percentage of parity today than they were in January of 1969.

So we see the real thrust of what needs to be done.

I think I should point out again to the House that every percent of increase in parity means almost a billion dollars to countryside America. If we would have had this year or last year parity of income for rural America, we would have funneled about $20 billion of additional dollars.

There is not much that would not go away that is wrong with countryside America if we had parity there where it belongs. Our young folks would not need to be moving. Our business places would not be boarding up. There would be opportunity—there would be the ability to support schools and churches and our other facilities would be there. The real problem of countryside America is increased income. I must repeat again what I said at the last meeting—the No. 1 problem of countryside America is a fair income. The No. 2 problem is fair income. The No. 3 problem is fair income. From there we can go to credit and sewers and all of the other facilities.

Mr. Speaker, at this point I include in the RECORD a letter from a constituent of mine whom I know personally who lives at Belview, Minn., who has written this letter about the farm situation.

BELVIEW, MINN.,
April 28, 1971.

Hon. JOHN ZWACH,
Washington, D.C.

DEAR JOHN: I see by the paper that you will appear at a hearing for agriculture on May 3rd. I would like to say that something needs to be done soon if some of the farmers are to stay in business.

My net income from farming last year was $1,094. We had a good crop too. Price for our products are just too low compared to expenses.

What we really need is a new marketing system. Ours is as out dated as the horse and buggy. For fifty years I've thought there is something wrong when the farmer goes to town with his product and says—how much will you give me? When he goes to buy something he asks—how much is it? The answer as naturally—the cost of the item plus a profit. That is what the farmer should have—cost plus a profit.

At 5% interest I should realize $5,000 on my investment with out farming. It isn't there.

My bus driving helps keep us eating.

I know many farmers say that this is their last year. They are losing too much of their investment.

Keep plugging for us farmers.

Sincerely,

DONALD W. KRINKE.

Mr. Speaker, I do believe that we are definitely seeing some results from these discussions. The fact that the President on yesterday made a farm speech in California, I think is indicative that there is some indication that we are getting some attention.

Mr. Speaker, I include in the RECORD at this point an article from the New York Times that gives a big headline to our countryside problem and to the fact that the President has addressed himself to it.

I think it is a definite sign of progress.

Mr. Speaker, the article is as follows:

NIXON PROMISES TO HELP FARMERS RAISE NET INCOME

(By James M. Naughton)

LAGUNA BEACH, CALIF., May 2.—President Nixon hailed the "surging vitality of our agriculture" today and pledged to help farmers realize more of its rewards.

In a 14-minute radio address, the first of several that he plans to deliver on domestic matters, Mr. Nixon discussed the irony of agriculture's setting "a brisk pace for the rest of our economy" while farmers face a "perennially troublesome cost-price squeeze."

He outlined a series of initiatives that his Administration was taking to cure blight and disease imperiling farm crops and animals, expand export markets for American farm goods and eventually replace Government restraints on farmers with a free market offering "the brightest future for agriculture."

TALK IS TAPE RECORDED

The radio message, broadcast nationally at 3:05 P.M. Eastern daylight time, was tape recorded this morning on the estate of Walter Annenberg, United States Ambassador to Britain, at Palm Springs. Mr. Nixon spent the night there.

Mr. Nixon appeared to be attempting to put the best face in his Administration's farm programs, which have come under increasing attack from farm belt members of Congress, and were blamed by Republicans for the loss of Middle Western governorships to the Democrats in the elections of 1970.

Last Friday, the Agriculture Department issued monthly statistics that showed the farm parity level—a ratio between farmers' costs and prices—was at 69 per cent. Mr. Nixon told in audience in Des Moines, Iowa, in September, 1968, when he was seeking the Presidency, that he could do better than the Democrats, who, he charged, had allowed the parity level to fall to an "intolerable" level of 75 per cent.

HIGH COSTS CITED

"All in all," Mr. Nixon said today, "it is clear that the total income of American farmers will be higher this year than ever before in our history. But this brings me to another of the major difficulties which confront our farmers, the fact that increases in total income are not always reflected in more net income. The reason, of course, is the high cost of farming."

The President said that he was pleased that, "while the battle is far from won, we are definitely making progress against inflation," which hits farmers twice, raising both the cost of farming and the farmer's cost of living.

Farm exports which "actually dropped" in 1968, are now at their highest level and should reach a total value of $7.4-billion by the end of June, Mr. Nixon said. To meet a goal of $10-billion a year, he announced an increase of $1-million, to a total of $28.7 million, in funding for the Foreign Agricultural Service in the fiscal year beginning July 1.

The President announced these other initiatives, which White House officials said totaled $50.6-million in new spending and about $350-million in Federal loan guarantee authority.

A request to Congress to replace a program of Federal farm operating loans with a new system of Federal guarantees for private farm operating loans, along with a directive to the Farmers Home Administration to increase availability of insured ownership loans to farmers from $210-million to $350-million in the fiscal year 1972.

Another budget request, for $7.6-million, to conduct research into such problems as southern leaf blight, control of cattle ticks and study of disease resistance in plants, plus an administrative shift of $2-million in the budget for the fiscal year 1971 for research on control of the fire ant and gypsy moth, which threaten Eastern timber stands.

A request for approval from Congress to add $12-million to the current appropriation of $135-million for the Soil Conservation Service and to raise to $105-million Federal grants for small watershed projects. Mr. Nixon would also raise the level of spending on insured loans for rural water and sewer systems to a total of $300-million in the fiscal year 1972.

The President alluded to an old Republican theme, a free market for agriculture, by noting that 60 per cent of farm income comes from commodities that are not under price support programs. He said, "It seems to me that the brightest future for agriculture lies in actions that stimulate new energy in the market system."

The radio address contained no mention of the President's rural revenue sharing proposal or of his plan to consolidate his Cabinet departments, eliminating, for one, the Department of Agriculture. Mr. Nixon dealt entirely with the problems of farm owners and operators, making no reference to the burdens faced by farm workers and migrant field hands.

The speech was a prelude to the "Salute to Agriculture Day" Mr. Nixon will hold on Friday, when a miniature county fair will be held on the White House grounds.

Mr. Speaker, on May 7 the President is going to give a salute to agriculture at the White House, which is another first in trying to bring the problems of countryside America, which have caused the problems of urban America, to the attention of our people. From reports I have seen, the President is going to say that we owe a great debt to countryside America. It is my hope that we will start doing what we can in Washington and that producers will start doing what they can out in the countryside toward making some payments on the great debt we owe countryside America.

It is time now—it is already late—it is time that we start making some payments on that debt that we owe to countryside America.

The President has appointed a Rural Affairs Council, another first in bringing to the attention of our people the problems of the city and the problems of the country.

The President has recommended revenue sharing, and for the first time in history there is not only an urban renewal and development feature in that program but there is also rural development in the amount of $1 billion, which I think is indicative of the reversal that is taking place in this entire area.

The Congress has taken some good steps. We have enacted the food stamp. Do you know that right at this moment the food stamp program involves an expenditure of $2 billion a year? From $180 million, when I came to Congress 5 years ago, it has risen to a figure of $2 billion right at this moment, providing nutrition for the people of our country,

and by indirection giving an outlet for surpluses of farm products.

The administration has initiated a large subsidy program through which they have spent a great deal of money to help ship surplus lard, which is the real drag on the hog market, into their areas. They have initiated a large pork-buying program. The 160 million pounds of pork have been purchased, a double purchase for the military, purchases for the school lunch program, and other needy purchases.

Dairy supports have been raised. We have had the largest signup on a farm program in history. These are some indications that everywhere things are stirring in this area.

Mr. Speaker, I include in the CONGRESSIONAL RECORD a very brief statement from the American Farm Bureau Federation's official newsletter entitled "Farmers Are 'Penalized by Inadequate Prices,' Kuhfuss says in New Mexico":

FARMERS ARE "PENALIZED BY INADEQUATE PRICES," KUHFUSS SAYS IN NEW MEXICO

Farmers are proud of their productive efficiency, but believe they should be properly compensated for it rather than penalized, William J. Kuhfuss, president of the American Farm Bureau Federation, said in an address to the Curry County Farm Bureau's farm-city dinner at Clovis, New Mexico, on April 27.

"We as farmers and ranchers are proud of the efficient job we are doing in feeding the nation, as well as meeting some of the food needs of our foreign neighbors, but instead of being rewarded we are being penalized by inadequate prices," the national farm leader said.

The parity ratio for March 15, he pointed out, stood at 70, only three points above the low mark of December, 1933. The parity ratio is derived from a formula which takes into account the relationship between farm prices and farm costs in comparison with a 1910–1914 base.

Some farm commodities are well below the 70 figure, which is an average for all farm products.

Cotton, for example, stands at 41 percent of parity and wheat at 48 percent.

"It is obvious that agriculture is not doing well in relation to the rest of the economy even though there has recently been a decline in business activity," Kuhfuss said.

The farm leader blamed continued inflation resulting from excess government spending which has pushed farm production costs to all-time highs, and ineffective government farm programs for the state of the farm economy.

"As long as farm programs are related to political decisions instead of economic decisions, we are going to be subjected to a cheap food policy," Kuhfuss said. "Political decisions are based on pleasing the greatest number of voters, and non-farmers out-number farmers by 96 to 4."

"The business community should be concerned about the current disparity between agriculture and the general economy," he added, "because a healthy and prosperous agriculture is essential to the well-being of the total economy."

Kuhfuss said that he recognized that there are many different opinions on national farm policy, and added that he thought this is beneficial rather than detrimental.

"I think part of the strength of America and American agriculture lies in the opportunity for individuals to differ in their opinions and for them to be allowed to express these differences.

"Similarly, I believe organized agriculture is stronger, not weaker, because we have organizations subscribing to different basic philosophies. We are proud that 1,943,181 families are voluntary members of Farm Bueau, and that four out of five U.S. farmers who belong to a farm organization belong to Farm Bureau. We in Farm Bureau believe we are part of a dynamic, progressive, strong organization dedicated to improving the opportunity for farmers and ranchers to earn and get higher net family farm incomes.

"We are firmly committed to the belief that agriculture is basic to our total economy. The significance of agriculture today is just as great as it ever has been. Today there are fewer people in commercial agriculture than in the past, but the impact of agriculture on our national life has not diminished."

Major concerns of farmers and ranchers in the 92nd Congress involve farm labor relations, farm bargaining, international trade, measures to curb inflation, and protecting farmers' opportunity to use necessary agricultural chemicals, Kuhfuss said.

New marketing legislation is needed, he explained, to provide the necessary legal framework within which farmers can build their own effective marketing and bargaining programs and improve the function of the market system.

Enactment of legislation governing farmer-worker relations is needed to establish guidelines to protect the rights of both farm operators and workers and to provide producers a free access to markets.

"The public interest," he added, "dictates that consumers, too, need this legislation to protect their right to buy desired food products in the marketplace," he said.

"We are also concerned about our nation's trade policies. Our major market is here in the U.S., but we cannot afford to build a fence around America. One-fifth of all cropland harvested in the U.S. is used to produce for export. Our objective is not free trade—but a freer trade.

"It is obvious why we in agriculture are concerned about a sound national fiscal and monetary policy," Kuhfuss said.

"The root cause of inflation is deficit financing. Much of the increased cost of farm production is the result of government-fed inflation. Unlike some industries who are able to pass these increased production costs on to the consumer, we in agriculture have to absorb them, and this means a further reduction in an already low net income.

"We in Farm Bureau are also concerned about our national land policy. As a Midwest farmer, I am delighted to have this opportunity to see and learn more about our public lands and their relationship to agriculture.

"I believe that we can have wise use of our land resources if primary consideration is given to the fact that local involvement and local decisions are essential in all decisions in this area.

"Farmers and consumers also cannot afford a complete ban on the use of agricultural chemicals. Continued use of such agricultural chemicals should be determined on a product-by-product and use-by-use basis, and based on research and scientific data."

I am happy to report that things are happening on the home front. Farmers are organizing more. They are beginning to bargain.

The gentleman from California (Mr. SISK), last week introduced legislation that would strengthen the new bargaining process and force processors to bargain with producers. I am myself, this week, introducing that legislation. There is movement in that area.

There is recognition that in Congress not all things are going to be done to bring a fair return, and that some of it must be done at the other level.

Mr. Speaker, there are a great many things I could say further, but we have had a long and I believe a fruitful program. I will withhold some further statements, except that I want to relate that I have introduced legislation today with regard to rural medicine and rural health.

Mr. Speaker, we have been discussing many of the problems of rural America here this afternoon. We have pointed out the low income, the need for industrial development of our rural communities. Another problem that I would like to point out to my colleagues here is the shortage of health-care personnel in our rural areas and the need to strengthen the delivery of health-care services to rural Americans.

In most of our small communities, anyone can tell you that the major community problem is the difficulty in obtaining the services of a physician. When a community loses its medical personnel, it results in economic decline. No industry can be brought to a community that is not complete in its services, and those industries that are present begin to leave, and we watch the loss of young families from the communities that could be the best environment for family life.

Our whole country faces the need for a reassessment of our total health care. But nowhere is the problem more pressing than in our rural areas. Rural areas contain a disproportionate number of people of over 65 years of age and the lower incomes in rural areas combined with the sparse population cause residents of these areas difficulty in competing with residents of higher income, higher density areas for medical services.

In 1967 the President's National Advisory Commission on Rural Poverty reported that although about 30 percent of our population still lives in rural areas, about 12 percent of our physicians, 18 percent of our nurses, 14 percent of our pharmacists, 8 percent of our pediatricians, and less than 4 percent of our psychiatrists are located in our rural areas.

Adding to the shortage of health personnel is the fact that rural people often must travel considerable distances in order to utilize the services that are available. The general inadequacy of emergency services such as transportation and specialized treatment contributes to the very high accident fatality rates in rural areas.

I do not believe it is unreasonable to believe that things will get much worse unless major corrective actions are taken. The communities that now have physicians or losing physicians are facing great difficulty in finding replacements. Part of this relates to the reluctance of young physicians to practice in isolated areas, but it also relates to the fact that our medical schools are turning out fewer and fewer general practitioners. Ninety percent of our medical school graduates now specialize.

Mr. Speaker, I am today introducing legislation to encourage our young people interested in a life of medicine to prepare themselves for family practice in our rural communities in order to help

alleviate the present shortage of medical personnel.

The first bill would provide payment of outstanding medical school expenses to certain medical personnel if they agree to practice in an area designated as having a shortage and need for medical help.

The second bill is more comprehensive in that it would provide grants to students from rural areas to attend medical school if they agree to return to their rural areas. In addition and more importantly, this bill would provide demonstration projects for health care in rural areas. These projects would include:

First, projects designed to provide physicians and allied health personnel access to diagnostic and consulting servics of major medical centers through expanded use of modern communications and monitoring systems between rural areas and such medical centers;

Second, projects for the establishment of medical clinics in rural areas to be operated on a full- or part-time basis to provide greater health care services to area residents;

Third, projects for utilization of mobile diagnostic units and training of personnel; and

Fourth, projects for expanded use of emergency health transportation and emergency care through the use of helicopters and radio dispatched road vehicles.

Thousands of rural communities across the country today are fighting for their very survival. The availability of health care services is a vital part of a community. When the services are no longer available, the life of a community is seriously threatened. The absence of health services encourages greater outmigration and makes it virtually impossible for that community to attract new businesses and industry. There is no doubt but that adequate health care and economic vitality adds to the ability of a community to survive and grow, and providing adequate health care has to be a necessary part of our rural community development efforts.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Mr. Speaker, I am glad to join in tribute to the farmers and in pointing out what I consider to be the No. 1 problem of our land; that is, the situation we have in our rural areas.

Anyone who is cognizant of the fact that in the years 1950 to 1960 inclusive, 800,000 people a year left rural America for already overcrowded cities and in the 10-year span from 1960 to 1970, 600,000 people a year left rural America for our already overcrowded cities, who is not cognizant of the fact that we do have a farm and a rural problem, just does not have a conscience.

Now, what has happened in the past 20 or 30 years so that this situation would develop? I believe I can best illustrate it by an experience I had as a small boy when I was living on a farm.

Our farm happened to be where there was a very wild forest. Just as soon as I was able to comprehend stories I heard the horror stories, being warned about not going into that forest. My mother, father, sisters, brothers, and my neighbors would tell me never to go into that wild forest.

I wondered why. They told me that for some reason or other—no one knew where they came from—in that forest were a group of wild boars, and therefore I was to stay away from that forest.

All the horror stories and scare stories were told to get children to stay in line, and they would say, "If you do not behave we will send you to the forest where these wild boars are." It was the folk story of the times, of the era and of the place.

So at one time a man who was a traveling salesman, with the stovepipe hat and an undertaker's coat, and a horse and buggy, happened to come into one of the church gatherings, and they started to tell him the story about these wild boars. He became quite intrigued by these wild boars that were in the forest, so he went out into the woods to take a look. Everybody laughed and said "Good bye, Mr. Salesman, we will never see you again, the man with the stovepipe hat, the man with the undertaker's coat."

In several hours he came back, and he went over to the store, and he said, "Give me an ax." They all thought he was going into the forest to kill these wild boars with an ax.

He stayed there for a couple of days, and then he came back with the ax. This time he came in and he asked for a half bushel of corn.

He went out to the forest, and everybody thought he was crazy. First he took the ax, and now he wanted the corn.

In about 4 hours he came back out of the forest. All the neighbors were gathered around, wanting to know what happened. He said, "I want to show you something." So he took them out to the forest. He had built a pen with the ax, and in that pen were 50 wild boars. The neighbors said, "How in the world did you do it?" He said, "It is very easy. Just give me the choice of a free handout, and I will capture the wildest animals in the forest." In this case it was a few kernels of corn.

That is exactly what we did to the farmers of the United States of America. With a few kernels of corn we took away their freedom and liberty, just like this man with the stovepipe hat and the undertaker's coat took away the freedom and liberty of these wild boars of the forest. How did we take away their freedom and liberty? By the promise of a few handouts, a few kernels of corn. In this particular instance it happened to be by their saying, "If you will let us run your farm and let the Government tell you what to sell and what to reap and how much, we will give you parity."

What is parity? They never told the farmer what parity would be—whether it would be 47 percent, like my good colleague over here pointed out, or 50 percent or 75 percent or 90 percent or 100 percent. They fell for the handout of parity which they never got and which happened to be an illusion and not a good thing. So, with this illusion of parity in the last 20 years, what did we get? In the first 10 years we had 800,000 people a year leaving the farms. In the second 10 years we had 600,000 people leaving the farms. In that way we arrived at the situation we face today.

What we have to do is to set the farmers free. We captured them and took away their freedom by the illusion of parity, but we have to set the farmers free in the United States in order to let them produce what they want. God knows the biggest problem in the world today is hunger. The American farmer has the know-how to lick the world's greatest problem if we would only let them go and free them.

At the same time parity turned out to be a disadvantage to the farmer. Stripped of all of its artificialities, what is parity? It is price control. We have price control by the Federal Government today in only one segment of our economy, and that is the farm segment. Parity instead of being something beneficial to the farmer has turned out to be his greatest liability. Parity is price control.

I was in the sad situation about the middle of March of having the dairy farmers of my State coming to Washington practically on their hands and knees. For what? They said, "Mr. Congressman, can you not, please, beg the President, beg the Congress, and beg the Secretary of Agriculture to raise the parity on milk from 80 to 85 percent?"

What is that but price fixing? When they are getting 85 percent, that means 85 percent of the cost of production. They are losing 15 percent on every 100 pounds of milk they produce at 85 percent parity. They were thankful that they got a raise from 80 to 85.5 percent of parity.

But look how the farmers lost their freedom to the point where they have to come to Washington, D.C. They are the only segment of our economy that has to beg for their prices. If you let the farmer go free and give him freedom along the lines that I advocated a long time ago, the freedom that we give to every other segment of our society; namely, the freedom of collective power and collective bargaining, he will be all right.

The farmer is the most unselfish segment of our society. My farmers told me, "Congressman, we do not want any of these handouts from the Federal Government, we do not want these kernels of corn that took away our liberty and our freedom in return. We do not want anything from the Federal Government. What we would like for the Federal Government to do is to leave us alone. What we want is a fair price for our product in the market. We do not want Government handouts. We want a fair price for our product—cost of production plus a fair profit in the market." How unselfish are their demands? That is all they want—is a fair price for the product.

They want a fair price for their product, cost of production, plus a fair price at the marketplace. That is all they want, and they will be able to achieve it through a system of collective bargaining.

Mr. Speaker, there is just one other step we have got to take besides letting them free and giving them collective bar-

gaining, and that is educating the consumer. Unfortunately, the consumers in America outnumber the farmers 50 to 1 and that is where the disadvantage is. I know, because I was in a household during the Easter holidays. I was there at a time when the housewife called the grocer. She ordered one case of beer, 2 gallons of wine—and, how much is milk today? Twenty-four cents a quart. How much is bread today? Twenty-three cents a loaf. They do not argue about the price of a case of beer. The average consumer does not argue about the price of 2 gallons of wine, but when you ask 23 or 27 cents for a loaf of bread or a quart of milk, my God, it is outrageous.

We have got to educate the consumers of America to the fact that a quart of milk, a loaf of bread, is worth just as much as a bottle of beer. If we accomplish that, the farmers will have good times in the United States of America.

I hope I have contributed something toward making life better in the United States of America for farmers.

I thank the gentleman from Minnesota for yielding to me.

Mr. ZWACH. I thank the gentleman from New York very much for his contribution.

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

Mr. ZWACH. I yield to the gentleman from North Dakota.

Mr. LINK. I thank the gentleman from Minnesota (Mr. ZWACH) for yielding.

Mr. Speaker, in my 3½ months in Congress, I have been struck by one fact above all others: the distortion in the Nation's priorities.

Nowhere is this distortion more apparent than in the lack of attention to rural America.

As a Congressman from the most agricultural State in the Union, I naturally place the well-being of farmers and rural America high on my priority list. But in doing so, I am not indifferent to the pressing problems of our Nation's cities. I am solidly convinced that we will make substantial progress on urban renewal only when we place equal emphasis on rural renewal.

We see, on one hand, less-populated rural areas where people are leaving the farms and ranches and small town communities seeking opportunity elsewhere. We see, on the other hand, congested cities where 100 million Americans face a continued deterioration of services.

Both conditions are part and parcel of the national problem of population imbalance; too little opportunity in the countryside and too little space in the cities.

We train and educate our young people in North Dakota only to see them lured to job opportunities elsewhere, adding to overcongestion in other States.

The present administration has not taken a rounded view of the interrelated problems of rural and urban America. Nor has the Congress faced up to the issue.

Since most Americans live in cities, their very urgent problems receive primary attention.

During this second Farm Day in the House of Representatives, it is our purpose to tell the story of the equally urgent problems afflicting rural America.

We have sustained severe losses in farm and farm population because of dwindling farm income. In North Dakota, nearly 100,000 people have abandoned farming in the past two decades.

The result is a lower tax base and a gradual diminishing of the number of people necessary to support such essential institutions as schools, hospitals, churches, and recreational facilities.

The policies of the present administration have aggravated this trend. During its term in office—agriculture, the lifeblood of rural America—has sustained blow after blow. Prices received by farmers for their products have averaged below 75 percent of parity, while costs of farm production have steadily increased, resulting in a cruel cost-price squeeze.

Businessmen in the towns and cities of rural America feel the fallout.

For the present fiscal year, the U.S. Department of Agriculture has failed to spend $1 billion in funds already appropriated by Congress for programs affecting rural areas. Most seriously hurt are the Farmers Home Administration and the Farm Credit Administration. And we can take cold comfort from the proposed budget cuts submitted by the administration for the next fiscal year for basic agricultural programs like the Farmers Home Administration, the Rural Electrification Administration, and soil conservation.

To these blows, add freight-rate increases of 23½ percent in North Dakota in the past year and a half, and you have a crushing burden on farmers, and on businessmen in rural America.

Coming on top of the other blows to agriculture is the Administration's proposal to abolish the U.S. Department of Agriculture. That plan gives a true indication of how this administration feels about rural America.

The truly bad thing about dismantling the Agriculture Department is that it would further weaken the already weakened voice of the farmer in Washington. Doing away with the Agriculture Department would destroy the focus the Federal Government has given agricultural problems since the creation of the Department 109 years ago.

This neglect of rural America is unwise public policy from the point of view of both rural and city people. We should be expanding opportunities in rural areas and making them more attractive places to live, thus stemming the heavy rural migration to our overcrowded cities.

Ten days ago our North Dakota congressional delegation was invited to attend a statewide meeting to discuss the fast-growing farm crisis. Fifteen-hundred actual farm men and women from all parts of the State came to our capital city of Bismarck to hear talks by their Senators and Congressmen.

Following our talks we sat for almost 3 hours and listened to the farmers "tell it like it is." I found a mood of deep concern and frustration.

I personally took notes from which I recall the following statements.

One farmer said:

Farmers feel defeated, frustrated and angry. I hope the National Farmers Organization can lead the farmer revolt rather than be run over by it.

Another said:

Our State is 48th in teachers' salaries but ranks 11th in effort of tax per capita. We are trying to improve conditions but under the present poor economic policies we are just spinning our wheels.

Others expressed sharp displeasure with Department of Agriculture administrative policies and Commodity Credit Corporation rulings.

One farmer said:

We are pursuing a crazy policy to chase people off the land. We need to stress the human element rather than the economic factors.

A Dickey County farmer who cropped 1,310 acres in 1969 had a per acre income of $29.78. Costs were $27.09, leaving a return of only $2.69 per acre. Multiplied by 1,310 acres, this gave him and his family a total income for that year of $3,523.90.

While adequate credit at reasonable rates was regarded by all as absolutely essential, these farmers pointed out the long-range answer is fair prices.

A farm machine dealer said:

Each time you go to a bureau or department for assistance they tell you why it can't be done. There exists an insensitivity toward the real needs of agriculture and its people.

Others at the meeting voiced lack of congressional control of the monetary policy as the cause of our economic problems.

One man said:

We are given too much run-around from politicians and professors.

Several people expressed dismay that some economists reject the importance of increased prices to the former for his products. Such insensitivity by our institutions of higher learning creates resentment and widens the credibility gap between those who toil with their hands and those who are supposed to toil with their minds.

A young State University engineering graduate could not get a job in his field of learning and wants to return to the farm and make agriculture his career. He has been unable to secure the credit he needs. He pointed out that many young people need help to get started in farming and business.

Still another speaker said:

We need a new attitude by the Farmers Home Administration. They are too pessimistic.

A final comment was that if farmers got fair prices in the market place there would be no need for special programs.

Mr. Speaker, I want to underscore a few points. First, these farmers came to this statewide meeting in the midst of spring planting. Many of them said they had shut off their tractors that day in order to come to "tell it like it is."

Second, there is evidence of growing frustration and loss of confidence in the legislative and administrative process of Government. I repeat the sentiments of the man who believes our Government bureaus are staffed by papershufflers with concern for the human element almost

completely buried in red tape and indifference.

Third, I would call to the attention of the House the fact that, while many of these farm-owner-operators may show a property statement suggesting affluence. this property is the "tool kit"—and a rather expensive one—without which he cannot even begin to produce the abundance of food that makes this the best-fed nation for the smallest percentage of consumer income spent for food of any nation in the world.

There was a further undercurrent that threaded its way throughout that farm meeting. The farmer by nature is peace loving and extremely patient. He has to be. He needs his neighbors in times of emergency and cooperates with them for the mutual benefit of himself and his community. The farmer works in daily concert with nature and all the uncertainties of the elements—thus the need to "roll with the waves." Much of his work is projected a year at a time with no assurance of return for his investment of money and energy. All this tends to develop a loyalty to his community and a "love of the land."

To the true farmer, his land is not a cold, impersonal investment held only for profit. It is living and life producing and a place where he and his family can live and toil while they help nature give of her abundance to fill the horn of plenty for hungry people the world over.

It is little wonder that several farmers displayed a firm attitude in their decision to remain on their farms.

Sensing the inevitable loss of his equity under present farm prices and policies, one farmer said:

> They will have to carry me off . . . we will not leave or be evicted.

One man said:

> The first person to order the dispossession of my farm will be met with a shotgun.

These are strong words, Mr. Speaker—they are militant words—but they emphasize in no uncertain terms the gravity of the situation.

We cannot permit this situation to worsen.

Because of the unique experience of hearing it "like it is," and because of my strong belief that the urban crisis is so closely tied to the rural crisis. I believe we must establish new and strong lines of communication between those of us from the rural communities and those from the urban and industrial centers. Rural Congressmen should be guests at meetings of city Congressmen, and city Congressmen should be guests at meetings of rural Congressmen. We should be emphasizing our many areas of common interest rather than our differences as some would have it.

Only by telling one another "like it is" can we hope to come to grips effectively with the problems that threaten the very foundation of this great land.

To assist rural America, I have sponsored or cosponsored legislation to:

Reinstate advance wheat and feed grain payments.

Institute a new Farm Credit Act to make more rural credit available.

Encourage job-creating opportunities in rural areas.

Study whether farm parity provisions are being implemented and whether the basic law itself is adequate.

Attract physicians to medically deprived areas.

Restore the 7-percent tax credit for farm operators and small businessmen.

On all these measures, I intend to work in the closest cooperation with my colleagues on both sides of the aisle. As time goes on, we hope to come up with additional creative and imaginative programs.

In seeking solutions, I have tried to view these problems in a national perspective. I sought service on the Agriculture Committee, but I also obtained an assignment to the District of Columbia Committee. As one not subjected to the stresses and strains of an urban metropolis, I thought serving on this committee would afford me the opportunity to take a broad approach without prejudice and without bias in grappling with city problems.

Last week, Gov. William L. Guy of North Dakota put the problem in a national perspective, when he testified before a committee in the other body. I quote from Governor Guy's statement:

> We might take the pressure off both the congested areas and the underpopulated areas of our country by considering some programs in an integrated plan under a national population distribution policy. I would suggest consideration of the following:
>
> 1. A complete overhaul of the Interstate Commerce Commission and its archaic freight rate-determining mechanism, in order that areas which now are denied adequate transportation rates and service can be made economically competitive with other areas now enjoying economic advantage.
>
> 2. A national plan of water resource protection, preservation and development so that water resources would remain available in underpopulated areas rather than diverted to already congested areas for further population growth.
>
> 3. Incentive programs to encourage small industry to expand to areas designated by the federal government as underpopulated through devices such as these:
>
> A. Federal tax incentives.
>
> B. Federal Small Business Administration loans with subsidized interest rates.
>
> C. Manpower training programs to assure a supply of trained labor.
>
> 4. Placement of major federal installations in areas of underpopulation.
>
> 5. Major federal research grants to colleges and universities located in those states or areas which can gracefully absorb a larger population.
>
> 6. Federal procurement contract preference to industries which are small and which might be located in an area in which greater population growth is being encouraged.
>
> 7. An agricultural price support and farm credit program that would be adequate to make it possible for farmers to continue as producers on individual units rather than the present trend toward large-scale corporation farming.

What Governor Guy is seeking—what I am seeking—is an overview of the interrelated problems facing rural and urban America. Only such an overview can give us the insights we need to reorder our national priorities and to deal with the increasingly critical problem of rural-urban imbalance.

I thank the gentlemen who made possible this second "Farm Forum" for the opportunity to present these views. I also thank all those members, both rural and urban, who likewise are taking advantage of this opportunity. In so doing, we are helping to "tell it like it is."

Only when we jointly recognize our problems can we move forward together with the necessary remedies. I am confident this can be done. Thank you, Mr. Speaker.

Mr. ZWACH. Mr. Speaker, in summary I think this discussion has shown that all of us in rural and urban America have the same problem. We are all in the same boat. I think it shows that Republicans and Democrats all need to work together to help the people to help themselves and to do what can be done here in Washington with regards to doing things to bring a fair income to countryside America.

LAW DAY, U.S.A.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 60 minutes.

Mr. CORMAN. Mr. Speaker, it is a privilege to join with my colleagues in commemorating this traditional observance of Law Day, U.S.A. Last year we began the decade of the 1970's in recognition of the rule of law and its place in American society. Today I would like to expand on that idea by discussing our responsibility in using the law to channel change within our society.

Over 200 years ago, our Founding Fathers when creating our democratic form of government provided within its framework a legal system capable of operating as the mainstream of change. That system when originally constructed served the needs of some 6 million people who were scattered along this Nation's eastern seaboard.

Throughout our history, this same system of laws has proved its potential for growth by expanding to serve the needs of a population which has surpassed 200 million and which is now distributed over the vastness of this great continent. More significant still, is that this change was able to occur in an orderly fashion without violence or revolution.

One of the greatest strengths of our legal system has been its ability to protect individuals from possible repression by the Government. Even though the system could have been used to encourage Government repression and control, it has managed to expand rather than diminish the rights guaranteed individuals by our Constitution.

The law, which operates through legislative and elective processes established by society is not static but flexible and continually evolving to meet the needs of a changing society. With the exception of the termination of slavery, change in our society has always been channeled through law and reason all in a period when changes in our industrial capabilities, social habits and mores were occuring at a slow pace.

In the decade of the 1960's, the United States gained more new scientific knowledge than in the entire creative history of our time. This abundance of new knowledge has given us the potential for end-

ing poverty, diminishing the danger of disease and improving the quality of life for all mankind. But in recent years too, the very continued existence of mankind on this planet has been threatened by military weaponry, another product of our new scientific knowledge.

The challenge we face today is whether we can continue to implement change and preserve the original objective of our founding fathers—equality under law—in a society which is, in many aspects, in revolution. It is our duty in the 1970's to aid our legal system in changing at a sufficiently rapid rate to continue to serve the purposes of its people. I believe that it can and that it will for I believe that change can be accomplished through insistence upon the law instead of anarchy, judgment instead of violence, reason instead of emotion. To lose any of our legal system through anarchy, violence or emotion will result eventually in losing it all.

Because law is the most effective vehicle through which social change may be transformed into social action, it is the responsibility of those of us who hold the public trust to continue searching for ways to initiate that change and it is the responsibility of those who may get impatient to reflect on all they would lose if the system were dismantled.

It is the responsibility of legislator and laymen alike to channel change through law and reason knowing that the law has never served any man well without serving all men well.

Mr. EVINS of Tennessee. Mr. Speaker, the 87th Congress designated May 1 to be Law Day U.S.A.

It is also fitting and proper that President Nixon has proclaimed May 1 as Loyalty Day.

Each year we pay special tribute to our system of law and justice and on this occasion we are called upon to reaffirm our faith in the ideals of our great Nation and its legal institutions.

Because of the interest of my colleagues and the American people, I insert in the RECORD an editorial which recently appeared in the Nashville Banner on this subject.

The editorial follows:

LOYALTY DAY, TOO

May 1 is Law Day USA. It also is Loyalty Day. It bears observance in both connections—for they are related.

Law Day USA was so designated by joint resolution, by the 87th Congress—and has been kept as such since. Its aims are best stated in the language of that resolution:

"It is set aside as a special day of celebration by the American people in appreciation of their liberties and in reaffirmation of their loyalty to the United States of America; of their rededication to the ideals of equality and justice under law in their relations with each other as well as other nations; and for the cultivation of that respect for law that is so vital to the democratic way of life."

That is a pertinent paragraph. It mentions loyalty, meaning allegiance to the United States. Just as it has been time to accent loyalty, so has it been time to accent respect for law, and the nation can be glad that the administration has put stress on these things.

Said President Nixon in his proclamation, "Every day Americans around the globe bear witness to their national allegiance. In doing so, some bear final witness by giving up their lives for the life of this nation."

Law Day USA is in challenge of anarchy. Loyalty Day draws a line against disloyalty.

Mr. BROOKS. Mr. Speaker, May 1 has been set aside in observance of the law—those principles governing human behavior that constitute fundamental elements of our society. For countless centuries, men and women of vision and inspiration have dedicated their lives to the advancement of society, toward progress and a better world for themselves, their neighbors, and future generations.

Law makes these advances possible, for all of our ideals perish in an environment of lawlessness and chaos. Strong and vital recognition and observance of the law, and full participation in its evolvement by all citizens, are essential to freedom, for law and liberty go hand in hand.

As individuals, as a nation, we must recognize the vital role of law. We must always work to improve and strengthen the moral fiber of our laws. We must fully observe the laws we now have. We must continue to work as best we can, throughout the spectrum of our interests, for progress. Only through the enlightened democratic process can we have both law and liberty. Only under the law can each and every individual have the opportunity to get ahead and lead a full and meaningful life.

Mr. SCHWENGEL. Mr. Speaker, the topic of this year's Law Day observance, "Channel Change Through Law," is particularly relevant to the conditions existing in our Nation today. This whole problem was put very much in perspective for me 2 weeks ago as I attended the White House Conference on Youth held at Estes Park, Colo. It was an exciting and stimulating experience. A thousand young people and 500 adults got together to discuss the concerns of youth and try to draft positions on national issues for the next decade. Contrary to many reports, the conference was largely positive in nature. There were more pluses than minuses. Certainly, many of the young people expressed their deep concern about issues such as poverty, the war, the draft, housing and such basics as religion, cultures, and values. They recognized that we as a nation must attack these problems forcefully and forthrightly, and they did it sometimes eloquently. Listen to just one quote from the paper on religion.

We believe that religion—which we define as the patterns of thought and the way of life stemming from faith and belief in a transcendent being or beings—tends to nurture, enrich, and strengthen ethical values, and therefore is urgently necessary to social progress and national welfare.

But central to all of the discussion and debates was the definite commitment to work within the system. The young people at the conference were committed to a peaceful action to accomplish the goals they are seeking. Most of my work at the conference was done on the Task Force on Values, Ethics, and Culture. We had a dedicated task force that worked hard. The young people made valuable contributions to the work of the task force. It was my task force that wrote the preamble to the recommendations of the task force. Attending the conference reenforced my own confidence and belief in our young people. They are seriousminded and quite willing to work hard within the system.

It is my feeling that one of the key elements in making certain these young people continue to work within the system, is the teaching of respect for the law. By this I do not mean a rote, blind respect for the law, but rather a respect based on a justifiable belief that our laws are in fact worthy of respect. We must demonstrate that our system of laws is viable and workable. Further, we must demonstrate a willingness to alter those laws which are not working, which are not effective, and are really not in the public interest. Increasingly, we should explore every remedy under law before we resort to violations to test the law. These facts place a significant burden on those of us in the Congress. We must be ready and willing to meet the needs of our times—upgrading and improvement of laws is important as changing hearts and minds. If in order, to meet new challenges, we must abandon familiar practices, break traditions and leave precedents so be it. An excellent example of this is the seniority system. The seniority system had a useful function at one time, but it has outlived its usefulness. In fact, it at times serves to block needed change and reform. We cannot expect our young people, or any other group of citizens to blindly give respect to our laws. We must earn that respect, and demonstrate that our laws are in fact responsive to the needs of our citizens.

In altogether too many instances we not only foster disrespect for the law, but actually encourage it. Campaign spending and financial disclosures are prime examples in this respect.

Let us always call for and insist on respect for law but let us who are lawmakers make laws that are worthy of respect. Mr. Speaker, on last March 15, I placed in the RECORD a speech by Dr. Henry Steele Commager entitled, "The Roots of Lawlessness." This is one of the finest statements on the causes of lawlessness I have ever read and I again commend it to my colleagues for perusal and reading. It can be found on page 6513 of the RECORD of March 15, 1971. It is worthy of note on this day that we celebrate as Law Day.

Mr. TERRY. Mr. Speaker, it is symptomatic of the times in which we live that such a thing as Law Day is being observed throughout the land and today here in the Congress. We are living in a time in this Nation when groups with anarchial bents have pushed our judicial system to the wall. Much of this activity takes place under the guise of dissent. And here let me make clear that I do not mean the dissenter who writes, lectures, or marches with placards in support of his position on any issue. This is certainly lawful dissent. I mean the person who believes that the first amendment to our Constitution gives he or she the right to block treets, public buildings, and deny freedom to their fellow citizens by preventing them from entering certain streets or buildings. This right of dissent cannot and should not be unbridled

and unlimited. No one has lost their freedom, in my view, if a judge decides that 100 pickets are the maximum that should be permitted to ring a building. If, in his judgment, more than 100 pickets would seriously interfere with the operation of a Government office, then the law should be enforced. To permit otherwise, is somehow to start toward that thin dividing line which separates a peaceful demonstration from a riot or an overt attempt to paralyze a part of the Government. We saw this only in the last week when a group of these so-called dissenters blocked the Selective Service Headquarters and prevented business from being conducted there. This was doubly ironic since the Congress is at this very moment, the Senate in particular, grappling with the extension of and changes in our selective service laws.

It seems to me that the lesson here is that our Nation is going to have to realize that our system of laws represents the accumulated wisdom of Christian-Judaic heritage and not the whimsical value judgment of some anonymous person. The sooner this Nation again realizes this, the more meaningful our laws and Law Day will become.

Mr. BUCHANAN. Mr. Speaker, "Channel Change Through Law and Reason." While these words may at first sound to many like the forlorn plea of a frustrated college administrator or a repeatedly used phrase of political campaigns, they represent an earnest appeal to all who seek reform of our society and its institutions. These words constitute the theme for the 1971 Law Day U.S.A. and there could not, in my judgment, have been a more appropriate choice.

First established by Presidential proclamation in 1958 and observed annually on the first day of May, Law Day U.S.A. has gained wide support in reaffirming the vital role of law in American society, particularly in the protection and enhancement of individual rights and freedoms. It is sponsored by the American Bar Association, in cooperation with more than 1,300 State and local bar associations, and with the endorsement of many national organizations.

The 1971 observance of Law Day U.S.A. is designed to call upon American citizens—regardless of political persuasion, age, or walk of life—to employ lawful means in their championing of causes and efforts to bring about desired change.

One of the unique features of the American political heritage is that we have a system of law based upon a written Constitution which has built into it the means for change. It was designed as a perfectable system which could be changed through due process of law—by amendment to the Constitution and by laws passed by the Congress and the several States. In our country all citizens can take part in the perfection of the law and the achievement of justice and equity within our system.

Such a system is in direct contrast, for example, to a Communist or other totalitarian system where a man or a handful of men in government make the law and where the law is imposed by police force and is very inflexible and difficult for people to change.

Notwithstanding the above aspects of our own Nation's legal system, however, the 1971 Law Day appeal is a timely one indeed. Perhaps never before have our Nation's laws and institutions been challenged to the extent that they have in recent years, and unfortunately these challenges have been carried out too often by violent protest. Demonstrations to further various ideals have frequently erupted into open battle between demonstrators and policemen. We have seen many of our Nation's campuses practically torn apart with violence, resulting in a tragic loss of lives and property damage totalling millions of dollars.

Riots have turned the streets of some of our Nation's cities into virtual battle zones and even our courtrooms have been the scenes of violent dissent. These tragic occurrences have also been accompanied by the alarming emergence of numerous radical groups, openly proclaiming their goal of overthrowing our Government through violent means, and often feeding upon the idealism and frustrations of our Nation's youth.

World history has recorded all too well the chaotic and destructive consequences of an unchecked continuation of such disorder and violence. In one form or another laws have always been the essential cornerstone of societies formed by men.

Law is even more vitally important in a democratic system of government as our own, which is based on the fundamental tenet that government is one of laws and not of men. That is, the unprecedented rights and freedoms enjoyed by citizens of the United States are guaranteed and protected by laws, and are not dependent on the wills or whims of those holding positions of leadership at any particular time.

All too often we ignore this important aspect of our Nation's legal system. We tend to think of our laws only in terms of their violation and forget that it is our laws which guarantee and protect our cherished rights and freedoms. If these laws are to continue performing this vital function, they must receive our support.

The foregoing, however, should not imply that there is no room for change in our existing laws. In a progressive society—which I firmly believe ours to be—there will and always should be such changes. Today we are witnessing an unprecedented awareness of the need for certain changes, particularly among the current generation of young people, and the desire in many cases to pursue this goal. This is, in my judgment, an extremely healthy situation and one which gives great hope for our Nation's future. It also presents a rather unique challenge to those who might otherwise be inclined to pass this off as either a mere passing example of youthful idealism or a force which is inherently evil or destructive to our Nation. Destruction need result only when desired change is pursued through violence or other extralegal means, and herein lies the greatest challange facing us today. This challenge, summed up in the 1971 Law Day theme, is one of channeling this change through law and reason.

Meeting this challenge will not in many cases by an easy task, for those who have turned to disruption and violence to effect changes have obviously lost faith in the ability to achieve their goals through our system of law. In doing so, such persons have ironically lost faith in one of the greatest privileges of American citizens—and one which differentiates us from most of the world's people—the ability to bring about changes in our Nation's laws through our elected Government representatives.

It is my profound hope that the message of Law Day 1971 will be thoughtfully received by all American citizens, resulting in a greater awareness of the vital importance of our Nation's laws and a renewed confidence in the ability of these laws to be a positive force for change.

Mr. CEDERBERG. Mr. Speaker, perhaps it is unfortunate that Law Day is not a legal holiday. It will, in most of America, slip by without the fireworks, ceremonies, and patriotic speeches which characterize a national celebration. America will not stop and think of law as the social institution in which they take part everyday.

Law is the fabric which gives meaning to our citizenship. To claim citizenship is an assertion that one shares in a common enterprise. This enterprise is government. This year's Law Day theme, "Channel Change Through Law and Reason," offers an interesting perspective on this enterprise.

As lawmakers, it is our profession to learn the people's needs and, where possible, answer these needs through law. What, then, is "the people's" responsibility? Do they understand our job here? Do they understand that a very real part of that job is theirs? Often, I suspect, there is a lack of communication in this area. My suspicion is, I believe, evidenced in the troubled mood of the Nation.

"Things are not working as they should" is a constant fear voiced by our only seeming majority—the confused and uncertain. People speak of unjust laws and laws not being enforced. Some even blame our current problems on law in and of itself. The "system" has taken a particularly brutal beating as the legal fabric of our society. Whether it relates to our presence in Vietnam, crime in the streets, or our flooded courts people are stopping and asking what has changed; why do things not seem to work on their own anymore?

If the last 10 years have taught us anything, they have taught us the danger of such a misconception. Like it or not, change will happen. Whether this change is manifested in new congressional legislation or in a growing public conciousness, as in the ecology movement, change will come. As such, it is our duty not only to accept responsibility for this change, but to make the transition as painless as possible. Has change gotten away from us; has it been too much? I think the question is somewhat akin to asking "Have I grown too fast?" As human beings we grow because we are human beings. Similarly, as a society, we change because we are a society. Perhaps the problem lies in a loss of touch between

our changing society and its visible structure, the legal system. Like the human body, measuring society's health is more than just a mechanical act. It involves reading the feeling of the people—whether they feel things are going well or not. The healthy society progresses with the philosophy that, despite grave problems, the people and system can in time solve them. And it is this faith which gives them the will to progress—accepting change, rather than fighting one another in total disregard of it. Today the need for such civic involvement is compelling.

This intangible faith has much in common with reason. Reason, in ancient Greece, was the respectful exchange of ideas. It was a difficult and often time-consuming exercise. It required a patient trust that one was moving toward a meaningful solution. One must harness the indignation caused by injustice and use this anger to solve, rather than aggravate, the problem.

As lawmakers and citizens, we are constantly facing change which requires that we make choices. Reason means that we have, and must make, a choice. Our legal system is the product of a long history of such choices.

Some doubt whether this "system" will work to solve our Nation's problems. If the final test of a legal system is whether or not it removed the need for itself, we would have obvious reason to despair. Whatever else our country's vices, we are not yet guilty of despair. Ideally, a legal system should be the fulfillment of our wish for immediate and lasting justice. Unfortunately, a legal system, like its creators, is a product of changing times, problems, and human limitations. I believe that we will always struggle with law in, perhaps, an unwieldy system. If we are to maintain our integrity and survive change as a society, we must learn that lawmaking is an everyday affair for everybody.

Mr. COUGHLIN. Mr. Speaker, I have the pleasure today to speak about Law Day U.S.A. a day which the Congress has set aside as "a special day of celebration by the American people in appreciation of their liberties" and as an occasion for "rededication to the ideals of equality and justice under law."

Aristotle, the famous Greek philsopher and teacher was quoted as once saying:

In all well-attempted governments there is nothing which should be more jealously maintained than the spirit of obedience to law, more especially in small matters; for transgression creeps in unperceived and at last ruins the state, just as constant recurrence of small expenses in time eats up a fortune.

The objectives of this day are fourfold; that is, to foster respect for law and understanding of its essential place in American life; to encourage citizen support of law observance and law enforcement; to advance equality and justice under law; and to point up the contrast between freedom under law in the United States and governmental tyranny under communism.

This is also a day when every American must reevaluate and determine his individual responsibilities as the duty to respect and obey the law; to be informed on issues of government and community welfare; to serve and defend the Nation; to assist agencies of law enforcement; to practice and teach the principles of good citizenship in the home and elsewhere; to respect the right of others, and to serve on juries if called.

Therefore, I would like to take this opportunity to submit a speech which was given by Judge Learned Hand on May 21, 1944, in Central Park, New York City, which expresses so eloquently and movingly his feelings on "the spirit of liberty." The speech follows:

THE SPIRIT OF LIBERTY

(By Judge Learned Hand)

We have gathered here to affirm a faith, a faith in a common purpose, a common conviction, a common devotion. Some of us have chosen America as the land of our adoption; the rest have come from those who did the same. For this reason we have some right to consider ourselves a picked group, a group of those who had the courage to break from the past and brave the dangers and the loneliness of a strange land. What was the object that nerved us, or those who went before us, to this choice? We sought liberty; freedom from oppression, freedom from want, freedom to be ourselves. This we then sought; this we now believe that we are by way of winning. What do we mean when we say that first of all we seek liberty? I often wonder whether we do not rest our hopes too much upon constitutions, upon laws and upon courts. These are false hopes. Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it; no constitution, no law, no court can even do much to help it. While it lies there it needs no constitution, no law, no court to save it. And what is this liberty which must lie in the hearts of men and women? It is not the ruthless, the unbridled will; it is not freedom to do as one likes. That is the denial of liberty, and leads straight to its overthrow. A society in which men recognize no check upon their freedom soon becomes a society where freedom is the possession of only a savage few; as we have learned to our sorrow.

What then is the spirit of liberty? I cannot define it; I can only tell you my own faith. The spirit of liberty is the spirit which is not too sure that it is right; the spirit of liberty is the spirit which seeks to understand the minds of other men and women; the spirit of liberty is the spirit which weighs their interests alongside its own without bias; the spirit of liberty remembers that not even a sparrow falls to earth unheeded; the spirit of liberty is the spirit of Him who, near two thousand years ago, taught mankind that lesson it has never learned, but has never quite forgotten; that there may be a kingdom where the least shall be heard and considered side by side with the greatest. And now in that spirit, that spirit of an America which has never been, and which may never be; nay, which never will be except as the conscience and courage of Americans create it; yet in the spirit of that America which lies hidden in some form in the aspirations of us all; in the spirit of that America for which our young men are at this moment fighting and dying; in that spirit of liberty and of America I ask you to rise and with me pledge our faith in the glorious destiny of our beloved country.

Mr. QUIE. Mr. Speaker, I am pleased to join my colleagues in commemorating the 14th annual observance of Law Day U.S.A.

At the National Conference on the Judiciary, Chief Justice Burger stated:

We do not disparage or undermine the common law when we consider change. Indeed, change is the very essence—the very heart—of the common law concept.

Efficiency and coordination in the handling of legal action is a right of all Americans. The Congress has provided a court executive in each of the 11 Federal circuits to help expedite judicial administration. More needs to be done.

The dedication of Chief Justice Burger, the Congress, the States, and individual jurists and lawyers to such reform can bring our legal processes up to date and enhance the quality of justice in the United States.

The most beneficial and lasting changes in our society are those centered around lawmaking and law application. The late Justice Frankfurter once said:

It is the legal profession beyond any other calling that is concerned with those establishments, those processes, those criteria, those appeals to reason and right, which have had a dominant share in begetting a civilized society.

Mr. GIAIMO. Mr. Speaker, history has shown us that societies must rely both on individual self-discipline and the discipline of law if they are to cohere, to function and to adapt to change in an orderly fashion.

To the extent that individual self-discipline loses its effectiveness in society, the discipline of the law must become more harsh and more pervasive, and the commonly understood standards of behavior must then be made into laws governing behavior, if the society is to survive.

The great questions faced by the law today—civil liberties and individual freedom, censorship, obscenity and pornography, among others—illustrate the challenge society faces to encourage self-discipline so that standards of behavior need not all be enforced by laws of behavior.

The duty of makers and interpreters of law, therefore, is to preserve those commonly understood standards of decency and conduct in society by encouraging individual citizens to maintain internal standards, while insuring that no man's activities compromise another's freedom.

The great success of the law in America, faced with a heterogeneous population of many heritages, has been the incorporation of widely held standards into widely obeyed laws that do not compromise individual freedom but also do not allow individual license.

Sadly, however, the golden rules of our society are tarnished by our seeming inability as parents, teachers, and leaders of society to promote the development of internal self-discipline, and the resulting failure of some segments of society to foresee the inevitable results, in harsher laws and inhibition of freedoms, of this loss of self-discipline.

The temptation facing society is then to legislate that which has not been taught, to control those who cannot control themselves, to punish those whose self-restraining faculties have been arrested in childhood, and thereby to compromise everyone's freedom.

The law is the basis for the life of so-

ciety; it reflects what society has been and is, and yet it is also the tool of change in society. The law is more than a convenience, therefore, but it is always in peril of becoming a convenience for control of those who will not abide by the standards of reasonable men and women.

I trust that on Law Day 1971 the makers, users, and interpreters of law are aware of the duty they have to encourage all elements of society to discipline their own behavior, and to avoid the unfortunate road which will lead to more and more laws regulating all human endeavor.

No society can survive without the proper balance between individual self-discipline and legal discipline, and our constant task is to find the right road to change through both the law of the land and the reason of the individual.

Mr. HUNGATE. Mr. Speaker, by virtue of a joint resolution of the Congress, the 1st day of May of each year is designated as Law Day U.S.A. It is set aside as a special day of celebration by the American people in appreciation of their liberties and the reaffirmation of their loyalty to the United States of America; of their rededication to the ideals of equality and justice under law in their relations with each other as well as with other nations; and for the cultivation of that respect for law that is so vital to the democratic way of life.

The theme of this year's Law Day is especially appropriate because of the current waves of dissent, demonstrations, and disturbances.. The theme is "Channel Change Through Law and Reason."

Protest has brought a new dimension to change in our country. But protest, violent dissent, and wild demonstrations accomplish little if anything. For permanent and meaningful change, new thinking still needs new laws.

The final test of thinking and new ideas is not how people react to a demonstration, but how they react to a ballot. The final test of change rests in the vote of the people. Votes elect councilmen, State legislators, U.S. Representatives and Senators. Without law, there can be no meaningful change. The society of which all are members is subject to strong and continuous forces of change, and one should remember that law represents the best thinking and insists upon order. Without law there would be no constructive change, no freedom, no justice, and no equality.

Law is the rule of right, not might. It allows all to live their lives in freedom and in dignity and everyone should realize and fully appreciate the fact that unless the rule of law is maintained, these rights would quickly perish. Disobedience to law is the great destroyer of all rights and of democratic institutions. No matter what the goal, an orderly society cannot possibly exist if each individual may determine for himself which laws he is going to obey and which he is not.

When one mentions "rights," one should know that these "rights" also involve "duties." Violence, as a deliberate form of social protest, is self-defeating. To try to redress long-suffering grievances by resort to guns and molotov cocktails is a moral perversion and in the long-run will surely destroy the already existing rights that protect the very same people who engage in riots. There can be no real freedom in the absence of law and order.

It should be realized that the present society reflects the current mores of the people and that the law is the result of legislation enacted by the duly elected representatives of the people in the town, county, and city councils, in the State legislatures, and in the Congress of the United States. The basic charters of the law are the 50 State constitutions and the Constitution of the Federal Government which provide guidelines for effecting changes in the law. The law, which operates through legislative and elective processes established by society, is not static but flexible and continually evolving to meet the needs of a changing society. If changes are needed, they can be brought about in a lawful and proper way; in fact it is the only way.

The 1971 Law Day U.S.A. theme "Channel Change Through Law and Reason" is a day to remember and observe every day of the year.

Mr. BRASCO. Mr. Speaker, May Day over the past few years has increasingly become a platform upon which those who opt for collectivism at all costs mount their offensives against our society. It has been preempted and turned into a day that celebrates the role of the mass rather than the rule of law. In recent years, an attempt has been mounted within western society to counter this message with another—that of the love and respect of our society for the rule of law and the dignity of the individual. Such an attempt is to be lauded. Yet it must also be made more meaningful. We have it in our power to do just this.

In America, every citizen has certain rights. These are not negotiable. Nor are they to be bent out of shape to suit the convenience of the privileged. Above all, they must be made meaningful for the dispossessed, who increasingly have come to believe that laws are made for the protection of the privileged rather than the uplifting of the poor.

We must celebrate Law Day by determining to make our system of justice, from top to bottom, more responsive to the requirements of those who look to it for redress of grievances.

Yet, our courts are in desperate need of reform. Traffic, juvenile, divorce, probate, and criminal courts are groaning under caseloads that would make judges and lawyers of past eras blench.

Our prison system has turned into a massive, ongoing scandal. In all truth, it can be said that postgraduate education in criminal behavior takes place in our prison system more often than does rehabilitation.

Too often the poor man must enter prison because he cannot afford an appropriate attorney. Our bail system is in desperate need of reform and housecleaning.

We boast to the world of our system of law and justice, yet simultaneously tolerate such conditions, which are rapidly turning into one of the shames of our society.

If we are to raise the rule of law above rule of the mob, it is vital that we live the spirit of Law Day year round, rather than merely celebrate it in speech and story once a year. It is because of this feeling that I fervently celebrate this day and call attention to this vital concern.

Mr. EILBERG. Mr. Speaker, it was my privilege as a Member of Congress and president of the Philadelphia chapter of the Federal Bar Association to participate this past weekend in an interesting Law Day program.

The Philadelphia Bar Association sponsored six town meetings throughout the city at which panelists, usually in public life, participated in question-and-answer dialogs with citizens. I participated in one such meeting in my own northeast Philadelphia district and it was a lively and useful evening.

I wish to commend the Philadelphia Bar Association for this excellent program.

I include my remarks on that occasion:

STATEMENT OF CONGRESSMAN JOSHUA EILBERG

Law Day, as originally conceived in 1958, has among its many purposes the aim of fostering respect for the law and an understanding of its essential place in American life, and encouraging citizen support for law observance and law enforcement.

The theme of this year's observance is the channelling of change through law and reason. I cannot think of a topic more relevant to the United States today, for we are presently living in a time of political division, and social unrest. I am not one of those who claim we are living in a sick society, but neither can I escape the realization that we all would welcome a return of the peace and tranquility which has characterized this nation in the past, and which now, for many among us, is no more than a fond dream or a cherished memory.

The history of our nation is that of lively and vital progress. The life of a nation is like the life of man, a continuing cycle of experiences, of new challenges encountered and conquered. There are times when we may bask in tranquility, in the glory of a fresh triumph; there are other times when we must summon our strength and courage and meet problems which may seem insurmountable. Such is the history of the United States. Born in revolution, this country produced the greatest Constitution in the history of mankind. It fulfilled a manifest destiny by stretching the American civilization across the continent, only to have the country torn apart by a tragic civil war. Once reunited, our nation forged its own industrial revolution, taking its place among the financial leaders of the world. Again, this progress was interrupted by war—World War I and then World War II, between which intervened a world-wide economic depression, but the rebuilding process has produced more technological advances than that produced by the whole previous history of mankind. These advances include a polio prevention vaccine, the harnessing of the atom, and American footprints on the moon.

But again, triumphs have a way of becoming overshadowed by new problems. At this time, we, as Americans, face many harsh realities: a war on the other side of the world, which seems at times to have no end in sight; great cities like Philadelphia, which are teetering on the edge of bankruptcy; increasing incidence of crime; consumer prices which continue to rise; and a general feeling of discontent among millions of Americans, of every walk of life, every race, and every political persuasion. These are situations which now cry out for change.

Yet I must repeat. I hear no death knell for the future of the American democratic

experiment. Our nation lives because our Constitution and our laws are living documents.

Law is a tool, a delicate instrument that never wears out through use. The United States has always relied upon the rule of law to achieve the basic goals of society—insuring harmony in the dealings of man with his government and his fellow man. Several objectives, which may be realized under the rule of law, are suggested by the Constitution: equal protection and equal justice, freedom from arbitrary search or arrest, equal education and economic opportunity, a voice in free elections, private ownership of property, free speech, press, and assembly, freedom of worship, and the right to legal counsel and a prompt trial if accused of a crime, to name just a few. In addition, the judicial system provides the apparatus for peacefully resolving disputes between individuals in society. When a man has a dispute with his neighbor, or his automobile mechanic, or his business customer which cannot be resolved by discussion, he has resort to the courts, instead of to violent measures.

This is how law works during times when society is stable.

But such times of stability can be subject to interruptions. All of life is changeable, and the law must, and does, respond to that challenge.

If we are to glorify the law as being the proper instrument of change in our society—as opposed to bombs, molotov cocktails, and rioting in the streets, we must show how the law has brought about change in our democratic system. The young provide one example.

The eighteen-year-old vote is an idea whose time has come. I am proud to have been among the Congressional sponsors of the Constitutional Amendment which will give 18, 19, and 20-year-olds the right to vote. This amendment has passed both houses of the Congress and before it becomes the law of the land it must be ratified by 38 States. On Tuesday, the Pennsylvania State Senate approved the amendment and the State of Pennsylvania became the 22nd State to so ratify it. The State House of Representatives had passed the amendment earlier. Clearly the 26th Amendment to the Constitution will soon become law—only 16 more states need to ratify it.

This is but one example. I could cite many more; the growth of consumer-oriented legislation; the drive toward more complete health care; and even reform in the Congress itself which makes the law. In this Congress, most votes are now recorded rather than cast anonymously through the instrument of the teller vote as was practice since the first days of the Republic. We in the last Congress passed the Legislative Reform Act, many of which features I sponsored, making the people's legislature more responsive to the people.

But I detect an impatience with the law; many say that change through law takes too long. This has become the age of the NOW generation. But to those people I say, "We all are impatient, but in changing the law we must not destroy it nor the society which it has governed so well."

You have been told before that we are a nation governed by law, not my men. Men only administer the law. American law is rooted in the traditions of the English common law and goes back a thousand years. And the laws we make today future generations must live with. So changes sometimes come about slowly because there is this continuity; this debt to the past and this obligation to the future. But as society changes, as this nation changes, so do its laws. The law is a living body, growing and changing and remaining relevant—just as the best of human beings grow and change and adapt.

This is a big country. These changes in the law through open and democratic processes must take time when the opinions and needs of more than 200 million people demand careful consideration. I can only repeat the words of the great Supreme Court Justice Benjamin Cardozo: "Justice is not to be taken by storm. She is to be wooed by slow advances."

In urging that we channel change through law and reason, I would stress the main objectives of Law Day. The first is to advance equality and justice under law; the second is to encourage citizen support of law observance and law enforcement; and the third is to foster respect for law and understanding of its essential place in American life. In doing so, I feel that it is necessary to drive home to all of us as individuals what our responsibilities are as free citizens. I urge that we all obey and respect the law, be informed on issues of government and community welfare, serve and defend the nation, assist agencies of law enforcement, practice and teach the principles of good citizenship in the home and elsewhere, and finally, respect the rights of others. That is the basis for all law.

Mr. MIKVA. Mr. Speaker, the law is a double-edged sword. In theory it is wielded by a blindfolded lady, and cuts equally all who transgress its path. In recent years, we have become acutely aware of how wide is the gap between theory and reality.

We Americans are the world's greatest imagemakers. Fourth of July rhetoric is our specialty, particularly in government. But reality is not fooled by pious public posturing, and some realities have become so obvious that even the expert rhetoricians of the Congress can no longer ignore them.

Too often we employ solemn-sounding phrases like law and order in a perverse fashion. We act as though they embody fundamental truths while in fact we use them, or permit them to be used, to justify fundamental inequities.

In an ideal world, the blindfold over the eyes of justice would insure even-handed treatment of all before the law. In reality, the blindfold permits justice to disclaim responsibility for those who intervene to whisk the favored few to safety out of the sword's path and substitute in their place others who are unable to flee. Perhaps the time has come to call a halt to the charade and to remove the blindfold in order that the law may see the obscenities that are done in her name.

It seems incredible that there are still those in the legal profession and in the Government who balk at giving the poor and the powerless equal access to the legal system which has long been the province of the propertied and the powerful. The concept of the private right of action has been challenged from Frothingham through recent pollution cases, but it is increasingly understood that enforcement cannot be restricted to prosecutions by the State; for the nature of our political system makes it inevitable that selective enforcement will be the result. This has been evident in the lack of official enforcement of longstanding civil rights laws and antipollution statutes.

Class actions offer another example of how nervous the legal system turns when a group of previously powerless people attempt to make use of the legal process on their own behalf, seeking to become the hunters instead of always the hunted. All kinds of groups have discovered the equalizing power of the class action—consumers, tenants, welfare recipients, and taxpayers. Instead of welcoming this device as an important solution to the problem of how to make the law equally available to unequal social forces, the Government frequently has sought to restrict its use. The class action provisions contained in several consumer bills in Congress are expected to be the most controversial and vulnearable aspects of those bills. It was largely the successful invocation of class action suits on behalf of the rural poor of California that caused Governor Reagan to attempt to kill California rural legal assistance, one of the most progressive of OEO's legal services programs. More generally, it has been the success of uppity legal services lawyers around the country which has made the legal services program a political liability to the current administration. As a member of the legal profession, I would hope that succesful application of the legal system to vindicate the rights of the poor could expect a better reward than "regionalization" of the program.

I am all for changes through law and reason. But it is hard to see how it serves either law or reason to create an independent legal services corporation which is prohibited from bringing legal actions on behalf of aggrieved citizens against their State or local governments, particularly in light of the undisputed fact that 80 percent of the poor's problems arise from difficulties in dealing with government at various levels. Nevertheless, it seems safe to predict that such a restriction will be vigorously pressed when Congress debates legislation establishing a legal services corporation.

If channeling change through law and reason means doing so only when the end result is acceptable to certain classes of society, then I fear that great numbers of people will understandably choose to change the channel and ignore both law and reason, as those commodities are defined and used by their oppressors.

I am firmly convinced that constructive change must be channeled through law and reason. I only wish that some of the people who use those words so glibly would get out of the way and let law and reason prevail.

Mr. LINK. Mr. Speaker, I am pleased to join the gentleman from California (Mr. CORMAN) and my other distinguished colleagues in commemorating Law Day.

North Dakota Gov. William L. Guy has also joined in this annual observance. I would like to insert his proclamation at this point in the RECORD:

PROCLAMATION

Whereas, the United States is today a rich, prosperous nation. Its citizens have a high standard of living and freedom made possible only through the rule of law. Our forefathers realized this important fact and through their perserverance and love of country bequeathed this system of self-government to us for our well being;

Whereas, our nation is faced with great challenges. These challenges can be faced and overcome for the benefit of all. Their solution must come through adherence to the rule of law. Without law, and use of legal

processes, none of these problems can be satisfactorily met. A nation without law is a nation without individual freedom or liberty;

Whereas, the Congress of the United States and the President have designated Saturday, May 1, as Law Day USA in recognition and appreciation of our legal heritage. This fourteenth annual observance of Law Day offers every citizen a timely opportunity to reflect on the rule of law and its importance in our daily lives. It gives us the opportunity to demonstrate responsible citizenship by word and action, to show our respect for rulings of our courts, to assist law enforcement officers in performing their responsibilities, to resolve grievances through law, and to respect the rights of others;

The theme for the 1971 observance of Law Day USA on May 1 is: "Channel Change Through Law and Reason."

Now, therefore, I, William L. Guy, Governor of the State of North Dakota, do hereby designate Saturday, May 1, 1971, as "Law Day USA" and call upon all citizens to join in its observance through appropriate ceremonies, programs and educational activities, I especially urge schools, churches, the courts, civic and service clubs, business organizations, and the public information media to participate.

Mr. Speaker, Law Day seeks to recognize the importance and urgency of resolving grievances and inequities through orderly and lawful means—through the courts, legislatures, and the Congress.

I would like to direct attention to one area of the law that has been neglected—that of corrections. Corrections is the part of criminal justice that Americans see the least of and know the least about. This is because we have been content to keep the most troublesome members of our society out of sight.

To ignore the failures of our correctional system is irresponsible as well as ill advised. A substantial percentage of today's offenders have become recidivists. Simply stated, our correctional institutions do not correct. If we could restore all, or even most, offenders to the community as responsible citizens, America's crime rate would drop significantly.

Mr. PATTEN. Mr. Speaker, as we meet here in the Congress, which is the very heart of lawmaking in America, I think it is appropriate for us to take a moment to reflect on this cornerstone of American life—the law itself.

It is awesome to think of the hundreds, even thousands, of years through which the body of law has developed to its present form. Those years have been filled with the names of many great men who sought to improve the rules under which their fellow men lived. These men sought not only to define the law, but also to improve it. We in America live under the system that is the result of all of these years of improvement, but we should not consider our present system to be the end of the line. To be effective a system of law must meet certain essential standards. It must be readily available to all of the citizens, and it must treat them all with equality. It must also be adaptable to change and provide the means to execute these changes.

Our Pledge of Allegiance ends with the words "freedom and justice for all." It is our duty as Americans and Members of Congress to see that the law lives up to that pledge. We see in our work every day here in the House how our system of law is subject to change as the needs of our people change. It is our duty as representatives of the people to see that changes are made when they are needed, because we represent the means under our system of law for this purpose.

As a lawyer, I have been close to the law most of my life. I have seen it protect our citizens, rich and poor alike. In commemorating Law Day, U.S.A., I think it is fitting that we honor our system of law for we should be proud of it. In the last analysis, however, we should remember one final point. A legal system is only as good as the people it serves. Unless we all work to see that it serves all citizens justly and equally, we can expect the law to be no more than empty words. Unless we obey it, even while we seek to change it, we cannot expect others to respect it.

Mr. RHODES. Mr. Speaker, this year's Law Day theme, "Channel Change Through Law and Reason," pretty well summarizes the essential place of law in American life.

In 1816, Thomas Jefferson, the architect of individual freedom in this country said:

I am certainly not an advocate for frequent and untried changes in laws and constitutions. . . . But I know also that laws and institutions must go hand in hand with the progress of the human mind.

And so it must be.

We must and will have change as discoveries are made and new truths are uncovered. But, such change must come through the orderly and reasoned advance of our laws.

Mr. MATSUNAGA. Mr. Speaker, I rise to join my colleagues in this observance of Law Day 1971.

In 1944, speaking at I Am an American Day ceremonies in New York, and referring to another war, Judge Learned Hand, closed a brief but moving address with these words:

And now in that spirit, that spirit of an America which has never been, and which may never be; nay, which never will be except as the conscience and courage of Americans create it; yet in the spirit of that America which lies hidden in some form in the aspirations of us all; in the spirit of that America for which our young men are at this moment fighting and dying; in that spirit of liberty and of America I ask you to rise and with me pledge our faith in the glorious destiny of our beloved country.

Mr. Speaker, I believe that not only the Nation's lawmakers, but also the thousands of young war protestors who are in the Nation's Capital today, ought to pledge, as in the words of the eminent jurist, "our faith in the glorious destiny of our beloved country."

Inherent in that faith is the proposition that ours is a democratic society in which rule of law is preeminent. Some may find it difficult, in view of today's exorbitant cost in combating crime, to believe that rule of law is predominant, even if, concededly, it is preeminent. It is pointed out, for example, that the Justice Department's budget in fiscal year 1971 reached the billion-dollar mark for the first time, and that in 1972 Federal aid to State and local law enforcement will approach the $700 million mark.

In the 10-year period from 1960 to 1969 our national population increased by some 13 percent, but the crime rate increased by the horrendous rate of 120 percent. What is perhaps most disturbing about this picture of apparent lawlessness is the continued rise, according to the Federal Bureau of Investigation, of the crime rate in 1970.

It is clearly evident that in order to reduce the national crime rate we must seek out the root causes of crime. Combating crime with ever-increasing sums of money for law enforcement alone is not enough. We must continue to find lasting solutions to the social and economic problems of poverty, which in turn breeds crime. We must improve the quality of life of impoverished Americans to lead them and their children away from crime. We must provide more and better opportunities for ghetto children, not only those who are in school but also those who for one reason or another are not in school, to earn an honest livelihood. Hunger and deprivation are indeed the worst enemies of law and order.

As we ask our fellow Americans on this Law Day 1971 to renew Judge Learned Hand's pledge of over a quarter of a century ago, we of the Congress ought to join in the further pledge: That we shall commit ourselves to the task of accelerating the coming of the day when rule of law not only will be preeminent, but when it will also be overwhelmingly predominant in this great Nation of ours.

Mr. FREY. Mr. Speaker, events of the past two weeks have once again challenged the "rule of law" in American society.

Since we are today commemorating Law Day and the fact that we live in a Republic founded on law and under a system of ordered liberty, it is propitious to discuss what is legitimate dissent in a free and open society.

"Civil disobedience" is the open, wilfull breaking, by an individual or group, of a law which that individual or group believes to be unfair or unjust with a view toward effecting its change, or the committing of a similarly unlawful act in order to influence government policy. Dissent and protest, on the other hand, are both lawful means of disagreement. "Dissent" is the legal expression of one's disagreement with a generally prevailing opinion, usually by means of the spoken or written word. "Protest" is the legal expression of objection, disapproval or opposition, more often in the form of some type of action. Only when a dissenter or protestor ceases to act within the law does he become civilly disobedient.

No violation of the law can be justified, condoned or disregarded, whatever may be the motive of the violation, which is in itself a crime; which threatens the safety, health, or well-being of other citizens, either directly or by indirectly inciting disorder; or which undermines the restraining influence of a universal respect for the law by encouraging others to violate the law.

Abraham Lincoln, in this regard, once stated:

There is no grievance that is a fit object of redress by mob violence.

Similarly, Justice Frankfurter:

If a man can be allowed to determine for himself what is law, every man can. This means first, chaos, then tyranny.

The courts, which are the principal protectors of individual freedoms, have themselves been attacked. The use of disruptive tactics by the defendants and their counsel in the recent "Chicago 7" trial and the Black Panther trial in New York, among others, to obstruct and sabotage the judicial process was the most shameful episode in American judicial history. The action of the defendants and their counsel in these trials was directed at the judge or the prosecutor as symbols or representatives of the Government, and was undertaken in order to sabotage the trial, cause unnecessary delay, force the judge or prosecutor to commit reversible errors, or direct attention from the true issue in the case.

Mr. Speaker, the persons involved in these cases and in some of the street demonstrations now taking place, have circumvented legitimate forms of dissent and protest. Our form of government includes several mechanisms which were created for the express purpose of changing our laws and their administration. These include: First, legislation; second, constitutional amendment; third, the initiative process which enables a citizen to have the question of whether a law should be passed—determined by popular election; fourth, the referendum process which enables a citizen to have the question of whether a law should be repealed determined by popular election; fifth, recall process which enables a citizen to have the question of whether a judge or elected official should be removed from public office—determined by popular election; and, sixth, the injunction which can be used to restrain enforcement of an invalid or an improper activity.

The responsibility for maintaining order in society rests with the individual. Every citizen must take it upon himself to know both his rights and obligations, and exercise them. There is no need to go outside of our legal system to effect change. Our form of government can be and most often is responsive; but the will of the people will be reflected in the actions of the Government only if the "will of the people" is expressed. Every citizen must not only honor and obey the law, but also inform himself about the issues facing our Government and express his views on those issues to those holding public office.

Mr. MAZZOLI. Mr. Speaker, the 87th Congress established May 1 as Law Day in 1957. Last Saturday marked the 14th annual celebration of this date in the observance and recognition of the rule of law in our society.

The resolution establishing Law Day reads as follows:

It is set aside as a special day of celebration by the American people in appreciation of their liberties and the affirmation of their loyalty to the United States of America; of their rededication to the ideals of equality and justice under law in their relations with each other as well as with other nations; and for the cultivation of that respect for law which is so vital to the democratic way of life.

Today, when violence roams the land, it is well to remind ourselves frequently that respect for the law is vital to our way of life. Our Nation is and always has been a Government by law and not by men. Hopefully it will continue to be.

The Law Day theme this year is "Channel Change Through Law and Reason." I believe this theme is particularly relevant today because of the violence and disrespect for law which characterizes the activities of many who are in Washington to protest the war.

The goals which we seek through Law Day celebrations each year are four in number: First—to foster respect for law and understanding of its essential place in American life; second—to encourage citizen support of law observance and law enforcement; third—to advance quality and justice under law; and fourth—to point up the contrast between freedom under the law in the United States as compared with tyranny and enslavement under totalitarian governments.

It would be easy during these trying days to focus upon and emphasize the negative aspect of the law. We are concerned about crime and violence in our metropolitan areas. We are equally concerned about the dangers of drug abuse and addiction. And, we are becoming increasingly concerned about the threats to our environment.

It is, of course, the responsibility of each and every citizen to see that the laws of our Nation are observed so long as they remain in force. It is also the right of every citizen to work toward the alteration of laws through legal processes and procedures. Opposition and dissent, as they have been practiced on Washington streets today, are not the legitimate ways to change or adjust laws.

One of the privileges available to all Americans—but to few other people throughout the world—is the ability, through duly elected representatives, to bring about change in the law. This right has been and continues to be overlooked by those who seek change through disrespect, disregard or violent opposition to the laws of our land.

A public servant today must recognize the problems besetting our society and work with dedication toward solving these problems. If we are to provide these solutions, we must work within the framework of the law. We must, to adopt the theme of this year's Law Day, seek to channel change through law and reason.

Mr. MIZELL. Mr. Speaker, on Saturday, May 1, the Nation celebrated Law Day, a day set aside every year for Americans to rededicate themselves to the precepts and ideals of law and justice.

This year, and this week, the rule of law faces serious challenge. In Washington, thousands of demonstrators are attempting to disrupt the normal flow of Government business, trying to close down the Government.

The protests that are going on in Washington this week are an example of the kind of irresponsible and self-destructive demonstration that casts a dark shadow on the constitutional right to "petition the Government for a redress of grievances."

The kinds of tactics being used here this week make a mockery of a sacred right to dissent. They are out of line, and should not be tolerated.

I support every American's constitutional right to disagree with established policies. We should not fear the word "dissent," but we must always guard against distorting it, either by violent demonstrations or by blind condemnation of all forms of protest.

As we celebrate Law Day this year, and rededicate ourselves to law and order in its best sense, we must distinguish between the right to dissent and the way we choose to exercise that right. Protests which seek only to demolish the old order, with no thought given or action pledged to the construction of a new and better one, are travesties of dissent.

This kind of protest presents a clear and present danger to the right of dissent, for in breaking down law and order, it invites repression and it infringes on the rights of others.

That kind of dissent will not solve the problems of our society; it will merely add to them. It will not assist those actively engaged in the often agonizing task of making national policy; it will hinder their efforts.

But most importantly, the use of violence in protest substitutes confrontation for negotiation, discards persuasion while inviting alienation, and so distorts issues and feelings that "dissent" becomes more a threat than a right, then possibly not a right at all.

We cannot let that happen, because legitimate dissent is too important to a free society. We cannot let the shouts of rage make the people deaf to the responsible voices of dissent.

The right to dissent and to disagree is the essence of freedom, but the responsibility to abide by the law is both the foundation and the protector of our freedom. And in that freedom, our strength and our greatness and our future lie.

So at this critical time, and on this appropriate occasion, let us resolve that though we serve no man, we shall serve the law.

President Calvin Coolidge, whose reputation was one of being a man of few words, nevertheless spoke eloquently on this subject in his inaugural address in 1925. His words are most appropriate still today:

In a republic, the first rule for the guidance of the citizen is obedience to law. Those who want their rights respected under the Constitution and the law ought to set the example themselves of observing the Constitution and the law.

Those who disregard the rules of society are not exhibiting a superior intelligence, are not promoting freedom and independence, are not following the path of civilization, but are displaying the traits of ignorance, of servitude, of savagery, and treading the way that leads back to the jungle.

Mr. GONZALEZ. Mr. Speaker, as Members of one of the world's most closely observed lawmaking bodies, we have a great deal to ponder on the national observance of Law Day U.S.A., and thus, I am glad to participate in today's special orders.

I believe we are fortunate to be living in a time when many of our standards—

including our legal system—are under fire from left, right, and center. I say fortunate because we rarely take time to reexamine all we believe and stand for unless our beliefs and principles are challanged and tested for validity.

In modern society there is no viable substitute for the law. Only through the orderly processes of law can American society evolve to the point where each individual can develop to his fullest potential in an atmospere free of mistrust and hostility.

History bears out the contention that nothing meaningful and durable can be accomplished where trust, understanding, and justice are not the guiding principles. A legal system missing those attributes is inevitably self-destructive.

We all realize that individuals sacrifice a degree of liberty every time a new law is enacted. It is our responsibility, as the highest lawmaking body in the land, to shape our work so as to deemphasize the loss of liberty and stress the importance of redistributing liberty so that it holds basically the same meaning for everyone. Today is a good day to reaffirm our commitment to accomplishing that end.

Mr. MYERS. Mr. Speaker, within any healthy society, differences of opinion will inevitably arise over the proper direction which that society should follow. In order for a society to remain healthy, it is imperative that certain mechanisms exist to mediate these different opinions and to forge workable compromises and solutions. In this country, the legal system fulfills this function in providing a pressure valve through which the grievances of dissatisfied groups and individuals can be channeled.

Obviously, the ability of the legal system to deal effectively with social and political issues is based on the guarantee of access for all individuals and groups who seek redress and alternation. Primacy is placed on reason rather than power or force—power resides in one's argument rather than in one's fists or weapons, and the same rigorous rules of reason and commonsense are applied to the arguments of the weak and strong alike.

In essence, the free and open nature of our society can be gaged by its response to the call for change and its ability to facilitate rather than impede such alteration.

Revolutionary violence championed in the name of change can never be justified in a society that provides institutionalized means for altering present conditions. Revolutionary change results in the complete disregard of the legitimate aspirations of all but the revolutionaries who, if they comprised more than a mere minority, would find revolutionary action unnecessary to reach their objectives.

At a time when force is being condemned as a tool of foreign policy, I feel that similar uses of force here at home should be regarded with the same disdain. The revolution of unreason must give way to the compelling logic of a legal system whose language is reason and whose objective is orderly change and growth.

Mr. BEGICH. Mr. Speaker, the theme for Law Day 1971 is "Channel Change Through Law and Reason." This is especially significant and appropriate this year because never before in our history have the pressures for social change been so strong.

Since the observance of Law Day U.S.A. on May 1, 1958, when President Eisenhower proclaimed that day the first Law Day, many worthwhile and significant programs have informed our citizens of the virtues of a society structured by laws.

The aim of the observance is to dramatize the values of living under a system of law and independent courts that protect individual freedom and make possible a free society. The purposes of Law Day are educational and patriotic. The event is not a lawyers' day, but rather an occasion for honoring the place of law in American life.

The objectives of Law Day U.S.A. are: First, to advance equality and justice under law; second, to encourage citizen support of law observance and law enforcement, and, third, to foster respect for law and understanding of its essential place in American life.

This year's theme is a timely reminder that orderly and enduring progress in the quality of American life can only be achieved through lawful means. Our social, political, and economic systems rest on the belief that any change in the structure of the systems can only be justified if we operate within a framework of established rules.

I join with my colleagues in the Congress and the citizens across the country in paying tribute to our system of laws and the values we hold.

GENERAL LEAVE TO EXTEND

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks on the subject of my discussion today on Law Day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

POLISH CONSTITUTION DAY—1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PUCINSKI) is recognized for 60 minutes.

Mr. PUCINSKI. Mr. Speaker, May 3 is a day of great celebration, joy and remembrance for Poles around the world. For 180 years ago, Poland adopted its Constitution. It was then that Poland emerged from medieval times into the age of enlightened reason.

Yesterday, all over America, in communities where there are Americans of Polish descent, special observations of Polish Constitution Day were held. Among the largest was that held in the city of Chicago. Tens of thousands of Polish Americans gathered in Humboldt Park where they heard from Senate EDMUND MUSKIE, Mayor Richard J. Daley, and Gov. Richard Ogilvie. It is a reflection of the great patriotic feeling of Polish Americans and their commitment to freedom that such a huge throng did gather.

Those in Humboldt Park yesterday know that May 3, 1791, is a benchmark in the struggle of men to provide government by the consent of the governed. With the adoption of the Constitution, Poland helped to shape the ultimate quest of other nations for greater individual freedoms, for elimination of class distinctions, for removal of economic barriers and for liberty to worship God as individuals wish.

May 3 has come to symbolize for all Polish Americans the struggle for freedom which has characterized the spirit of the Polish people for over 1,000 years. **But May 3 is not only a Polish holiday.** It is a day of reaffirmation for all people who cherish their freedom.

Poland is today ruled by Communists but the people of Poland will never accept totalitarian communism. The Poles have proclaimed clearly in their eloquent Constitution the spirit which prevails in that country. Their memories are long and they are capable of enduring much. The flame of hope kindled by that Constitution in 1791 flickers today. By taking the time to commemorate Polish Constitution Day in Congress and letting the Poles know we have not forgotten their plight, we add strength and hope to their fervent desire to rejoin the family of free nations.

Mr. GERALD R. FORD. Mr. Speaker, today marks a glorious occasion for Polish people everywhere, including the millions of Americans of Polish extraction. It is the Polish 3d of May Constitution Day, the 180th anniversary of the adoption by Poland of its great Constitution of 1791.

It is significant and worthy of note that the Poles adopted their Constitution just 2 years after the American colonists had framed the basic law which was to guide the United States of America.

Tragically, the adoption by Poland of its new Constitution was followed just 1 year later by the first of the three partitions which resulted in a total loss of sovereignty for the Polish people.

Allied victory ending World War I brought the Poles independence in 1918. But in 1939 a Soviet-German pact opened the way for invasion and another partition of Poland.

Poland was the victim of incredible destruction and genocide during World War II. The Germans murdered 6 million Poles. The Russians executed 15,000 Polish army officers and deported 1.7 million Poles.

The 1945 Yalta agreement pledged free and unrestricted elections in Poland at the end of World War II. But the Soviets installed 20,000 Polish Communists to rule the country. After a 2-year campaign of internal terrorism, abetted by the Soviet Union, national elections were held in Poland in 1947. The Communists falsified the results and claimed to have won 80 percent of the vote.

The Communists stole Polish freedom, and every good Pole knows this. This is why the Poles rebel from time to time. It is the underlying reason, I believe, for the uprisings earlier this year.

I join with Americans of Polish extraction and Poles everywhere in observing their 3d of May Constitution Day. It is a symbol of the great courage which has always been exhibited by the Polish people. Only a courageous people could have survived the invasions, partitions, political murder and terrorism to which the Poles have been subjected and still cling to a love of liberty and a hatred of tyranny.

I believe in the right of all peoples to choose the form of government under which they will live. The principle of self-determination is one which is embraced by all Americans.

It is fitting, therefore, that all Americans—whatever their origin—join with Poles everywhere in their 3d of May Constitution Day observance.

In so doing they demonstrate their devotion to a cause which furthers the natural and God-given rights of man.

Mrs. GRIFFITHS. Mr. Speaker, the 3d of May is a date which is dear to the people of Poland, to persons of Polish descent throughout the world and to freemen everywhere. On this day Poles and citizens of Polish origin around the globe celebrate a Polish national holiday.

Today, we in the U.S. Congress pause in our deliberations to commemorate the 180th anniversary of the famous Polish Constitution of May 3, 1791. In the United States, wherever Americans of Polish descent live, in cities and towns from coast to coast, this holiday is observed with appropriate exercises throughout the month of May to pay tribute to the Polish nation and to remind fellow Americans that Poland was one of the first pioneers of liberalism in Europe.

It was on May 3, 1791, barely 2 years after the adoption of the U.S. Constitution in 1789, that Poland changed her political system and reversed her internal decline by enacting a remarkable constitution. The Constitution of 1791 was an attempt to do away with the medieval and outmoded system of government in Poland and replace it with a modern constitutional monarchy and parliamentary type of government somewhat akin to the system existing in England. The primary basis of the 1791 Polish Constitution was the principle of the fundamental sovereignty of the people in the state.

Unfortunately, the rebirth of democracy in Poland represented by the 1791 Constitution did not last long. In 1795 Poland was partitioned by Russia, Prussia, and Austria. But the spirit of freedom and progress embodied in that Constitution did not die. Today, on the 180th anniversary observance of the adoption of that Constitution, they still cling to the lofty ideals embodied in their Constitution of 1791.

It is my pleasure to join today with all Polish Americans in honoring this Polish national holiday. It is my hope that Poland will once again be free to enjoy the liberty which it once held.

Mr. CONTE. Mr. Speaker, today marks the 180th anniversary of the signing of the May 3 Polish Constitution. I would like to take this opportunity to say a few words about this great national holiday which is being celebrated by Americans of Polish descent all over the Nation.

It is appropriate that we, as Americans, commemorate the signing of the Polish Constitution. That document bears striking similarities to our own Constitution which was signed only 2 years before in 1789. There is very little doubt that the May 3d Constitution, which made Poland the pioneer of liberalized government in Europe, derived much of its influence from the same sources that shaped the philosophy of the American Constitution.

Furthermore, it is interesting to note that the transition to democratic ideals, which the Polish Constitution brought about, was made without revolution or social disorder.

It is tragic, however, that Poland has never been truly able to grow under the democratic precepts that her Constitution promulgates, for she has been denied her sovereignty by a series of foreign powers.

All Americans, regardless of their national origin, would do well to contemplate the meaning of the May 3d Constitution in Polish history, for America has had the good fortune to grow under the democratic ideals of her Constitution, unfettered by foreign intervention.

I think it would be appropriate for all American citizens to share the hope of our Polish friends that Poland will ultimately regain the independence to which she is entitled and live under the form of government that is the choice of her people.

Mr. BRADEMAS. Mr. Speaker, I am proud to join my good friend and distinguished colleague, the gentleman from Illinois (Mr. PUCINSKI) in taking note of the observance of the anniversary of Polish Constitution Day on today, May 3.

This event is, of course, of particular significance to the people of Poland and to all those persons of Polish origin, millions of whom of course are citizens of our own country.

But May 3 is a day of signficance to all peoples who love liberty for Polish Constitution Day reminds us all of the importance of free and democratic political institutions.

Although Poland and the Polish people today do not enjoy political liberties and free political institutions, I am sure that all of us hope that the day will in time come when those liberties and those freedoms will be enjoyed there.

Mr. YATES. Mr. Speaker, 180 years ago today the people of Poland adopted a Constitution which was a noble experiment in democracy. Their constitution was one of the most liberal and progressive documents to come out of Europe during the 18th century.

The philosophy of their Constitution was in many ways similar to that of our own country, drafted 2 years previously. The Polish Constitution reflects their concern with liberty and sovereignty, values basic to our lives:

All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty and the good order of society, on an equal scale and on a lasting foundation.

The Polish people, valuing the principle of the sovereignty of the people, raised this great moment in their history to the forefront of their tradition instead of the anniversaries of victories or heroic revolutions.

The Constitution was a pioneering instrument and as such was meant to usher in a new era for the Polish people. This document emerged under adverse conditions: For Poland in 1791 was a country under direct threat from external foes. Not only was the freedom of its people under attack, but the continued existence of Poland as a nation was as well.

This golden moment in Polish history came to Poland too late to forestall the third partition of Poland in 1795 by Russia, Prussia, and Austria.

On the observance of Polish Constitution Day across the country I am delighted to be able to add my voice to the salute to the Americans of Polish ancestry.

Mr. BYRNE of Pennsylvania. Mr. Speaker, today, May 3, marks the 180th anniversary of the Polish Constitution of 1791—just 2 years after the adoption of our own basic law.

The unfortunate fact is that this magnificent document, the Polish Constitution, which declared the sovereignty of the people within the state, was too far ahead of itself for Europe—especially Eastern Europe, which was not ready for the acceptance of the dignity of man.

A brief 4 years later, Russia, Prussia, and Austria moved in for the third partition of Poland; and the nation and its magnificent document became dormant.

There have been many proud moments in Polish history despite her periodic dismemberment by her covetous neighbors. Poland is rich in history, in heroism, glorious in victories as well as bitter defeats.

But the Polish people give their greatest honor not to military victories but to that glorious document which states:

All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil libtry and the good order of society, on an equal scale and on a lasting foundation.

Today, as it has been many times in the past, Poland is under the tyrannical heel of a foreign power. But the spirit of the Polish people has never faltered. They know that some day Poland will be free and those principles stated by that 1791 Constitution will indeed become a way of life.

Mr. HELSTOSKI. Mr. Speaker, today is the 180th anniversary of the May 3 Polish Constitution Day. To all Poles this day has the celebrated meaning of our American Fourth of July.

Because Poland's history goes back more than 1,000 years—a history filled with glory and sacrifice, one asks why have the Poles added such great significance to May 3, 1791. The reasons are many. The signing of the Constitution of this day meant the end of the nobility, which at the time was the ruling class of Poland. It meant that the oppressed masses of people were emancipated. This document meant that Poland was to have a constitution modeled after our own Constitution, which was adopted only 2

years earlier, and provided for three separate and equal branches of government—executive, legislative, and judicial. It meant that the Polish Diet—equivalent to our Congress—was to consist of two chambers: First, the Chamber of Deputies; and, second, the Chamber of Senators, with the King at its head as presiding authority. To the Poles it meant the guarantee of religious toleration; rule by the majority citizens; secret ballots at public elections; personal security. Poland was no longer to be a government of a few, but a government of the people, by the people, and for the people.

This was the substance of the Constitution which was approved on May 3, 1791, by the Polish Diet and Stanislaw August Poniatowski, Poland's last king. It was accepted by all Poles as a symbol of democracy and liberty. This document became a guide for Poland's future.

Progressive thinkers throughout Europe hailed it as a significant step in establishing a modern political system. But the recognition of the equality of all men, the proclamation of religious liberty promised in the Constitution, were more than Russia, Prussia, and Austria could tolerate, so these three neighboring countries attacked Poland with full force on all sides.

Poland fell in 1795 and was partitioned, but the May 3 Constitution kept the spark of spirit and hope alive in the Polish people. The Constitution brought moral victory for millions of Poles who became infused with the new patriotism and love of liberty. For 127 years, the Polish people thought, planned, and plotted for their national independence. Their struggle for independence never ceased. The Poles tried to free themselves many times through insurrections which failed. Even though all of their uprisings were unsuccessful, and many Poles lost their lives, the cause of freedom was never lost. The May 3 Constitution served as a beacon of political freedom and democratic government.

From the role of living in bondage, the people of Poland were restored as a Republic in 1918. The dreams of Polish patriots for 127 years were realized. The new government was set up along the lines of the Constitution of May 3, 1791. Once again Poland flourished as an independent nation. Her people enjoyed the privilege of democratic living. However, the happy, glowing picture of a free and independent Poland was blotted out by World War II. First, Germany invaded Poland and enslaved its people. Then the Russians took over and all the principles set forth in the May 3d Constitution were made a mockery by the invaders.

During this second world conflict, the Poles, inspired by the ideals of freedom and love of liberty, fought bravely on all battle fronts—in Africa, England, France, Italy. They fought at Narvik, on the Maginot Line, and at Monte Cassino. Millions of Poles gave their lives so that other people in the world might be free. They fought not only in defense of their own freedom, but also in the defense of the threatened freedom of the whole world. The Western democracies assured the Polish nation repeatedly that its great sacrifices would not be in vain, and it will regain independence and freedom. The Polish nation believed in these assurances.

Unfortunately, the victorious end of World War II did not bring the richly deserved and longed-for freedom and independence to the Polish nation. Surely, freedom and independence were earned by the Poles for fulfilling a duty beyond glory. The sacrifices borne by Poland, as our ally, were not surpassed by any nation, yet she was denied her rightful place among the peoples of the world.

For this, the Western democracies must bear the responsibility—since the promises given to Poland have not been kept.

The Polish nation under the Communist regime knows full well the tyranny of a dictator. Some of the changes that took place after the Communists took over Poland was the introduction of the Soviet slave-labor system for the workers; the beginning of the collectivization of agriculture; the placing at the head of the regime, and the army, well known and experienced international Communist agents; the speeding up of Communist indoctrination of the youth; the open fight against the church; the complete economic dependence on the state.

Such was the reward of a once proud nation which was the first to take up arms in the cause of freedom and independence. Surely, we cannot abandon the hopes and aspirations of a freedom-loving nation.

We must be ever mindful, especially on this anniversary, of the promises of our allies concerning the Polish nation, which are, to guarantee a free, strong, and independent Poland.

The Polish people are not without hope. They are Poles, cheerful, hopeful, idealistic as their forefathers have been, imbued with patriotism and a deep love for freedom. They are mindful of the spirit of their Constitution of May 3, 1791. Today, the torch of freedom is burning in the hearts of every Pole and with our help and God's blessings they will not rest until the day of emancipation is at hand. Deliverance of Poland from the Communist yoke will once again give the Polish people an opportunity to live in a land of freedom and independence as was the intention of the signers of Poland's historic Constitution which was adopted 180 years ago today.

Mr. COLLIER. Mr. Speaker, one of the few bright days in the history of modern Poland was May 3, 1791, when that country's Constitution was adopted. Today we who are Members of the House of Representatives pause briefly in our legislative activities to commemorate the 180th anniversary of that great event.

In 1787 our political ancestors assembled in Philadelphia, drafted the Constitution of the United States, and submitted it to the States for ratification. It took effect on March 4, 1789, but 2 years before the adoption of Poland's Constitution, and has, with the addition of the bill of rights and other amendments, served as our fundamental law ever since.

Meanwhile, on the opposite side of the Atlantic, similar events were taking place in Poland. In 1772 that nation had lost about a third of its territory and about half of its population to Austria, Russia, and Prussia. While those powers were at war with Turkey, Polish patriots took advantage of their preoccupation with other matters by meeting in the Four Years' Diet—1788–92—which resulted in the framing of a new Constitution.

The leaders in the movement were Stanislaus Malachowski, Hugo Kollontay, and Ignacy Potocki. During the Easter recess in 1791, when most of their opponents were absent, they brought the results of their labors before the Diet.

Foreign dispatches, which the marshal of the Diet presented, were in unanimous agreement that a second partition of Poland was imminent. The members of the assembly then realized that swift action was necessary. King Stanislaus II swore to defend the Constitution and urged the deputies to accept it.

Under the new charter Poland was transformed from an elective to a hereditary monarchy, the executive power being conferred upon the King and a council of state and the legislative power being vested in a bicameral diet.

Among the reforms that were brought about by the new Constitution were abolition of the liberum veto—which had paralyzed earlier Polish parliaments—the ending of invidious class distinctions, parliamentary representation, and full administrative and judicial autonomy for the towns, absolute religious toleration, and the mitigation of serfdom as a preliminary step toward its eventual abolition. Possession of land and access to state and church offices, which had hitherto been privileges possessed only by the gentry, were thrown open to the townspeople.

In the United States, drafting, ratification, and promulgation of a new Constitution led to the happiest results. As the infant nation grew both in population and area, the extension of political freedom, combined with unparalleled scientific and inventive progress under a system of free enterprise, led to an ever-growing material prosperity.

Contrast the advance of the United States under its new fundamental law with what happened in Poland after its May 3d Constitution took effect. The second partition of Poland by Russia and Prussia occurred in 1793, while the third partition by Austria, Russia, and Prussia obliterated Poland from the map of Europe.

The collapse of the Hapsburg, Romanov, and Hohenzollern dynasties during World War I led to a brief interval of independence for Poland, but it came to an abrupt end when the National Socialists and their Communist ideological bedfellows conquered it in 1939. World War II, which ended in defeat for national socialism, was followed by the extension of the Soviet Empire to include numerous colonies, among which was Poland. The war, which had ostensibly been fought by European powers for the liberation of Poland, ended in its obliteration.

Mr. Speaker, what ought to have been a happy and joyous anniversary for the people of Poland and their friends here in the United States and elsewhere is in-

stead an occasion for mourning. We who have enjoyed almost two centuries of freedom and prosperity under constitutional government cannot possible comprehend the situation that exists in present-day Poland.

Although her territory has been stolen, although her independence has been destroyed, although her people have been enslaved, the spirit of Poland lives on. That spirit, which inspired Copernicus, Sobieski, Paderewski, and other great men, will some day impel the people of that unhappy land to emerge from the darkness of Soviet imperialism and march forth into the sunlight of constitutional freedom. May God speed the day.

Mr. ROSTENKOWSKI. Mr. Speaker, for many years the U.S. Congress has annually demonstrated the feeling of faithful friendship on the part of the American people toward the Polish nation and people through special commemoration of Poland's great Constitution of 1791.

Beginning today May 3, and continuing throughout the month, Poles and we citizens of Polish origin in America celebrate our Polish 3d of May Constitution holiday. Wherever Americans of Polish extraction live, this event is marked with special exercises to pay tribute to the Polish nation and to remind fellow Americans that Poland was one of the first pioneers of liberalism and freedom in Europe.

It was on May 3, 1791, barely 2 years after the adoption of our own Constitution in 1789, that Poland, without a bloody revolution or even without disorder, succeeded in reforming her public life and in eradicating her internal decline. But following the unfortunate path down which history has led the Polish people for so long, this great rebirth and assertion of the rights of man came too late to forestall the third partition of Poland in 1795 by Russia, Prussia, and Austria.

The greatness of the May 3 Constitution consisted in the fact that it eliminated with one stroke, the most fundamental weaknesses of the Polish parliamentary and social system. The Poles have raised this great moment in their history to the forefront of their tradition, rather than any one of their other glorious victories in their centuries-old struggle for freedom.

The right of man to freedom was formulated in these words in the 3d of May Constitution:

> All power in Civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty and the good order of society, on an equal scale and on a lasting foundation.

Meditation on the words of that Constitution reminds all Americans of Poland's destiny in the history of mankind, and prophesies the ultimate triumph of justice and freedom for the Polish people even though their nation has, since World War II, been deprived of her independence, sovereignty, and territory by Soviet Russia.

Mr. DINGELL. Mr. Speaker, today I join with all my colleagues and all Polish Americans throughout the country in commemorating the 180th anniversary of the Polish Constitution of 1791. The May 3d Constitution was, indeed, an historic landmark in Poland's turbulent history, since through its adoption Poland was transformed into a modern state hoping to achieve and maintain national unity, freedom, and self-government for the people of Poland.

The progressive nature of the Constitution called for the evolution of the medieval Polish system of government into a modern constitutional monarchy and parliamentary system similar to the one existing in England. The Constitution not only discarded those aspects of the old system which contributed to the constitutional and political weakness of Poland, but most importantly guaranteed protection for all. Provisions of the Constitution limited the powers of the monarch and extended executive authority to a council of six, established a bicameral legislature composed of elected members, extended legal protection to the peasantry, and guaranteed religious tolerance to all religious sects. At the time this historic document, inspired by liberal movements in America, England, and France, was viewed as the harbinger of liberalism in Central and Eastern Europe.

The 1791 Constitution was enthusiastically acclaimed by the Poles as well as by friendly nations abroad. It was hailed by public figures in the West and won the admiration of England's foremost liberal statesman, Edmund Burke. However, although the Constitution won the admiration and approval of freedom-loving people, it was denounced by the autocratic regimes of Austria, Prussia, and Russia. Thus, before the principles of "civil liberty and the good order of society," proclaimed by the Constitution, could be fully implemented or tested, Poland once again found herself under attack and was denied her right to freedom and independence.

Although the invasion of 1792 and the subsequent second partition of Poland curtailed the implementation of the Constitution, it neither extinguished the spirit of freedom nor the courage of conviction which inspired that historic document. The spirit of the May 3 Constitution of 1791 prevailed when Poland became independent at the end of the First World War and inspired the Polish people toward freedom during the interwar years. Poland's history since 1939 has been tragically marred by successive tragedies, yet the spirit of freedom and liberty survives in the hearts of all Poles.

It is indeed fitting on this 180th anniversary of the May 3 Constitution of 1791 to pay tribute to the Polish people and their courage and dedication in striving toward that day when Poland can once again live under the principles embodied in the original Polish Constitution.

Mr. JAMES V. STANTON. Mr. Speaker, today is the 180th anniversary of the Polish Constitution adopted on May 3, 1791. This document is a landmark in the struggle of free men to govern themselves.

On May 3, 1791 Polish patriots succeeded in creating a Constitution. It transformed the government from a medieval monarchy to a democracy that guaranteed protection for all the people. This constitution was inspired by the same spirit of freedom that had resulted in the creation of our own Constitution 2 years before.

But the government born under Poland's new Constitution was short-lived. In 1795 Poland was divided among Russia, Prussia, and Austria. Since then the Polish people have been ruled by one dictator after another. But the spirit of freedom that led to the May 3 Constitution remains very much alive.

Poland was an inspiration to mankind for its historic deeds in World War II. The uprising in the Warsaw ghetto was a courageous act of defiance.

For the past 26 years Poland has been under Soviet-imposed rule. But the determination to be free still glows in the hearts of the people. Last December the dock workers rose against their oppressors who claimed to be the "guardians of the working class." The workers' strikes toppled the government and brought some improvements.

Today in Cleveland Americans of Polish descent will mark Polish Constitution Day with a parade, speeches and the laying of a wreath at the Kosciuszko memorial in Wade Park. Thaddeus Kosciuszko, Poland's great patriot, was a general in the American Revolution and an aide to General Washington for 6 years.

Today we honor the courage of the Polish people and pay tribute to Poland's role as one of the pioneers in democracy in Europe. Their actions are an inspiration to men fighting for freedom throughout the world.

Mr. WILLIAMS. Mr. Speaker, the people of Poland and the people of the United States have long found abundant cause for mutuality and friendship.

It was with the help of great Poles, reflecting that commonness of attitude and purpose among our peoples, that the people of the American Colonies won their independence in the American Revolution.

Then, barely 2 years after the adoption of the Constitution of the United States of America, the people of Poland adopted their own freedom-based Constitution. That was on the 3d of May of the year, 1791.

Tragically, this reformation of Polish public life was not sufficient to forestall the third partition of Poland; it came, 3 years later, between Russia, Prussia, and Austria.

In a continuing train of events devastating to freedom, the people of Poland have been compelled to celebrate freedom only in their hearts. They have moved from partition and oppression through dictatorial division and tyranny to enslavement under the Red ideology which finds basis in its dogma, "There Is No God."

Yet, the people of Poland, still sustained by their deep Christian heritage, are slowly managing, step by step, to extricate themselves from the evil which, too long, has been imposed upon them.

As they do, the more than 12 million

Americans of Polish ancestry who comprise the Polish-American Congress continue to offer their prayers and such other efforts as they can, that, one day, their Polish friends and relatives may truly know the freedom intended to be represented by the great Polish national holiday that is the Polish 3d of May Constitution Day.

It goes without saying that every thinking American must continue to wish them well.

Mr. STOKES. Mr. Speaker, I rise today to join my colleagues in commemorating the 180th anniversary of the Polish Constitution. Yesterday, the Greater Cleveland Polonia marked the occasion with wreath laying ceremonies at the Kosciuszko Monument and a parade to the celebration site at the Association of Polish Women's Hall. Members of the Kosciuszko Brigade wearing black berets joined young girls in traditional peasant costumes to express the hope that the United States would pursue the restoration of Poland to a free society.

While the occasion is celebrated with joy and happiness throughout the free world, we must note that this date cannot be celebrated in Poland. Yet, yesterday was a notable day in Poland where Franz Cardinal Konig celebrated mass in Warsaw's St. John's Cathedral. Of the Polish people, Cardinal Konig said:

> I have touched your land, your western territories. You have proved that it is your land, the fatherland of your hands' work, the fatherland of yourselves and your children.

This same tribute can be extended to the Poles in America. Since the landing of the "Mary and Margaret" at Jamestown in October 1608; when Michael Lowicki, Zbigniew Stefanski, Jan Mata, Stanislaw Sadowski, and Jan Bogdan became the first recorded Polish settlers in America, our country has been enriched by the noble heritage of the Poles.

Throughout our short history, Poles have joined in our own fight for freedom and independence. It is only fitting that we join with our Polish patriots in their efforts to extend freedom and liberty to the Polish nation and that we rededicate our faith in the ultimate freedom of man.

Mr. ADDABBO. Mr. Speaker, today marks the observance of a Polish national holiday by our friends of Polish descent. It was May 3, 1791, that the Polish Constitution was adopted, affirming the commitment of that nation to democratic principles.

Four years later Poland was partitioned by Russia, Austria, and Prussia but the great lesson of freedom and liberty embodied in the Constitution of May 3 has not been forgotten. The often quoted excerpt from that document "All power in civil society should be derived from the will of the people" stands as a reminder that the United States and Poland have much in common historically in their attitude toward social justice.

For these reasons we in the U.S. Congress join in this observance of the 3d of May Constitution Day and extend our friendship and sympathy to the people of Poland who retain their desire for freedom in these troubled times.

Mr. STRATTON. Mr. Speaker, I am glad to have this opportunity to join once again in commemorating Polish Constitution Day. It was on May 3, 1791, that the Diet of Poland approved the draft of a new constitution proposed by the Polish King, Stanislas Augustus. The adoption of that constitution represented a vast liberal reform of the government of Poland and gave the people of Poland such substantial rights as those guaranteed by our own constitution here in the United States. And, to the credit of the Poles of that day, it was all done peacefully through the legislative process in a bloodless revolution. That document was acclaimed all over the world as an example of the spirit of freedom which was then sweeping the Western nations and had motivated Americans in the development of our own Constitution. President Washington noted that Poland through its new constitution, had made "large and unexpected strides toward liberty."

This spirit of freedom has never waned in the people of Poland, in spite of all the long repression they have suffered, including the most recent examples at the hands of tyrannic Nazi and Russian occupations.

In the face of government restrictions, the people of Poland have consistently and courageously made clear their continued devotion to the freedom of worship and the human dignity which it stimulates.

So it is appropriate that we take this occasion today to salute once again the brave people of Poland and hail their continuing dedication to the principles of freedom and independence which were expressed so eloquently as long ago in their 1791 Constitution. And it is appropriate too that we should renew our commitment, as a nation and a people who have enjoyed freedom under a very similar Constitution dating from the same general period in history, to hasten the day when the document enacted by the Polish Diet 180 years ago will once more be the basis of the government of the freedom-loving peoples of Poland.

Mr. ZABLOCKI. Mr. Speaker, I am honored to join my colleagues in commemorating the anniversary of the adoption of the Polish Constitution—May 3, 1791.

The Polish Constitution—adopted barely 2 years after our own U.S. Constitution—outlined the same intent and philosophy of its American counterpart. It guaranteed the people of Poland the rights to which men always and everywhere have aspired; its primary postulate was that government belongs to the people. Without a bloody revolution or even any disorder, Poland succeeded in restructuring her public life and eradicating her internal decline. The greatness of this Constitution consisted in the fact that in one stroke it eliminated the fundamental weaknesses of the Polish parliamentary and social system.

It is, therefore, fitting that we pause today in our deliberations in Congress to pay tribute to the May 3 Constitution of 1791 and to honor the nation that created it.

Based on the principle that all power in civil society is derived from the will of the people, the Polish Constitution guaranteed freedom of thought, of expression and of religion in a measure far beyond that prevalent in other European countries of that day. The end to which this principle pointed was the preservation and integrity of the state and the civil liberty and good order of the society on a lasting basis.

Unfortunately, however, this rebirth and assertion of democracy embodied in the Polish Constitution of May 3 was denied the test of time as ours has been. Shortly after its adoption, Poland was overwhelmed and partitioned by its three neighboring empires: Russia, Prussia, and Austria.

Subsequently, a threat was posed to the tyranny and absolutism of Poland's neighbors with the result being the 1795 invasion and partitioning by Russian and Prussian soldiers.

Poland's subjugation did not end there. In 1939 Russian and Prussian troops again met on Polish soil. This time, as in the 1790's, the totalitarian systems of naziism and communism felt endangered by the rays of liberalism emanating again from Poland.

It is truly tragic to reflect on the fact that a people so soundly schooled in the philosophy of individual liberty as the Poles, who conceived so brilliant and enlightened a document as the May 3 Constitution, should now be under the yoke of Soviet Communist domination. This crassly materialistic philosophy, so completely deviod of personal freedom, is alien to the very spirit of the Polish people and alien to the Judeo-Christian tradition which plays such an integral part of the Polish heritage.

It is true that the Poland of today is a little better place in which to live than the Poland under Stalin. Nevertheless, Poles are still denied certain rights that were the historic cornerstones of their May 3 Constitution—meaningful participation in the political life of their nation, personal liberty, full religious freedom. Obviously, meditation on the anniversary of the May 3 Constitution deepens the faith and heightens the courage of every Pole and every American of Polish descent. We must not falter in our hope for a better day for the great people of Poland. This commemoration reminds all Americans of Poland's destiny in the history of man and looks toward the ultimate triumph of justice.

Thus, in commemorating this historic event, we hope and pray that the people of Poland may once again live under an enlightened government envisioned by the May 3 Constitution.

Mr. RYAN. Mr. Speaker, I am pleased to join our distinguished colleague from Illinois (Mr. PUCINSKI) in commemorating the 180th anniversary of the Polish Constitution of 1791, a hallmark in the struggle of men to form governments guided by the consent of the governed.

The adoption of the Constitution marked Poland's first step toward a constitutional democracy. Its basic philosophy was, in the words of the Constitution:

> All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty and the good order of society, on an equal scale and on a lasting foundation.

Unfortunately, history and circumstance have not been kind to the freedom-loving spirit of the Polish people. Four years after the adoption of the Constitution, Poland was invaded and then divided among Russia, Prussia, and Austria. In this century the persistent efforts of the people of Poland to establish a free nation also have been thwarted. At the end of World War I there emerged an independent, united Poland. However, Polish freedom was soon destroyed by Hitler in 1939, and since World War II Poland has been a Soviet satellite with a Communist government.

Today we salute the Polish people for their courage throughout their long and bitter struggle to achieve independence and freedom.

The friendship of the American people for the people of Poland is enduring, having been forged at the time of our own Revolutionary War and strengthened by the contributions made by the many Polish people who immigrated to the United States and helped to build our Nation.

We commemorate Polish Constitution Day with confidence that the brave spirit, which the people of Poland have demonstrated in the past, will sustain them until the day when Poland once again will take its place among the free nations of the world.

Mr. DULSKI. Mr. Speaker, on this day annually Poles everywhere and citizens of Polish heritage in many countries, including our own, mark a Polish national holiday—the Polish Third of May Constitution Day.

It was on May 3, 1791, barely 2 years after the adoption of the Constitution of the United States, that Poland succeeded in reforming her public life and halting her internal decline.

This achievement of 1791 regrettably came too late, however, to forestall the third partition of Poland in 1795 by Russia, Prussia, and Austria. Poland's rebirth and assertion of democracy was aborted.

Poland pioneered liberalism in Europe, thus providing a continuing threat and challenge over the years to its neighboring countries. The partition of 1795 may have made its political mark, but it did not overcome the spirit of democracy in the hearts of these great people.

The 1791 Constitution spelled out the aim of the people in these words:

> All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, and civil liberty and the good order of society, on an equal scale and on a lasting foundation.

The similarity of aims of the U.S. Constitution and the Third of May Polish Constitution is unmistakable. On this third of May 1971—note that the numerals are the same this year except for the transposition of the middle numbers—Polish-Americans join with Poles everywhere in reflecting on their great heritage and continue their hope and prayer that one day Poland again can be a free country.

Mr. MIKVA. Mr. Speaker, this Nation is greatly indebted to its Polish-American citizens. The impact of these people and their culture will have a lasting effect on America. The Polish 3d of May Constitution declares that "all power in civil society should be derived from the will of the people." On the basis of this belief, the Poles made an integral contribution to the founding of the United States. Tadeusz Kosciusko and Casimir Pulaski fought valiantly in the American Revolution.

The culture of the Poles has delighted Americans for years. The famed composer and pianist, Ignace Paderewski, enriched American life as he toured throughout this country. Even this year, Washingtonians were pleased with the appearance of the singing and dancing company of Mazowsze.

Today is a national holiday which holds great sentiment for Americans of Polish descent. It is the anniversary of the May 3 Constitution of 1791, which eliminated with one stroke the most fundamental weaknesses of the Polish parliamentary and social system. As the Poles sing "Welcome May, the 3d of May," I would like to add my voice by calling on all Americans to express their gratitude to our Polish-American brothers for having contributed so much to this country and the world.

Mr. O'HARA. Mr. Speaker, I rise today to celebrate the 180th anniversary of Poland's Constitution of 1791.

Born of the pride and ambition of a great people, though crushed by conquest, its words today remain a symbol of Poland's independent spirit and an inspiration to free men everywhere.

It is significant, as we commemorate this anniversary, here in the capital of the world's greatest free nation, that we recognize the similarity of inspiration of our own founding documents and Poland's Constitution.

The Poles recognize, as we do, that government is the instrument of the people. Our Founding Fathers wrote:

> Governments are instituted among Men, deriving their just Powers from the Consent of the Governed.

Similarly, the authors of the Constitution of 1791 declared:

> All power in civil society should be derived from the will of the people.

That is not the only affinity between the two nations. We also share with Poland a patriot—a man who was present at the birth of independence here and then fought in his own nation for the preservation of an independent Poland under the Constitution of 1791. I refer, of course, to Thaddeus Kosciuszko, whom I hope this Congress will soon honor by designating his last American home in Philadelphia as a national historic site.

Kosciuszko was the forerunner of millions of Polish Americans who have contributed, with their skills and hard work, to their country's progress. It is appropriate that we take this occasion to recognize their contribution to America's greatness.

Mr. Speaker, the Polish people's hopes and ambitions for a strong, secure, and independent nation are as strong as ever.

I am confident that sometime, in the not too distant future, the Polish people will once again triumphantly celebrate their Constitution Day, and that Poland will take her rightful place in the first rank of freedom-loving nations of the world.

Mr. ROONEY of New York. Mr. Speaker, for the past 180 years the Polish people have been reminding themselves of the historic event marking the adoption of their cherished Constitution. Unfortunately, it has not been possible for the Poles living in Poland to celebrate overtly many Polish Constitution days, because the years of Polish independence have been so limited. In consequence, greater and more frequent attention is given to this great Polish Day by Poles and their descendants living outside Poland. Such is true in this country where all the fine Polish American organizations place major emphasis upon the observance of Polish Constitution Day.

What a contrast there is in the way so many Americans view our own Constitution with the way our citizens of Polish extraction pay tribute to the Polish Constitution. I wish that a new wave of respect and honor might gain swift acceleration throughout our land to counteract the loud sneers and ridicule which so many of our hairy dissident groups use against it today. We have been fortunate that our Constitution has remained stalwart and enduring for almost 200 years.

It is true that, as our country grew and our way of life has changed, our Constitution has had a few amendments. However, the basic tenets of our rights, our privileges, our obligations, and our purposes remain unchanged and more firmly implanted than at any time in our history.

In contrast to our good fortune of being able to live and thrive under our Constitution from the very day of its adoption, the Polish people have had only spasmodic periods of freedom to be enjoyed within the guidelines of their Constitution.

The world applauded the historic act of the Polish leaders in developing and adopting a superb manifesto which set forth with utmost clarity the rights and obligations of a free and democratic society. Similar in many ways to our own newly developed Constitution the charter which the Polies brought forth was far ahead of its time in Europe and most of the world. It was small wonder that the Polish people took such pride in their new state document. It was sad, indeed, not only for the Poles but for freedom-loving people everywhere that the greed of more powerful nations would result in its swift dismemberment and its partitioning as vassal holdings of Russia, Austria, and Prussia. But even under the rule of alien oppressors the Polish people remembered the benign contents of their beloved Constitution. From time to time Polish patriots dared to remind their countrymen of their Constitution. At the end of World War II, the Polish people once more took heart and began to reestablish themselves as a free and sovereign nation under their hallowed Constitution, but the Soviets saw fit to deny this long-awaited independence and cruelly and illegally clamped Poland with bonds of iron to bow to the rule of Communist puppet bosses.

Mr. Speaker, as we join with our Polish-American citizens in observing the anniversary of the Polish Constitution, we should resolve personally to do several things. First, we should attempt to stimulate greater understanding and respect for our own magnificent Constitution by every American man, woman, and child.

We should resolve to intensify our efforts by every possible means to help our friends in Poland regain the freedom and independence which they so desparately want and which they so richly deserve.

We should do our utmost to see that full atonement be made by those guilty of the many atrocities perpetrated on the Polish people. Not only must we not forget such atrocities as the mass murder of Polish leaders in Katyn Forest but we must pursue a relentless course to see that such acts are avenged.

Our longtime assurances of affection for the people of Poland must be backed up with a never faltering determination to utilize all political and economic leverage to hasten the restoration of the independence which the Polish Constitution so clearly defines.

Mr. MINSHALL. Mr. Speaker, from the very beginning of our great Nation's struggle for its independence we have been indebted to Poland for sending us some of its finest men and women. Our Polish-American citizens not only helped make possible the creation of the United States, they have helped to build it during our nearly two centuries of national life.

May 3 holds a very special place in the hearts of all Americans of Polish descent as the anniversary of the Constitution of 1791 adopted in Poland just 2 years after ratification of our own Constitution. The liberty and democratic processes represented by the Polish Constitution of 1790 remains alive in the hearts of millions of Polish citizens today behind their Iron Curtain.

The Polish American Congress has issued a most interesting fact sheet on May 3, and the Ohio Division of the Polish American Congress a list of excellent resolutions, all of which I wish to put in the RECORD at this point. In doing so, it is with the abiding and devout hope that within our lifetimes freedom will be restored, permanently, to the magnificent people of Poland.

The material follows:

MAY THIRD—THE POLISH NATIONAL HOLIDAY

On May 3d Poles everywhere and citizens of Polish origin in many countries celebrate a Polish National Holiday—the Polish Third of May Constitution Day.

In the United States, wherever Americans of Polish descent live, in cities and towns from coast to coast, this holiday is observed with appropriate exercises throughout the month of May to pay tribute to the Polish nation and to remind fellow Americans that Poland was one of the first pioneers of liberalism in Europe.

It was on May 3d in 1791, barely two years after the adoption of its Constitution by the United States in 1789, that Poland without a bloody revolution or even without a disorder succeeded in reforming her public life and in eradicating her internal decline. But this great rebirth and assertion of democracy came to the Poles too late and did not forestall the third partition of Poland in 1795 by Russia, Prussia and Austria.

POLAND PIONEERED LIBERALISM IN EUROPE

The greatness of the May Third Polish Constitution consisted in the fact that it eliminated with one stroke the most fundamental weaknesses of the Polish parliamentary and social system. The Poles raised this great moment in their history to the forefront of their tradition rather than any one of their anniversaries of glorious victories or heroic revolutions.

We Americans who have been reared in the principle given us as a birthright by the founders of our great Republic, the principle of the sovereignty of the people in the state, which is the primary postulate in the 1791 Polish Constitution, can see how this truism cut off the Poles and the Polish political tradition completely from both the Germans and the Russians, who have been reared in the principle of state, and not national, sovereignty.

The light of liberalism coming from Poland was then, as it has been throughout the years that followed and even unto today, a threat to tyranny and absolutism in Russia and Germany. In 1795 Russian and Prussian soldiers were sent to Poland to partition and rape her. In 1939 Russian and Prussian soldiers met again on Polish soil, as the absolute totalitarianism systems as nazism and communism again felt the danger of true liberalism coming from Poland just as in 1791.

In the Polish Third of May Constitution this liberalism was formulated in these words:

"All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty and the good order of society, on an equal scale and on a lasting foundation."

AMERICAN AND POLISH CONSTITUTIONS SIMILARLY INSPIRED

The philosophy of government discernible throughout the Third of May Polish Constitution leads one to believe that the American people and the Polish people had each drawn inspiration for their respective constitutions from the same source.

Meditation on the anniversary of May the Third deepens the faith and heightens the courage of every Pole and of every American of Polish origin. It reminds all Americans of Poland's destiny in the history of mankind, and prophesies the ultimate triumph of justice, even though Poland once more has been deprived of her independence, sovereignty and her territory by one of our former allies, Soviet Russia, with the consent of other United Nations.

RESOLUTIONS

Whereas, the Ohio Division of the Polish American Congress is celebrating the 180th Anniversary of Poland's Constitution on May 2, 1971, at the Association of Polish Women's Hall, 7526 Broadway Avenue, Cleveland, Ohio;

Whereas, this was a most significant event in Poland's history;

Whereas, the Constitution of May 3, 1791 expressed freedom, individualism, and democracy;

Whereas, the same freedoms do not exist in Poland today, therefore

Be it resolved, that the Ohio Division of the Polish American Congress endorse the following principles to again restore freedom and individualism in Poland:

1. The United States should pursue a peaceful liberation policy to free Poland of Soviet oppression.

2. The United States Government should expand and enliven our involvement with the Polish nation in economic, cultural, and scientific exchange in a manner as not to aid the Soviet rulers of Poland.

3. The United States Government should recognize and support the Oder-Neisse Line as the permanent border of Poland.

4. Poland should continue to be classified as a "most favored nation".

5. Polish currency owned by the United States should be used in Poland for humanitarian projects. The Royal Castle of Warsaw destroyed by the Nazi should be rebuilt.

6. To encourage President Richard Nixon to fulfill his pre-election campaign promises to place Poles in top federal positions. To date, the federal government is being critically criticized for its unwillingness in naming Americans of Polish descent to federal positions. Recently, the National Polish American Congress created a "Talent Bank" containing a list of qualified Polish Americans available for government services. Governmental leaders are encouraged to use the recommendations of the "Talent Bank".

7. To encourage the further involvement of Polish leaders in Polonia and community affairs and to censure those that discourage this positive involvement. Educators should not be denied their full citizenship rights.

8. To continue to carefully review candidates for judges and to be critical of judges being too lenient with lawbreakers. Crime is rising. People are no longer safe on the streets or in their homes. Judges must stop being lenient. Law enforcement officials should not be treated as defendants in courts.

9. We the Americans of Polish descent, break a silence of a generation and elect to speak in the interest of promoting greater understanding between ethnic groups in a nation of many origins, colors, and creeds. To this extent, we support the efforts of Congressman Roman Pucinski (Chicago) to establish an Ethnic Heritage Study Centers (H.R. 14910) in educational institutions which would develop curriculum and train teachers for the study of America's major identifiable ethnic groups.

10. We of Polish American heritage rededicate ourselves to "freedom under the law" and demand justice and fairness with respect to each man's public image. We, therefore, will aggressively oppose defamation of Poles through our Civic Alert Committee. To this end, the boycott against the Garfield Heights Board of Education and the superintendent will continue until they discharge their responsibilities for the best interest of the boys and girls of Garfield Heights.

11. To declare to the Free World that the Ohio Division of the Polish American Congress is opposed to Communist Oppression and Tyranny. To this extent, we loyally as Americans first support President Nixon to negotiate an honorable peace.

12. We, Americans of Polish Heritage, do hereby solemnly declare and proclaim that we will on every possible occasion expose, deplore, and denounce those powerful rulers of the pen and airwaves who use vicious ethnic humor and malicious misrepresentation of ethnic cultural heritage.

13. The continued unrest in Poland poses a threat of a Soviet armed intervention, similar to the invasion of Czechoslovakia in 1968. To militate against this real danger, the United States should reaffirm its position that the Brezhnev doctrine is contrary to the basic principles of the United Nations Charter, and that the intervention in the affairs of Poland by any member of the Warsaw Pact would be considered as a threat to peace and as such would be brought before the United Nations.

14. Edward Gierek, the new head of the ruling Communist Party in Poland declared that the objectives of his government include economic improvement of the country, establishment of an open form of government, and steps toward closer relations with countries outside the Soviet block. We submit that it is in the interest of the United States to promote evolution of East European states toward open societies. Therefore, Mr. Gierek's declared objectives deserve close attention

and continued interest of the United States in the future development in Poland. The United States should let it be known that the full accounting for people killed, injured and arrested during the recent demonstration would be regarded as indicative of good faith, if and when presented by Mr. Gierek's government. For humanitarian reasons, the United States Government could utilize its considerable counter-parts funds in Poland for a rehabilitation program, necessary after the unrest; also the United States could offer its surplus foodstuffs for the people of Poland, possibly through the agency of American Relief for Poland. We also respectfully submit, that the time is urgent for the exploration and evaluation of a long-range economic assistance to Poland and for increased commercial exchanges between the United States and Poland. In this context, we feel that the State Department's rejection "for the time being" of a reqeust by Poland to buy oil-refiinery equipment was ill advised. We hope, that the qualification "for the time being" has run its course in view of recent events and that the sale of the aforementioned equipment, vitally needed by Polish oil industry will be approved.

15. In 1973, scientific communities throughout the world will mark the 500th anniversary of the birth of Mikolaj Kopernik, better known under the latinized name of Nicolaus Copernicus. Kopernik, whose monumental discoveries and scientific probings, "stopped the sun and set the earth in motion," is the father of modern astronomy and precursor of our Space Age. Kopernik, one of the greatest scientists of all times, was born in Poland and received his fundamental education at the Jagiellonian University in Krakow. It is incumbent upon us as Americans of Polish heritage, to mark the Kopernik Quintcentennial in a special way. Thus we ask the President to use his prestige and influence in Washington to bring about an issuance of a Kopernik postage stamp in 1973, and to arrange a special commemorative Kopernik program in both chambers of the United States Congress.

16. To continue to demand that money raised for community activities such as the United Appeal Fund be distributed more equally to agencies serving the ethnic community.

17. To continue to support the efforts of the Greater Cleveland Citizens League to enact strong "conflict of interest" legislation in the present Ohio General Assembly.

18. To commend the Nationalities Services Center for doing an outstanding job with their limited resources for ethnic groups.

19. Be it further resolved, that Aloysius Mazewski, national president, and Richard Jablonski, Ohio Division president, of the Polish American Congress be recognized and praised for their leadership in promoting Polonia aims and objectives by vigorously working to fulfill the rising role of Polonia in local, state, national, and international events.

Be it further resolved that the Ohio Division of the Polish American Congress endorse the aforementioned principles and hereby directs the Board of Officers to forward copies to interested persons

Mr. KEMP. Mr. Speaker, May 3 marked the celebration of Polish Constitution Day, the anniversary of the establishment of Poland's first popular Constitution, a day that will live in the hearts and minds of freedom-loving people everywhere.

On May 3, 1791, the Polish Great Diet voted a Constitution for the state thus beginning a long struggle for freedom which was not regained until 1918.

During the 123-year period of domination, Polish cultures still made significant contributions to Western civilization. Marie Sklodowska-Curie is famous for her discovery of radium. Chopin and Paderewski became prominent names in music. Prince Czartoryski, Lelewel, and Mochnacki were among Poland's notable statesmen and political writers, and in poetry, authors such as Sienkiewicz, Kraznewski, and Slowacki achieved critical recognition.

In 1918, the three sections of Poland were reunited and the rebirth of the Polish Republic after one and a half centuries of partition and foreign subjugation was accomplished. Another Constitution was adopted June 22, 1952, but Poland and its neighbors were traveling the undistinguished, gray road of European communism. A spark of the traditional Polish longing for freedom was ignited in June of 1955, however, the Poznan Revolt. Ruthlessly crushed by Russian troops, the Polish people have been forced to continue to acquiesce to Soviet military and diplomatic overlordship. That Poland is a vassal state continues to rest heavily on Polish hearts and on all friends of the Polish people.

As we commemorate Polish Constitution Day, we should recall the debt we owe to our fellow citizens of Polish origin who add so much to our economy and our civilization.

Mr. Speaker, at this point I include a chapter on Polish contributions to American life from the book "One America":

CONTRIBUTIONS TO AMERICAN LIFE

The Poles have made their contributions to American culture in three ways. First, it is quite obvious that the contributions made by Poland to our civilization are an inseparable part of the intricate and complex culture of America. Such great names as Nicholas Copernicus, Paderewski, Sienkiewicz, Joseph Conrad, Helena Modjeska, Marie Skolkowska-Curie, and numerous others are known to all, and are their contributions not only a part of Polish culture but also of America's culture? Is there a music lover in America who, for instance, does not know the music of Chopin?

Second, the Polish American has impressed his personality on American culture as a group. This fact is well expressed by Thaddeus Hoinke: [1]

"There is an item of the Polish contribution usually entirely overlooked. . . . This is the cumulative contribution of the four million Poles in this country. This human item is the greatest gift that Poland has given America. Someone may remark that the American Poles, as a class, have been mostly laborers and farmers. True enough. But they arrived in this country, like the Polish carpenters and pitch makers of Virginia and the Polish soldiers of the Revolutionary time, at the crucial moment in the development of the American Commonwealth—at the time of laying the foundations of the new industrial empire. . . . This great army of labor, in which the Poles play an important role, has won for this nation the first place in the industrial life of the world. Only by means of their humble but indispensable qualities, because of their sweat and titantic work, could this country achieve such an unprecedented level of prosperity and might. And not only because of that—this great army of peaceful fighters had actually paid with its own blood for the comfort and higher standards of living in this country. In 1925, 10,537 men died as a result of industrial accidents. . . . Much of this was Polish blood."

In the third place, the Poles have furnished several outstanding, even world-famous, names in the purely cultural field. In the opera, the Poles are proud of Jean de Reszke, Adam Didur, and Ina Burskaya. Carole Landis, a Hollywood star, was born a Ridste, comes from one of those large Polish families which has many widely scattered relatives. The late Richard Boleslavski directed several outstanding Hollywood films. Jan Kiepura, a young Polish tenor, appeared in 1935 opposite Gladys Swarthourt in "Give Us This Night," a Paramount film, and starred in "The Merry Widow" on Broadway in 1943–1944. Leopold Stokowski, formerly with the Philadelphia Symphony Orchestra and engaged later in his fine experiment to acquaint the masses with great music, is one of the greatest of America's conductors. Dr. Arthur Rodzinski is a conductor of long experience and famed as "an orchestra builder and repairer." [2] In 1933, he developed the Cleveland Orchestra into one of the Middle West's two finest musical organizations (the other, the Chicago Symphony). He was picked by Arturo Toscanini in 1937 to organize and train the NBC Symphony. In 1943 he became the new "boss" of the New York Philharmonic Symphony. The son of a Polish army surgeon, he was born in Spalatto on the coast of Dalmatia. He studied law at the University of Lwow. Severely wounded in World War I, he resumed his law studies in Vienna and took his doctor's degree, which had no connection with music. Eventually he got a job at the Warsaw Opera, where Leopold Stokowski met him in 1925 and offered him an assistant conductorship in Philadelphia. The names of Paderewski and Josef Hoffman are too familiar to be more than noted.

The Poles have also made contributions to many other fields—in painting and sculpture, in politics, and in the sciences of engineering, medicine, and so on. Only a few can be mentioned. Professor F. Pawlowski, head of the department of aeronautical engineering of the University of Michigan, is a pioneer in aeronautical education. Leopold Julian Beeck laid plans for the first polytechnic institution in the United States and was a member of the faculties of the University of Virginia and the University of Pennsylvania. Professor Oskar Halecki, one of the greatest of Europe's historians, now heads the Polish Institute of Arts and Sciences in New York City. Dr. Ralph Modjeski, one of the best-known engineers in the United States, is chairman of the Board of Engineers of the San Francisco-Oakland bridge and served as consultant on the Manhattan bridge over the East River, New York, and the Mid-Hudson bridge at Poughkeepsie; he is the son of the famous Polish tragedienne, Madame Helena Modjeska, who died in 1909. A monument to her was unveiled in 1935 in Anaheim, California.

The late Bronislaw K. Malinowski, Bishop Museum visiting professor of anthropology at Yale University (who died in 1942), was recognized as one of the great social anthropologists of modern times. He developed a new way of looking at primitive cultures. He came to anthropology in the days when the greater emphasis was centered on recording and classifying the peculiar antics of savage peoples and attempting to reconstruct the evolutionary histories which would lead back into a prehuman animal world. Malinowski was the first to state the necessity of participating directly in the lives of savages; it was his technique to observe a primitive people from within, through its own langauge and the eyes and sentiments of its members. In his numerous studies he became the founder of a new approach in that field, now

[1] Thaddeus Hoinke, "The Polish Contribution to America," pp. 74–75, in *Poles in America*, Tomczak, Anthony C., Editor. Chicago, Polish Day Association, 1933.

[2] "Purged Philharmonic," *Time*, XLII, 16 (October 18, 1943), p. 24.

known as functionalism. This approach emphasized the functional interrelationships of all cultural phenomena in the structure of society. Dr. Joseph Jastrow, on the other hand, was a psychologist, professor of psychology at the University of Wisconsin for thirty-nine years. Long a valiant tilter at man's absurdities, he wrote fourteen books and numerous articles, from 1935 to 1938, lectured regularly on the NBC network. Dr. Feliks Gross, a well-known sociologist, founded the Central and Eastern European Institute during World War II. Staff Sergeant Sylvester Frederick Dudex of Philadelphia received the *Virtuti Militari* for heroism while gunner on a Polish Wellington bomber.

GENERAL LEAVE

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the subject of my special order of today.

The SPEAKER pro tempore (Mr. HUNGATE). Is there objection to the request of the gentleman from Illinois?

There was no objection.

SUGAR REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 15 minutes.

Mr. FINDLEY. Mr. Speaker, at the outset I wish to compliment Chairman POAGE on the policy changes he has initiated in regard to committee consideration of sugar legislation. He gave notice early that he would not receive foreign lobbyists for private discussions, that all his contacts with foreign lobbyists would be in open hearing on the public record, and that a public record be made of foreign agent registration.

These measures, I feel, have built public confidence in the legislative process and have set a good prudent standard for others of us on the committee. As a former newspaperman. I say the best protection for the public under this program is disclosure of the facts as to who represents whom, when and for how much.

Politics is the art of the possible. This must be kept in mind as we consider the politics of sugar in 1971.

Fundamental change is difficult to achieve even under ideal circumstances in a program as longstanding and complex as the Sugar Act.

Inertia is a powerful force in the law of physics and even more powerful in the law of sugar. The Sugar Act has been in motion for more than 37 years, and its natural tendency—like other things in the physical world which are in motion—is likewise to remain in motion.

Producers, suppliers and major users of sugar are highly organized. Witness the lobbyists who have kept the Committee on Agriculture hearing room filled through day after day of long hearings. Domestic interests are so highly organized they were able to present an unchallenged united front on specific legislative recommendations.

These varied but coordinated interests have succeeded in convincing large numbers of Representatives and Senators to accept the dubious proposition that the Sugar Act is much too complex, precious and delicate for even minor remodeling.

Up to this point at least, the administration has not announced a position.

FEW REFORM ADVOCATES

Other prospective reform advocates are few in number. Consumers and taxpayers are poorly organized. The role of sugar, while important, is not prominent in the family budget. Moreover, the complexity of the act tends to discourage such lay groups from effective attack. Sugar price advances—starting of course from a very high base—have been no more spectacular than other food items. The U.S. cartel is so neatly packaged its defenders can even make an argument—though a very superficial one—that the act makes money.

It is easy to see why domestic producers like things as they are. For all practical effect, markets and prices are fully guaranteed. Foreign competition is tightly regulated. Direct Government payments are a pleasant extra for which no resource adjustment is required.

The act makes life easy for major users by providing merchandising services. Supplies are steady. So are prices, although at steadily higher levels.

Quota countries could hardly be happier. The U.S. market is highly profitable—the sweetest premium market in the world.

All this is by way of saying that change this year will not be easy. But change is needed for two main reasons: first, foreign suppliers are paid to much; second, government payments to individual domestic producers go too high.

My recommendations will deal only with these two items.

The premium foreign suppliers get when they sell sugar to the United States amounts to a gigantic unregulated foreign-aid program whose annual value ranges between $250 million and $350 million a year.

It differs from the traditional foreign-aid program in two most unfortunate respects: first, it is financed entirely by U.S. citizens as consumers, not as taxpayers; second, its benefits are distributed with little discrimination and with no social objective.

The very existence of the high-paid corps of foreign sugar lobbyists is evidence that foreign quotas are a much-prized bonanza.

FOREIGN QUOTA BONANZA

The degree to which the American people are fleeced by the foreign quota provisions of the act is indicated by data supplied to the Committee on Agriculture by Mr. Arthur L. Quinn, representing British Honduras. In testimony Tuesday of last week he stated that the FOB realized return by Honduras on sugar supplied in 1970 to various markets was as follows: 15,758 tons to the United States at $136 a ton; 23,692 tons to the United Kingdom at $99 a ton; and 27,194 tons to Canada at $80 a ton.

"Net realized" means after any duties and import fees are paid.

Translated, Honduras got 6.8 cents a pound from the United States, 5 cents from the United Kingdom, 4 cents from Canada. The world price was a notch lower at 3.8 cents.

Lobbyists, of course, defend the prices paid for foreign sugar and insist that a lower U.S. price would be a serious if not mortal blow. This reaction is natural, perhaps, as no one welcomes income reduction.

When speaking for the West Indies, Mr. Quinn indicated his clients in recent years lost money on two-thirds of their exports—that to the United Kingdom system—and survive only because of the profit realized from shipments of the remaining one-third—that to the United States. Others have made similar allegations.

I seriously question the validity of the allegation of losses on sales to the United Kingdom market. But even if one accepts it, a larger question remains. Why should the United States keep itself in the curious position which, in effect, subsidizes sugar prices throughout the United Kingdom system?

The injustice in the present pricing system is also apparent when one recognizes that no foreign producer faces cost items as high as those which confront U.S. producers, yet each gets the advantage of a price based on U.S. costs.

For example, wages as little as $1.50 or $2 a day are still commonplace among foreign suppliers; $4 a day is big money. Contrast these with almost $35 a day paid to workers in Hawaii and $1.85 an hour in the sugar beet areas of the United States.

Despite the wage differential, foreign suppliers get almost the same price in the U.S. market as domestic producers.

Somehow, Congress must devise a way to get a better price on sugar supplied by foreign countries. Under the present arrangement the American people get hooked, and bad.

Direct Government payments to some individual producers go much too high. The largest made in 1969 are listed below.

Government payments at any level are hard to rationalize in a controlled market in which profitable market prices are virtually guaranteed. They can be justified only in social terms, that is, to meet a need for farm-family income supplement. At the level of those listed, payments are an absolute outrage.

An annual limitation not higher than $55,000 should be established, as under the feed grains, wheat and cotton programs. Under each of these latter programs, farmers must make substantial adjustment of resources—that is, land retirement—in order to establish entitlement. Under sugar, there is none. My own preference is a $20,000 aggregate level for all programs.

PASS MORE BACK PROPOSAL

And the individual limit should be an honest one. Schemes to negate the effect of the limit, like the "pass-back 40–40" invention proposed to the committee last Friday by the domestic industry must be rejected. The "pass-back" is evasion on its face and an insult to the integrity of the Committee on Agriculture.

In fact, the "pass-back" scheme could accurately be named "pass more back," because it will yield a substantial increase for the big six—the largest of the giant sugar-producing corporations.

Under the "pass more back" formula, each will get 40 cents per hundred-

weight on all production compared with present sliding-scale rates which, due to varying production, range between 33.8 cents and 39.1 cents.

The extra bonanza these giants have lined up for themselves comes to an aggregate of $517,703.72 based on 1969 production. It is a good thing for the American people the sugar industry did not propose an even lower limit.

In that year two producers each got a payment in excess of $1,000,000. The "pass more back" formula will boost this largess, compliments of the U.S. taxpayer, by a hefty 20 percent.

Here are the details:

SUGAR INDUSTRY "PASS MORE BACK" PROPOSAL

	1969 production (pounds)	Current rate at—(cents)	1969 payment	Pass back at 40 cents	Increase under pass back
Hawaiian Comm. & Sugar Co., Puunene	3,698,732	33.2	$1,229,666.32	$1,479,492.80	$249,826.48
U.S. Sugar Corp., Clewiston, Fla	3,179,767	33.8	1,073,980.08	1,271,906.80	197,926.72
Waialua Sugar Co., Waialua	1,472,286	38.2	561,735.90	588,914.40	27,178.50
Oahu Sugar Co., Waipahu	1,365,555	38.8	529,717.61	546,222.00	16,504.39
South Puerto Rico Sugar Co., South Bay	1,341,498	38.9	522,499.44	536,599.20	14,099.76
Lihue Plantation Co., Lihue	1,322,192	39.1	516,708.93	528,876.80	12,167.87
Net increase					517,703.72

Distinguished support for the limit on individual payments comes from Dr. John A. Schnittker, Under Secretary of Agriculture from 1965–68. In a speech October 20, 1970, to the Sugar Club of New York, he said:

Limiting direct Government payments to farmers is a popular issue today; the limitation in the new farm bill is long overdue. Limiting Treasury payments to $55,000 per crop—or to $20,000, as I would prefer—will not "destroy the farm programs." Limiting Sugar Act payments to $55,000 will not destroy the Sugar Act, nor will it generate a sugar shortage nor threaten the security of the United States.

The payment limit provisions in the Sugar Act must be carefully drawn. It is clear that the payment limit in the Agricultural Act of 1970 applying to wheat, cotton, and feed grains will effect almost no savings to the Government.

The $55,000-payment limit makes sense in several ways. Provided no farm splitting occurs, expenditures for direct Government payments would be reduced about $12,441,000 a year. Second, it would serve to retard the trend toward bigness in sugar production, in that production above 27,495 tons of beets a year by a single farmer would have no entitlement for direct payment. This is the production on 1,833 acres, using 1969 crop data averages.

Conceivably the payment limit will lead to the permanent subdivision of some farm units, and if so, this would accord with the philosophy so often expressed legislatively by the Committee on Agriculture which favors the family structure—as opposed to the corporate structure—in American agriculture.

Reform of the administration of the present sliding scale of individual payments is also needed.

The General Accounting Office a year ago completed a study to determine the manner in which the constitution of farms under the sliding scale of payments was being administered by the Agricultural Stabilization and Conservation Service. Payments range from 30 to 80 cents per hundredweight depending on the size farm, with small farms favored.

In six of the seven States in which the review was conducted, GAO found that county ASCS offices had not adequately reviewed nor had State offices effectively monitored constitutions of sugar beet and sugarcane farms. GAO found instances where two or more separately constituted farms were owned and operated by the same individual or individuals. According to the USDA guidelines, such farms should have been constituted as one farm for Government payment purposes. Because of the sliding scale method of payment, the farmowners received total payments in excess of what they would have received had the farms been constituted as a single farm as they should have been.

The GAO report recommends:

The Administrator, Agricultural Stabilization and Conservation Service, should establish procedures at the state and national organization levels to provide assurance that (1) county offices and committees are making annual reviews to determine the propriety of the sugar farm constitutions and (2) determinations made by county committees are consistent with applicable regulations and instructions.

USDA currently is reviewing its farm constitution requirements in light of the GAO report. The Committee on Agriculture should demand that USDA move with all dispatch to implement these recommendations under any extension of the act, and if necessary, draft directives in the act to insure compliance.

What should be done to bring to a reasonable level the price we pay for foreign sugar?

I will list three different approaches in order of my preference:

First. Secure all foreign supplies by competitive bidding.

Under this procedure, the Secretary, through the Commodity Credit Corporation, would be authorized to purchase all foreign sugar requirements through contracts established by competitive sealed bidding. At least once a year, he would issue a general invitation to all foreign sugar producers to submit bids as to quantity, price, and delivery, and would accept those determined to be best. Contracts could be for more than 1 year if deemed advisable.

The Secretary would make purchases under these contracts as domestic market conditions require. He would pay the price specified in the contract, sell the sugar into domestic channels at the going U.S. market price, and deposit the difference in the general fund of the U.S. Treasury. Under this arrangement, the present import duty on sugar logically would be eliminated.

Like the other two alternatives I will mention, this approach would leave protection for U.S. producers exactly as presently.

Several advantages are obvious: It would end all discrimination among foreign sugar producers. Each would be given an equal, fair chance at supplying the U.S. sugar market.

It would take Congress out of the business of allocating high-profit business among certain favored sugar-producing nations. Neither the executive branch nor the Congress would have favors to distribute to foreign suppliers. These countries would have no reason to continue to employ sugar lobbyists.

It would establish for the first time in years a meaningful world price for sugar. This would be useful to the Congress in deciding future questions of domestic price policy.

The acquisition of foreign sugar supplies at long last would be on a reasonable business basis. The foreign-aid component would be completely extracted, and therefore the Congress would no longer be tempted to use sugar as a tool of foreign policy.

The change would not necessarily alter present patterns in sugar supply. Undoubtedly countries now supplying sugar to the United States would wish to continue and therefore would seek contracts. In evaluating bids the Secretary would of course take into account such factors as past performance, capacity, proximity as well as price factors.

The change, while of course retaining the basic elements of State-trading that now exist, would be progressive in several ways. Country quotas, and the discrimination they imply, would be ended. Prices would be determined through fair and open competition. Since U.S. foreign purchases amount to a large portion of total world trading in sugar, the shift to competition might establish a trend of reform in other cartel arrangements.

Competitive bidding would serve the public interest in another important way. It would reduce the potential for mischief that now exists in the system of raw sugar purchases.

Refiners now rarely deal with foreign suppliers through the traditional broker system. Instead they deal with what can be termed raw-sugar operators, a group of seven large concerns which control almost all of the foreign raw sugar we import. In many cases these firms buy foreign sugar and then sell it to U.S. refiners, instead of serving only as brokers. This trend towards monopoly puts in very few hands control of immense raw-sugar supplies and opens unfortunate possibilities for manipulation of the U.S. market. According to one source, the largest seven supplies to the United States control the following percentages of imported sugar:

	Percent
Czarnikow-Rionda Co	25–30
M. Golodetz and Co	15–20
Christman Associates	10–15
Farr, Whitlock, Dixon & Co	8–12
Amerop Corp	8–12
Cargill, Inc	8–12
Lamborn and Co	8–12

My proposal would reduce, if not eliminate, this potential for mischief.

Second. Recapture to the U.S. Treasury half the difference between the world price and the U.S. price.

Based on 1970 prices, this provision would have yielded $168 million to the Treasury, while leaving to quota countries a substantial bonus for serving U.S. needs. The recapture would establish the net realized U.S. price for foreign suppliers, based on 1970, at 6.5 cents, 1.5 cents a pound above the United Kingdom system price. It would be similar to the recapture provision which was carried out about 10 years ago and, so far as I know, without complaint from GATT.

In no way would it harm domestic sugar producers. Our average U.S. sugar price in 1970 was 8.07 cents per pound duty paid at New York while the average world price was 4.88 cents per pound. We could safely recover one-half of this difference and still be sure of adequate supplies.

Third. Increase the tariff on imports from its present level at 0.625 cent a pound to 1.5 cents, and add a provision permitting the President to reduce the tariff if the world price should rise to a point he deemed dangerous to the satisfactory functioning of the program.

Normally this would add about $53 million to the U.S. Treasury above current revenue.

Of these alternatives, the competitive bidding approach strikes me as the most reasonable and fair. Each of these plans would leave the interests of the U.S. producers and their refiners as surely protected as now. Likewise, each would establish prices paid to foreign suppliers at levels more fair to the American people.

Finally, I strongly urge that the act not be extended for more than 3 years. This short-term extension would provide a test for the change as recommended and also help to create an atmosphere for further reform.

I include the following:

1969 SUGAR ACT PAYMENTS IN EXCESS OF $55,000

CALIFORNIA

Giffen Inc., Huron, $145,784.06.
C. J. Shannon & Sons, Tulare, $107,040.50.
H. M. Tenneco, Bakersfield, $106,076.13.
Hausmann & House Ranches, Brawley, $66,388.56.
Heidrick Farms, Inc., Woodland, $61,300.80.
Santiaga Ranch, Bakersfield, $58,787.04.
Chew Bros., Sacramento, $57,781.57.

FLORIDA

U.S. Sugar Corp., Clewiston, $1,073,980.08.
South Puerto Rico Sugar Co., $522,499.44.
Talisman Sugar Corp., Belle Glade, $388,-061.87.
Florida Sugar Corp., Belle Glade $189,-724.40.
S. N. Knight & Sons, Inc., Belle Glade. $136,547.10.
Closter Farms, Inc., Belle Glade, $131,-835.85.
Sugar Cane Farms Co., Palm Beach, $130,-671.75.
New Hope Sugar Co., Palm Beach, $126,-704.86.
A. Duda Sons, Inc., Oviedo, $121,801.93.
715 Farms Ltd., Pahokee, $84,656.04.
Billy Rogers Farms, South Bay, $74,189.46.
Wedgworth Farms, Inc., Belle Glade, $72,-587.87.
Double D Ranch, Inc., Loxahatchee, $65,-464.50.
A. F. Saunders, Inc., Belle Glade, $60,994.82.
Eastgate Farms, Inc., Orlando, $58,452.75.
Ov Land Co., Clewiston, $58,025.19.
Sam Senter Farms, Inc., Belle Glade, $57,-395.51.

HAWAII

Hawaiian Com. & Sugar Co., Puunene, $1,229,666.32.
Waialua Sugar Co. Inc., Waialua, $561,-735.90.
Oahu Sugar Co., Ltd., Waipahu, $528,883.61.
Lihue Plantation Co., Ltd., Lihue, $516,-683.93.
Pioneer Mill Co., Ltd., Lahaina, $449,783.02.
Kekaha Sugar Co., Ltd., Kekaha, $448,-199.61.
Ewa Sugar Co., Inc., Ewa, $448,155.87.
Mauna Kea Sugar Co., Inc., Hilo, $402,-366.91.
Kohla Sugar Co., Hawi, $383,958.50.
Hawaiian Agricultural Co., Pahala, $366,-048.39.
Grove Farm Co., Inc., Lihue, $360,566.41.
Honokaa Sugar Co., Haina, $357,965.45.
Pepeekeo Sugar Co., Pepeekeo, $354,699.97.
Laupahoehoe Sugar Co., Papaaloa, $352,-326.64.
Puna Sugar Co., Itd., Keaau, $323,580.68.
Hutchinson Sugar Co., Ltd., Naalehu, $321,-662.97.
Hamakua Mill Co., Paauilo, $317,808.13.
McBryde Sugar Co., Ltd., Eleele, $313,934.99.
Olokele Sugar Co., Kaumakani, $304,329.84.
Wailuku Sugar Co., Wailuku, $290,128.89.
Paauhau Sugar Co., Ltd., Paauhau, $216,-467.56.
Kahuku Plantation Co., Kahuku, $209,-905.53.
Gay and Robinson, Makaweli, $181,819.11.
Kilauea Sugar Co., Ltd., Kilauea, $162,-761.09.

IDAHO

Farm Development Corp., Boise, $142,223.50.

LOUISIANA

The South Coast Corp., Houma, $297,981.25.
Southdown, Inc., New Orleans, $186,213.42
Sterling Sugars, Inc., Franklin, $103,398.71
Milliken & Farwell, Inc., Port Allen, $72,165.79.
Churchill & Thibaut, Donaldsonville, $70,200.88.
A. Wilberts & Sons L/S Co., Plaquemine, $65,535.99.
Savoie Industries, Belle Rose, $57,192.92.

OREGON

Skyline Farms, Ontario, $56,265.62.

WASHINGTON

K2H Farms, Inc., Prescott, $111,489.80.

PUERTO RICO

Luce & Co., S en C, Aguirre, $279,575.74.
Antonio Roig Sugar, Humacao, $209,863.13.
Sucn. J. Serralles & Wirshing, Mercedita, $152,678.53.
South Puerto Rico Sugar Corp., Ensenada, $135,218.78.
Arsenio Martinez Bian, Coloso, $117,813.62.
Producer 660019587 type (No current name and address, $165,887.69.
Ernesto Quinones Sambolin, San German, $56,162.64.

ACCELERATED DEPRECIATION ALLOWANCE AND ENACTMENT OF INVESTMENT TAX CREDIT WILL HELP BOTH BUSINESS AND LABOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, it should be obvious to all that the better the tools for production which American workers use in their jobs, the more productive they are and, consequently, the higher will be their wages. What determines high wages and better living conditions of American working people on the whole is a continuous improvement in technological equipment.

By and large wages in the United States are higher than in foreign countries because the amount of capital invested per capita is greater and therefore the worker in America uses better and more productive tools. Our country should put fewer obstacles in the way of capital investment, not more, if we truly want to help expand job opportunities, increase productivity and raise wages.

I believe, Mr. Speaker, that more accelerated depreciation allowance for equipment and machinery should be adopted by the IRS and Congress should give urgent consideration to reinstating the investment tax credit so that we might have the type of dynamic economy that can provide the jobs and the wages which we all want for this country.

But I must admit, Mr. Speaker, I have a special interest in the man without a job. Unemployment in my district is over 7 percent and the machine tool industry in and around Buffalo has been hit hard. Changes are desperately needed to improve the U.S. annual productivity growth rate that sagged to a dismal 1.7 percent over the last 4 years, to revive a capital goods industry in which output has declined to almost depression levels, and to bring our business taxation structure more into line with that of our foreign competitors. These changes will help bring Buffalo more jobs.

Mr. Speaker, current economic indicators vividly demonstrate that fiscal action which is capable of providing the necessary stimulus to our depressed economy is urgently needed at this time. In 1970 we experienced a serious decline in economic activity and a critical increase in unemployment. Moreover, during the first quarter of 1971 we have had only a modest gain in some sectors of the economy; in others there has been further deterioration.

Gross national product, in constant prices, declined from 1969 to 1970, and has shown a disappointing gain thus far in 1971. The industrial production index—1967 equals 100—declined from a level of 109.3 in 1969 to 106 in 1970. While production for the first quarter of 1971 is above the low level reached in November 1970, the index remains below the level for the year 1970, averaging only 104.5 for the first 3 months. Unemployment, which rose to 4.9 percent in 1970, was running at or near a seasonally adjusted annual rate of 6 percent during the months of January through March of this year. These, as well as other current economic indicators, are clear evidence of the need for proper fiscal action to reverse our depressed economy.

It is highly pertinent to observe that economic decline followed the repeal of the investment tax credit in 1969. And it is more than coincidental that we experienced a period of high prosperity, low unemployment, and continuously rising levels of investment in plant and equipment during the period 1962–69—the years during which the investment tax credit was in effect.

I realize that other fiscal measures

were contributory to the high levels of economic activity during the period 1962–69 as compared to the depressed economic period of say 1957–61. However, it is generally recognized that the investment tax credit was a substantial contributing factor. In fact, the committee reports in 1966 highlighted the excessive rise in investment in machine tools and other productive facilities as a major reason for providing a temporary suspension of the credit.

A Government survey in late 1970 showed that business planned to increase their plant and equipment investment expenditures less than 2 percent in 1971. A more recent survey, which was taken after the President's announcement of the liberalized depreciation rules, showed an expected rise of over 4 percent. By reinstating the 7-percent investment tax credit we can hope to raise investment to higher levels such as those reached during the investment boom period of 1962–69. This will result in higher production, create more jobs and higher incomes, and revitalize our entire economy.

The machine tool industry has suffered sharp setbacks since the repeal of the investment tax credit. This has hurt not only that industry, but also the general economy and American competitiveness in foreign markets. The value of new net orders for metal cutting type machine tools in 1969, for example, were reported at $1.2 billion by the National Machine Tool Builders Association. These orders declined to $650 million in 1970. In the first quarter of 1971 they were running at an annual rate of only 70 percent of the 1970 level, and had declined to about half the level of the first quarter of 1970. Also, metal forming type machine tools which also represent a sizable part of the machine tool industry has suffered serious declines from 1969 and further reductions during the months of January-March of this year.

One of the major arguments set forth by opponents to reinstating the investment tax credit is that business will not respond to the incentive because it is already operating at levels below capacity. This is a shallow view. As long as a substantial part of productive facilities are obsolete or technologically outmoded, industry will respond to a financial incentive designed to encourage modernization of their facilities. I would like briefly to present a few findings of a survey conducted in the fall of 1970 by the economics department of McGraw-Hill Publications Co. to determine how modern American industry is. For business as a whole, almost 20 percent of its installed capacity is 20 years or older. Almost 44 percent is more than 10 years old. For manufacturing the situation is only slightly better. In regard to technological obsolescence, business considers 12 percent of its plant and equipment technologically outmoded. For manufacturing the percentage is 15 percent. It would cost an estimated $144.5 billion for industry to replace these outmoded facilities. For manufacturing alone the cost would be $80 billion.

Thus, Congress should be gravely concerned not only about the depressed economy but about the basic condition of American industry. We are not facing industrial competition from countries devastated by wars as we were 20 years ago but rather revitalized countries that are now first rate industrial powers that have taken away a large part of our foreign markets. As a result we have been experiencing large unfavorable balances of payments in recent years. Thus, we must continue to modernize our industry and at the same time provide the fiscal stimulus to effect a resurgence in our depressed economy. We can make a substantial contribution toward this goal by reinstating the 7-percent investment tax credit now, and I believe a concerted effort should be made in the Congress to show support for the proposal by the Internal Revenue Service to modernize the asset depreciation range.

Mr. Speaker, at this point I include an article from the Wall Street Journal on the machine tool industry, a press release, and a letter from a constituent:

[From the Wall Street Journal, Apr. 26, 1971]

MACHINE TOOL ORDERS GAINED 6.7 PERCENT IN MARCH—DELIVERIES ALSO ROSE SLIGHTLY FROM FEBRUARY AS RECENT SLUGGISH TREND CONTINUED—QUARTER DOWN 42 PERCENT FROM 1970

Machine tool orders in March improved slightly from February, but continued the generally depressed trend of recent months. Machine tool builders say a major economic upturn will be required to create lively demand for machine tools.

March orders for all types of machine tools rose to $63.1 million, a 6.7% gain from the $59.1 million in February but far below the $96.3 million of March 1970, according to National Machine Tool Builders' Association.

Orders for lathes, milling machines, grinders, machining centers and other machines to shape metal by cutting rose to $42.5 million in March from $39 million in February but trailed the $76 million of a year earlier. March orders for presses and other machines to shape metal by pressure were $20.6 million, up slightly from $20.1 million in February and $20.4 million in March of last year.

ORDERS FALL 42 PERCENT IN QUARTER

Reflecting the depressed levels prevailing so far this year, first quarter orders for machine tools were $176.4 million, 42% below the $305.4 million of a year earlier and the lowest for any quarter since the $171.5 million for the third quarter of 1960.

"Incoming orders during the first quarter of 1971 proved significantly more disappointing than had been carefully predicted as recently as last December," said F. P. Austin Jr., vice president, finance, Brown & Sharpe Manufacturing Co., North Kingston, R.I.

"I think the machine tool order rate has bottomed out," said J. T. Bailey, president, Warner & Swasey Co., Cleveland. The company saw a small improvement in February, March and April, he adds.

WARNER & SWASEY CLOSINGS

Nonetheless, Warner & Swasey's big Cleveland turning division still is shipping machines faster than orders are being received, Mr. Bailey said. Consequently, Cleveland turning plants will close for one week in each of the next three months in addition to the normal two-week vacation closing in mid-summer, he said.

Acme-Cleveland Corp. agreed that orders have begun to pick up slightly but said "it may take some time for customers' requirements to reach more satisfactory levels."

U.S. industrial plants currently are running at about 72% of capacity, said Mr. Bailey. "Historically, an operating rate of 80% is required to produce a good level of orders for machine tools."

Machine tool shipments in March rose slightly to $92.9 million from $90.9 million in February but trailed the $139.2 million rate of a year earlier. Producers are further into order backlogs, but many are taking measures to reduce output further. Unfilled orders at many plants have declined to the point where it is becoming impossible to reduce them further and still maintain normal production activities.

[In thousands of dollars]

	March 1971	February 1971	March 1970
Comparative new orders for metal-cutting machines:			
Domestic	$36,200	$31,700	$60,000
Foreign	6,300	7,300	15,950
Total [1]	42,500	39,000	75,950
Metal-forming machines:			
Domestic	18,600	16,950	17,000
Foreign	1,950	3,150	3,350
Total [2]	20,550	20,100	20,350
Comparative shipment figures for metal-cutting machines:			
Domestic	51,200	47,650	82,500
Foreign	12,800	11,750	15,700
Total [3]	64,000	59,400	98,200
Metal-forming machines:			
Domestic	27,400	28,300	38,200
Foreign	1,500	3,200	2,750
Total [4]	28,900	31,500	40,950

[1] 3-month total for 1971: $118,025,000; for 1970: $231,050,000
[2] 3-month total for 1971: $58,100,000; for 1970: $74,350,000
[3] 3-month total for 1971: $181,050,000; for 1970: $279,400,000
[4] 3-month total for 1971: $91,550,000; for 1970: $121,250,000

PRESS RELEASE

The machine tool industry closed out the first quarter of 1971 with orders totaling $176,350,000 for the three month period. This total represents the lowest order volume for a single quarter since the third quarter of 1960.

During the corresponding period of 1970, the three month order total reached $305,400,000 or 42% higher than the quarter just ended.

The month of March, 1971, accounted for $63,050,000 of the first quarter total compared with $59,100,000 in February, representing a 7% increase. During March a year ago, however, industry orders totaled $96,300,000.

Metalcutting type machine tool orders in March were $42,500,000 or 9% higher than the February figure of $39,000,000. Comparing quarterly figures, metalcutting machine tool orders for the first three months of 1971 at $118,250,000 were 49% lower than the same period a year ago.

Metalforming type machine tool orders, by comparison, were off 22% in the first quarter of 1971—$58,100,000 this year against $74,350,000 in 1970.

For the month of March, metalforming machine tool orders were $20,550,000 as compared with $20,100,000 in February.

Order backlogs declined during the month to $407.9 million for metalcutting and $201.4 million for metalforming machine tools. These figures compare with $429.4 million and $209.7 million, respectively, at the end of February.

For the first quarter of 1971, industry shipments were $272,600,000 or 32% behind shipments of $400,650,000 a year ago.

Shipments of machine tools for the month of March were $92,900,000 as compared with $90,900,000 in February and $139,150,000 during March a year ago.

COMPARISON CHART

NEW ORDERS—MACHINE TOOLS

[Dollars in thousands]

	March 1971	February 1971	March, February percent change	March 1970	March 1971 March 1970 percent change	Year to date, 1971	Year to date, 1970	1971–1970 percent change
Metal cutting:								
Domestic	36,200	31,700	+14.2	60,000	−39.7	95,200	191,300	−50 2
Foreign	6,300	7,300	−13.7	15,950	−60.5	23,050	39,750	−42.0
Total	42,500	39,000	+9.0	75,950	−44.0	118,250	231,050	−48.8
Metal forming:								
Domestic	18,600	16,950	+9.7	17,000	+9.4	51,450	65,350	−21.3
Foreign	1,950	3,150	−38.1	3,350	−41.8	6,650	9,000	−26.1
Total	20,550	20,100	+2.2	20,350	+1.0	58,100	74,350	−21.9
Grand total	63,050	59,100	+6.7	96,300	−34.5	176,350	305,400	−42.3

SHIPMENTS—MACHINE TOOLS

[In thousands of dollars]

	March 1971	February 1971	March, February percent change	March 1970	March 1971 March 1970 percent change	Year to date, 1971	Year to date, 1970	1971–1970 percent change
Metal cutting:								
Domestic	51,200	47,650	+7.5	82,500	−37.9	142,350	241,500	−41.1
Foreign	12,800	11,750	+8.9	15,700	−18.5	38,700	37,900	+2.1
Total	64,000	59,400	+7.7	,98,200	−34.8	181,050	279,400	−35.2
Metal forming:								
Domestic	27,400	28,300	−3.2	38,200	−28.3	84,700	110,450	−23.3
Foreign	1,500	3,200	−53.1	2,750	−45.5	6,850	10,800	−36.6
Total	28,900	31,500	−8.3	40,950	−29.4	91,550	121,250	−24.5
Grand total	92,900	90,900	+2.2	139,150	−33.2	272,600	400,650	−32.0

Source: National Machine Tool Builders' Association.

STRIPPIT HOUDAILLE,
Arkon, N.Y., April 26, 1971

Hon. JACK F. KEMP,
House of Representatives, House Office Building, Washington, D.C.

DEAR SIR: It was indeed a pleasure meeting you Friday evening, April 16th. I appreciate the time you took from your busy schedule to discuss the problems of STRIPPIT and the Machine Tool Industry in particular.

In your letter of February 11th to Mr. Arthur L. Stern, STRIPPIT President, you requested information on Houdaille Industries relative to prospective growth, and any other material of interest. I have included for your review a copy of the 1970 Houdaille Industries Annual Report. You will note the impact of the 1970/71 recession in that our Net Income and Net Income per share of common stock was lower in 1970 than any time since 1963, and the Net Sales were the lowest since 1965.

Houdaille Industries is a progressive Fortune 500 Corporation, and one of the very few still headquartered in Buffalo. Houdaille, in fact, moved the Corporate headquarters from Detroit to Buffalo some years back. Through its seventeen (17) Divisions, the Corporation is engaged in four separate industries, Automotive, Industrial Products, Construction Materials and Contracting, and Machine Tool markets. I cannot speak in specifics for the Corporation; however, I do know great optimism exists for the future growth of our Corporation through increased market growth, increased market penetration, and the diverse application of existing and new products to new market areas. A prime example of Houdaille's foresight is the establishment, in 1970, of a new Company, Engineered Molding Systems, to serve the reinforced plastic molding market.

The STRIPPIT Division of Houdaille in Akron, New York, is the leading manufacturer of tooling and machines to punch holes in sheet material, and fulfills its market needs by providing all of the elements in holepunching systems. Thus, in 1967, STRIPPIT established an Electronics Division to engineer and build solid state numerical controls (N/C), designed primarily to optimize machine tool performance. We were among the first Machine Tool Builders to establish such an in-house capability and, in the 1968 ASTME Show in Philadelphia, STRIPPIT was the first Company to operate two different machine tools from one computer control. The supposed leading suppliers of numeric and computer controls—General Electric, Westinghouse, and Hughes—demonstrated their computer controls in 1970 at the Machine Tool Show in Chicago, while STRIPPIT, at the same point in time, had over twenty-four (24) operational computer installations in the field.

Realizing the need for increased productivity, STRIPPIT invested over $200,000 in R & D in 1970, a depressed year for our industry, to produce a punching machine using electro-hydraulic pulse motors and an open-loop control system—both of which are extensively used in Japan and Europe, but slow to be adapted to the U.S. STRIPPIT was the first American machine tool manufacturer to utilize the pulse motors because a machine of high performance and speed can be produced, and the open-loop control system eliminates electronic feed back circuits which reduce investment. The electro-hydraulic pulse motors enabled STRIPPIT to produce a machine that can punch in excess of 95 holes per minute, while our competitor, on a like machine but without the pulse motors, can punch but 65 holes per minute.

In 1970, STRIPPIT's Electronic Division developed new computer software that enables our customers to program much faster and with less complexity than any system on the market. Using our new software, a customer can program, in one statement on a 2" piece of computer tape, a piece part containing 16,000,000 holes that would require 250 miles of tape using conventional, existing methods. In 1971, STRIPPIT's Electronic Division will expand its efforts to market N/C controls to other manufacturers and, because of the prior development work, they will be able to supply units at substantial cost savings over controls currently on the market.

By adapting the existing N/C control to a relatively simple positioning device, our Electronics Division is also marketing a machine to wrap wires to connector pins on computer panels, requiring lower investment and giving higher productivity to the electronic industry.

STRIPPIT has a progressive, aggressive management team that believes survival and growth are contingent upon the continued development of products that will increase productivity and thus enable our customers to effectively combat increasing labor costs. We are convinced we have the in-house capability to initiate and bring to the market place the necessary products to achieve these objectives. We have, however, serious doubts that the economic atmosphere for the machine tool industry will be healthy enough to enable STRIPPIT to attain its objectives.

In 1970, domestic metal forming machine tool orders declined 49% from 1969. Of the thirty leading world countries supplying machine tools, only the United States suffered a decline in 1970 output, and this decline was over 135%. The significance of this decline can be further appreciated in light of the fact that West Germany's output in 1970 was only $25.5 million less than America's. The 1971 forecast indicates West Germany, and possibly the Soviet Union, will surpass the U.S. in machine tool output, thus dethroning America of a title she has held since the 1800's. A sad day indeed.

The prominence of West German competition saddens STRIPPIT because our primary foreign competition is from two West German firms, Behrens and Trumpf. Although STRIPPIT has been an innovator throughout the years, the recent depressed condition of the machine tool industry has sharply reduced our R & D efforts. In 1967, we envisioned designing an Automatic Tool Change (ATC) system to be marketed around 1970. We were unable to maintain our schedule because of the depressed economic conditions and, subsequently, Trumpf has recently announced they now have ATC, and will market aggressively in the U.S.

We think you will agree that we have been

a leader in our field, but that our industry now suffers economic pains which threaten our growth and very existence.

I wish to again extend an invitation to visit our plant, meet our 500 employees, and discuss alternative solutions to our industry problems, with our management. If it would be more convenient for you, our management is most willing to meet with you in Washington. Thank you for your consideration and time.

Very truly yours,

DENNIS M. WARWICK,
Manager, Marketing Services.

PROPOSED AMENDMENT TO THE AGREEMENT FOR COOPERATION WITH THE REPUBLIC OF TURKEY CONCERNING CIVIL USES OF ATOMIC ENERGY

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 10 minutes.

Mr. HOLIFIELD. Mr. Speaker, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, I wish to advise my colleagues in the Congress that in compliance with section 123c of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission on April 29, 1971, submitted to the Joint Committee a proposed amendment to the agreement for cooperation between the Government of the United States and the Government of the Republic of Turkey concerning civil uses of atomic energy. The Atomic Energy Act requires that such proposed amendment lie before the Joint Committee for 30 days while Congress is in session before becoming effective.

The existing agreement provides for cooperation between the two nations in research activities relative to applications of nuclear energy for civil uses. Its term is due to expire on June 9, 1971. The principal purpose of the proposed amendment is to extend the term of the agreement for an additional 10 years.

The amended agreement also contains provisions reflecting the transfer of safeguards responsibilities for materials and facilities received by Turkey under the agreement to the International Atomic Energy Agency pursuant to a trilateral agreement executed in 1968. The international agency will continue its responsibility for such safeguards with the rights of the United States being suspended during the time and to the extent that the international agency safeguards are in effect and the United States agrees that the need to exercise its rights is satisfied.

In keeping with the general practice of the joint committee, I include in the RECORD, for the information of interested Members of the Congress, the text of the proposed amended agreement for cooperation together with supporting correspondence:

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., April 28, 1971.

HON. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, there are submitted with this letter copies of the following:

(a) A proposed amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Turkey Concerning Civil Uses of Atomic Energy;

(b) A letter from the Commission to the President recommending approval of the amendment; and

(c) A letter from the President to the Commission containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and approving the amendment and authorizing its execution.

The main purpose of the amendment is to extend the current Agreement for Cooperation, which has been in effect since 1955 and pertains to research applications of atomic energy. The scheduled termination date is June 9, 1971; the extension of the term, pursuant to Article III of the amendment, will be for ten years.

Article I of the amendment pertains to the exercise of safeguards responsibilities by the International Atomic Energy Agency for materials and facilities transferred under the bilateral to Turkey. In accordance with the amendment of 1966 the United States, Turkey, and the Agency signed a standard trilateral safeguards agreement in 1968.

Accordingly, Article I incorporates language reflecting conclusion of the trilateral and specifies that the application of safeguards under the Agreement for Cooperation will be carried out in accordance with the 1968 trilateral agreement, as it may be amended from time to time. In view of the entry into force of the Treaty on the Non-Proliferation of Nuclear Weapons, this article also allows for the possible future exercise of Agency safeguards responsibilities in accordance with an agreement which may be entered into between Turkey and the Agency pursuant to Article III of the Treaty. United States safeguards rights under the Agreement for Cooperation would be suspended during the time and to the extent the United States Government agrees that the need to exercise such rights is satisfied by a safeguards agreement under either the trilateral or Treaty alternatives. This approach to the transfer of safeguards responsibilities is also reflected in the 1970 Agreement for Cooperation with Finland and the amendment to the Swedish Agreement of 1966.

Articles II and IV were developed in the negotiations to accommodate a general policy of the Government of the Republic of Turkey.

Article II states expressly that either the United States or Turkey may propose amendments to the Agreement for Cooperation and that, thereupon, the parties would enter into consultation in such regard. This accords with our normal practice.

Article IV incorporates a termination procedure in response to the general Turkish requirement for the inclusion of such a provision in all international agreements entered into by the Turkish Goverment. Although termination provisions of this type have not been included in previous Agreements for Cooperation, it is recognized that the agreements are entered into for varying periods of time and that any one of them could expire if the other government were not interested in an extension, thus creating a situation similar to termination. Article IV was accordingly developed in a manner which would assure that an act of termination would not create any legal rights different from those which would exist upon expiration of the agreement. Thus the article specifies that either Party may terminate the Agreement for Cooperation by giving two years' written notice. Upon termination at the end of the two-year period, each Government would have the same rights as if the agreement had expired on that date.

The amendment will enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Cordially,

GLENN T. SEABORG,
Chairman.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., April 9, 1971.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed is a proposed amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Turkey Concerning Civil Uses of Atomic Energy, which was signed in 1955. The amendment has been negotiated by the Department of State and the Atomic Energy Commission pursuant to the Atomic Energy Act of 1954, as amended. The Atomic Energy Commission recommends that you approve the proposed amendment, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorize its execution. The Department of State supports the Commission's recommendation.

The main purpose of the amendment is to extend the current Agreement for Cooperation, which has been in effect since 1955 and pertains to research applications of atomic energy. The scheduled termination date is June 9, 1971; the extension of the term, pursuant to Article III of the amendment, would be for ten years. Before discussing the other provisions of the text, I should like to note that the amendment would not increase the net fuel ceiling of fifteen kilograms of U-235 established in the current agreement which may be distributed as fuel by the United States.

With regard to proposed Article I, the current agreement, pursuant to the latest amendment of 1966, envisages the exercise of safeguards responsibilities by the International Atomic Energy Agency respecting materials and facilities transferred under the bilateral to Turkey. In accordance with that intent the United States, Turkey, and the Agency signed a standard trilateral safeguards agreement in 1968. Accordingly, Article I would incorporate updating language reflecting conclusion of the trilateral, specifying that the application of safeguards under the Agreement for Cooperation will be carried out in accordance with the 1968 trilateral agreement, as it may be amended from time to time. In view of the entry into force of the Treaty on the Non-Proliferation of Nuclear Weapons, this article also allows for the possible future exercise of Agency safeguards responsibilities in accordance with an agreement which may be entered into between Turkey and the Agency pursuant to Article III of the Treaty. United States safeguards rights under the Agreement for Cooperation would be suspended during the time and to the extent the United States Government agrees that the need to exercise such rights is satisfied by a safeguards agreement under either the trilateral or Treaty alternatives. This approach to the transfer of safeguards responsibilities is also reflected in the 1970 Agreement for Cooperation with Finland and the amendment to the Swedish Agreement of 1966.

Proposed Articles II and IV were developed in the negotiations to accommodate a general policy of the Government of the Republic of Turkey.

Article II would state expressly that either the United States or Turkey may propose amendments to the Agreement for Cooperation and that, thereupon, the parties would enter into consultation in such regard. This accords with our normal practice.

Article IV would incorporate a termination procedure in response to the general Turkish

requirement for the inclusion of such a provision in all international agreements entered into by the Turkish Government, a provision not expressly included in previous civil Agreements for Cooperation. Recognizing that Agreements for Cooperation are entered into for varying periods of time and anyone of them could expire if the other government were not interested in an extension, Article IV was developed in a manner which would assure that an act of termination would not create any legal rights different from those which would exist upon expiration of the agreement. Thus the article specifies that either Party may terminate the Agreement for Cooperation by giving two years' written notice. Upon termination at the end of the two-year period, each Government would have the same rights as if the agreement had expired on that date.

Following your approval, determination, and authorization, the proposed amendment will be formally executed by appropriate authorities of the United States and the Republic of Turkey. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the amendment will be submitted to the Joint Committee on Atomic Energy.

Respectfully yours,

———— ————,

Chairman.

PROPOSED AMENDMENT TO THE AGREEMENT FOR COOPERATION WITH TURKEY CONCERNING CIVIL USES OF ATOMIC ENERGY

THE WHITE HOUSE,
Washington, D.C., April 20, 1971.

DR. GLENN T. SEABORG
Chairman, Atomic Energy Commission:

The proposed Amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Turkey Concerning Civil Uses of Atomic Energy, which you submitted for my approval with your letter of April 9, 1971, has been reviewed.

Pursuant to the provisions of Section 123b of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Approve the proposed Amendment, and determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security of the United States of America; and

(b) Authorize the execution of the proposed Amendment on behalf of the Government of the United States of America by appropriate authorities of the Department of State and the Atomic Energy Commission.

RICHARD NIXON.

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Republic of Turkey,

Desiring to amend the Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the Republic of Turkey, signed at Washington on June 10, 1955 (hereinafter referred to as the "Agreement for Cooperation"), as amended by the Agreements signed at Washington on April 27, 1961, June 3, 1965, and May 11, 1966,

Agree as follows:

ARTICLE I

Article VI bis of the Agreement for Cooperation, as amended, is amended to read as follows:

"The application of safeguards to materials and facilities subject to safeguards under this Agreement will be carried out in accordance with the multilateral safeguards transfer agreement signed by the Government of the United States of America and the Government of the Republic of Turkey and the International Atomic Energy Agency on September 30, 1968, as it may be amended from time to time, or in accordance with a safeguards agreement between the Government of the Republic of Turkey and the International Atomic Energy Agency pursuant to Article III of the Treaty on the Non-Proliferation of Nuclear Weapons, it being understood in both cases that the safeguards rights accorded the Government of the United States of America under this Agreement will be suspended during the time and to the extent that the Government of the United States of America agrees that the need to exercise such rights is satisfied by a safeguards agreement as contemplated in this paragraph."

ARTICLE II

The following new Article is added directly after Article VII of the Agreement for Cooperation:

"ARTICLE VII BIS

"Either Party may propose in writing to the other Party amendments to this Agreement. The two Parties shall thereupon enter into consultations with regard to such proposed amendments."

ARTICLE III

Article VIII of the Agreement for Cooperation, as amended, is amended by deleting the date "June 9, 1971" and inserting in lieu thereof the date "June 9, 1981".

ARTICLE IV

Either Government may terminate the Agreement for Cooperation by giving the other Government two years' written notice of intent to terminate, in which event the Agreement will terminate at the end of the two-year period. On termination, each Government shall have the same rights as if the Agreement had expired on the date of termination.

ARTICLE V

This Amendment shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force of such Amendment and shall remain in force for the period of the Agreement for Cooperation, as hereby amended.

TRANSCENDENT PANAMA CANAL ISSUE: U.S. SOVEREIGNTY OR U.S.S.R. CONTROL

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, as has been often stated, there is no better way to judge the future except by the past. It has been my years of study of Caribbean history that has enabled me on various occasions to foresee and to warn the Congress of events that subsequently occurred in the Canal Zone, Panama, and the Dominican Republic. Any satisfaction that one may feel in having made accurate predictions is indeed a sterile one.

Since World War II, the Panama Canal has been the focus of a series of crises. At present it is in another one, combining a "battle of the routes" for a site of a new canal and a "battle of the levels" as regards the modernization of the existing canal that has been greatly complicated by a planned assault on United States sovereignty and ownership of both the Canal Zone territory and the canal itself.

The report of the Atlantic-Pacific Interoceanic Canal Study Commission under Public Law 88–609 submitted its final report to the President on December 1, 1970. It recommends the construction in Panamanian territory about 10 miles west of the existing canal of a new canal of so-called sea level design with what are, in effect, enormous tidal locks, which recommendation is being challenged by competent experts in and out of Government service. Not only that, participants in the recent canal inquiry have publicly admitted the following:

First. That the prime purpose of a sea level canal is to secure better treaty relationships with Panama;

Second. That in event of failure to secure such relationships it is not justified; and

Third. That, in any event, it is not economically justified and may never be built.

One point that I have repeatedly stressed is that a sea level project in Panama hinges upon the surrender to that country of U.S. sovereignty over the Canal. This, Mr. Speaker, to any realistic observer, is unthinkable and against the best interests not only of the United States and interoceanic commerce that pays tolls but also the economic well being of Panama and hemispheric security.

In any realistic evaluation of the Panama Canal, it forms a part of the coastline of the United States. No less an authority than Admiral Mahan, after studying the war with Spain, stated that its exclusive control by the United States is "as really a matter of national defense as is the protection of New York Harbor." Lessons of the War with Spain, Boston's Little, Brown & Co., 1899, page 298. History has justified his vision.

Mr. Speaker, it is, I believe, most significant that Robert B. Anderson, the chief negotiator for the repudiated 1967 proposed canal treaties and chairman of the former study commission recommending a new canal of so-called sea level design, recently visited the Isthmus arriving there on March 28, 1971, for a series of conferences relative to reopening canal treaty negotiations. In view of his record of failure as a diplomat as regards the 1967 proposed canal treaties, it is indeed surprising that he was continued on such assignment and I have been wondering what would transpire.

The Panama Government has now appointed an expanded negotiating team to start talks in Washington on new treaties next month. In a sudden cabinet shakeup, it has reorganized the government to give it a "more leftist complexion," and the Foreign Minister of Panama has announced that the aim of his government is "full jurisdiction in the zone—political, administrative, judicial, labor, and all other."

Mr. Speaker, what is the meaning of the sudden dismissal of former cabinet officers loyal to the regime of General Torrijos and supplanting them with leftists? Actions like this are not accidental but sinister and significant. It is because of a secret alliance with the U.S.S.R. that would transform Panama into an-

other Cuba and place Soviet power astride the great Isthmian waterway as was accomplished at the Suez Canal? These are questions now being asked in both Panama and the United States and need to be answered.

As I have stated before and shall do so again and again, the real issue on the isthmus is not Panamanian versus United States control of the Panama Canal but U.S. sovereignty over the Canal Zone versus Soviet control; and this is the transcendent question that the Congress must face promptly and forthrightly.

To meet this issue my able and distinguished colleague from Missouri (Mr. HALL) and I along with some 60 other Members of the House have introduced resolutions that aim to clarify and make known to the world what this body considers the lawful rights, power and authority of the United States in the zone territory and our intention to preserve them.

As to what the foreign minister terms "creeping obsolescence of the present canal," this is a misleading term. The Panama Canal is not obsolescent but it is approaching capacity saturation that can be corrected by the relatively simple and inexpensive means of construction wholly in the Canal Zone an additional channel of larger locks for the larger vessels, for which the needed measures have been introduced in both Houses of the Congress. The combination of sovereignty, clarification, and reaffirmation, coupled with the major modernization of the existing canal as provided in pending measures in the Congress, should resolve the canal problem for generations to come and enable responsible officials to concentrate on providing the best canal for the transit of vessels at least cost. The time has come for the Congress to act and thus to end the post World War II era of confusion. Attention is invited to my address in the CONGRESSIONAL RECORD of April 15, 1971, on "Panama Canal Basic Issues: Sovereignty and Modernization," which includes the texts of pending measures.

In order that the Congress and the Nation at large may have some of the documentation upon which my present remarks are based and better realize the urgency of the situation, I include two recent news stories from Panama as follows:

[From the New York Times, Apr. 25, 1971]

PANAMA'S CABINET GIVEN A LEFTIST SLANT

(By Juan de Onis)

PANAMA CITY, April 21.—A cabinet shakeup provoked by Gen. Omar Torrijos, the strongman behind the Panamanian regime, has given a more leftist complexion to the Government.

Some diplomatic observers believe that the ministerial changes last week were designed to strengthen the "revolutionary" image of the Government at a moment when Panama seems ready to reopen negotiations with the United States on new treaties governing the Panama Canal and its defenses.

These observers speculate that General Torrijos may have begun to build a broad popular movement to serve as a political instrument for elections if Panama's army, the National Guard decides to restore constitutional rule. General Torrijos, 42 years old, commands the 6,000-man guard.

The most important Cabinet change placed Juan Materno Vásquez in the key political post of Minister of Government and Justice.

This was coupled with the sudden unanimous election by the governing board of the University of Panama of Romulo Escobar Bethancourt, former Minister of Labor, as reactor.

REGARDED AS LEFTISTS

Both Mr. Vásquez and Mr. Escobar, regarded as leftists, if not Marxists, by the conservative Panamanian business community, were removed from Cabinet positions last May.

At that time Mr. Vasquez was Secretary of the Presidency, a Cabinet-rank post, and Mr. Escobar was Minister of Labor.

Their removal was regarded as a concession by General Torrijos and the high command of the National Guard to private-business sectors, which had asked proof of moderation in the Government before increasing private investment.

The return now of Mr. Vásquez and Mr. Escobar, both close friends and former schoolmates of General Torrijos, was seen not so much as a move against conservative business interests but as a strengthening of the nationalist and "popular" base of the Government, which took power with a coup in 1968.

The victim of the National Guard's move was Arnulfo Arias, an elected President who had taken office 11 days before the coup. The National Guard immediately abolished all political parties and installed a "revolutionary" regime.

NEGOTIATORS NAMED

One of the major problems facing the Government is the negotiation of treaties with the United States to replace the old Panama Canal Treaty of 1903 and the complementary defense treaties under which the United States maintains 12,000 military personnel in bases along the Canal Zone.

After riots in 1964, in which Panamanian agitators and students invaded the Canal Zone, President Johnson agreed to open negotiations on new treaties with the Government of President Marcos Robles. These talks produced treaty drafts that were initiated by negotiators on both sides, but Mr. Robles could not get political support for the drafts before he left office.

The Panamanian regime recently designated an expanded negotiating team to begin talks in Washington on the treaties next month.

In addition to Jose Antonio de la Ossa, Panama's ambassador in Washington, the negotiators include Fernando Sanfredo, former Minister of Industry and Commerce, and Carlos Alfredo Lopez Guevara, former Minister of Foreign Relations.

Mr. de la Ossa, who was executive vice president of the First National City Bank of New York in Panama before going to Washington, and the other two negotiators are regarded as moderate nationalists, and well equipped to handle the negotiations.

But the presence in the Cabinet of Mr. Vasquez, and Mr. Escobar's election as rector of the politically volatile university, could give the Government support among leftwing nationalists who might otherwise become hostile at some point in the canal treaty negotiations.

Robert Anderson, Secretary of the Treasury during President Eisenhower's second Administration, continues to be the chief United States negotiator. He led the talks for the United States during the Johnson Administration. Late last month he returned here for preliminary talks with the new Panamanian negotiators.

Successful negotiation of new treaties that contained concessions to Panama's demands for higher revenues and for removal of irritating United States prerogatives would be a major political boost for General Torrijos.

The main goal that General Torrijos has been stressing privately in negotiations for a new canal treaty is the establishment of clear Panamanian jurisdiction over the Canal Zone and those who live and work there.

[From the Washington Daily News, Apr. 28, 1971]

PANAMA SEEKS CANAL TAKEOVER

(By James R. Whelan)

PANAMA CITY.—Formal negotiations on a new Panama Canal treaty, a diplomatic timebomb that has been ticking for the past seven years, will open next month, it was learned here.

Foreign Minister Juan Antonio Tack, in an interview with Scripps-Howard Newspapers, said Panama will settle for nothing less than "full jurisdiction over all areas now known as the canal zone—and that means Panamanian law would apply there solely and exclusively."

He also said Panama is not interested in even talking about construction of a new sea-level canal until reaching full agreement on jurisdiction over the present lock canal. Panama also will insist on phasing out all military activities not strictly related to canal defense—which would mean sharp reduction of the 12,000-man U.S. force now here.

SOME FLEXIBILITY

On this point, Mr. Tack indicated some flexibility in Panama's position on just which forces are "essential" for canal defense, and on a withdrawal timetable, mostly to cushion the impact on the country's economy.

Panama, however, has left no doubt that U.S. nondefense military activities must end.

Key among these are the Army, Air Force and Naval schools which have trained 37,000 Latin Americans since 1946, including counter-insurgency units so successful in thwarting communist guerrilla movements in recent years in Boliva, Venezuela, Columbia, Guatemala and other Latin countries.

Graduates also include most of Panama's 6,500-man national guard, now firmly in command of the country's political life, and strongman head of government, Gen. Omar Torrijos Huerrera.

Mr. Tack emphasized that Panama has no objection to the United States running the canal itself, but that U.S. rule in the zone must end. The zone, roughly five miles on each side of the canal, has a population of 52,000, entirely Americans except for 1,300 Panamanian canal employes and their families.

CONTRAST BREEDS HOSTILITY

In his recent foreign policy review, Secretary of State William P. Rogers referred to Panamanian resentment of "the size and life style of the large community in the Canal Zone," a phrase singled out by Mr. Tack. More than any other issue, the contrast between the affluence of the zone and their own relative (the rapidly diminishing) poverty has fueled Panamanian hostility.

"We cannot tolerate any longer," Mr. Tack said, "a government within a government. What we want is full jurisdiction in the zone—political, administrative, judicial, labor and all other."

Mr. Tack believes the trump card in Panama's hand is the creeping obsolescence of the present canal.

Under Mr. Tack's reasoning, the United States for strategic and commercial reasons needs a new canal more urgently than Panama, and so needs to wrap up negotiations in less than two years.

LONG RESENTMENT

Sovereignty in the zone—lately discussed more specifically as "jurisdiction"—has been a festering sore for Panamanians ever since the canal opened in 1914. Rioting resulted in 1964 when U.S. high school students refused to abide by an agreement to fly the Pana-

manian flag alongside the American flag. Panama broke relations with the United States and resumed them three months later only after agreement was reached binding both countries to seek "prompt elimination of the causes of the conflict."

In 1967, the United States proposed three draft treaties—one to govern the present canal, the second the building and operation of a new sea-level waterway, and the third covering defense.

The military government which seized power in 1968 shelved the canal question and only last August got around to rejecting the U.S. proposals as "not usable even as the basis for future negotiations."

NO SPECIFICS

Panama so far has put forward no concrete proposals of its own. In the view of U.S. observers, the 1967 treaties might have had a good chance of winning congressional approval and were more liberal than anything likely to clear the U.S. Congress now. A group headed by Rep. Daniel J. Flood, D-Penn., firmly opposes canal concessions. The 1967 package would have surrendered U.S. direct control of the zone to a bilateral commission dominated by the United States, sharply raised Panama's share of canal revenues, and made other concessions.

Panamanians, however, view talk of congressional resistance as a U.S. bluff.

THE 62D ANNUAL NATIONAL RAISIN WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SISK) is recognized for 10 minutes.

Mr. SISK. Mr. Speaker, the 62d annual National Raisin Week, which we are celebrating during the period May 3 through May 9, gives special recognition to the California raisin industry, which produces, processes and markets one-half of the world's supply of raisins.

National Raisin Week, the Nation's oldest food festival, calls attention to a quarter-billion-dollar industry which directly involves some 30 million people in the production, distribution, and sales of raisins in the retail grocer and industrial and institutional handling of raisins in all forms.

California vineyards and the related industries engaged in producing, processing, and distribution supply 250,000 tons of delicious raisins a year for eating out of hand, for cooking, for use in baked foods, and in gourmet dishes.

The California Raisin Advisory Board, as the industry's research, promotion, and advertising arm, deserves high commendation for its role in the raisin industry's success.

Utilizing funds provided by participating producer and processor members, CALRAB carries on its program of aggressive advertising and promotion not only domestically but in countries throughout the world, by utilizing matching market development funds from the U.S. Department of Agriculture's Foreign Agricultural Service.

The California Raisin Advisory Board has developed the practically non-existent Japanese market to the No. 1 export market, which now consumes more than 20,000 tons of California raisins each year.

Also deserving of special commendation is the work of the Federal Raisin Advisory Board and the Federal Raisin Administrative Committee, who operate under Federal marketing orders which have done so much to bring about the orderly marketing of our raisin crops and have also been instrumental in the development of export markets.

I also wish to point out the important role of the Raisin Bargaining Association, which during a brief span of less than 5 years has brought the raisin growers together in a concerted effort to give them a better voice in determining the prices they will receive for their products.

The raisin industry, which effectively utilizes the self-help tools of sales promotion and advertising in the best American tradition, well deserves a special salute during this National Raisin Week.

AN EXECUTIVE DEPRECIATION—A TRESPASS ON THE RIGHTS OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, today, May 3, I testified before a panel of Treasury and Internal Revenue Service officials concerning asset depreciation range—a new tax depreciation system devised by the bureaucracy which will cost the Public Treasury $40 billion in this decade.

As I said to that panel:

It is an incredible paradox that I, as a Member of the Ways and Means Committee, charged by the Constitution of the United States with the duty of taxation, should have to appear before an administrative unit of the Executive branch of the government to deal with a matter of this consequence and impact. This shameful trespass on the part of the Executive branch in flagrant violation of the Constitution is an affront to the Congress and the American people.

Because I believe in this constitutional argument so strongly, I declined to answer questions from the panel. It is absolutely unconscionable that a Member of Congress should be interrogated by administrative officials in this area. These men should be appearing before congressional committees, not vice versa. The proposed Treasury action is illegal; it cannot be taken by any panel of bureaucrats. It must be taken by the people's elected representatives.

I am, therefore, asking my committee chairman, the Honorable WILBUR MILLS, to hold hearings on this issue as soon as the committee's present business, relating to H.R. 1, the Social Security, Medicare, and Family Assistance Act Amendments of 1971, is disposed of.

Mr. Speaker, I believe that it is imperative that we, the elected representatives of the American people, hold our own hearings on the legality of Treasury's action and on the way that the people want their tax dollars spent.

I would like to enter in the RECORD at this point my statement to the panel which discusses the constitutional, legal, and economic reasons that I am opposed to ADR and believe that the Congress should hold hearings on this issue.

The statement follows:

STATEMENT OF CONGRESSMAN CHARLES A. VANIK, OF OHIO, BEFORE THE INTERNAL REVENUE SERVICE, MAY 3, 1971

I believe the Internal Revenue Service's proposed Asset Depreciation Range ruling is unconstitutional, dangerous to our democratic system of checks and balances, an illegal usurpation of authority and a squandering of the taxpayer's money.

The proposal by the Service does four things:

1. It provides a "range" of depreciable lives by allowing each taxpayer to depreciate assets over a range 20% above or 20% below present guideline lives as promulgated in 1962.

2. It terminates the "reserve ratio test" which was developed in 1962 and which was designed to insure that the 1962 guidelines had some realistic relation to actual "useful life" of the asset.

3. It provides for a liberalized "repair allowance" which gives the privilege to deduct expenditures for the "repair, maintenance, rehabilitation and improvement" of eligible property.

4. It provides for a "first-year convention" which entitles the taxpayer to a full year of depreciation if the property is placed in operation in the first half of the year, and a half a year of depreciation if it is placed in operation in the second half of the year. This results in the gain of nearly a quarter of a year of depreciation for items put in operation in any given year.

1. *It is an axiom of American democracy that the taxing power lies in the Congress.* The United States Constitution, in Article 1, section 8, clause 1, reads in part, "the Congress shall have the power to lay and collect taxes . . ." In Article 1, section 7, the House of Representatives is given special powers with respect to revenue bills. The 16th Amendment to the Constitution provides that "the Congress"—not the Executive—"shall have power to lay and collect taxes on income from whatever source derived . . ." *This has been generally accepted to mean that the Executive not only has no power to impose new taxes, but also may not repeal old ones, increase or decrease rates or exemptions, or make other substantial changes in the tax laws.*[1]

If the Executive has the authority to "wash-out" or remit three billion dollars annually from the public Treasury, what are the outer limits of this power? Can he excuse or give back 40%, 80% or 100% of annual depreciation?

If the President can legally excuse $3–4 billion in corporate taxation by accelerating depreciation by 20% this year, he must also have the incredible power to excuse 100% depreciation, or $15–$20 billion in annual taxation. This power—unrestrained—is power to eliminate corporate taxation—which appears to be the goal of the Executive. *Under the precedents established by ADR what power remains to Congress?*

There never has been a ruling by the unelected officials of Treasury with such momentous revenue effect. The action of the Treasury is not taken for administrative simplicity or for the adjustment of an obscure meaning of the Code. It is taken for specific fiscal policy reasons, and its cost to the American taxpayer is absolutely staggering. There was never the intention that such authority or power be given to administrative officials.

The action on Asset Depreciation Range is literally "taxation without representation." By reducing corporate taxation, it shifts a greater burden on the individual taxpayer. The ADR ruling constitutes a 10 to 12 percent cut in total revenues from corporate income tax rates. The permanent tax loss of nearly $40 billion which this action costs the public Treasury—and which is being taken

Footnotes at end of table.

with a stroke of the pen by an unrepresentative and unelected bureaucracy—means that the individual taxpayer will have to pay that much more.

ADR will cost nearly $90 per filing taxpayer per year by 1976. In the Treasury's own estimate, the ADR system will mean a loss to the Treasury of $3 billion next year and nearly $5 billion by 1976. Instead of the individual's tax rates being reduced, he will continue to bear the increased burden of supporting the Federal government—without his elective representatives having decided for him. *Since 1967, the share of the income tax paid by corporations has dropped from nearly 36 percent to a little over 25 percent.* Now it is going to drop several more percentage points while the individual taxpayer's share increases.

2. *The Internal Revenue Code does not support Treasury's action.* It is generally agreed that the depreciation changes made in 1962 went as far as administrative action could go without Congressional sanction. For example, Richard L. Pollock in his Tax Policy Research Study Number 2 for the Department of the Treasury, entitled, "Tax Depreciation and the Need for the Reserve Ratio Test" (published August 1, 1968) stated,

"The existing tax code and the court interpretations of it require that tax lives maintain a close link with actual lives defined as the period of possession. In view of this, leading experts have said that dropping the reserve ratio test without substituting any other procedures to police a close relationship between tax lives and actual lives would require an act of Congress. They assert that the Treasury went as far as it could in the administrative action of 1962 in the context of controlling statutes and court decisions." [2]

In September of 1970, the President's Task Force on Business Taxation issued a report which contained recommendations very similar to those in the proposed ADR idea. These were recommendations for a shorter useful life that would have permitted a 40 percent leeway from the guideline lives for the asset rather than the 20 percent proposed regulations.

However, the President's Task Force recognized that Congressional action was required to accomplish the result it desired. On page 29 of its report, for example, it stated,

"We recommend that the proposals discussed above (which are basically the 40 percent reduction in useful life) be implemented by appropriate amendments of the *Internal Revenue Code*. The proposals in section A for substituting, in the case of machinery and equipment, a system of cost recovery allowances for the present depreciation system involve *some* matters that have been dealt with under the present system by administrative procedures and regulations rather than by changes in the statute. For example, the reserve ratio test was formally introduced in Revenue Procedure 62–21, and, although our proposal for elimination of the test could be effectuated by administrative action, we strongly urge amendment of the statute to this end. Moreover, since the shift from the depreciation to cost recovery unrelated to the useful life concept *does require amendment of the present law*, we urge that all the matters covered in the recommendations which are related to such a shift be incorporated in the statute." (Emphasis added)

Thus, the President's own Task Force on Business Taxation believed that, in fact, a provision for a 40 percent departure from useful life required amendment of present law and so far departed from the concept of "depreciation" that it should rename the write-off "cost recovery." There does not seem to be any basis for saying that a 20 percent reduction in useful life is in any less of a need for a statutory change.

The authorities seem agreed. No change can be made without Congressional approval—yet in this case no Congressional approval has been given—or even sought.

The action being taken by the Treasury is based largely on interpretation of authority given Treasury by section 167 and its various subsections dealing with methods of depreciation. Basically, section 167 says:

"There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence)—

(1) of property used in the trade or business, or

(2) of property held for the production of income."

The term "reasonable allowance" first appears in 1909 [3] and is expanded in 1913.[4] It has been with us ever since—and it has been understood, both in administrative practice and in the courts to mean a reasonable allowance taken over the "useful life" of the item.

The term "useful life" in administrative practice and court decisions has uniformly been interpreted as being the "useful life" in the hands of the specific taxpayer and not to taxpayers in general or on some average basis. Only recently, for example, the Tax Court, in citing the leading Supreme Court cases said:

"From *Massey Motors* v. *United States* (60–2 USTC, para. 95541), 364 U.S. 92 (1960), and *Hertz Corp.* v. *United States* (60–2 USTC, para 9555), 364 U.S. 122 (1960), it is clear that depreciation rates are to be computed on the basis of the useful life of the asset in the taxpayer's business, based upon estimates during the taxable years to be derived from the taxpayer's experience and applied on a uniform basis." [5]

But it is obvious that the new system being proposed is in no way "reasonable" and has no relation to useful life. The provision allowing liberalized depreciation during the first year of operation of new equipment obviously has no relation to the actual depreciation of that product during that first year. In short, this is a wholly new concept of depreciation because it permits a depreciation measured by an arbitrary schedule elected by the taxpayer which has no relation to the taxpayer's realistic anticipated use of the asset. Rather than depreciation, this new system would better be called a "capital cost recovery allowance."

Not only does the new system ignore "useful life" but it departs—beyond any permissible bounds—from the concept of "reasonable allowance." The guidelines issued in 1962 have already been proven to be somewhat unrealistic. The only thing that is bringing some tax justice, reasonability and rationality to the depreciation system is the reserve ratio test. Now the reserve ratio test is to be abolished and the liberal guidelines are to be liberalized by another 20 percent. Without the reserve ratio test, the taxpayer need not show that the asset lives he elects under the ADR system are in any way related to the useful lives of his assets. Therefore, the rate of recovery of his capital costs will be unrelated to the wear, tear and obsolescence of his own assets. This is totally unacceptable. It is a robbery of the public treasury by a *few specialized industries.*

I would like to further point out that Section 167, particularly subsection (b) describes particular methods of depreciation manipulation. But these provisions always related to the ultimated useful life of the depreciated item. The restrictions in the Code would be utterly useless and the will of Congress ignored if set schedules of depreciation could be set by the taxpayer and the service without regard to the realistic "useful life" of the item as developed in actual industrial practice.

Footnotes at end of article.

In short, the entire history of the court decisions and rules under section 167 have indicated that the actual useful life of the taxpayer is the governing feature. We must look at half a century of such interpretation in considering changes to section 167. It is clear that the proposed ADR changes are a radical and unacceptable aproach to the administrative and legal history of Section 167.

Let us look with some detail at some of the previous changes in depreciation rulings to see whether they would support this present ruling:

In 1954, there was a legislative change in depreciation which provided for some liberalization. But note, this was a legislative change. In the 1954 debate on the Internal Revenue Code, the Conference Committee abandoned a House-passed provision which would have provided a 10 percent leeway in depreciation "ranges" leaving it to the Internal Revenue Service to deal with each case individually in the most realistic and sound manner. Assets were to be depreciated according to their "useful life;" not according to a "range" system.

In 1962, when provision was made for the classification of assets in categories called guideline lives, the initial effect also was to depart from the taxpayer's own experience as to the useful life of the assets. But here the concept of the taxpayer's own experience was restored by requiring him to meet the so-called "reserve ratio test" whenever guideline life depreciation was to be followed. While a transitional period was available to taxpayers before the reserve ratio became applicable, it was generally recognized, in 1962, that without the reserve ratio test the guideline lives could not have been provided for by administrative action. Even in this case, however, congressional sanction was given to the action then taken with respect to depreciation by reference to it in the committee reports dealing with other tax legislation being considered at that time. In this regard, the Senate Committee Report on the Revenue Act of 1962 contained the following statement:

"To achieve an increased rate of capital formation, a two-pronged course of action is being followed in the area of capital formation. First, the Treasury Department has recently announced a series of depreciation revisions. The objective of these revisions is to provide *realistic* tax lives in light of past actual practices and present and foreseeable technological innovations and other factors affecting obsolescence."

In short, the principle of "useful life" has been so embedded through administrative action and legislative language that it has the force of law and it cannot be struck down by the mere stroke of a pen.

It is also argued that section 7805 of the I.R.C. gives the Service power to promulgate all "needful rules and regulations" with respect to the Code. But this section has clearly been meant only to permit interpretative rules to adopt statutory language to administrative needs or to fill gaps unintentionally left vacant by the draftsmen in the enactment in its provisions. Section 7805 was obviously never intended to be used for fiscal policy purposes to "spur the economy" or benefit "specialized" industries. Section 7805 is definitely a very limited authority that can in no way justify a $40 billion tax loss over this decade.[6]

Balanced against the very small "technical adjustment" authority given the Service in Section 7805, is the requirement in other sections of the Code that the Treasury support accounting methods which "clearly reflect income" in such a way as to protect the Treasury against false manipulation of accounts. The ADR proposal increases taxpayers violation of a sound accounting principles and statutory provisions of the Internal Revenue Code.

Therefore, Treasury's authority to promulgate the Asset Depreciation Range rule does

not exist and if permitted will lead to further sweeping rulings in other tax areas which are, like changes in depreciation concepts, the specific jurisdiction of the Congress. The sections cited by Treasury on which the ADR ruling is made simply do not support the ruling. Treasury's ruling has no basis in law.

Treasury's action is in direct violation of recent Congressional action and intent with respect to investment credit and other special depreciation policies. Action is being taken in the liberalization of depreciation against the clear wishes of Congress. The 91st Congress repealed the 7% investment tax credit which the new ruling on ADR so closely resembles. At the time that action was taken, Congress indication that it, not the Administration, would restore the credit if it felt that a spur to investment were needed.[7]

There are economic arguments which by themselves should be enough to cause the ADR proposal to be withdrawn. With business currently operating at 75% of capacity, it is obvious that we do not need more capital investment—we need more consumer demand. There are many other ways in which the economy could be given an immediate stimulus which would be more productive than the ADR proposal. Public works and public employment plans, construction of mass transit and water pollution control facilities all could provide the stimulus our lagging economy needs. It would be better to speed up the individual tax reduction provided by the Tax Reform Act of 1969. This would provide taxpayers, particularly lower-income taxpayers, with $2.75 billion in fiscal year 1972. This money would immediately enter the economy and stimulate business growth. The unreasonableness of stimulating the economy through the slow capital investment route is well summarized by an editorial from the New York Times of April 11, 1971, which says in part:

"But the Administration has published no estimates of how big an investment bang it expects from all those lost tax bucks. Private economists forecast that the impact on investment will be far less than the tax losses. It is foolhardy, in any event, to justify a tax giveaway stretching many years into the future on the ground that the economy needs an immediate shot in the arm."

The ADR liberalized depreciation is extremely inefficient. It gives a tax break to everyone who buys a new piece of capital equipment rather than to those who buy a new and extra piece of equipment. The new ruling does not require that the taxpayer make an extra effort to expand his capacity.

In addition, faster depreciation, such as provided by ADR, tends to be pro-cyclical, feeding inflation, rather than countercyclical, preventing recession. By the time the full effects of ADR would be realized, in 1976, the Treasury will be suffering a loss of nearly $5 billion just at the time that inflation will probably be confronting us again.

Lastly, the ADR ruling is very discriminatory among different taxpayers. This accelerated deduction of course means more to taxpayers in the higher brackets than it does to smaller companies in lower brackets. It favors, relatively, those who have had the most backward replacement policies. Lastly, of course, it helps the more capital intensive industries at the expense of the rest of the economy.

In addition, during the debate on the Tax Reform Act of 1969, the Administration proposed a two percent reduction in corporate tax rates. The Congress clearly and explicitly rejected this. Yet the ADR proposal will mean, in effect, a drop in the corporate rate from 48% to about 44 or 42 percent.

There are a number of sections of the Tax Code which deal with special tax advantages—rapid amortization or depreciation—for specific priority items. These include investment in pollution control facilities, railroad rolling stock, certain farm and mineral investments. Thus, on occasion, the Congress has allowed the write-off of particular types of assets over an arbitrary period of time shorter than the useful life of the asset. But note: when this is done, it has been provided for by specific legislative statute—but by executive order.

The action of the President in piercing gaping holes in our tax structure by the sweeping and unconstitutional exercise of Executive power forecloses the capacity of Congress to even consider the re-institution of investment credit, which has proven its ability to revitalize the industrial sector, or to reduce individual taxes which would stimulate consumer demand and recover the economy. The President's action usurps economic alternatives without public legislative debate.

It is an incredible paradox that I, as a Member of the Ways and Means Committee of the House of Representatives charged by the Constitution of the United States with the duty of taxation, should have to appear before an administrative unit of the Executive branch of the government to deal with a matter of this consequence and impact. This shameful trespass on the part of the Executive branch in flagrant violation of the Constitution is an affront to the Congress and the American people.

If in fact this maneuver is an attempt to reduce corporate tax contributions to the operation of our government, why not submit the issue to Congress for debate and disposition on its merits?

Especially in the sensitive area of taxation, we must not engage in government by fiat. This kind of favoritism assails the integrity of our tax system. The quality of any modern civilization depends on the justice of its tax system. The action which you propose to take fuels the fires of "The Taxpayers Revolt."

The press reports which I have read indicate that your decision is already made. That would make this hearing a mockery and a demeaning exercise. I hope that we are not here to validate a "hanging" which has already occurred.

FOOTNOTES

[1] It hardly seems necessary to comment on the importance of the taxing authority to the Founding Fathers. That importance, which is still important today, is well summarized by the winner of the American Historical Association's 1962 John H. Dunning Prize, E. James Ferguson, who wrote as follows in his excellent book, *The Power of the Purse: A History of the American Public Finance, 1776–1790:*

"The power of the purse was to (the Founding Fathers) the determinant of sovereignty, and upon its location and extent depended the power of government, the existence of civil rights, and the integrity of representative institutions. Their basic premise was that popular control of taxation ensured the rights of the citizen, but power over taxation was also an instrument with which to enlarge the sphere of private liberty against the authority of the state."

[2] Support is given to this statement by an article in *The Jornal of Taxation,* May, 1963, by Joel Barlow and John Ellicott, entitled "Are the guidelines realistic and generally satisfactory to business and industry?" "In terms of what could be accomplished under existing law within the Treasury Department, and subject to some few qualifications, the guidelines (of 1962) offer about as much as industry could reasonably have expected, and certainly far more than has ever before been realized at the administrative level."

[3] Public Laws, Vol. 36. 61st Congress, 1st Session; Capter 6, 1909.

[4] Public Laws, Vol. 38. 63rd Congress. 1st Session; Chapter 16, 1913.

[5] *Mary Z. Bryan,* (T. C. Memo 1963–182, 22 TCM 864, aff'd 4th CA 364 Fed. 2d. 751 66–2 USTC, para. 9601). The relevant language from *Massey* is "This requires that the useful life of the asset be related to the period for which it may reasonably be expected to be employed in the taxpayer's business."

[6] As an example of the limits by which past Treasury officials have been constrained, I would like to cite an example from 1955. In the 1954 I.R.C. Amendments, two sections of the Code had been added, sections 452 and 462, which were estimated to cost the Treasury some $47 million. Within a few months it became clear that the Revenue loss from these two clauses might amount to between one and five billion dollars. Treasury attempted to prevent this from happening by issuing very strict regulations governing the use of these clauses, but, fearing long legal litigation, the Treasury Secretary quickly asked Ways and Means to repeal these two sections since Treasury did not think it could act in this area with simple regulations—even though then, as now, billions of dollars were being lost. If Treasury had to come to Congress over an unexpected revenue loss in 1955, it certainly should come to Congress now when it expects to lose nearly $40 billion in this decade from the ADR ruling. Secretary Humphrey made a comment at that time which I believe would be very instructive to today's Treasury officials. This Republican official said,

"We have repeatedly said that as soon as any discrepancy between the original congressional intent and actual operation of the law became apparent, we would call it to the attention of the Congress for corrective action."

In light of Congressional action with respect to investment tax credit and corporate tax rates in the 1969 Tax Reform Act, it is obvious that a similar situation should apply today.

[7] House Report 91–413, Report of the Ways and Means Committee on H.R. 13270, the Tax Reform Act of 1969, said:

"If the need should, in the future, arise for a further stimulant to investment, the Congress will then be free to consider various alternative types of treatment."

It is interesting to note here that at the time of the repeal of the investment credit in 1969, President Nixon said, "This subsidy to business investment no longer has priority over other pressing national needs."

STRIP MINING OPPONENTS PULITZER PRIZE WINNERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 5 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, during the colloquy earlier this afternoon concerning rural America, I made reference to the fact that the strip mining of coal is increasingly ruining a great deal of farmland, topsoil, pouring sediment and acid into the streams, and reducing productivity in many rural areas.

I am very pleased and proud to announce to the House that over the ticker has just come the announcement of Pulitzer prizes, and included is a Pulitzer Prize for Journalism awarded to the Winston-Salem, N.C., Journal and Sentinel for their successful fight against a proposed strip-mining operation that would have destroyed some beautiful areas of North Carolina terrain.

I have talked with the editors of the Winston-Salem newspapers, and I am

sending my congratulations to those two newspapers that carried on a long and successful fight against the strip mining of gibbsite, which is raw material used in the production of aluminum.

I might say also that the Winston-Salem newspapers had also carried on a very strong fight against the construction of a dam on the New River at Galax, Va., by the Appalachian Power Co., which would have an adverse effect upon the beautiful New River in the State of West Virginia which joins the Kanawha River, and, I think, would be a very unfortunate project because of the threat to the natural qualities of those rivers. The attorney general of West Virginia, Hon. Chauncey M. Browning, has been waging a fight against the New River dam.

So I would like to add my congratulations to the Winston-Salem newspapers for having won the Pulitzer Prize for Journalism for their series against strip mining.

The text of my telegram follows:

WALLACE CARROLL,

Editor and Publisher, Winston-Salem Journal and Sentinel, Winston-Salem, N.C.

Heartiest congratulations to Winston-Salem newspapers for their Pulitzer prize-winning series against strip mining. As sponsor of Federal legislation to ban strip mining of coal, I applaud your courageous fight against those large companies attempting to develop for private profit areas which injure the environment through pollution of our streams and devastation of our soil. Every industry and every individual should be held accountable for current environmental costs of strip mining which should not be passed on to be shouldered by future generations.

Congressman KEN HECHLER.

SALUTE TO AGRICULTURE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois (Mr. ANDERSON) is recognized for 30 minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, President Nixon in a radio speech given yesterday—May 2, 1971—announced a special salute to agriculture to be held on Friday, May 7.

He also announced that he has taken several actions of direct assistance to rural areas and the Nation's farmers. They are as follows:

First. Increasing the 1972 budget of $24,496,000 for the Foreign Agriculture Service of the U.S. Department of Agriculture by $1 million to expand sales of agricultural commodities abroad. Exports are expected to reach at least $7.4 billion this year—up 6 percent from a year ago. The established goal for farm exports to be reached with this expanded budget for commodity sales promotion is $10 billion each year—up an additional 33 percent. This will be accomplished through not only market development in foreign nations but also from lowering of trade barriers. The direct result for farmers will be higher prices received and, hence, increased income.

Second. Purchase of additional pork by the Department of Agriculture for distribution through its food distribution and school lunch programs. At the present time more pork is being purchased than any time since 1956. This additional effort is being made in response to our expressions of concern and need for increase in hog prices.

Third. Increasing the 1972 budget under the Farmers Home Administration for farm operating loans from $275 to $350 million and farm ownership loans from $210 to $350 million. The increase in operating loans assumes approval by the Congress of authority to insure these loans as is now being done for farm ownership loans. These increases will help to ease a serious credit problem being placed by family farm operators. Also substantially increased is the insured loan program to assist rural communities to install improved water and sewer systems—an increase of $11 million—about 10 percent.

Fourth. Of special interest to Illinois farmers, the President increased the 1972 budget for research on problems related to insect and disease control for crops and livestock by $7.6 million. Of this increase, about $2 million will be for research for control of southern leaf blight which caused serious economic losses for farmers throughout the Midwest.

Fifth. A $12 million increase plus about 10 percent is also proposed to enable the Soil Conservation Service to provide additional technical assistance for application of soil and water conservation practice as a means to conserve our Nation's resources and reduce environmental problems related to agriculture. An additional $28 million—plus about 35 percent—is also proposed for small watershed projects increasing the level of Federal grants for this program to $105 million.

These increases are in addition to the President's previously announced to help the Nation's farmers; to develop rural communities; and to reverse the flow of people, including the young people, away from rural America. President Nixon also pledged that the administration will work more closely with farmers, with farm organizations, and with the Congress to serve agricultural America more effectively and to resolve difficult issues that bear directly on the lines of farmers.

He also referred to the need for easing the cost-price squeeze faced by farmers both by reducing farm costs and by raising farm prices.

These efforts are an expression of the sincere interest of this administration for the farmer and the rural community and the preservation of a viable farming industry which is basic to the economic strength of the entire Nation.

FINANCIAL STATEMENT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, for the past 2 years I have placed in the CONGRESSIONAL RECORD my financial status.

I propose to do so at this time.

I include my financial statement as of April 30 in the CONGRESSIONAL RECORD at this point:

FINANCIAL STATEMENT OF LAWRENCE J. HOGAN AND NORA E. HOGAN, HIS WIFE, APRIL 30, 1971

Assets:	
Cash (see schedule A)	$8,313.98
Investments (see schedule B)	8,450.00
Real estate (see schedule C)	159,800.00
Automobiles:	
1971 Ford	2,600.00
1969 Oldsmobile	2,800.00
Household furnishings	7,000.00
Total assets	188,963.98
Liabilities:	
Accounts payable (miscellaneous)	450.00
Central National Bank (car loan)	1,603.00
Mortgages (see schedule D)	76,792.70
Total liabilities	78,845.70
Net worth	110,118.28

SCHEDULE A—CASH

Loyola Federal Savings & Loan (savings account)	255.98
Columbia Federal Savings & Loan (savings account)	1,864.51
Enterprise Federal Savings & Loan (savings account)	651.15
Congressional Employees Federal Credit Union	1,389.83
Maryland National Bank (checking account)	462.18
Sergeant at Arms (checking account)	940.33
Cash on hand	200.00
Accounts receivable	2,510.00
Total	8,313.98

SCHEDULE B—INVESTMENTS

Central National Bank of Maryland stock	$8,450.00

SCHEDULE C—REAL ESTATE

Townhouse, Ocean City, Md.	50,000.00
Cabin, Lake Jackson, Va.	6,000.00
House, Landover, Md. (present residence)	55,000.00
94.6 Acres, Allegany County, Md.	28,800.00
Apartment, Ocean City, Md.	20,000.00
Total	159,800.00

SCHEDULE D—MORTGAGES

Townhouse, Ocean City, Md.	21,941.09
House, Landover, Md.	37,560.53
94.6 Acres, Allegany County, Md.	3,581.00
Apartment, Ocean City, Md.	13,710.08
Total	76,792.70

A TIME TO REASSURE THE PEOPLE THAT OURS IS A NATION OF LAW AND ORDER

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it is to the everlasting credit of the Federal Government and the Washington city administration that the current incipient insurrection against this Nation's domestic peace and security is being met head on. The problem is not over, however, and continued strong action is necessary.

If ever there was a time to reassure the people of the United States that ours is a nation of law and a society or order, that time is now.

We have among us a smelly band of nondescripts who say they will do what the mighty nations of the world have not done. They say—this handful of lawbreakers—that they will bring the business of the Government of the United States to a halt and force our country to its knees.

To watch the television screens and to read the newspaper headlines, people across this land may have the impression Washington is a city under siege. The situation undoubtedly is even more difficult for people of foreign nations to comprehend because they do not put up with this kind of tomfoolery. Washington is not a city under siege. It is, however, a city facing challenge. It is a challenge laid down in concert with our enemies abroad. It is a challenge which states that a group of people, waving Vietcong banners, raising hell in the halls, and intimidating secretaries, can reverse the course of this Nation.

Behind all of this there is ominous portent. If the American Government and its Capital City can be driven to its knees by dissidents who demonstrate in the streets, the world will know once and for all that the policies of the United States are formulated by mob rule and dictated by threat. This Government must do what it always has done with those who threaten the security of the people or who break the laws. Those who have issued the challenge must continue to be dealt with firmly by law enforcement agencies and where necessary by the Nation's military forces.

The people of the United States want no part of what is happening in Washington. They do not resort to mob action to voice their demands and they look now to the Government to stand up in their behalf. These Americans demand that their Capital be protected, that the elected officials proceed with the business of the people, and that the Nation's public servants continue in their service to America without disruption.

If those who stalk the halls and streets truly want to stop this war, let them stage their demonstration in Hanoi or Moscow. Let these people lay their bodies in Communist-dominated streets, shout profanities at Communist leaders, and break the laws of Communist nations if they truly are so dedicated to peace; for it is in the Communist capitals that our troubles originate.

That they have a right to voice their opinion there is no doubt. But let it be known here that no person in this Nation has the right to do what these people threaten. The business of the United States will proceed. This Nation will continue to maintain a strong defense despite attempts by some to weaken us. We will continue to formulate policy, pass laws, and punish lawbreakers in the democratic way.

Full support should be given to the security forces of Washington and any other city where disruptive tactics are used in the effort to bring our Nation to its knees. The time for a strong posture has arrived. This is a Nation of law and a Nation of order despite the efforts of those who seeks to prove otherwise.

If the people of the United States want a change in Government, they will get it through the ballot box. But the people of this Nation should be assured by the leaders of our Government that the change will not come about through lawlessness.

America can and must prove that fact once again by positive, firm action in the days ahead.

THE RUSSIAN NAVAL FACILITY IN CUBA

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the threat to our shores from the Russian naval facility in Cuba is far more serious than administration spokesmen seem willing to admit. I have called attention more than once to the fact that Russia has at Cienfuegos an operational facility which is fully capable of supplying submarines. This gives the Soviets a capability in Caribbean waters and in the Gulf of Mexico which they have never before possessed.

Recently, I have received information through Dr. Manolo Reyes, Latin American News Editor of WTVJ–TV in Miami, which vividly explains exactly what the Soviets are doing. I hope this information will help to stress the need for a more vigorous policy by the administration in dealing with this activity by the Soviets in Cuba.

The United States cannot tolerate the stationing and servicing of Soviet missile-carrying submarines a scant 90 miles from our shores. The information from Dr. Reyes, which follows, is additional evidence that is exactly what is transpiring under our very noses. The communication from Dr. Reyes follows:

THE RUSSIAN NAVAL FACILITY IN CUBA

We have just received new information from the Cuban Patriotic Resistance refering to the Russian Naval Base in Cienfuegos Bay, in Cuba. The new information reveals, among other things, the perimeter of that base. On the water, the extension of the Russian Naval Base is of about 4¼ miles. On land, on closed littoral, from La Milpa to Punta Gorda, it is of about 15 miles.

According to the report received from the Cuban Patriotic Resistance, The Russian Naval Base in Cienfuegos occupies the South, South East, East and North East parts of the Cienfuegos Bay. That is, from the tip of La Milpa towards the East of the Laguna de Guanaroca. From these, towards the Ensenada de las Calabazas, including, of course, Cayo Colorado, Punta de la Trompada, the mouth of the Caonao River, the Estero de Bada, the tip of La Hierba up to Punta Gorda. Therefore, the sections of Laredo, Playa Alegre and Punta Gorda have been vacated. All of these places mentioned before, and that form the perimeter of the Russian Naval Base, are precisely in the hands of the Russians.

In Punta Gorda, where the Naval Base mentioned before, ends, the militaries have taken possession of all the houses, according to the Resistance.

Some houses have been occupied by Russian Naval officers, while the so called Bulgarian and Russian technicians are staying at the Hotel Jagua, also in Punta Gorda.

The Resistance also informs that one of the houses belonged for many years to the Cacicedo family, from whom it was stolen by the Castro-communist regime. The house is two stories high, with eight rooms, six bathrooms, a wide hall on both floors and is of Spanish style. At present, that house is constantly visited by Fidel Castro. And the offices of the Communist Party have been established there and it is where the Russian Naval Staff meets, sometimes by itself, sometimes with Castro. Not over six Russian Naval officials of high rank have taken part of these meetings. Raul Castro has also been at the meetings.

The high Russian Naval officers that go to Cuba, according to the Resistance, meet in Punta Gorda. But later they go, apparently, to rest at the facilities built in Cayo Alcatraz. Facilities that are far superior to the ones available to the Cuban people at present. The Resistance informs that the facilities at Cayo Alcatraz are also for the change of crews from the surface units and submarines of the Soviet Union. According to the report, Fidel and Raul Castro have gone to Cayo Alcatraz. No other Cuban is permitted at present in that key. The same is totally in the hands of the Russians. Finally, the Resistance says that Fidel Castro has ordered the fast construction of a bridge over the Caonao River where a strictly military road passes towards the Russian Naval Base. That military road leaves from a point of the Cienfuegos road to the Tomas Asea Cemetery, and goes directly South, passing over the Caonao River, near its mouth, crossing the San Mateo farm up to a place called El Labertinto de los Naturales, near Guanaroca.

WE MUST NOT FUMBLE THE CANAL DISCUSSIONS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the United States soon is to begin talks with the Government of Panama on a matter of importance to the free world. We must not fumble those discussions.

I refer to the discussion on a new agreement concerning the operation and control of the Panama Canal.

At a time when there is a growing fear the Suez Canal will reopen under what amounts to Russian control, this is not time for the United States to consider surrendering control of the Panama Canal to another nation.

Recent reports indicate demands will be made upon U.S. negotiators to have this Nation remove all U.S. personnel from the area except those considered vital to the defense of the canal itself.

Further, it is said the United States will be pressed to relinquish operational control of the canal.

In what amounts to diplomatic blackmail, we are told there will be no further discussion of a new canal unless we agree to the terms on the present canal as set forth by certain Panamanian leaders.

This we must not do, Mr. Speaker. The United States has vital interests in Central and South America which are directly affected by the Panama Canal. The necessity that we operate a two-ocean Navy with quick transfer of our ships from danger spot to another demands a canal under U.S. control. There are other matters which are of increasing concern. There is the growing Soviet naval presence in Caribbean waters because of a Russian submarine base in Cuba. There is increasing Communist influence in

South America as additional governments swing to the left.

For us to leave Panama during this critical time of unrest would be a mistake which we would come to regret.

It is vital that we continue to have unhampered access to the Panama Canal. We must keep the Panama Canal secure from both a military and political standpoint. To do otherwise would be against the best interests of the United States and the free world.

Our negotiators at the Panama Canal talks should be so directed.

W. A. BOYLE SHOULD RESIGN NOW AS UMWA PRESIDENT

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, there has been widespread press reaction to the U.S. district court decision issued last Wednesday, April 28, upholding charges of mismanagement and conspiracy against UMWA President W. A. Boyle and his associates involving the union, the UMWA-controlled National Bank of Washington and the UMWA welfare and retirement fund. It included the text of U.S. District Judge Gerhard A. Gesell's decision in the April 29, RECORD on pages 12557–12564 and the text of the complaint in the CONGRESSIONAL RECORD, volume 115, part 117, pages 22623–22638.

This decision marks another bleak and dark chapter in the once proud and great union which has forgotten the rank-and-file miner, his widow and their children ever since W. A. Boyle became its head. Mr. Boyle is a living example of Lor Acton's thesis that "Power Tends To Corrupt." In the name of decency and for the sake of the rank-and-file coal miners throughout the Nation, Mr. Boyle should resign now as president of the UMWA.

In addition to editorial comment on the decision, I also wish to include in the RECORD an article in the May Progressive magazine on the ills of the union leadership; a commentary from Coal Patrol, a bimonthly report on the coal industry, on Judge Gesell's decision, an article from the Washington Star on the decision, and a report by the Associated Press on the UMWA leadership's troubles.

The material follows:

[From the Washington Post, May 3, 1971]

THE STATE OF THE MINE WORKERS UNION

There is a dramatic story behind the searing opinion in the United Mine Workers case written by U.S. District Judge Gerhard Gesell—a story of arrogance and oppression and conspiracy among the leaders of that mighty union and a story of heroic courage among humble, remote and seemingly helpless miners who dared to challenge a powerfully entrenched establishment. Charges of mismanagement and fiduciary irresponsibility brought by these rank and file miners—charges that they had been systematically defrauded as contributors to the Welfare and Retirement Fund of the union—were upheld by Judge Gesell who ordered that the union president, W. A. (Tony) Boyle step down as a fund trustee and that compensatory damages should be assessed against the union and the National Bank of Washington.

In the light of this ruling, it is shocking to realize that Tony Boyle, although removed from his retirement fund trusteeship, remains the president and Lord High Pooh-Bah of the United Mine Workers Union, a position of almost unchecked power in which he controls the union's very considerable financial assets, its publication, The United Workers Journal, and a large portion of its complex hierarchy. The validity of Boyle's election to the presidency in December, 1969, is now seriously shadowed; he manipulated the pension fund in a transparent effort to win votes. It seems high time, indeed, for the Secretary of Labor to ask U.S. District Court Judge William Bryant, before whom another suit against the union is pending, to appoint a monitor to conduct the union's affairs.

The conspiracy goes back to 1950 when the Welfare and Retirement Fund was established as one of the great accomplishments of the Mine Workers' great leader, John L. Lewis. In Judge Gesell's words there was an agreement among the fund's trustees and the National Bank of Washington "to maintain on deposit at the bank substantial sums of interest-free accounts, without relation to the real needs of the fund for liquidity or otherwise, for the benefit of the union and the bank and in disregard of the best interests of the beneficiaries." The union owned 74 per cent of the voting stock in the National Bank of Washington, and several union officials, including Boyle (until he resigned just recently following his indictment for other alleged misconduct) served on the bank's board of directors. At the time the lawsuit decided by Judge Gesell was brought, the fund had about $28 million in checking accounts and $50 million in time deposits in the bank. Had these funds been invested as they should have been, they would have redounded to the benefit of the fund's pensioners; as it was, they benefited only the bank and the union.

There are important lessons to be drawn from this scandal. One of them, obviously, is that Congress needs to devise tighter rules to assure responsibility in the management of pension funds of this character. Another is that mechanisms need to be provided to assure rank and file union members easier opportunity than is available to them now to challenge what they deem arbitrary rule by leaders entrenched in their top offices. Union rulers in control of health and welfare and pension funds possess powerful instruments with which to punish dissidence or rebellion of any sort among their subjects.

But perhaps the most powerful lesson of all lies in this fresh illustration of the danger that lurk in allowing unchecked power to accumulate in the hands of even the best and most benevolent of leaders. It is a pity, in a way, that the memory of John L. Lewis, a titan of the American labor movement, should now be so seriously scarred by the disclosures in this case. So far as is known, Mr. Lewis did not profit personally in any way from the bizarre arrangement he worked out among the union and the fund and the bank. In all probability, he was doing what he believed in his autocratic way was wisest for the mine workers. But unchecked power, whether in the hands of a union president or a captain of industry or a director of the FBI, no matter how patriotic and well-intended they may be, is, of itself, corrupting and dangerous and destructive.

[From the New York Times, Apr. 30, 1971]

DECAY OF A UNION

A dismaying series of scandals, climaxed by the murder sixteen months ago of insurgent Joseph A. Yablonski, has long made it plain that the once proud United Mine Workers is in an advanced state of moral debility. But even the multiplicity of such evidences of decay could not take the shock out of the abuses a Federal judge has found in management of the union's huge pension and welfare fund.

Perhaps the most tragic aspect of the disclosure that miners and their families suffered shrunken benefits through the ill-conceived investment policies of the fund trustees is the extent to which the responsibility goes beyond the union's present president, W. A. Boyle, to the founder of the fund, the late John L. Lewis. In a real sense, the industry-financed retirement funds now covering thirty million American workers are a monument to Mr. Lewis' remarkable qualities of vision and courage—qualities that brought great advances for the coal miners and for labor generally.

But along with these spectacular talents went dictatorial tendencies that continue to permeate the U.M.W. and that help account for the imperiousness with which both Mr. Lewis and Mr. Boyle dominated the pension fund. There was never any sound justification for the union's establishment of a controlling position in a Washington bank, much less for the holding there of large cash deposits that gathered no interest for the union fund.

Now the court has found the fund and the bank jointly liable for millions of dollars in damages to rank-and-file miners and to miners' widows. It has also ordered Mr. Boyle to step down as a fund trustee by June 30. The whole proceeding has underscored the fictitiousness of supposed joint management-union-public control in this and many other similar funds. Too often the employer representatives default and leave all real authority in the hands of union leadership.

The findings in the U.M.W. case point up anew the importance of the inquiry now under way in the Senate Labor Committee on needed changes in Federal rules governing private pension funds with current reserves in excess of $130 billion. The fact that relief for U.M.W. members might never have come if a group of dissident miners had not risked union reprisals by filing a law suit on their own is proof that present Federal regulation is grossly inadequate.

[From the Washington Daily News, Apr. 30, 1971]

THE COAL MINERS WIN ONE

When Jock Yablonski was running for president of the United Mine Workers union in 1969, he aimed a wide range of charges at the union administration, headed by W. A. "Tony" Boyle.

Among his allegations, Mr. Yablonski said the union's welfare and pension fund was mismanaged.

Mr. Yablonski lost the election and later was murdered, along with his wife and daughter, in his Pennsylvania home.

But a federal judge here now has confirmed much of what Mr. Yablonski alleged in that campaign.

Judge Gerhard A. Gesell, after a trial of several weeks, has removed Mr. Boyle and Josephine Roche, long-time associate of the late John L. Lewis, as pension trustees. And he has ordered the union, the welfare fund and the Washington bank owned by the union to pay damages to the deprived miners and widows because of the mismanagement. The damages may run into millions of dollars, the amount to be determined later.

Judge Gesell said the union, under Mr. Lewis and Mr. Boyle, had engaged in a 20-year conspiracy to keep huge sums of money (up to $80 million) in non-interest-bearing accounts, to the advantage of the bank and the union and the distinct disadvantage of pensioned miners and their widows.

Mr. Boyle is in trouble on other fronts. The election in which he defeated Mr. Yablonski still is in dispute. Law suits are pending on other charges.

The shenanigans with the bank, at the expense of the miners, largely were laid on Mr. Lewis' doorstep.

But the union hierarchy clearly is in need of a drastic shakeup. There is some evidence, at least, that a new election would be in order.

Coal mining is one of the toughest ways in the world to make a living. It is a gritty job and the hazards to life are uncommonly high. The whole purpose of the union is to protect the miners, enhance their welfare and minimize the risks to life and limb.

The miners deserve what their dues have been paying for and, as measured by Judge Gesell's decision, not altogether getting.

[From the Wheeling (W. Va.) News-Register, Apr. 30, 1971]

EMBATTLED BOYLE FACES PACT TALKS: LATEST LAWSUIT DEALS ANOTHER BLOW TO ALREADY TROUBLED MINERS' UNION

(By Craig Ammerman)

Two women who told a Washington lawyer their families were hungry because the United Mine Workers Union had neglected them touched off a lawsuit which has dealt another blow to organized labor's most troubled organization.

The UMW and the leadership of president W. A. "Tony" Boyle is encountering increasing difficulties in the courtroom and in the coalfields of Appalachia where at least part of the rank and file is uproariously unhappy.

The troubles began to surface two years ago when the union emerged from the shadow of longtime chieftain John L. Lewis. They have been high lighted with the gangland-style slayings of insurgent Joseph Yablonski, his wife and daughter and with the federal court indictments of Boyle and two lieutenants.

Increasingly caught in a legal web, the embattled Boyle finds himself with difficulties from within and without at a time critical contract talks are little more than a summer away.

The latest blow to the union which represents most of the nation's 140,000 coal miners came Wednesday in Washington. U.S. District Court Judge Gerhard Gesell, charging mismanagement of the miners' $457 million Welware and Retirement Fund, ordered Boyle, 66, and 84-year-old Josephine Roche to step down as trustees on the three-member board which administers the fund.

Gesell also gave Boyle a June 30 deadline to withdraw the fund's massive account from the National Bank of Washington, an institution largely owned by the UMW. It was little more than a year ago that Boyle was ordered to resign from the bank's board of directors.

Gesell ruled in a $75 million suit brought by 75 dissident disabled miners and miners' widows. Their action was sparked by Mrs. E. E. Noonkester and Mrs. Charles Omechinski, both of Raleigh County, W. Va., who two years ago wrote Washington attorney Henry Huge complaining their families were hungry because the welfare fund had refused to give benefits to their disabled husbands.

The ruling is not an isolated incident for the strife-torn union which faces other legal problems. For instance:

—Boyle, 80-year-old UMW Secretary-Treasurer John Owens and lobbyist James Kmetz were indicted in March by a special federal grand jury in Washington on charges of embezzlement, conspiracy and illegal use of union money for political purposes.

—Silous Huddleston, president of a UMW local in Lafolette, Tenn., his daughter and son-in-law are three of five persons charged with the New Year's Eve 1969 slayings of Yablonski, his wife and daughter.

—The Labor Department has filed suit asking that Boyle's 1969 election victory over Yablonski be set aside. The pending suit charges widespread fraud and ballot irregularities.

—Pending since 1964 is a suit to force the UNW to release its districts from trusteeship. By placing 19 of its 23 districts under trusteeship, the union, namely Boyle, has been able to appoint union officers rather than allow their election. One of those district presidents—in Montana—is Boyle's brother.

—In Pittsburgh, District 5 president Michael Budzanoski and district secretary-treasurer John Seddon are on trial in federal court on charges of conspiracy and falsification of the district's financial records. Recently, angry miners stormed those district headquarters and tore up ballot sheets after learning that votes of three locals had been disallowed, giving Budzanoski re-election over dissident Louis Antal.

In addition, the 81-year-old union which flourished for 50 years under the watchful eye of Lewis may be losing some hold on its rank and file and may have difficulty come contract time.

Dissident reform factions, led by the Miners for Democracy, a group which sprouted in Clarksville, Pa., following Yablonski's murder, has threatened to strike if the government does not expedite the cases pending against Boyle.

"This is further evidence that the whole wall of corruption is beginning to crack, and Tony Boyle's days as UNW president are numbered," Kenneth Yablonski, son of the slain insurgent, said.

Elmer Brown, Yablonski's running mate in 1969, termed the Wednesday decision "a great victory for the followers of Jock Yablonski."

"I felt certain justice in this nation would catch up with the injustices given the coal miners," Brown said from his Delbarton, W.Va., home.

In recent years it is some of these factions which have instigated successful actions against the UMW.

Last summer, disabled miners and miners' widows paralyzed the rich southern West Virginia coalfields for five weeks to dramatize demands for union benefits. Their strike was not stopped until they were jailed for violating federal court restraining orders and until Boyle promised to include them in the 1971 negotiations.

In 1968, all 42,000 miners in West Virginia were idle for three weeks while the state legislature debated and then passed a law giving compensation benefits to miners of afflicted with pneumoconiosis, commonly known as black lung disease. The grass roots movement which supported that legislation did not come from within the union, and union efforts to stop the walkout had no affect.

Boyle's victory in 1969 over Yablonski was almost a 2 to 1 margin, but much of the majority came from the 17,000 pensioners who vote in union elections and who had just seen their monthly pensions boosted from $115 to $150.

Now Boyle is faced with negotiating a contract by an Oct. 1 deadline.

For his part, Boyle has continually said he will demand a $50 a day wage for the miners and an 80-cent per ton royalty on union mined coal from operators to support the welfare and pension fund. Union miners now make just over $33 a day and coal operators contribute 40 cents a ton to the pension fund.

There are those, however, who believe the recent difficulties could hamper Boyle's bargaining position.

"There is no doubt that Boyle and the UMW could encounter serious bargaining difficulties in contract talks if their legal problems continue," a coal industry official who declined to be identified said Thursday.

"Any time there is a division in the union, it will make the leader less effective as a bargainer for a new contract," said Joe Ellis, a Boyle appointee who is president of UMW District 17 in Charleston.

Leonard Pnakovich, president of District 31 in Fairmont, W.Va., said possible courtroom appearances could hinder the upcoming negotiations. "From the standpoint that negotiations will soon be in session, the legal difficulties could be a hindrance," he said.

Still, the UMW leadership remains intensely loyal to Boyle.

"If any man has the interest of the coal miners at heart, it's Tony Boyle," Ellis said.

[From the Washington Evening Star, Apr. 29, 1971]

JUDGE SAYS LEWIS ABUSED MINE FUND

(By Shirley Elder)

A federal judge here has found that the late John L. Lewis and some of his closest allies conspired to deprive retired and sick coal miners of profits due their United Mine Workers pension fund.

He said Lewis's successor as UMW president, W. A. (Tony) Boyle, and Lewis's old friend, Josephine Roche, now trustees of the fund, must quit the fund. Miss Roche also serves as the $60,000-a-year administrator of the pension fund. Gesell said that in the future, the administrator should not also be a trustee.

Lewis was UMW president from 1920 to 1960. In 1950, he created a welfare and pension fund based on royalties (now 40 cents a ton) paid by unionized coal companies. He served as chairman of the fund's trustees until his death in 1961.

District Court Judge Gerhard A. Gesell yesterday ordered the pension fund to set out on an independent course. He said fund deposits must be withdrawn entirely from the bank where they've always been, the National Bank of Washington, because the bank is 74 percent owned by the union itself.

He ordered the changes to be made by the end of June and directed lawyers for all sides to work out the language of a decree by 4 p.m. on May 13. However, attorneys for the defendants can be expected to appeal.

Gesell has not yet decided on damages, though his opinion, if upheld, presumably could result in millions of dollars being paid to the pensioners. He set a hearing on damages for June 21.

If damages were levied covering the full period at issue in the trial, Gesell said, the union "Would be seriously injured." He therefore said he would limit any award to damages suffered in a three-year period.

He did not say whether damages would be based on the amount the bank earned from the cash deposits or on the amount the fund lost by failing to invest the money some other way.

VIOLATED TRUST

Gesell said the trustees, led by Lewis and Miss Roche, violated their trust by putting the fund's money into checking accounts; by letting the balances rise; by failing to invest in something else, and by directing investments, when finally made, into utilities that would benefit the union more than the fund.

He said they knew that money in checking accounts would draw no interest and would benefit the bank (and the union that owns it) by giving the bank money to invest on its own. Lewis was not financially naive, Gesell said; he had been a bank president himself. As to Miss Roche, the judge said she never once disagreed with Lewis.

"Over a period of years," Gesell wrote in his 45-page memorandum opinion, "primarily at Lewis's urging, the fund became entangled with union policies and practices in ways that undermined the independence of the trustees. This resulted in working arrangements between the fund and the union that served the union to the disadvantage" of the pensioners.

Citing previous cases, Gesell said the basic duty of trustees is to invest money so that it will earn income.

Trustees of the pension fund knew that duty, Gesell right from the beginning, they put the money into non-interests-bearing

checking accounts at a bank owned by the union.

A third trustee, John Owen, representing the coal operators, objected in the early years, Gesell noted, but he too was ignored. The money remained at the bank earning nothing for the fund. Gesell said the beneficiaries were not helped in any way by these accumulations.

Attorneys for the trustees had presented three defenses—that the money piled up accidentally, that it was kept on hand in case of emergency such as a strike or mine shutdown, and that it was necessary to meet possible tax demands.

RESERVES NOT NEEDED

Gesell rejected all three.

Enough money came in each month to cover outlays, he said. There was no need to keep any other funds on hand. Short-term government securities could be redeemed on a half-hour notice, if necessary, he said.

Testimony indicated that at one time nearly $80 million was in no-interest-bearing accounts with the bank.

When the lawsuit was filed in the summer of 1969, the fund had about $28 million in checking accounts at NBW and $50 million in time deposits. The fund has been its major depositor. The bank now ranks third in Washington with deposits of $457 million.

A basic question before the court was whether there had, indeed, been a conscious conspiracy among pension fund trustees. Gesell said there was.

He said a conspiracy is an agreement between one or more persons to do something unlawful—in this case, a breach of trust. A person need not benefit from the act to be guilty, he said, and can be just as guilty if he joins later and simply fails to correct the wrong.

Although the judge did not link the bank to the birth of the conspiracy 20 years ago, he said it knowingly participated in the breach of trust as the years went by. He thus left open the question of whether the bank is equally responsible for damages as the union.

Gesell had a few kind words for the bank. He said it showed no favoritism either to the fund or the union. Dividends, rather than particularly benefiting the union, followed the "general parsimony that conservative bankers usually display toward shareholders," he said.

Gesell said he found "clear and convincing proof" of an agreement among Lewis, Miss Roche and the man Lewis picked to run the bank, Barnum L. Colton, to keep large pension fund deposits in the bank without regard to the fund's needs.

"Over the next 20 years," he said, "the trustees' decision to leave cash in the bank without interest greatly benefited the bank and the union as the bank's majority shareholder."

Gesell ordered the trustees to seek professional advice to develop sound investment policies in the future.

The fund's business accounted for over 20 percent of the bank's savings deposits and 30 percent of its checking accounts. Gesell said he found "unacceptable" Colton's testimony that he paid no attention to pension fund affairs.

Gesell said the bank also probably is part of the conspiracy but those who brought the suit didn't mention it, so he made no such finding.

But Gesell said Boyle could not be linked with the conspiracy. Boyle took over the UMW when Lewis resigned and became pension fund chairman after Lewis's death, but the record shows that he urged Lewis to spend the money, to invest it and to raise pensions.

When Boyle raised pensions at the first meeting after Lewis's death, Gesell said, he acted selfishly in a "hasty power play." At the time, Boyle was facing a union re-election campaign against aggressive opposition.

But this did not show conspiracy, Gesell said, it showed the union's influence over the pension fund and a lack of the independence required by law.

Gesell dismissed all points against George L. Judy, the coal operators' trustee who, in June 1969, voted with Boyle for the pension increase. Gesell said Judy used poor judgment and was "falsely led to believe" that Boyle had a proxy vote from Miss Roche, the third trustee.

Referring to Boyle, Gesell said, "such compulsions of militant union leadership are inconsistent with the dictates of prudent trusteeship."

The suit was filed on behalf of 70 coal miners originally demanding some $75 million in damages.

Gesell's opinion yesterday dealt only with structural changes in future management of the pension fund. It acknowledged many of the ills raised by the miners but does not talk of money. That is to come at the hearing set for 9:30 a.m., June 21.

[From the Coal Patrol, Apr. 16–30, 1971]

FOR BOYLE, A BAD DAY IN COURT

When black lung forced Willie Ray Blankenship out of the mines in 1967, he figured he was entitled to a pension from the United Mine Workers Welfare and Retirement Fund. At the age of 18 he had begun digging coal and he had kept on digging coal ever since—45 years in all—and the only time he had ever stopped, except for vacations, was in 1944, when a back injury laid him up for nearly a year. Early in 1968 he filled out the necessary forms and sent them to the Fund headquarters in Washington. In due time, they came back. He had been rejected. The Fund's "Regulation B–2" required that a man couldn't qualify for a pension unless he had worked 20 years in union mines within the 30-year period immediately preceding his application. It didn't matter that Willie Ray Blankenship had worked more than 35 years in union mines; during hard times he had taken jobs wherever they were available, which meant sometimes in non-union mines, and that was enough to disqualify him.

"Regulation B–2" was something Willie Ray Blankenship had never heard of before, but in due course he found that it had been used against thousands of miners to keep them from qualifying for pensions. They found—to their bitter surprise—that there was no system of appeal; no one at UMW headquarters in Washington cared; no one would stand up for them after the long difficult years in which they had stood for their union. Countless numbers of men finished their working lives this way, coming up out of the mines for the last time and finding that the union into which they had paid their dues didn't care what happened to them—just wanted them to go away.

They didn't go away. Nearly two years ago, more than 70 disabled miners and miners' widows brought suit against the Welfare and Retirement Fund and the leaders of the mine workers' union, charging that the Fund had been mismanaged and misused and that they were victims of a long conspiracy to deprive them of their rights. *Blankenship vs. Royle* went to trial in February. On April 28, federal judge Gerhard A. Gesell handed down a long, blistering decision upholding nearly all the charges which had been filed against the leaders of the union and the Fund, and ordered UMW president W. A. Boyle to resign as a Fund trustee by June 30.

The Fund, established in 1950, gets its income mainly from royalties paid on every ton of coal mined in union mines. The income—more than $160,000,000 per year—is supposed to benefit disabled and retired miners. But Judge Gesell found that over the past 20 years the principal beneficiaries have been the union-owned National Bank of Washington, in which the Fund has kept enormous cash deposits that earned no interest for the miners but could be used by the bank for its own purposes, and the union leadership, which was able to use Fund money for investments and other purposes not related to the interests of the miners. Money was sluiced from the miners' Fund into the bank and on from there—to coal companies, which received loans from the union; to steamship lines; to power companies. The Fund, required by federal law to be operated entirely separately from the union and the bank, became hopelessly snarled in union affairs. "Conflicts of interest were openly tolerated," Judge Gesell concluded, "and their implications generally ignored." As part of his lengthy decision, he ordered the Fund to withdraw all of its deposits—estimated at more than $70 million—from the National Bank of Washington and place them elsewhere, managing them to earn interest for the miners. Until now, he found, there has been a conspiracy to manage the money so that, in effect, the miners suffered while the bank "was in a position to make money on the Fund's large demand deposits and in fact did just that. The deposits enhanced the bank's earnings and its prestige and position in the banking community," while men like Willie Ray Blankenship were getting form letters telling them that "Regulation B–2" was cancelling out their rights as lifelong union men. Judge Gesell ordered the Fund's administrator, Josephine Roche, to resign as a trustee, along with Boyle, and ruled that new trustees—to be chosen with his approval—must determine whether she is fit to continue as administrator.

Boyle became a Fund trustee in June, 1969, immediately after the death of John L. Lewis. His first act was to raise the pension level from $115 per month to $150. There might have been nothing wrong with that, Judge Gesell said, except that the circumstances of the decision were suspicious. Three weeks previously Jock Yablonski had announced his campaign for the union presidency, and Boyle knew, of course, that he needed the votes of the UMW's 70,000 pensioners in the election scheduled for December. Although he knew little or nothing about the Fund's financial resources, and had ordered no studies to determine whether it could survive the additional multi-million-dollar cost of the pension increase, he bulled ahead; Josephine Roche, who was opposed to the increase, was hospitalized with a fractured hip and the third trustee, George Judy—the coal industry's representative—apparently believed Boyle when the UMW president said he had a proxy vote from Miss Roche to support the increase. In fact, the Fund's financial future was shaky, and a government audit indicated later that unless the royalty income is drastically increased, the pension hike will bankrupt the Fund within a few years. It may be that Boyle didn't care. He got what he wanted—a fatter check for each of the pensioners, arriving in the mail with a note stressing that it was Boyle who pushed the increase through. As a campaign tactic, it was shrewd and it worked—but Boyle "proceeded without regard to his obligations," said Judge Gesell, and pulled off "a hasty power play, fortifying his position by falsely indicating that Roche supported his proposal." Boyle, the judge continued, "considers the Fund in effect the property of the union, to be used in whatever manner the immediate and long-term objectives of the union warrant." The problem with that, as the judge stressed in his decision, is that those objectives didn't

necessarily benefit the miners for whom the Fund was built.

It will be some time before Judge Gesell determines exactly how much money was shuttled wrongfully from the pockets of the miners to the projects of the union's woebegone leadership. When the suit was filed, the attorney for the miners, Harry Huge, estimated damages at about $75 million. The judge made clear that his award will be much less than that; leaning over backward to protect the miners, he stressed that he would not weaken the union's "stance at the bargaining table" by requiring that an excessive chunk of eth union treasury be paid over to the Fund. He told Huge to prepare a precise statement of damages by May 21, and set June 21 as the date for a hearing.

The defendants are expected to appeal the decision, but among lawyers in Washington there was a strong belief that it will be upheld. If so, it strikes at the roots of Boyle's dictatorial control over the United Mine Workers union. Deprived of the enormous assets of the Fund, and denied the opportunities for vote control that go with being a trustee, Boyle faces the growing probability that by the time the next UMW election rolls around, he'll have to run strictly on his merits. Union reformers consider Boyle's merits so minor that in a fair fight, they are certain of victory.

"THE COAL MINERS OF THIS COUNTRY HAVE A VICTORY"

It was nearly two years ago that an embattled group of disabled miners—and widows of miners—summoned the courage to file a class suit against the men in Washington who, they claimed, had abused and misdirected the UMW's Welfare and Retirement Fund. When federal judge Gerhard A. Gesell upheld their claim this week, one of the miners—Howard Linville, of Peytona, W. Va.—put his rection into these words:

The decision of Judge Gesell must be read by every coal miner in this country, by every UMWA Welfare Fund beneficiary, by every UMWA member, by every UMWA officer. The days of neglect and exploitation by the UMWA leadership and the Fund are over. Now is the time for UMWA members who have lost their union to the Tony Boyles and the Ed Careys to get it back.

Yesterday's decision also means that the faith and courage of those men who gave their bodies to the coal mines—only to have their hearts broken by the Welfare Fund and union leaders—have been vindicated. All over West Virginia, Kentucky, Pennsylvania, Tennessee, these men are the victors—men like Marble Morgan, Willie Ray Blankenship, Charles Omechinski—and the men who have died since we began—Posey Stewart, and the wives and families of those men—they are the victors.

And they and the others should face the future with hope. The war isn't over, but a new day is dawning, and we're only just beginning.

There is much to do. There are regulations to be rewritten, pension applications to be examined—and that will be done. But after almost two painful years, the coal miners of this country have a victory.

[From the Progressive, May 1971]

THE UMW'S LAST CHANCE

(By Ward Sinclair)

(Ward Sinclair is a member of the Washington staff of the Louisville Courier-Journal and The Louisville Times. For the last several years he has covered United Mine Workers' activities, including the Yablonski-Boyle fight, and mine safety.)

"Messrs. Boyle, Titler, and Owens shall never abdicate." So said Edward L. Carey, general counsel of the United Mine Workers of America. Abdicate they may not, but defiant W. A. (Tony) Boyle, lord and master of the United Mine Workers, and his aging fellow officers have full-scale trouble on their hands. The bosses of the coal miners' union are the most sued, the most controversial, and most investigated in the land.

President Boyle's most immediate trouble is a thirteen-count indictment, returned in March by a special Federal grand jury that is plowing through the UMW's tangled financial affairs. He is charged with embezzlement, conspiracy, and illegal use of union money for political purposes. Among the contributions allegedly made was $30,000 to the 1968 Presidential campaign of Hubert H. Humphrey.

As large as it may loom to Boyle's freedom and his future, the indictment is just the tip of the iceberg. The Federal Government claims that Boyle and his two top lieutenants are holding office illegally, the result of massive fraud in their 1969 election campaign. Court actions ranging from charges of antitrust violations to misuse of union money are being pressed on other fronts. A rebellious membership is on the verge of running out of control, stirred by the pulse of reform. And a cloud of suspicion still hangs over the UMW as a result of the murder of Joseph A. (Jock) Yablonski, the insurgent candidate who tried unsuccessfully to defeat Boyle in the 1969 union election.

For tough-talking Tony Boyle, all of this could not come at a worse time. His power base diluted, his prestige maimed, his control over his members in doubt, this summer Boyle must negotiate a new contract with the soft coal industry. He already has talked himself into a sticky corner—he has promised $50-a-day wages and a hefty increase in the per-ton royalty that operators must pay to finance the union's welfare and retirement fund.

The wonder is not that Boyle is being challenged and buffeted by forces with which he can barely cope. The wonder is that it took so long, which may be due to the fact that the once-proud UMW of John L. Lewis has become a fetid backwater of the American labor movement.

There are about 145,000 working coal miners in the United States today, about 90,000 of them UMW members; another 90,000 union members are pensioners or inactive and ineligible for pensions. The union makes little effort to organize the non-union men who, for the most part, work in small and marginal operations. Strategically placed as they are, the miners are one of the most powerful segments of the labor force. Without the coal they dig in increasingly prodigious quantities, the country's industrial machine would grind to a halt and about sixty per cent of our electricity, generated by coal, would be switched off.

Yet in relation to the power they potentially wield, coal miners are largely orphans of the Affluent Society. High-speed mechanization in the past three decades has eliminated some 300,000 pick-and-shovel jobs in the industry. It has also made those American miners who are still working the world's most productive. But the wave of union-sanctioned automation, with its emphasis on large scale mining operations, has left in its wake perpetual depression in scores of impoverished Appalachian counties.

Even in the best of circumstances, the lot of the coal miner is capricious and hazardous. His job is among the most dangerous in all of American industry. Some 100,000 miners have been killed since 1900, and in the past 40 years coal mining has resulted in more than 1.5 million disabling injuries. The miner lives—and often dies—with the constant threat of being gassed, crushed, burned, or electrocuted as he plies his trade in the menacing bowels of the earth. Even if he escapes those perils, he may wind up a wheezing wreck, victimized by the coal dust that ossifies his blackened lungs.

In both the foreground and background of that depressing picture is the UMW. There is a bright side to union membership: wages are moderately high (top scale is $37 a day), and a medical and retirement program financed by royalties on union-mined coal provides a thread of security for those lucky enough to qualify.

But there is another side to the UMW story. It reads like a bad dream: Jock Yablonski, the only high echelon official bold enough to shed his close ties with Boyle to try to clean up the union, was murdered. At least $10 million of UMW money is unaccounted for, according to Labor Department reckoning. Threat, intimidation, and violence within the union are commonplace. Retirement fund policies have kept pensions from thousands of miners who fail to meet rigid qualification standards. UMW conventions are stacked. Miners have little say about how their leaders are picked, and no say at all about the contracts negotiated for them. Nepotism among union officials is rampant.

Yablonski, who was shot dead three weeks after he lost a bitterly fought election to Boyle, called the UMW the most dictatorial union in the country. Such rhetoric is not uncommon to labor elections, but coming from Yablonski it carried a special ring of truth; he had long been a loyal element of the heirarchy he denounced and exposed. Like Boyle, he mined coal as a boy and worked his way up in the union to become a Pennsylvania district president and a member of the international executive board. Lewis and Boyle never doubted his fealty; both gave him important assignments. But finally the break came. He rebelled against what his lawyer and confident, Joseph L. Rauh Jr. of Washington, depicts as a sovereign nation with its own treasury, its own propaganda machine, its own law, its own enforcers, and a populace held in servitude by a greedy and despotic leadership.

The most outspoken and almost only Congressional critic of Boyle's dictatorship is West Virginia Representative Ken Hechler, a Democrat, whose district includes some 4,500 coal miners, most of whom are unionized. Months before Yablonski emerged, Hechler and Ralph Nader were publicly deriding the UMW leaders, urging the miners to clean up their union. Today, Hechler is even more critical.

To say that Tony Boyle and his aides have responded with indifference to the plight of the mine worker is to be charitable. The UMW is an organization of vast wealth which often aligns itself with the coal industry. It has gone right down the line in encouraging the automation that put thousands of its own union members out of work. It has made loans to the industry from a profitable bank the union owns in the nation's capital. It lobbies side by side with the coal industry against legislation deemed harmful to coal company profits, such as air pollution control. It has lagged far behind its membership in battling black-lung disease and inadequate safety conditions in the mines. All through 1970, the UMW was a complacent bystander as, time and again, the U.S. Bureau of Mines fumbled enforcement of the new coal mine health and safety law.

Now, in a slowly building chain, the UMW leadership is under unprecedented assault for its sins, both from within and without the union:

The late Jock Yablonski's followers, calling themselves Miners for Democracy, are pushing the reform drive despite Boyle's threats to purge them for "dual unionism." Late last year, Miners for Democracy scored an impressive upset of a Boyle slate in Yablonski's old district around Pittsburgh, one of the few where officers are elected.

The Department of Labor is suing to set aside Boyle's election victory over Yablonski, claiming widespread vote fraud and irregularities. But in a tortured interpretation

of the Landrum-Griffin Act, the Department refused to heed Yablonski's repeated calls for Federal monitoring of the election. After Yablonski, his wife, and his daughter were found murdered in their home, the Department decided to investigate the election.

(For all its apparent after-the-fact toughness, the Department months later still showed how little it had learned. Labor Secretary George P. Schultz insisted to a Senate subcommittee that there was no connection between the union election and the murders. That staggering assertion surely raised eyebrows at the FBI and the Justice Department, whose probing had led to the indictment of a UMW local president in connection with the killings.)

Another Labor Department suit, pending since 1964 but stymied by union delays and Government indifference, seeks to put an end to the UMW's historic and illegal practice of keeping its regional districts in "trusteeship"—a device which gives Boyle virtually total control. In nineteen of the UMW's twenty-three regional districts in the United States, *all* the officers are appointed through these trusteeships. These are the men who carry out Boyle policy. In West Virginia and Kentucky, the two leading coal-producing states, not a single district official is chosen by vote of the membership. The Landrum-Griffin Act puts an eighteen-month limit on trusteeships, but some UMW districts were created in trusteeship and never have had autonomy. Why the Government allows this practice to continue I could not find out.

Federal grand juries have indicted several of Boyle's cronies for criminal misuse of union funds and other alleged irregularities during the 1969 election campaign. Another Boyle supporter, Silous Huddleston, a retired miner who is president of a pensioner local in east Tennessee, has been indicted as the "director" of the murder of the Yablonskis. Federal agents believe the killers' payoff came from union funds and they continue to pursue leads along with the special grand jury in Washington. Boyle denies any knowledge of the murders.

The U.S. comptroller general has concluded that, under policies inspired by Boyle, the multi-million-dollar UMW welfare and retirement fund will go broke by 1975 at the current rate of spending. A day after he had himself named to the fund's trustee board, Boyle raised pensions from $115 up to $150 a month for 70,000 UMW retirees—just as his campaign against Yablonski was heating up. That feat helped him win nearly ninety percent of the pensioners' vote, enough to reelect him with ease.

The UMW is involved in several court cases charging it with conspiracy with large coal companies to drive small non-union operators out of business. Testimony in those cases has shed a new light on the union's financial linkage with coal companies, a sweetheart relationship that dates back to the era of John L. Lewis. A decision in one of those cases already has cost the UMW treasury $1.8 million.

A U.S. Senate labor subcommittee headed by Senator Harrison A. Williams Jr., New Jersey Democrat, is moving into its second year of a special investigation of UMW affairs. The probers now are concentrating on the allegations of misuse of union funds to promote Boyle's reelection. Williams has expressed shock at his findings to date—which went considerably beyond the findings of Shultz' Labor Department. The Senator concluded that Boyle's increase of pensions was "politically motivated"; that Yablonski and his backers were the targets of violence and intimidation during the campaign; and that the welfare fund seems to be a classic case of mismanagement.

The policies and procedures ordained by Lewis have been carried on by his successors. Boyle hews closely to the Lewis example—even to the point of employing much of the same rococo language. And when Lewis told him to "be anonymous"—when he called him to Washington as his special assistant in 1948—Boyle took it as gospel and still does. He is inaccessible to the press and rarely ventures out of Washington to meet with UMW members.

Tony Boyle, a coal miner's son from Montana, stood at the top as Lewis' hand-picked, $50,000-a-year successor, a fact he lets no one forget. Boyle carefully patterned his image after the master. The self-righteousness, the roll of the tongue, the combative rejection of outsiders, the thundering responses to criticism all are pages from the Lewis book.

Most of Boyle's lieutenants were schooled at Lewis' knee as well. Vice president George Titler, a rumpled, barrel-bellied West Virginian in his mid-seventies, is known fondly as "the veteran warrior" in tribute to his fearsome organizing prowess. Secretary-treasurer John Owens, who mined coal as a ten-year-old child, disguises his eighty years with a silvery-blue hairpiece. (He was indicted with Boyle in March.) The policy-making UMW international executive board, with a member from each of the twenty-five districts in the United States and Canada, is a geriatrics showcase. Some men have been on the board since the Twenties and Thirties, all there as Lewis loyalists.

Lewis left for these men one of the great labor treasuries. Its assets today are roughly $100 million (this sum is independent of the union's welfare fund). The inheritors have no compunction about spending or indulging their tastes. The UMW's financial records show that the treasury pays for their Cadillacs; it pays more than $11,000 a year to house Owens in a fancy hotel; it pays for portraits by Bachrach and it permits outrageous expense-account living (one official collected expenses while in a hospital; another collected expenses on vacation). And lately it has paid the fees of the law firm of Edward Bennett Williams, whom Boyle enlisted to defend himself from the legal sallies of UMW dissidents. A special pension fund, kept secret until Ralph Nader exposed it, will allow Boyle, Titler, and Owens to retire at full salary for life, with more than $1.5 million of miners' money as a nestegg. Nor are the bosses' families overlooked. Boyle's daughter draws $40,000 a year as a union attorney in a moribund Montana district. His brother, R. J. Boyle, is a $27,000-a-year district president, appointed by Tony. The payroll is dotted with the children of other union officials.

The treasury is an interlocking empire consisting of the union's income from dues and investments, its three-fourths ownership of the National Bank of Washington, and the theoretically independent, but in practice closely related, UMW welfare and retirement fund.

The welfare fund's money is on deposit at the National Bank of Washington, working handsomely for the bank's major stockholder—the UMW—but producing little for needy coal miners and their widows who can not qualify for pensions. The welfare fund has kept as much as $80 million (half its assets) in non-interest bearing checking accounts, depriving fund beneficiaries of millions of dollars in interest income. The UMW last year collected about $1.5 million in dividends made possible by the welfare fund's subsidization of the bank.

When Senator Williams' subcommittee went into some of the details of the fund's relationship with the bank and the union, Senator Clairborne Pell, Rhode Island Democrat, described himself as "astonished" at the revelations, particularly the disclosure that Boyle's pension increase for retired miners would bankrupt the pay-as-you-go fund in five years. Boyle shrugged it off, saying he intended to raise the per-ton royalty paid to the UMW. Coal operators have not responded to that notion.

Much of this union activity might have gone unnoticed had it not been for a 1968 disaster that killed seventy-eight UMW members in a West Virginia mine run by Consolidation Coal Company, the country's largest producer. Boyle went to the scene and made some remarks that had a shock effect. "As long as we mine coal, there is always this inherent danger," he said. Moreover, Consol was "one of the best companies to work with as far as cooperation and safety," he added. To the contrary, Consol's safety record at the Farmington mine had been far from "best." Before the explosion Federal inspectors had found dozens of safety violations. Boyle had said the wrong thing, and the storm clouds had began to gather.

As demands grew for reform of the Federal mine safety law, West Virginia coal miners—most of them UMW men—were in open revolt, pressuring for a state black-lung compensation law. The union stayed aloof, and when the men shut down the mines to march on the state capitol at Charleston to demand passage of the bill, Boyle urged them to return to their jobs. The marchers jeered as they passed union headquarters. Hechler and Nader, working with the protesters, called for Boyle's resignation. Then they urged a Congressional investigation of the welfare fund, claiming that its questionable investment policies and its no-interest deposits were bilking the miners out of millions in benefits.

These events played a part in Yablonski's decision to break with the past. He talked it over with Nader, but still accompanied Boyle around the coalfields, praising him to the skies. Then on May 29, 1969, he called a press conference and announced his surprise candidacy for the UMW presidency. He offered a platform of bold reform for the union, saying the basic issue was union democracy. He promised emancipation. Boyle was furious.

A month after his announcement, Yablonski was knocked senseless at a small meeting in Springfield, Illinois. Yablonski and his doctor said it was karate chop on the neck; the candidate blamed Boyle's "goons." Secretary of Labor George Schultz later told the Williams subcommittee that the punch was not a karate chop, but a straight blow to the chin. And in any case, he said, investigators determined it was done spontaneously by an emotion-wrought union man reacting to Yablonski's talk. Case closed. What Shultz failed to tell the subcommittee—if he knew about it—was that five men among the dozen or so at the meeting were on Boyle's payroll and one had helped set up the affair.

Faced as he was with that continued disinterest of the Labor Department in his campaign difficulties, Yablonski turned to the Federal courts to help clear away the obstacles Boyle put before him. He had some success in the courts, but while judges expressed dismay at what they heard, they said the broader matters of union affairs were under Labor Department jurisdiction. That put Yablonski back where he began.

Yablonski's courtroom victories deterred the Boyle steamroller, but there were two other major forces inside the union that he could not cope with. One was the lack of autonomy in the districts where Boyle ruled with an iron hand through the trusteeships. Labor investigators found millions of dollars in "organizing" loans to the districts simply unaccounted for. Some of the largest loans went to districts where Yablonski figured his strength was greatest. Union payrolls were beefed up with make-work assignments. Office expenses mushroomed during the campaign. Witnesses told of vote-buying by the Boyle team—or attempts to buy votes.

The other force was the "bogus local"—an institution that bloomed after the welfare fund came into being and retired miners who once were discards went onto the union pension rolls. Nearly half of the union's

1,200-plus locals are made up of retired miners, although the union constitution makes it plain that they should be disbanded. The bogus locals figured prominently in Boyle's reelection, particularly after the handsome pension increase he engineered for retirees. Pensioners—old men fearful of losing their security—know that Boyle can take away what he provides. They back him strongly. Labor Secretary Shultz refused to consider the bogus locals as an issue. Yablonski was frustrated in his attempts to place observers at those locals on election day. He lost badly in them.

Yablonski had promised that the fight to restore the UMW to its once proud and respected status as the flagship of the American labor movement would go on—and that is his legacy. Since the murders of Yablonski, his wife, and his daughter, the lonely crusade that began with one man who took a stand has gained scores of new adherents who now see the hope for a new day for their union. Nothing short of Tony Boyle's removal seems likely to restore peace in the sagging palace that John L. Lewis built.

BOYLE, YES-MEN MUST GO; MINERS DESERVE BETTER

There long has been good reason to believe that top leaders of the United Mine Workers of America operated in a manner to assure their own comfort and enrichment, rather than for the benefit of the rank and file members and their families.

This is now substantiated by a decision of a federal judge in Washington, holding the UMWA, its multimillion dollar Welfare and Retirement Fund, and the union-owned National Bank of Washington jointly liable for millions of dollars in damages.

U.S. District Court Judge Gerhard A. Gesell, assessing the testimony of a month-long trial earlier this year, upheld virtually every contention of wrongdoing in a $75 million breach of trust suit filed in 1969 by more than 70 dissident miners and their families.

He found that the late John L. Lewis, long-time autocratic ruler of the UMW, had been repeatedly guilty of "more than a mistake of judgment," of "a clear case of self-dealing," and of initiating a conspiracy for which others must now pay heavy penalities.

He accused W. A. "Tony" Boyle, Lewis' successor, of making "a hasty power play" by increasing retirement benefits $35 a month shortly before seeking reelection as UMW president in 1969, and ordered him to step down as a trustee of the welfare fund by June 30. The same order applied to Miss Josephine Roche, 84-year-old and fund administrator since its organization in 1950.

He directed the union to withdraw its money from the National Bank of Washington, owned by the union and which has had as much as $75 million in union funds—30 per cent of its deposits—in noninterest-bearing accounts for benefit of bank and union.

He held that the effect was operation of the welfare fund by union and bank officers "so as to give their special interests collateral advantages" while denying the fund's beneficiaries millions of dollars increased payments that could have flowed to them from more profitable investments.

Judge Gesell said the union urgently needs a reform of its fund practices—which must be the understatement of the year.

The handling—or, rather, mishandling—of the fund has been notoriously scandalous. As Judge Gesell observed, Boyle's testimony and demeanor at the trial showed that "he considers the fund, in effect, the property of the union to be used in whatever manner the immediate and long-term objectives of the union warrant."

This is not the only black mark against Boyle. Just last month a special grand jury returned 13 indictments accusing Boyle of embezzling union funds and funneling $49,250 to 11 political campaign committees in violation of the Federal Corrupt Practices Act.

Clearly, Tony Boyle has proved himself unworthy of continued leadership in the union. He has violated what amounted to a public trust. He has arrogantly disregarded the welfare and the interests of the thousands of union members who depended upon him. He has been brazenly selfish, a traitor to the cause he pretended to serve.

Tony Boyle must go, not only as a trustee of the welfare fund but as an officer of the union—and also the coterie of yes-men he has gathered around him. There must be a complete shakeup in union leadership as well as in welfare fund management.

The thousands of coal miners who daily risk their health and lives in the bowels of the earth deserve something better than deceit, betrayal and misrepresentation. The first step in that direction is to get rid of Tony Boyle.

[From the Charleston Gazette, Apr. 30, 1971]

DECISION ON UMW SUIT: RANK-AND-FILE SPOKESMEN JUBILANT

(By James A. Haught)

Spokesmen for crippled, aged and sick coal miners—and widows of such men—issued jubilant statements Thursday.

But especially it was a day of triumph for Mrs. E. E. Noonkester of Midway, Raleigh County, and Mrs. Charles Omechinski of Quinwood, Raleigh County.

More than two years ago, these two miners' wives inadvertently touched off the $75 million class-action lawsuit that was victorious Wednesday in U.S. District Court in Washington.

It started when Mrs. Noonkester and Mrs. Omechinski heard about an article on "Hunger in Appalachia" which had been published in New Republic magazine. They wrote letters to the author, a young Washington lawyer named Harry Huge. Both women declared the hunger in their families was the fault of the United Mine Workers Welfare and Retirement Fund, which they said had refused benefits to their disabled husbands.

Huge got in touch with former State Sen. Paul J. Kaufman of Charleston, a lawyer known for social crusades. Kaufman, who was attorney for the West Virginia Black Lung Assn. and also involved with the Association of Disabled Miners and Widows, knew many coal field folk who claimed they had been wronged by the UMW.

So Kaufman's contacts became the backbone of the historic class-action lawsuit. Of 76 plaintiffs, 58 were from West Virginia and the rest from surrounding states.

The case remained pending nearly two years—until Wednesday, when Judge Gerhard A. Gesell issued a 45-page decision upholding virtually every charge of wrongdoing the plaintiffs had lodged against leaders of the Welfare and Retirement Fund. Judge Gesell ordered UMW President W. A. Boyle and the aged Josephine Roche removed as trustees of the fund, and he ordered the fund's money removed from the UMW-controlled National Bank of Washington where much of it was held without interest. Judge Gesell set June 21 for a hearing on how much penalty the defendants must pay.

Reaction in West Virginia Thursday was both elated and cautious.

The Black Lung Assn. issued a statement praising "yesterday's federal court decision holding UMW officials liable for millions of dollars lost through mismanagement of the Welfare and Retirement Fund." Black Lung Assn. spokesman Arnold Miller of Cabin Creek said, "This decision is a significant breakthrough in our efforts to bring about justice for the coal miners and their families."

Howard Linville of Foster, Boone County, secretary-treasurer of the Disabled Miners and Widows, said the court verdict "means that the autocratic days of neglect and exploitation by the UMW leadership and the fund are over—that now is the time for UMW members who have lost their union to the Tony Boyles and the Ed Careys to get it back."

* * * * *

Linville's statement continued:

"It also means that the faith and the courage of those men who gave their bodies to the coal mine—only to have their hearts broken by their welfare fund and their trust betrayed by union leaders—have been vindicated. . . .

"There is much to do. There are regulations to be rewritten, and pension applications to be examined. But after almost two painful years, the coal miners of this country have won a signal victory."

Lawyer Kaufman pointed out Thursday that the case still isn't over. The defendants surely will appeal, he said—and even if the outcome remains unchanged, several more steps will be necessary before benefits begin flowing to old and disabled West Virginians.

The damages won't be paid directly to the 76 persons who filed the suit, but will be paid into the Welfare and Retirement Fund, he explained. Persons previously excluded by the Welfare and Retirement Fund still won't receive benefits unless rules of eligibility are revised, Kaufman said.

A major contention of the class-action lawsuit was that eligibility rules of the fund were "arbitrary, capricious and unreasonable." Further hearings will be needed to bring changes in the eligibility rules, Kaufman said.

A SALUTE TO AMERICAN AGRICULTURE

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, President Nixon has moved vigorously to help American farmers expand their sales and income, and his actions are most welcome. The farmer needs and deserves our assistance.

I applaud the $1 million increase in fiscal 1972 funding for the Foreign Agricultural Service, which helps our farmers expand their sales abroad.

I applaud the increased Agriculture Department purchases of pork for food distribution and school lunch programs this fiscal year.

I applaud the increase in farm operating loans in fiscal 1972 and the increase in insured ownership loans in the current fiscal year.

I applaud the increase in funds to fight crop and livestock disease and the increase in funding for agricultural research and for soil and water conservation.

I join with the President in saluting American agriculture as we approach May 7, America's Agriculture Day. The American farmer merits the plaudits and the gratitude of our people for the tremendous job he is doing.

Mr. Speaker, I include at this point in the RECORD the President's radio speech of Sunday, paying tribute to American agriculture:

RADIO SPEECH TO AGRICULTURE

Next Friday, May 7th, the people of the United States will celebrate Salute to Agriculture Day.

As a part of that celebration, we will honor representatives of agriculture at a series of events in Washington, D.C.—including a special dinner at the White House. I have set up this day, however, in the hope that the celebration will also extend beyond Washington—and that it will give people in every walk of life an opportunity to learn more about both the accomplishments of the American farmer and the problems that confront him.

During the last quarter century, I have had the opportunity to travel to over 75 countries around the globe. I have spent a good deal of time in studying their agricultural systems and their farming techniques. I have talked with peasants in Poland, with cultivators in India, with shepherds in Africa, and with South American cattlemen.

And often I have been very impressed with what I have learned.

But nothing I have seen *anywhere* on earth can even begin to compare with the success story that has been written by American agriculture.

Consider, for example, this single fact. In 1960 the average American farmer produced enough food and fiber for about 26 persons. Today, just a decade later, that same farmer provides enough goods for some 46 persons. During this time, the productivity of *each* farmer in America has increased almost 70 percent.

Now that is a truly remarkable statistic. No other segment of our domestic economy can match it. And the benefits of this accomplishment are shared by the entire Nation.

The vitality of American agriculture has made our country the best fed and best clothed Nation on earth and has contributed immensely to both our national prosperity and our international strength.

I have been involved in international diplomacy and international economics since my first visit to Europe as a Member of Congress in 1947. Again and again, I have seen the problems which result for a country when its leaders must deal from a position of agricultural weakness rather than agricultural strength. Some have even had to cope with the inability of their farmers to feed their own people.

For American leaders, on the other hand, the situation has been just the reverse; our farmers have not only provided a solid base for the United States economy but have also helped to feed the people of other lands.

Our strong international position has grown even stronger in the last few years. As recently as the 1968 Fiscal Year, farm exports actually dropped by half a billion dollars, a condition which I promised to remedy during the presidential campaign. I am happy to say that we have delivered on that promise. Our agricultural exports this year will be at an all-time high. Their volume will be some six percent higher than it was a year ago and their value is expected to reach at least $7.4 billion.

Today, we are exporting the production from approximately one acre out of every four we harvest. Two-thirds of our rice crop, more than half of our wheat and our soybean crop, and one-third of our cotton crop are now going to foreign markets.

This is a very good record. And yet we want to do even better. We would like to be exporting some $10 billion worth of American farm products each year. To help achieve this goal, I am announcing tonight an increase of $1 million in the Fiscal Year 1972 budget for the Foreign Agricultural Service—the Federal agency which helps our farmers expand their sales abroad. And I also pledge that we will continue our efforts to lower trading barriers around the world.

From Rotterdam to Singapore, from Galveston to Duluth, a new current of energy has been felt along the trading lanes of the world in the last few years. Aspirations are rising, economies are growing, purchasing power is increasing—and our farmers have proven their ability to capitalize on these new opportunities.

We know that American agriculture can compete successfully—whenever it has the chance. We are determined to see it has that chance.

The new market energy we see abroad has also been felt in our own country. For example, beef consumption per person has gone up by one-third in the last decade. This means that for every three pounds of beef he consumed in 1960, the average American is consuming four pounds in 1971.

What these growing markets can mean of course is growing farm income. As a result, in part, of expanding markets, soybean prices, for example, have been running a good half dollar a bushel above the price support level. Grain prices and cotton prices are also well above loan levels. Cattle prices have recovered and stand above their levels of a year ago.

Hog prices, of course, are still too low. To help meet this situation, the Department of Agriculture has already purchased over 145 million pounds of pork for its food distribution and school lunch programs in this fiscal year. This is the highest level of pork purchases since 1956. Our purchase program is continuing and we expect that hog prices will show substantial improvement later this year.

All in all, it is clear that the *gross* income of American farmers will be higher this year than ever before in our history. But this brings me to another of the major difficulties which confront our farmers, the fact that increases in *gross* income are not always reflected in *net* income.

The reason, of course, is the high cost of farming. Over two-thirds of agriculture's gross income goes right back out again to pay for farming expenses.

This is why the farmer has such a tremendous stake in the battle against inflation. In a sense, he has a double stake, for inflation hits farmers in two ways. It drives up both the cost of farming and the cost of living. I am particularly pleased therefore to report that we are making substantial progress in our battle against inflation. The rate of inflation in the first quarter of 1971 was the lowest in four years, only one-half of what it was in 1970.

We are working (then), to ease the cost-price squeeze both by reducing farm costs and by raising farm prices. At the same time, we recognize that the supply of farm credit is now extremely tight and we are working to expand it.

To begin with, I am recommending that the level of farm operating loans be increased by $75 million in Fiscal Year 1972—from $275 to $350 million—just as soon as the Congress enacts my proposal to allow the Farmers Home Administration to insure loans for *operating* expenses—as it can now do for ownership purposes. In addition, I am directing the FHA to increase the availability of its insured ownership loans by almost three-fourths—from $210 million in the current fiscal year to $350 million next year.

It is my hope that these efforts to expand farm credit will be especially helpful to the farmers of the Southwest who have been suffering so much from the recent drought. And I hope, too, that expanded credit will strengthen the position of younger farmers and of the hundreds of thousands of family farm operators who are still the backbone of American agriculture.

Let me turn now to another set of problems which has plagued agricultural communities from the beginning of time—the deadly threat of crop and livestock disease. I am today announcing several measures which will step up our fight against this menace.

In the first place, I am asking Congress to provide an additional $7.6 million to the Agricultural Research Service and to the State Agricultural Experiment Stations. A good deal of this money would go for fighting Southern leaf blight—which has recently created such major problems for corn farmers. Some of this added research money would also be used to find new ways of controlling insects, including cattle ticks, without using toxic chemicals and to do needed work on the relationship between hosts and parasites and on disease resistance in plants.

At the same time, I am ordering the use of $2 million from this year's budget for more applied research on controlling the fire ant—with minimal environmental consequences—and the gypsy moth—which is seriously threatening our Eastern timber stand. I have also directed that more money be used for accelerated research on matters like cotton seed proteins and insect pests.

Another area where government should do more to provide technical assistance for farmers is that of soil and water conservation. Long before most Americans were thinking very much about the environment, our farmers, ranchers and woodland owners were working together with government to conserve our natural resources. I believe we should now be providing more help for our dedicated corps of soil conservationists—whose number has dropped sharply in the last four years. I am therefore increasing my new budget request for the Soil Conservation Service by $12 million to provide more manpower for this valuable work. I am also proposing that Federal grants for small watershed works be increased by $28 million, to a level of $105 million, and that loan programs—to help local communities finance their share of these projects—be quadrupled.

This administration is working in many other ways to fulfill our responsibilities to the agricultural community. We have more than tripled the volume of rural housing loans, for example, and we have nearly doubled the Federal contribution to extension programs. I am also ordering an additional increase of $100 million this year and $111 million next year in our insured loan program for building water, and sewer systems in rural areas.

Our efforts also include our $1.1 billion Special Revenue Sharing program to help develop our rural communities and, hopefully, to reverse the flow of people—particularly young people—away from rural America. In addition, we have a number of other programs—like our proposals for placing more doctors and more medical facilities in rural areas—which would also help to improve the quality of life and the standard of living in the American countryside.

Through these and through other programs, I know that my administration can work closely with farmers, with farm organizations and with the Congress to serve agricultural America more effectively. Working together, we can resolve difficult issues involved in pesticide control, farm labor and farm bargaining legislation and other complex matters, as well as the many aspects of other national policies that bear directly on the lives of farmers.

But even as I mention all of these government programs, I know that the agricultural community also shares my feeling that—in the final analysis—the problems of American agriculture can best be solved by those who know farming best—farm people themselves, with government backup when necessary.

That is one reason why I have such high hopes for the new farm programs which are in effect this year. They remove some of the old restraints—in a way which gives every farmer a chance to make more of his own decisions about the kind of farming that suits him best.

At the same time, we are continuing our search for better methods of maximizing the receipt of farm income from the market. After all, some 60 percent of farm income comes from commodities that are not price supported and have not been supported in the past. Moreover, the major supported commodities are now selling well above loan levels. It seems to us that the brightest future for agriculture lies in actions that stimulate new energy in the market system.

As I think about the challenges that confront American agriculture, it occurs to me that farmers must by nature be incurable optimists. Like everyone else, they are concerned about the great questions of war and peace, about the economy and education and crime and all the other issues that face our society. But in addition, the agricultural community also has its own special problems to worry about, including such uncertain factors as the weather, the condition of volatile markets and even the direction of government policies in this country and abroad. Their vocation, moreover, requires them not only to be good farmers, but also to be good scientists, skilled engineers, and able businessmen.

All of these challenges have been successfully met by American farmers. In that process, they have achieved a remarkable record of production, setting a brisk pace for the rest of our economy. And they have also provided a continuing source of moral and spiritual strength, giving shape and substance to our national character.

I was reminded of the remarkable spirit of American agriculture the other day when I came upon an old map of the United States. And on this map, there was a huge blank area in the center of the country—stretching from the Rockies to the Appalachians—which was simply designated by the words "The Great American Desert." That area—what we now call the heartland of America—was an unproductive region until it was touched by the genius of the American farmer. But then—within a very short time—the land was changed. And the place which once was called "The Great American Desert" soon became known as "the Breadbasket of the World."

This miraculous transformation has been followed by further miracles. Each passing generation has seen a new agricultural revolution in America—and in recent years American farmers have helped to simulate similar advances among farmers overseas.

And so we approach Salute to Agriculture Day in a spirit of gratitude and with a sense of obligation to the farmers of this country. Though only a small group of farm representatives will be with us at the White House next Friday night, I feel that every farmer and rancher in America, his wife and his family, will be with us in spirit.

What we will be saying on that occasion is simply this: Agriculture was our first industry. For most of our history it was our largest industry. And today it continues to hold an honored place in our society, a keystone not only for our economic strength but for our entire way of life.

TACTICS OF RADICAL DEMONSTRATORS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, the tactics being engaged in by the radical demonstrators now operating in Washington are foreign to America, and I feel sure the American people roundly condemn them.

The attempts the radicals are making to shut down the Nation's Capital stand in sharp contrast with the peaceful peace march of April 4, when upward of 175,000 persons made their point without infringing on the rights of others.

To try to block traffic and keep others from getting to their jobs is an action which cannot be tolerated. Such tactics are counter-productive.

I congratulate the authorities for handling the situation as skillfully as they have. Law-abiding citizens owe them a debt of gratitude.

HEARINGS FOR VIETNAM VETERANS AGAINST THE WAR

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, on Friday, April 23, Congressman FINDLEY and I jointly chaired informal hearings at which members of the Vietnam Veterans Against the War presented testimony.

These hearings were called when it became clear that the schedule of the Subcommittee on National Security Policy and Scientific Developments of the House Foreign Affairs Committee would prevent the subcommittee from continuing its hearings on the prisoner of war problem. On Tuesday, April 20, one member of the Vietnam Veterans had testified at those hearings but time had prevented further testimony from other members of the group.

Congressman FINDLEY and I, both members of that subcommittee, felt that members of the Vietnam Veterans Against the War should have an opportunity to present their views to the Members of Congress. Accordingly, we arranged for informal hearings the following Friday and arranged for a transcript of those hearings to be made, not at public expense.

Mr. Speaker, both Congressman FINDLEY and I were most impressed by the demeanor and the sincerity of these men, all of who have served on active duty in Vietnam. Much of what they said will be, I am sure, of considerable interest to other Members of Congress and some of the charges they made are shocking and bear further investigation. I would like, therefore, to include the full transcript of these hearings in the RECORD at this point.

The transcript follows:

PROCEEDINGS

Mr. BINGHAM. Good morning. I'd like to open the proceedings because it is traditional to have a member of the majority party preside at hearings. But I want to explain that the hearing today is under joint chairmanship. Mr. Findley and I will be conducting the session jointly, and we hope to be joined by other members of Congress as this hearing proceeds.

I might just give a little background on this hearing today. On Tuesday afternoon, at a session of the subcommittee on National Security Policy and Scientific Developments of the Foreign Affairs Committee, of which Mr. Findley and I are both members, testimony was presented having to do with the prisoner-of-war issue. The request was made at that time for an opportunity to continue with that hearing.

And so in order to give an opportunity for others to testify who had not had the chance to speak at the hearing on Tuesday, we have set up this hearing on an informal basis. We will continue to hear witnesses whose names we have been given on the subject of the prisoners of war or other matters, stressing that we are particularly interested in practical information. We want this hearing to be as informative to us and to our colleagues as possible.

A transcript will be made of these proceedings and, as soon as it can be compiled, we will see that it is inserted in the Congressional Record.

We propose that each witness have eight minutes to make an initial statement, and then we'll keep our questioning within an eight minute period. It may not run that long. We would like to have each of you identify yourselves, your name and address, and also what your position was in Vietnam. We'd like for you to be as specific as possible about statements that you make, with dates and locations and so forth.

Mr. FINDLEY. I'd like to add that even though this is not a subcommittee of the House Foreign Affairs Committee the proceeding here today is undertaken with the knowledge and the approval of the Committee's leadership. The Chairman approved the use of this room for this purpose.

I'd also like to say that I would hope that witness would confine themselves to what they have observed first hand. We feel an obligation to make it possible for everybody who wishes to have an opportunity to speak.

Mr. BINGHAM. Mr. Rottmann, you gave us some rather extensive and very provocative testimony on Tuesday. I understand that you want to make an opening statement.

LT. LARRY ROTTMANN

Lieutenant ROTTMANN. Yes, sir. I've been selected by the group to make just a short opening statement on behalf of the group, at which time I will give my short bit of testimony.

Mr. BINGHAM. Would you again, for the record, state your full name and address and your affiliation.

Lieutenant ROTTMANN. Yes, my name is Larry Rottmann. I'm from Parales, New Mexico. I was a first lieutenant in the United States Army from Friday, August 13, 1965 until March 26, 1968. I am a full time volunteer veterans coordinator in New Mexico and Arizona.

I want to express on behalf of all the veterans here in Washington our deep gratitude to Mr. Bingham and Mr. Findley for allowing these hearings to take place and for helping us and assisting us when we testified the other day. It's most appreciated, this kind of reception.

We also appreciate the personal support and the visits of both gentlemen to our encampment. That's the kind of support that we think is very important and very relevant and we really believe in eyeball to eyeball contact, and there was a considerable amount of it at that time.

I would like to also on behalf of the veterans wish Mr. Bingham a happy birthday. I believe his birthday is tomorrow. He's 39, if the information I received is correct, and we also hope that with the birthday on the 24th for Mr. Bingham will come a new birthday for a new moral and political awareness and consciousness here on the Hill.

With that introduction I'll move directly into my testimony. And the first few people who will be testifying this morning will be talking directly to the question of military censorship and the way military news is manipulated, if it is agreeable with the Congressmen. This is to give you some idea of the scope of the problem of getting the correct and right amount of information to you. This will be the first three or four people. And then we'll move into a broader kind

of personal experience. Is that acceptable to the committee?

There are only two short things that I'd like to say. And I'll just begin with my statement. During the period from June 5, 1967 to March 19, 1968 I served as the Assistant Information Officer for the 25th Infantry Division based at Tu Chi, Vietnam. My duties at the time were to be officer in charge of the Tropic Lightening Newspaper, Lightening 25 Magazine, and the Lightening 25 AFVN Radio Program.

I was also in charge of division press releases, including photographs, officer in charge of visiting newsmen, including network TV crews, and was a frequent briefer of the division staff and civilian news media and visting Congressional representatives to the 25th Division.

I am also the compiler and editor of the 25th Infantry Division in Vietnam, a combat history published by the McCall Corporation of Atlanta, Georgia in 1968.

Because of the nature of my assignment with the Army in Vietnam I am intimately acquainted with military censorship and news manipulation policy, and in the following notes which are not necessarily in chronological order, I have indicated some personal instances of censorship and related policies of which I have personal knowledge.

The biggest and most frequent problem I ran into as an information officer was what was known as the non news; these were things that were never to be mentioned either in writing, in picture or in interviews with newsmen or representatives.

Some of these taboos were explicitly stated, usually verbally, by officials from the information offices in Saigon. These would be the Military Advisory Command Office of information, MACV, the Military Advisory Command of Vietnam, and the Joint United States Public Affairs office, which is the information branch of the U.S. Embassy in Saigon.

Military censorship usually came from MacV or the 25th Division commanding general or chief of staff. In matters concerning policy or overall military planning or action, or special forces and CIA activities usually fell under the jurisdiction of JUSPAO.

The following is a partial list of things that were never to be mentioned while I was there in 1967 and 1968 by military news media personnel to civilian personnel or media, or representatives of Congressional offices or official visitors. Ineffectiveness or mistakes of the Army of the Republic of Vietnam, handling, processing, interrogation or treatment of prisoners of war; the use of shotguns, the use of flamethrowers hand held or track mounted; the use of lethal or non lethal gas, gas dispersing methods or gas masks. Female VC, very young VC.

During the short period of time when they were being field tested, Healy Cobra helicopters; information on the size, accuracy, range of effects of enemy 122 millimeter rockets; M–16 rifle malfunctions or deficiencies. The extent of damage and number of U.S. casualties from enemy attacks. Any story concerning enemy tenacity, courage or ingenuity; marriage of U.S. personnel and Vietnamese. U.S. soldiers use of pot or other drugs; conditions of U.S. military stockades; anything about the CIA or CIA sponsored activities like Project for Air America; anything about U.S. activities in Cambodia or Laos; B–52 or other bombing errors; ambushes or defeats of U.S. units; burning, bulldozing or other destruction of Vietnamese villages and hamlets; anything about troop morale, pro or con.

Information about captured enemy material of U.S. manufacture, weapons, food clothing, in some cases Playboy magazines. The NLF, the NLF as a term, or as an organization.

The word "napalm"; enemy armour or helicopters, plus anything else that Saigon officials thought might in some way be detrimental to the best interests of the United States Army.

I'll go back to the beginning of the list and just pick out some specific examples for which I have some documentation here.

M16 malfunctions and deficiencies. In 1967 there were rumors of numerous M16 malfunctions which were apparently getting back to Congress. U.S. Representative Richard Ichord launched an investigation of the Army's much ballyhooed rifle, even sending a team of experts to Vietnam to question GIs.

MACV told all information officers prior to my arrival that the M16 was not a topic for discussion. Newsmen were not to question soldiers about the weapon. No stories about the rifle jamming or malfunctioning were to be written.

This was done despite the fact that many GIs hated the M16, felt they couldn't trust it. And until an order stopped the procedure, carried their own weapons instead: carbines, 45 caliber grease guns, rifles sent from home, captured AK47s, et cetera.

At the same time the Army launched an all out propaganda campaign to make GIs in Vietnam more confident in the weapon they basically mistrusted. Special classes on the weapon were held in the units, new cleaning procedures were instigated, new lubricating materials were introduced due in a large part to GI demands for dry slide, a commercial lubricant manufactured in the U.S. that worked much better than Army oil which the Army refused to supply us with, not the oil but with the dry slide. They later did introduce a silicone lubricant which was roughly the equivalent of the dry slide.

A whole new campaign was initiated to instill in the American soldier the utmost confidence in a weapon that he didn't like.

Along those lines during this time that Representative Ichord was conducting his investigation—yes, sir?

Mr. FINDLEY. Your testimony is extremely interesting and I hate to interrupt you, but how much longer do you have for your initial statement?

Mr. ROTTMANN. Two more instances, if I may.

During this period I was information officer and across my desk came a photograph from one of the men in the unit of a GI, obviously in a fire fight, in a combat situation. It was the most fantastic photograph because he was desperately trying to unjam his weapon, while the bullets were flying.

I sent this photograph to Representative Ichord with a letter explaining that this is not an infrequent occurrence. This was during his conducting of the investigation. And I never received a reply.

Just two more instances, because I don't want to run over the many people here who want to talk.

A specific example—you gentlemen are well aware that the official military policy is that there is no censorship in the Indochina War.

A young man who is a photographer in a combat unit in my division took a photograph of two 25th Division Infantry MPs who were moving a suspect, detainee from one area to the other. He sent this photograph up to my office, knowing full well that it probably would not be cleared, the reason being, as I stated in my earlier testimony, handling of prisoners of war, detainees, is a subject not to be discussed.

But he felt that the photograph said something and should be considered. I agreed with him and I sent it on to MACV. This is the original photograph right here (indicating). It shows two MPs from the 25th Division—one of them has a patch, hardly visible. They are carrying a suspect. The suspect has a sandbag tied over his head, like a hood. His feet are bound and then his legs are bound to his thighs so you can't straighten out your legs. And his hands are tied behind him. Would you like to see it?

As you can see, stamped across it in red ink, it says: "Not cleared for release". It's a little hard to read. Not cleared for release. That means censored. And it was sent back to our office not to be released. Now that's a specific example.

The final thing that I would like to say is that an information officer is in a quite unique situation in the war as regards disseminating information through the civilian media. And many times information officers ran into a great deal of flack in trying to do their job honestly. It's somewhat the same position as being a doctor in the military. There are rules in the military about doctoring that don't exactly jive with the Hippocratic Oath. And the same thing is true of the Journalists' Creed.

I'll just read you as the final thing that I do here an official directive from the Information Office, Headquarters, United States Army Republic of Vietnam. It's called the "Colonels' Kernals". And this is a letter that was sent out to all military information officers in Vietnam. It says: "It may seem to you presumptuous, but I'm going to give out with a few thoughts on the subject of loyalty, and philosophize a little bit about how loose words can come back to haunt.

"Some very respected correspondents, without identifying people or places, have let it be known that there are a few military IOs, Information Officers, out here who are not playing on the team.

"On occasion these guys have downgraded one or another of the programs the United States is trying so hard to make work in Vietnam, and have done their sounding-off to the press, yet

"Of particular note was the cynicism and downright bad mouthing of these few IOs about the success of the U.S. efforts to upgrade ARVN effectiveness."

This is datelined December, 1967.

"I know that sometimes our frustrations run away with us. We lose sight of the facts, the background, the history of this part of the world, the culture and social gap between Americans and Vietnamese. Even though we are not thinking disloyal thoughts, out of our mouths come disloyal words."

"There's no better way of expressing the very special kind of loyalty characteristic of the military service than to remember that you owe it to your commander, the Army, the nation and your self respect to argue your views all the way until the decision-making time. But brother, when the decision has been made, you owe loyalty to that cause, and you try your darndest to make it work.

"To argue your case in the press is not to show the courage of your convictions. It's a betrayal of trust. It's disloyal.

"Now for the words of wisdom on haunting. These words simply involve practical application of the above stated thinking on loyalty. A few, usually inexperienced, IOs may feel they can unbend with the friendly newsman or cry out their hearts, secure in the belief that it's all 'off the record.' These naive few soon learn the hard way that the words they poured out 'in confidence' will soon come back to haunt them. Don't forget that correspondents are paid to write or film or tape news, news that will sell newspapers, or entice viewers or listeners.

"If your confessions and exposes can be made into news rest assured the words will show up in print, perhaps not attributed to you by name, but presented in such a way as to make the back of your neck burn just a bit." End of the letter.

When I got the letter, the letter made the back of my neck burn just a bit. That concludes my initial statement.

Mr. BINGHAM. Mr. Rottmann, my own back-

ground is in the newspaper field. I worked on a daily paper and a monthly magazine, and for a number of years operated a weekly newspaper. I also served in World War II and in my modest capacity as supply officer, one of my duties was censoring the mail. So I come to this question of censorship from perhaps a unique background. And it doesn't surprise me that there is restraint, censorship, of the military personnel involved in the dissemination of battlefield information. Does it really surprise you that there would be a degree of censorship in this field?

Mr. ROTTMANN. I was most astounded by the amount and the extent. I knew that for security purposes you can't tell where your units are and that kind of thing. If you wanted to find that out you just check Walter Cronkite's board.

But I was quite incredibly amazed at the extent and the amount.

Mr. BINGHAM. In your statement, you read a list of items that were taboo. It was a very complete, well drafted list. Can you tell me, do you still have a copy of the official instructions that you had as information officer?

Mr. ROTTMANN. As I stated, sir, most of the instructions came through verbally.

Mr. BINGHAM. That is from your recollection?

Mr. ROTTMANN. Yes, sir.

Mr. BINGHAM. You have no documents that you can submit for the record at this time?

Mr. ROTTMANN. Not a specific document. I have some similar things. For instance, if you submit several pictures similar to the one I did and they came back not cleared for release it becomes pretty clear in your head what you can send forward and what you cannot.

Mr. BINGHAM. And yet is it not true that a private news agency camera man out there, had he taken that photograph, he would not have been restricted from the use of that photograph. Am I correct on that point?

Mr. ROTTMANN. Yes, sir. Except part of my job as information officer was to escort members of the press and to keep them from taking photographs and interviews and pictures of things which were on that list.

Mr. FINDLEY. Mr. Rottmann, you are the author of a history——

Mr. ROTTMANN. Compiler and editor, yes, sir.

Mr. FINDLEY. Compiler and editor. What was the history again?

Mr. ROTTMANN. The 25th Infantry Division in 1967–68—'66 and '67 in Vietnam, the book was put together as a sort of a—if you can call it, a yearbook of the unit's involvement during those two years in Vietnam based on after-action reports, information office MI readouts and things like that.

Mr. FINDLEY. Did you write any part of the book yourself?

Mr. ROTTMANN. I probably guess I wrote every word. But it was like I said, it was taken from after-action reports and put together—a great deal of it was based on after-action reports and some of it was based on interviews and experiences of that nature.

Mr. FINDLEY. In doing this work did you feel that you were not capable of being honest? Did you feel under constraint, in other words, to comply with certain directives, express or implied?

Mr. ROTTMANN. Very much so, sir.

Mr. BINGHAM. When did you come to your present views about the war in Vietnam in general?

Mr. ROTTMANN. It's a very difficult question to answer. I can only, perhaps, answer it on the basis of a short story. I had been in the country only a few hours and was flying from Tansanott [phonetic] Air Base to To Chi which was my main duty station. I was flying on a carrier, or a supply run. I was the only person on there who was traveling with them other than the people who were normally with them.

And at one point the chopper dove down and there was a Vietnamese man fishing on a bank of a canal. And the pilot of the aircraft nicked him in the back of the head with the skid, knocking him into the water. I was appalled. But I noticed that I was the only person on the aircraft that wasn't laughing.

I guess my reevaluation of the whole situation began then and continued throughout my tour.

Mr. FINDLEY. The Defense Department has communicated to some members of Congress since your testimony on Tuesday that you have been asked on various occasions to give specifics of the charges with regard to mistreatment of detainees and prisoners, and that you have declined to cooperate in such investigations. Do you want to comment on that matter?

Mr. ROTTMANN. Since I began working with the veterans movement; I began working with the Vietnam Veterans for McCarthy and then moved to the organization of the Vietnam Veterans Against the War, I have been subject to quite a bit of harrassment by the FBI and the CID, Criminal Investigation Division. Friends and friends of my family, teachers, people that I've worked with, have been questioned and although no threats were made at any time, I have been, you know, subjected to that type of harrassment, and I have also—an attempt was made to court martial me from the Army Reserve as an officer, the charge being unlawful wearing of the uniform for appearing at anti ROTC rally in my uniform, and conduct unbecoming an officer, the charge stemming from a Peace Christmas card I sent from Vietnam.

The attempt to courtmartial me continued for the past few years and was resolved, I believe, although I do not know for sure if it was final or not, last Fall at the Boston Army Base, when the unanimous agreement of the courtmartial there was that all charges and specifications against me be dropped.

For this reason I have been reluctant to cooperate with those members of the CID who have come to my home and my employers to ask questions.

Mr. FINDLEY. Mr. Rottmann, isn't it a fact that you have not met with the Army personnel who have asked to meet with you?

Mr. ROTTMANN. No, sir. Just a second. I'll give you their names. I have met with and talked at great length on at least one occasion with Mr. Elmer E. Snyder, CID ID No. 0903, Mr. Richard J. Mahon, CID ID No. 0947. These meetings took place in Watertown, Massachusetts, which was my residence last year.

Mr. FINDLEY. Last year?

Mr. ROTTMANN. Yes, sir.

Mr. FINDLEY. Those documents to which Mr. Bingham referred indicate that attempts by Army personnel to interview you followed a news conference in May, 1970. Since the attempts to investigate the allegations were unsuccessful, the investigator was referred to Rottmann's attorney, Mr. Richard M. Howland who said that Rottmann would not make a statement. Would you care to explain why you chose that course of action?

Mr. ROTTMANN. Certainly I would. Yes, sir. I would. We held sort of an investigation, informal one, in Boston which some of us who had been in Vietnam aired our views on the subject. Immediately following that presentation I was accosted—the man put his hand on my arm and said that he wanted me to make some kind of a sworn statement or something. And I said, Who are you? And he said he was with the Government but he would not show me his identification, and I didn't know who he was. And I said, If you are with the Government please see my attorney, Mr. Howland. And I instructed my attorney, Mr. Howland, that he should let me know if anybody got in touch with him so that he could work it out.

Mr. FINDLEY. With regard to your meeting that you just mentioned with the CID personnel, do you feel that you responded to each question raised at that time?

Mr. ROTTMANN. They were around, you know, sort of around the periphery, and talking to my boss and things like that——

Mr. FINDLEY. Did they talk directly to you?

Mr. ROTTMANN. Yes, sir. And I responded in every instance to their questions, except I did not name names because it was not my feeling that I wanted to prosecute anybody, only to make a point about policy.

Mr. BINGHAM. Is that still your feeling, Mr. Rottmann? That is, today would you be willing to name names or dates, or do you still feel that this is something that you cannot in good conscience do?

Mr. ROTTMANN. That is correct, sir. I am not trying to prosecute anybody. All of us who went to Vietnam and participated and all of us here in the states who allow the war to go on year after year after year are to some degree guilty. I would be unwilling to name names because I'm not trying to prosecute anybody for atrocities or anything. I just want to raise a point of official and de facto military policy in Indochina. I think if the American people were fully cognizant of the scope and the extent of the way that we wage war there that they just wouldn't permit it to go on. And that's the main thrust of why I testify like this.

Mr. BINGHAM. We are happy to have Congressman Morse from Massachusetts with us.

Mr. FINDLEY. Mr. Rottmann, I am troubled about the questions you raised about censorship, and I'll express my concern this way: in time of military conflict do you think it's unreasonable for the military leadership to establish a certain level of censorship day by day of the coverage of battlefield activities?

Mr. ROTTMANN. There's a fine line, I think. As a loyal American, and I feel I am one, I would certainly not want to in any way through the dissemination of information do anything that would be contributing to the loss of more American lives or Asian lives.

However, as the testimony I think will continue to show this morning, not only do we not tell the American people about the extent and the manner in which the war is raised, but in many cases the truth about the war as well as the truth about what is going on in our own country is kept from the American soldiers in the field, through the use of the same kind of policies that I spoke of in relation to unit newspapers and through the Stars and Stripes Newspapers, which are about the only two—and AFVN which would—we all call "Altered for Vietnam News" which prevents the GI from finding out what's going on in the war himself, and it prevents the American people from knowing.

I know there has to be some sort of control, and I am wholeheartedly in support of that. But the extent and the kind, I think, is a very dangerous extension of the policy that I find very hard to live with.

Mr. BINGHAM. Thank you very much, Mr. Rottmann.

Mr. ROTTMANN. Thank you. I'm going to have to leave the chambers now. I'm helping with the veterans who are turning in their medals and awards this morning over on the Capitol, and so with the indulgence of the Committee, I'll now leave and turn it over to my colleagues here.

Thank you very much.

[Applause]

Mr. BINGHAM. Thank you very much, Mr. Rottmann. Now the next witness is Forest Lindley—

Mr. ROTTMANN. Excuse me. I'm sorry to change your schedule, but we have a man

who would logically follow me. Mr. Mike McCuster.

Mr. BINGHAM. Is he on the list?

Mr. ROTTMANN. Yes, sir.

ANOTHER VETERAN. No, sir. He would not be on the list that you have. That was an ad hoc list I was compiling for our use that I gave to you.

Mr. FINDLEY. Well, is Captain Lindley here?

Capt. LINDLEY. Yes, sir.

Mr. FINDLEY. Captain, would you come forward, and if this gentleman would give his name and serial number and other identification to the clerk here, well we'll put him on the list.

Mr. Lindley, I'd like to ask you to confine your formal oral presentation to eight minutes.

CAPTAIN LINDLEY

Capt. LINDLEY. Yes, sir. I'm Captain Forest Lindley. I served for 18 months in Vietnam first as a 1st Lieutenant, with the Vietnamese Airborne Division and as an advisor to the Artillery Division of that Division, and the 7th Infantry Battalion of that Division.

I served for 6 months with 5th Special Forces Group, B23, first as a fire base commander at the Fire Base Annie during the seige of Bu Brang in November of 1969. Later as an assistant F3 for B23 and as a Special Forces Team Commander Team A231.

Mr. FINDLEY. Where is your home now?

Capt. LINDLEY. Colorado Springs, Colorado.

My general impression is that when I went to Vietnam I sincerely and deeply wanted to assist and aid the Vietnamese people in their struggle and help them take over the burden of the war for themselves. Having served with them for 18 months I came to the conclusion that they were unwilling to fight and die for something that they did not believe in.

I have several examples. I still believe that the Vietnamese Airborne Division is the finest unit there, but I don't think that they are fighting for the Thieu-Ky Regime and what it represents, but rather for the esprit and the spirit and the heritage of their unit.

One incident in particular, we are at an artillery fire support base about five kilometers south of the Base Camp in (word unclear) Province. There was a North Vietnamese mortar crew approximately 400 meters from our position one night, and 100 meters from a regional forces camp. They opened up with at least 20 pounds of mortars which continued for a period of five minutes on another target, which I believe was later determined to be a village.

The mortar crew was silhouetted by the flashes of the mortar. Neither our unit nor the regional forces unit returned any fire or in any way attempted to engage the enemy.

When I asked my counterpart why they did not try to shoot back at them, he said, They weren't shooting at us and he didn't want them to shoot at us.

There has been a great deal of conflict that I've experienced between the Vietnamese Army and the United States Army. In one instance we were moving into a fire base to set up a position in (word unclear) which is located Southeast of _____ City. There was an American artillery unit which had been set up to support an operation with the 25th Division. When we moved in our battery our Vietnamese battery commander wanted to put his trucks where the American trucks were, and told the American officer to move his trucks and battery so that he could put his trucks there.

The incident came to potentially an armed conflict with the Vietnamese warrant officer pulling his 45 caliber pistol on an American officer and demanding that he move his battery and unit out of the position. The American unit responded by engaging a machine gun and pointing it at the Vietnamese officer. I was able to intervene and preclude any further conflict; but I believe that if I had not been able to intervene, it might have led to an armed involvement.

My experience with special forces, and my (words unclear) was one that particularly concerned me, because we had a mission of border surveillance. We were located on the Cambodian border and had the responsibility for monitoring any infiltration, enemy infiltration or movement between the Cambodian border and our operational area. To do this we were required by higher headquarters to have a certain percentage of our troops involved in operations at all times. I believe it was 60% for regular operations, and 80% of our reconnaissance units on operations at all times.

We would submit an area of operation to higher headquarters and the number of troops that would be involved in that operation. It was thereby assumed by these headquarters that these troops would cover that area with the number of troops stated in the operational report. As it turned out, these troops were not going out to the areas of operation. If they did go out there—when this was discovered I attempted to make aerial incursions by taking them out to the border and herding them with helicopters into their area of operation.

Attempts later the next day to contact them would find that they had moved back, or were moving back toward our special forces camp. In many instances where they were sent out without American advisors they would go out two or three kilometers and set up camp for a week. We once heard shots and went down the river and found that it was our operation, which was supposed to be ten kilometers from the location where we found them fishing.

I sent reports to higher headquarters to this effect and received word back that unless my operational statistics reflected that the operations were being carried out and that the stated number of troops were there I was subject to being relieved.

I therefore falsified my report. And this has been the consensus of opinion I've found in discussing this matter with fellow members of my team and other teams, is to give them what they want regardless of what actually is taking place.

Mr. BINGHAM. What was your experience with regard to the treatment of detainees and prisoners of war? Did you witness any mistreatment?

Mr. LINDLEY. Sir, I only witnessed two or three incidents, but in every case where we were engaged in a fire fight, and there was a wounded enemy, he was shot and killed unless I was able to intervene.

They made a habit of pumping five or six rounds of automatic into a dead body, several soldiers.

Mr. BINGHAM. Who were they?

Mr. LINDLEY. This is the Vietnamese airborne troops I was with. I would say that they have treated humanely prisoners that they have captured when advisors have been able to intervene; but for combat reasons or for some other reason they just shot them, several wounded ones.

There was an incident where we captured a sixteen year old local force Viet Cong from Hotmong Village, and he was treated quite humanely and with a great deal of respect, I believe, by not only the Americans but the South Vietnamese, and interrogated by them. He gave what knowledge he had about enemy caches, and we were able to find a limited number of claymore mines. But he was then sent forward to higher headquarters for further interrogation and when he returned he had marks all over his face. His face was completely covered with red marks. And it looked like somebody had put needles or pins through his skin.

Mr. BINGHAM. Mr. Lindley, when did you come to your present views on the war in Vietnam in general?

Mr. LINDLEY. I think it wasn't until after I had completed my tour. I would still be in favor of Vietnamization under the President's program if I believed that the Vietnamese people were willing to fight for the Thieu-Ky Regime, or wanted the war to continue. But I believe now that they have the equipment and the knowledge to win the war or to fight it by themselves, but they do not have the will to do that.

Mr. BINGHAM. Mr. Morse?

Mr. MORSE. I have no questions.

Mr. BINGHAM. Thank you very much, Captain.

[Applause.]

The next witness on our list is Les Johnson.

LES JOHNSON

Mr. JOHNSON. Good morning, gentlemen.

Mr. BINGHAM. Could you give your name and address and your affiliation during the war.

Mr. JOHNSON. My name is Les Johnson . . . I'm from Denver, Colorado. I volunteered to go to Vietnam in 1966 in April with Armed Forces Radio, and I left that organization after three months because I did not agree with the programming policy of Armed Forces Radio in Vietnam inasmuch as it was programmed for the commanding officers of MACIO, instead of the troops in the field.

At which time I found a position as television advisor to the Vietnamese government and military organization. And my responsibility was training a television production crew from the military to do a one hour television program per week. At the time we were doing three hours a night on Vietnamese television.

Mr. FINDLEY. I don't quite understand your statement. Were you in the Armed Forces?

Mr. JOHNSON. Yes, sir. I was. I was a military advisor to the Vietnamese military teaching them television production.

Mr. FINDLEY. What was your rank?

Mr. JOHNSON. Specialist 5, Sir.

My statement this morning is simple and not too shocking inasmuch as we were directed by General Westmoreland's Headquarters and the Vietnamese government to sell the Vietnamese soldiers to the people as soldiers, as fighting soldiers, which we did with manufactured combat footage. And I felt nothing was wrong at the time because I felt my responsibility was teaching them television production, instead of trying to find some Vietnamese unit who at the time was actually engaging in good combat.

What I would like to address myself to is the Vietnamization program, in that we were doing a very simple part of it in 1966 and 1967, and I feel at this time that the Vietnamization program is actually an Americanization program to teach the Vietnamese how to become as Americans to carry on an American war. I think because the moral conflict within the war—and I'm speaking now as a person who has studied epistemology for the last seven years—that it has degraded into a war of ethnicide, inasmuch as we continue the war—if we do this—we will end up with a war of Vietnamese Americans against Vietnamese Vietnamese.

Mr. FINDLEY. A war of what? Would you clarify that. I missed that word.

Mr. JOHNSON. A war of ethnicide, sir. A war of people that we have trained to be Americans against the Vietnamese ethnic culture. We are turning it into a cultural war instead of one of politics. And I came to Washington this week and slept on the ground for a week to ask the politicians in Washington to become statesmen and to think about this country in twenty years.

Thank you, gentlemen.

Mr. FINDLEY. Mr. Johnson, your presence

here shows that you are not pleased with present policies. How would you change them?

Mr. JOHNSON. I disagree with the President's analysis of what this country needs in ten or twenty years, or in the future to hold itself together as the United States of America.

And I think I am here representing the people who will be responsible for the future of America and we are wanting an end to the war now, as opposed to the President's wishing to win a military victory or convince the American people that we have won a military victory in Vietnam.

Mr. FINDLEY. Well, I'm sure that you give a different interpretation about what he says than some of the rest of us. But I think that he has very clearly rejected the concept of a military victory in Vietnam on a number of occasions.

Now, perhaps you read something into these events that would lead you to another conclusion. But he has said that, has he not?

Mr. JOHNSON. I think, sir, that the President will consider it a victory if he can convince the American people that the Vietnamese are able to carry on this war.

Mr. FINDLEY. You also mentioned manufactured footage. Now do you feel that this manufactured footage was totally unrealistic, unrepresentative of the true situation?

Mr. JOHNSON. Of course it was, sir. And I can give you a specific example of it, in that we sent a film crew out to make heroes of the transportation Corps, the Vietnamese transportation corps. And they turned half of them into Viet Cong, ran the train out of Saigon a few miles, blew up the railroad tracks, burned part of the train filming the defense of the train and how the transportion corps workers could get through. The train couldn't go much further than it actually did at the time.

Mr. FINDLEY. Were these South Vietnamese, ARVN?

Mr. JOHNSON. These were ARVN soldiers.

Mr. FINDLEY. There weren't any American personnel involved directly, is that correct?

Mr. JOHNSON. I was the advisor to the group that filmed it.

Mr. BINGHAM. Thank you very much, Mr. Johnson.

Mr. JOHNSON. Thank you gentlemen.

[Applause]

Mr. BINGHAM. The next witness is Arthur Egendorf.

ARTHUR EGENDORF

Mr. EGENDORF. My name is Arthur Egendorf. My present home is in New York City, Manhattan, 43 West 88th Street. I was in the service from August 10, August 11, 1967 until May 10, 1970. And I served in Vietnam from April 15, 1968 to April 14, 1969.

I enlisted into the Army while I was a student in Europe after having graduated college, where I was doing research and studying on my own in Europe. After my draft board informed me that I was about to be inducted I went to an Army recruiter in Germany and told him of my background and that I wanted to do something constructive. I described that I was not a conscientious objector, but that I had gone to a Quaker school and spent eight years in a Quaker school in Philadelphia, my original home, and that I did not want to be in the infantry.

I was sent to the intelligence school where I was informed that there was a special program for people of my background. I spoke a couple of languages at the time. And that the program was called Area Studies. And I was told that I would be doing studies in support of American operations around the world. That would be decided after my training exactly where I would be located.

After basic training I went to intelligence school in Fort Holabird, Maryland in the beginning of October, 1967 and was told the first day that area studies meant espionage. I was to become a spy, and I was not to tell anybody this for the rest of my life so that the United States Government would be able to maintain what they called "plausible manial" [phonetic], so that ever we were caught involved in what they called clandestine operations, and clandestine was a euphemism. It meant specifically illegal operations, illegal not only in terms of this country's laws, but in the laws of the country where we would be operating, that the Government would be able to dissociate itself from us and disclaim any connection with us.

We were also told at the time that if we had any more qualms about this program we could drop out and be reassigned according to the needs of the service. Which was interpreted to us informally—I must say there was no document to specify this—that we had a good chance of losing our clearances and going into the infantry. Which as I stated before, was the one thing that I wanted to avoid.

I stayed in intelligence not only to avoid the infantry, but because I didn't believe it, didn't believe that they were going to teach me how to be a spy. I was in a class with a number of guys who had dropped out of theological seminaries. I was in class with a lot of fellows who had dropped out of college, some career Army enlisted personnel, some of whom hadn't finished high school, and I went through six months of training that I considered rather inappropriate for the kinds of things they stated they were preparing us for.

That is, we would spend most of our time learning how to fill out forms and things of that nature. I got assigned to Saigon and I went over there in April of '68, and I was attached to a unit in Saigon whose existence, I was told right from the start, had to remain secret not only from other Americans but also from the Vietnamese in the Vietnamese intelligence because its existence was in violation of the protocols drawn up between our government and the South Vietnamese. It was a protocol which stated that we would not mount any of our own clandestine operations in South Vietnam without the specific knowledge and concurrence of the South Vietnamese.

I was attached to that unit and given credentials of a Department of the Army civilian rank of GS 9 and later of a civilian American company which I was made to understand had close relations with CIA and was willing to provide its credentials to any intelligence operative that the American intelligence community would designate.

I was put in charge of an operation using French agents going into Cambodia. I spoke French at the time, and although that ran on for a period of 12 months the highest evaluation I ever got on any report, intelligence report, was on an article written in the New York Times Sunday Edition during the Summer of 1968 on Cambodia by a reporter who just happened to get permission from the Sihanouk Government at the time, since we didn't have relations with that Government at the time, to go into Cambodia. And he wrote an article and my team advisor, the Major, suggested very strongly that we send that article forward to see what kind of evaluation we got. And it was the highest which we ever got on a report in the entire year I was there. My agent was given press credentials in Saigon. I had to arrange for that. They needed cover while operating in South Vietnam without waiting to have to go on operations in Cambodia. And contrary to what the Army has since claimed or disclaimed since that time, this was a normal occurrence, where agents not only of Army Intelligence but of the CIA and CID—I was made to understand this. Again there were no formal documents which I can present—were given cover both so that they could maintain themselves in South Vietnam and also for different sorts of agents so that they could keep their eye on civilian press personnel.

When I returned to Washington one of the operations that I was not directly involved in, but was a witness to in the preparation, involved an American oil company in Cambodia, and there was an attempt made to use the personnel of that oil company who were in the country where we didn't have relations at the time, to supply information to Army Intelligence.

And I later found out when I was reassigned in Washington to the United States Army Field of Activities Command that this is a regular occurrence, that the concurrence of company presidents is necessary, and required under the secret statutes that are the basis for clandestine operations.

So that the intelligence community of this country can use American personnel and even non American personnel employed by American companies overseas to supply information on our Government. Again this is called clandestine espionage, because it's illegal.

I also found out that Government records were used to support these operations, information collected by the Commerce Department, for one purpose, were used by the intelligence community for quite different purposes. Records in the Treasury Department and the Justice Department and throughout the military hierarchy are falsified to support operations abroad. And it was at that time that I became quite incensed having begun a search of a very different nature on American companies abroad under the understanding that this was a helpful force in promoting world peace.

I found out quite to the contrary that the very heads of these private organizations were involved illegally and covertly with certain arms of the Government for ends that were not made clear either to the people or to—as I believed at the time—the elected representatives of the people.

That concludes my testimony.

Mr. FINDELY. Thank you very much, Mr. Egendorf. Mr. Bingham?

Mr. BINGHAM. Having been in intelligence myself in World War II I am not startled by your report. I remember being told that about 90% of the intelligence that we were able to produce from this supersecret unit of the Pentagon was available from the New York Times.

As you see it, how would you summarize in your view the evil of what you've been describing?

Mr. EGENDORF. Well, there's several. And it begins with the recruitment under false pretenses of people to work in this type of field. I am speaking as somebody interested in psychology and a potential student. The kinds of mental states induced by this whole process are, I think without question, insidious. Having gone through training missions with some people who were not accustomed to living under difficult circumstances I watched a lot of fellows shake and break down, get very scared, afraid, in short: paranoia.

And not only are the personal effects insidious, but as a result of having talked with Army intelligence personnel over a period of three years, I developed a very strong belief that the reliance on information of a reliable information for Government officials upon which they can make decisions, it comes from people basically put in these difficult circumstances, and it's completely in conflict. That a man whose loyalties are divided, who must lead a secret covert life, who's under threat that he cannot divulge, in fact, who he is to anybody other than his immediate superiors, and even there he's under great conflict in not being able to tell what he's really doing because there are again many regulations that specify you cannot do things that are most

natural for you to do. And one example I can give, I lived in a hotel in Saigon, and this is where I had to train my spies. And I was told that my safe site would possibly be under surveillance and I was not to use an establishment financed by the United States Government funds for my own amusement. Therefore I was not supposed to have women in my room.

And all the maids who worked in the hotel used to joke anytime an agent went up to my room and claim that I was a homosexual. And I was able to deal with that rather well; but I know of others in my unit who would find that quite threatening.

What I'm saying is that people in that kind of position cannot be relied on to supply complete unbiased useful factual objective data. And that's the second point; the first point being that you're under strain. Two, that the information that is supplied is unreliable, as an inevitable consequence of this.

And three, I see evil in the subversion of institutions founded on the basis of ideas in the open in a free, democratic, responsive society. And that this subversion of these institutions for covert reasons is in no way justified by the goals that are established for this subversion, that is, the furnishing of the information or the quality of the information that comes out.

So I see in no way that this should be allowed to go on without—I just don't see it.

Mr. BINGHAM. To your knowledge has the fact that this clandestine espionage is being carried on in Saigon and Vietnam, in violation of an agreement with the Saigon Government, ever been revealed?

Mr. EGENDORF. I've never seen the specific documents; but I was told that the nature of our protocol specified that our operations, and specifically intelligence operations, would be in cooperation with the South Vietnamese. And that although they were more or less aware of the fact unofficially that there was probably something else going on, we were to maintain secrecy of our presence because we were in violation of specific protocols drawn up. Were you asking did I ever see the protocols?

Mr. BINGHAM. No, I wondered if the information had been brought out previously that these activities had been going on?

Mr. EGENDORF. I have been speaking freely about this for some months. Now, I don't know if somebody else has brought it out.

Mr. FINDLEY. Mr. Egendorf, during this period of time did you feel that your real employer throughout was the Army, the U.S. Army.

Mr. EGENDORF. Yes, we did.

Mr. FINDLEY. At what point in this service did you decide that this was reprehensible? Did you reach this conclusion during the training period?

Mr. EGENDORF. During the training period the only conclusion I would reach was that it was completely absurd. I didn't believe it was going on. I had difficulty dealing with the reality of it. It was just absurd. And one example I can cite was that after six months or five and a half months of having training in paper work we were sent on an agent operation exercise where there were hundreds of dollars spent on each member of our class—and again there are thousands of men who go through this training every year—and I was flown from Maryland to New York, had to use a different name, flown to Puerto Rico, got on a submarine, go out five miles, get on a raft, paddle ashore, get back to Puerto Rico, change my name, fly back to New York, then to Dallas, get in a hotel, change my name again, wait for the cops, or the Army Reservist Military Intelligence Personnel to come get me, take me to the police station, gruel me in the same room that Lee Harvey Oswald had been grueled in, and see how long I could maintain my story that I was really a citizen of aggressor land USA and a whole lot of other cock and bull, and see how long I could stand up under that grueling, and then go back to the hotel, look for bugs in my room, train another intelligence enlisted man whom I was designated to need as an agent, teach him how to do secret writing, meet him at another place in town, go back to the hotel, fly back to New York, then to Maryland, and then write up my report.

I just didn't believe it.

[Laughter]

Now, I didn't reach the conclusion that it was insidious until one, I found out in Vietnam that we had no information about Cambodia. I went to two, specifically two meetings at the U.S. Embassy where there were members of different intelligence agencies in Saigon who were supposedly experts on Cambodia, where we would have a free exchange about information in a plastic container suspended from the ceiling so that I guess the Vietcong wouldn't bug us.

And I reached the conclusion just by talking to my agents who went and traveled in Cambodia, I knew as much if not more than the CIA and State Department experts who were in that room. And I began to wonder on what basis we were maintaining our presence in Vietnam, and especially—this was something I heard and never saw—but I heard at the time that we were planning operations into Cambodia and that is why they needed so much information on the Cambodian area, the interior where I was designated to send in agents. And I began to worry that we were taking steps which we had absolutely no knowledge, real knowledge, of what the situation was. And I began to wonder.

I didn't reach the absolute decision of the insidiousness and the reprehensibility of the situation until back in Washington where I sat on a desk where I got lots of reports not only from Army Intelligence in the field and State-Department and CIA, and found out that we knew even less than I thought we knew before, and in addition to that were implicating all around the world private agencies that were set up by private citizens for private reasons and reasons that were supposedly of available and public knowledge, and we were subverting that.

And I felt personally involved, having studied corporations myself in a very different vein. And I found out about falsification of Government records and that sort of thing.

It was there that I reached the conclusion that it was reprehensible, and could not be justified in my mind.

Mr. FINDLEY. Mr. Egendorf, as one who has long questioned the value of the CIA to our nation, I must say that your testimony here today has weakened the remnant support I've had for that institution.

I want to add, too, that some of our colleagues here may question the value of a hearing like this. Some, I think relatively few, view this as a kind of a rag tag army that has come here to Washington and why waste time in listening to them.

Well, the sober, sensible, rational, objective comments you've made here today I feel are a very worthwhile contribution. And I know I've learned something from it. And I dare say Mr. Bingham shares the same feelings. So I thank you very much.

[Applause]

Mr. BINGHAM. Mr. Kypriandes?

Mr. KYPRIANDES. Mr. Bingham, I'd like to call Phil Lowley, who served with me in Vietnam.

Mr. LOWLEY. We were both in the same company and in the same platoon together, and our testimony corroborates each other.

Mr. BINGHAM. I see Mr. Lowley that you are on the list and you may be heard at the same time if you wish.

Mr. LOWLEY. Thank you very much.

My name is Phillip Lowley, I live in Danbury, Connecticut on 7 West Street. I was a Corporal, United States Marine Corps, Graves Registration.

Mr. KYPRIANDES. My name is Kip A. Kypriandes. I live in New Haven, Connecticut. I was a corporal—United States Marine Corps.

Mr. LOWLEY. Our job was as gravemen to get the American dead, process them and send them to embalming. We were in the I Corps Area. Our main station point was Danang. We got the bodies, either they were sent to us out of the field or we went on what was called an S&R into the field. When we got the bodies into our morgue they were usually fully clothed, or what was left of them.

We took their clothes, stripped the clothes off the bodies, tabulated personal effects and put the bodies up on a slab, washed them down, fingerprinted them, filled out death certificates and marked on our board a number for each body that we had.

At the end of thirty days we tabulated from all our teams in the I Corps area, we tabulated our death counts and sent them into division. And our main testimony here is we want to know how come the counts that the Government gives don't tabulate with the counts that we get as gravesmen. And for every count we had we had a dead body, sir.

Kip will elaborate on that a little more, the differences between the Government's count and our count.

Mr. KYPRIANDES. Yes, I was in Vietnam from April 28, 1967 to June of 1968. I have right here a copy I have of a slide. It's a board, both boards on dead of the dead received from the Navy, the Air Force and the Marine Corps. The majority, 90% are marines. Right in the corner here you can make it out, 774 bodies for one month. Just the I Corps area. Now we're not talking about Saigon. We're talking about the I Corps Area: Dam Ha [phonetic], Khe San, Fu Bay [phonetic] and Danang. And that's it.

Mr. LOWLEY. And no Army personnel go on our counts, sir. The Army has its own graves unit.

Mr. BINGHAM. What was that month?

Mr. KYPRIANIDES. That month, I believe, was April. But even so, it really doesn't—

Mr. BINGHAM. What year?

Mr. KIPRIANIDES. April of 1968.

I was stationed in Danang when I first went to Vietnam. I was writing a letter home to my parents and in the letter I told them that we were taking heavy casualties and I gave them the number. Well, our gunnery sergeant, I was on duty that night, he came in and looked over my shoulder, read my letter and said to me that I had no right to put down the dead count because that was secret.

Well, I thought that was pretty cool. I said, Yeah, all right. A couple of weeks later I received orders to go to the DMZ to Khe San. They did this to all the graves registration personnel.

I received a letter from my mother one month saying that there was something like 700 men who had died totally in Vietnam. I repeat that again. 700 men had died in Vietnam. Well, our board—I can't specify what month, but our board read over 700, 750 to be exact. And that was just Marines, Navy and Air Force. Our purpose for being here is we want to know why the Government is not telling the public the truth.

Mr. LOWLEY. And another situation——

Mr. BINGHAM. May I ask a question just to clarify this. Is your point that the United States Government is not telling the American people how many Americans have been killed?

Mr. LOWLEY. Yes, sir. That's definitely correct, sir. And we would like to know why.

Mr. FINDLEY. May I interject in here, Mr. Bingham. It just happens that I am the

member of Congress who began placing the names of Americans killed by hostile action in the Congressional Record. This began in early '69. And periodically I have updated it.

Now, I can only recall two letters that I have received in all that time from families who asked why I didn't list the name of their son who was killed by hostile action.

Now maybe others simply didn't see the Record, didn't hear, and didn't have any way——

Mr. LOWLEY. Sir, I think it's the great American apathy.

Mr. FINDLEY. I just want you to know that my own experience has been to the contrary of what you say.

Mr. LOWLEY. Well, sir, we can't really substantially lay proof on you. But we had to work these bodies, and there was an awful awful lot of them. Now, one instance that I can give you when we ran a check on the Pentagon and they confirmed their count. It was February, 1969. We—at the end of thirty days, like I say, we do a total death count and we have to turn it into Division and it goes up the Chain to MACV. And then to wherever it goes out of the country.

Well, our board had 1200 bodies, sir, and AFVM radio came over and said 800 were killed in Vietnam that month.

Mr. FINDLEY. Just another little item. From the same information that I use in putting the list in the Congressional Record periodically, I also list in the Newsletter to my constituency periodically a Vietnam Roll of Honor representing the names of those killed by hostile action.

Now, this happens every three or four months. Everyone in my District doesn't get it, but well over 100,000 families do. Over a period of time I'm sure all families hear about it and see it; and I did have one family get in touch with me and ask me about it. It was our mistake. We had overlooked a name that had been supplied to us. Here again, it does appear that the list may be more complete than you think.

Mr. LOWLEY. No, sir. You brought up an interesting point. You said that you had lists of those that died in hostile action. People do die of other things over there too. They don't classify them as hostile action all the time. There are a lot of suicides. There are a lot of traffic accidents, things like that.

Mr. FINDLEY. Those bodies that you were in charge of, would the deaths be both of natural causes and hostile action?

Mr. LOWLEY. Yes, they would. They would be any dead American.

Mr. BINGHAM. Is it possible that that would be the reason for the discrepancy?

Mr. LOWLEY. I don't think so. I don't think there could be that big of a cut.

Mr. KIPRIANIDES. Our argument isn't that we're complaining about the number of people—not that the families aren't getting told. It's why the Government isn't giving the correct dead count to the news forecasts.

There was a lieutenant who came into our quarters. I was on duty that night. He came in at 7 o'clock to be exact because I had to log it in the book. And he asked for the total dead count for a couple months, because he was doing an investigation. And he showed me his papers. Well, I hadn't the authority. I was told not to give any kind of information like that out. Additionally, we had received word that this Lieutenant had gone up to Don Ha [phonetic] and Fu By [phonetic] and they had kicked him out. Well, he came down to Danang and got permission. He already had permission. The general had refused him. But he did it anyway. He came down to our headquarters in Danang and wanted to see some kind of figures. I couldn't give them to him. I gave him to the gunnery sergeant. I called up the gunnery sergeant and the gunnery sergeant came up and kicked him out.

Mr. LOWLEY. Sir, people tried to discredit our testimony by bringing up the fact that we were psychiatric medivacs. Both Kip and I were psychiatric medivacs. I'd like to add that, and so were most of gravesmen. You can only work dead bodies for so long before you go a little—what they say.

Mr. KIPRIANIDES. Another thing that we would like to talk about is the bounty that was on our heads. Every person in graves registration had sworn, too, the way we were treated. I'd like to tell you the way that we were treated but——

Mr. FINDLEY. About the bounty, what do you mean by that.

Mr. KIPRIANIDES. They placed a $200 bounty on our heads, dead.

Mr. FINDLEY. Who did that?

Mr. LOWLEY. Some of the servicemen.

Sir, I'm sure that you're familiar with the word "fragging".

Mr. FINDLEY. Yes.

Mr. LOWLEY. It does happen. We were one of the people who had prices on our heads.

Mr. FINDLEY. You were a target.

Mr. LOWLEY. Yes, we were afraid to go out in the field to pick up dead.

Mr. KIPRIANIDES. There was an operation in Danang and they had finished the operation and then they had left bodies. They had buried some of the Americans, some Marines, three Marines out in the field because they couldn't get them out. And I refused to go out in the field when I heard this. I almost had a nervous breakdown, and I couldn't believe it was true.

I told the gunnery sergeant I wasn't going out. He could do what he wanted with me, but I refused to go out to the field. So he sent out a sergeant and the sergeant came back and said that he was shot at.

Mr. BINGHAM. I don't understand why there would be resentment against you on the part of other American personnel.

Mr. LOWLEY. Sir, because when we do get sent out in the field we do have bodyguards and we do go out with a unit. Now, if you were an infantryman or if you're familiar with infantrymen, these men are waiting to be lifted out to possibly a fire fight, and possibly death. And here we are just sitting on a log next to them. It's sort of like sending the grim reaper out next to you, because our only business being there is if you happen to die.

Mr. KIPRIANIDES. Another thing is that when we see a body we tear off their clothes, we cut off their clothes, we wash the body and after that we fill out a chart. Well, the bodies have to be identified and their buddies come in and they see us tearing off their clothes and going through their pockets. And right off the bat they think wrong. They think that we're stealing money. Another thing that I should bring up. We were accused a number of times of stealing. And I can honestly and truly say, may lightening strike me dead and I'm serious about it, that none of the personnel in graves administration ever stole anything from a dead person.

We had a safe and we had a twenty-four hour watch up in the morgue.

Mr. LOWLEY. It's just the fact that their buddies come in to make positive identification of them and we're on the ground with razor blades, slashing like this [indicating] clothes off dead people. They don't like it.

Mr. BINGHAM. How long—first of all, were you assigned to this——

Mr. LOWLEY. It's a voluntary unit.

Mr. BINGHAM. And how long is it customary to serve in that unit.

Mr. LOWLEY. Oh, you can serve as long as you want.

Mr. BINGHAM. Well, thank you very much, gentlemen.

Mr. LOWLEY. Thank you.

Mr. BINGHAM. Mr. Vinny Giardina, is that correct?

VINNY GIARDINA

Mr. GIARDINA. My name is Vinny Giardina, and I was with the 108th Artillery, F26 in Northern northern I Corps at Dan Ha.

Mr. BINGHAM. Where do you live now?

Mr. GIARDINA. Astoria, New York.

First I'd like to say something that I think should be made very very clear. There is no Vietnamization in Vietnam. It's an Americanization of Vietnam people. But I don't think the Congress of the United States really really knows.

We are trying to make them Americans, and this is a military command policy. First I'd like to say since if I don't somebody will say I didn't say it—or maybe I'll lead up to it. First of all, I was against the war before I went to the war. I became a college graduate because of the Vietnam War. All through my time in the military any time an American stands up for his rights as an American citizen in the military, he is suppressed because it seems like once you enter the military you're no longer an American citizen with constitutional rights.

I was sent to see a psychiatrist because I probably couldn't conform to the regulations that make you less than an American citizen. It was recommended in Atlanta Georgia that I have a 212 discharge, which says that you're unable to adjust to military life. It is not a medical discharge and can only be given by your commanding officer.

I never received this in Atlanta. I received a courtmartial for it. Then left the United States for Vietnam in September of 1969, was scratched off the flight in Okinawa, did not have any records, because I couldn't carry them for getting a courtmartial for missing KP, which nobody could prove whether I missed it or not. In Okinawa I was again recommended for a 212 discharge —by the way I'd like to add you go one time and you see a psychiatrist and he recommends you for this. And I was never asked to come back or anything like that.

On three occasions in Okinawa since I was on orders for Vietnam the Army tried to send me to Vietnam and couldn't because of some regulation that says you can't fly from a foreign country to another foreign country without a certain fun code. I don't know exactly what the regulation is or why it is.

I then was in January, about January 19 of 1970 illegally sent to Vietnam without new orders cut for me, while a request was sent to the Department, or wherever it's sent, Department of Army, for a request to remain in Okinawa as a Finance Specialist since I am a college graduate with an accounting degree.

I was put on a manifest to fly to Vietnam without new orders cut. I was then taken under armed guard during a civilian labor force in the middle of mass confusion and forced under armed guard to go to Vietnam. When you can't be sent when you have a request to the Army, I guess, the Defense department to remain in one place. You're not supposed to be able to be moved until that is either denied or granted.

So I was put on a manifest by the—the whole command just calling up and saying, Hey, Harry, put him on a manifest and Harry puts you on a manifest and then when you get down there everybody realizes their mistake but they can't do anything about it.

I was then sent to Vietnam and because of all that had happened, I had been trained before I left the States to work in a Depot. I went to Atlanta, Georgia Army Depot to learn how to run depots as a specialist. I was never sent there. I was sent eight miles from the DMZ. I assumed [this was done] for standing up for my rights.

I have been threatened by the CID and the CIA. Now I'd like to get into what I saw in Vietnam.

Mr. FINDLEY. Could you abbreviate a little bit. I think we've run over the eight minutes.

Mr. GIARDINA. Okay.

I sat on the demilitarized zone from January, 1970 to June 1970 and saw American B52 bombers bomb North Vietnam and Laos while the American people weren't told that we

did this. Not every day, I'd say four times, five times, sometimes seven times a week. And the people back here when I wrote home and asked if they were told this—because when I left the states this was the policy that we were not doing these things. And we did these regularly.

Now, our outpost was Kay Sahn and others around there. I'd see indiscriminate firing over the borders for no reason. I'd see our soldiers crossing the borders when we were not supposed to be doing this, and I'm talking about before the American people were told we were doing these things. And I guess that's about all.

Mr. BINGHAM. Thank you very much. I have no questions.

[Applause.]

Mr. BINGHAM. The next witness is Michael Paul McKusker.

MICHAEL PAUL M'KUSKER

Mr. MCKUSKER. My name is Michael Paul McKusker, and I'm from Portland, Oregon.

My serial number in the Marine Corps was 1671684. I served six years in the active reserve in an outfit called Fourth Force Reconnaissance, which was parachute and scuba qualified. Before reenlisting into active duty for two years in 1965 to go to Vietnam, where I was in 1966 and 1967 with the First Marine Division Informational Services Office. I was a Sergeant E5. My prior experience with this type of business had been close to two years on a paper in Pasadena, California and another almost year on another paper in Monoga [phonetic] California.

So I was pretty well versed in the newspaper business prior to going over to Vietnam as a newspaper correspondent. I was a field infantry correspondent which meant I was basically an infantryman walking point with a camera and a rifle. So I had two duties to fulfill.

These atrocities that you've been hearing all day today concerning especially atrocities in the field, torture of prisoners, the absolute contempt toward Vietnamese and Vietnamese society, the degrading and humiliation of all Vietnamese within the I Corps area which ranged from the DMZ down to Duck Pho [phonetic]—basically I was stationed in the Chu Li area before the Army came in—all of these things, these atrocities, were never reported upon. Even if I were to write them, and sometimes I did, they were redlined and completely out of all copy that I wrote. Pictures, though the word was not called censorship—and Larry Rottmann brought it out—they were not cleared for release. But he was an officer. He did send his stuff off to MACV and got it stamped. Whereas in my case I had staff NCOs stand on every picture, every picture I developed or had developed, and they cleared those pictures before they were ever sent out of Chu Li to the Danang Combat Information Bureau, which was the Third Marine Amphibious Force clearinghouse for all journalistic endeavors.

My stories went through a battery of at least four people in the Chu Li First Marine Division Office before being cleared to go to CID in Danang, and there they went through another battery of about eight people. So about the time you saw any of your copy it really was not recognizable. All of the things, and even subtley that you tried to sneak in there, really never got through either.

Also you could not write under military regulation to any newspaper in the United States without being a correspondent accredited by the military. In other words, you would have to be a military correspondent.

The Marine Corps burned a lot of guys in Vietnam who were fed up with what they were doing, and they would write home to their newspapers and their newspapers would sometimes publish them, and that man was in trouble.

In the year that I was there I went on several—I went on several major operations, most of the time being on the small operation, squad patrols, the small unit stuff, where your everyday atrocity, your everyday contempt for the Vietnamese really manifested itself.

I can't really elaborate more than Rottmann did on the policy itself, because it was essentially the same. It was generally unwritten, the written policy being the cover for the acual things that were being done. The politics of torture you've heard from intelligence agents; nevertheless they never got very far with the prisoners themselves because eventually they would tell everything that you wanted to hear. Whereas the politics of torture actually are to implicate you even more into the crimes themselves and make it easier for you to do it the next time. It escalates your contempt. It escalates your desensitizing.

As a reporter in the field I had the experience of all these things. I can give you specifics if you ask for them. They're in my testimonies both at the Citizens' Inquiry in December here in Washington, D.C., Citizens' Inquiry into American war crimes in Southeast Asia. They're also in the Congressional Record of April 6th and 7th, both days because I testified twice in Detroit for the War Soldiers at the end of January and the beginning of February. So I really don't need, I don't think, to elaborate on those farther, because my Senator was the one who introduced them into the Congressional Record.

I do know that the testimony I've given, the testimony that all of us gave in both places, the pertinent testimony of those who have not given testimony before, who are giving them now here this week in D.C., there are still, like within the state of Oregon where we held the Winter Soldier Investigation in the State of Oregon. We held the Winter Soldier Investigation in support of this past week and Tuesday. And there were more soldiers who testified that had not testified previously.

And I believe you're going to find this within the next several months a mushrooming thing. Because each state sees Vietnam Veterans Against the War holding more and more and more testimonies as more and more veterans come out and speak.

This body count that you see here camped out on the Mall just across the street over here in only representative of the great numbers of Vietnam veterans who remain behind in their states for one reason or another, on the average to put on actions in support of this.

So actually we're token representation. We're not too worried about a body count. I would like to add before I finish this testimony—and if you want to ask me any questions—I won three out of six writing awards, the first three writing awards of the Marine Corps Combat Correspondents Association for the Vietnam War in 1967 in the Mayflower Hotel. I got to shake the hand of Wally Green who was then Commandant. It was an exciting evening.

As a matter of fact I was hosted and toasted by all the hawks who thought I would make a good speaker around the United States, which I imagine they're quite disappointed now.

If there's any questions?

Mr. FINDLEY. Mr. McKusker, what did you think that you would accomplish by coming forth this week? What would you say was your major objective? Did you really expect something to be different, and if so, what?

Mr. MCKUSKER. No, I personally didn't expect anything to be different; but we still have a few liberals in the group.

My particular politics do not avoid any way of getting things done, I guess. A lot of men who have come here have realized the futility that I learned on the McCarthy Campaign in Chicago, where a lot of guys I was in Vietnam with were fighting another war, and we got clubbed on the head. We never did make any braid for the Battle of Michigan Avenue.

What we hope to accomplish here is manypronged, one of which was finally a visibility and recognition as veterans involved in the anti war movement. It's only been within the past less than a year, perhaps beginning with the People's Army Jamboree in Portland, Oregon that we put up against the American Legion, and there was news value there. The press probably had to swallow its not wanting to identify veterans in the movement because there was a story of veterans against veterans. And so, therefore, finally, irrevocably the participation of veterans in the anti war movement in such numbers was spread out across the country.

And then directly afterwards was Operation Rah from Trenton, New Jersey to Valley Forge, Pennsylvania where the organizers ran into the same problem that General Washington did 200 years ago, where the city fathers didn't want to give him the park. Except we didn't rip off the people like Washington did. Because we did finally get the park.

Then of course were the two investigations in Washington and Detroit, leading up to this now. Again, we thought—we had a lot of sympathy locally. We've had perhaps a few precedents set, one of which was a judge lambasting a legislative body concerning illegal laws that the judiciary has to follow up on, has to enforce. That was an interesting concept.

I think a lot of men here learned that they are free, that they can be free if they take those freedoms that are supposedly guaranteed them. We participated in some civil defense, as you are aware, this week on a low key level, but on a level that we term to be successful. As a matter of fact, this afternoon at the meeting I'm going to propose the Vietnam Veterans Against the War send a letter of thank you to the judiciary and to the Executive Branch for their support, because they've made it all a success.

We don't stop from here. I can see where we might be catered to, to some degree to make us think that we have accomplished something so that we go home, we pat ourselves on the back and think we have done nothing and do nothing more. But this really is only the opening curtain. After three long years of the Vietnam Veterans Against the War being in existence, and I'm one of the first members, this is, let's say, the first curtain finally. We've been building the stage for a long, long, long time. And now we're on stage and it's not going to stop.

And I think increasing pressure from Vietnam Veterans both in and out of the military is going to increase, because we've heard for years what people have said, how our boys feel about such things and what their morale is without consulting our boys, expecting them to return as Boy Scouts instead of men who have killed, and who have killed in the name of one thing and they can do it again in the name of another. You're not playing with Boy Scouts anymore. This Administration is not. We are tough.

Now what we do with this toughness depends. We're on all spectrums of political ideas, from men who believe in this system, who would like to see it work, who are attempting this week to try to get it going, men who think that the Administration has been of good will and that they're only made mistakes and that they only need to have those mistakes pointed out to them; to men such as me who do not believe this war to be a mistake, who believe it to actually have been policy going a long way even before Diem. Because my involvement in the war past the guilt and confessional trips I went through for a long time, I did a lot of research. Unfortunately I did it belatedly.

But I've done a great deal of research. And the pattern manifests itself. The most important thing about our testimony here and the testimony that was given in the past is the redundancy of it. But you've got men who were in Vietnam in '61, you've got men who were in Vietnam in '71 and all those years in between. And they're saying the same things. All those years, all those units in all of those places in South Vietnam, Laos and Cambodia. And somehow you have the same picture.

These men which you see here are doing the same thing all these years. It becomes almost boring. And these atrocities, the contempt for the Vietnamese. Also, one point I would like to make concerning the press. That is, we were never given an opportunity nor were we ever encouraged to look at Vietnames from the Vietnamese way of life. The Vietnamese civilizations, Vietnamese ideals, their culture, their religion, their whole outlook of life has never been presented or was ever considered in our policy toward Vietnam or toward us even in the field. We were never encouraged—and as a matter of fact I wrote several stories. They were always rejected, concerning the Vietnamese themselves through an interpreter, of course. My Vietnamese was quite nil. You send a generation over not understanding the language. They don't know the culture either. Only intelligence agents and interpreters for intelligence purposes are allowed to learn the language. You just pick up what you can in the field.

Those stories I wrote and stories that friends of mine wrote concerning Vietnamese—and it was again through interpreters, both South Vietnamese and American that we got these stories and these points of view from themselves and their way of life, were always cancelled and redlined. We could never submit those stories. We submitted them, I should say, but they were never accepted.

So in other words, the Vietnamese were never given the chance, either through our organs in the military who dealt with them everybody to explain themselves.

Mr. BINGHAM: Thank you very much. The next witness is William W. Lemmer.

WILLIAM W. LEMMER

Mr. LEMMER. My name is William W. Lemmer. I am presently on active duty, U.S. army out of Fort Benning, Georgia.

I am a representative of not only the Arkansas Delegation functioning with the Georgia Delegation with the VVAW; I also represent 113 members of the Armed Forces from Fort Benning, active duty and one dependent of a man who's in Vietnam right now.

I can't feasibly go into war actions that I've been involved in by nature of my active duty status. However, since this is a hearing on censorship, military censorship, I thought it would be appropriate to come to you with what I have here.

113 of us last Saturday got together and signed a petition, a legal petition directed toward our members of Congress. And it was to be an open petition. One of our people stood up, a PFC Dave Richardson from the Stidder [phonetic] Brigade, 40th Company, Fort Benning, stood up and read publicly this statement which reflects the sentiment, the feelings of 113 veterans and future veterans, people who are on levy for Vietnam right now. The war does directly concern us. However we feel that crimes are actually being committed against us, as they've already been committed against me. We're subject to harrassment, undue harrassment from military intelligence sources, from our local command elements simply because we would stand up and voice our opinion here. PFC Richardson is now confined to Fort Benning, Georgia indirectly because of this. He made the statement that this was to be brought to Washington for presentation to Congress.

However, he was retained at Fort Benning under the pretense of having possessed illegal anti war—underground, if you will—literature. GI Press Service, various GI directed or servicemen directed underground literature. It was for this reason that they detained him.

I was told before coming up here that if I in any way reflected any discredit upon the United States Army or made any statement detrimental to the morale of our people there, which is about as low as it'll get right now, that I would be suffering for the next three months. And it took a great deal of courage for 113 men to sign their names to this petition. It took a great deal of courage for one active duty member to come up here and present this.

One man who was involved in this movement some months ago received a permanent change of station. He was sent to Korea for his actions as far as GI rights go. He was actively participating in programs outside the base trying to get information to the GIs who are grossly misinformed as to their rights under the UCMJ, and apparently the military establishment I know at our post will do anything that they can to see that we can't distribute literature simply informing them of their rights, even if it's an abstraction directly from the UCMJ itself. Recently we submitted a letter to General Orwin Talbot, the commanding general of Fort Benning, Georgia asking permission for distribution of GI rights pamphlets, which as I said are extractions directly from the UCMJ. It was turned down on the basis that no one of authority had actually signed their names to the petition, not a petition, but to a letter. It was declined.

Okay, the statement that PFC Richardson made read—read, rather publicly last Saturday is completely legal. It is a legal petition to Congress; in detaining him directly or indirectly they did interfere with an appointment with Senator Vance Hartke, his Senator from Indiana, and he feels that he was done an injustice here and asked me to come forth before some group of people. And I think this is an appropriate group of people right here to come before, and let this fact be known.

I've been intimidated. A lot of us have. I was threatened. I can't be sent to the field on operations. I can't be assigned to Vietnam again. I've been there twice already. I made my second trip—I was in Vietnam twice last year. I was Medivac the last time after 32 days because they didn't bother to look at my medical records. I have asthma. That was ignored for 11 months in Vietnam the first time. I kept going to them trying to get a profile for it. I was denied this. 32 days after my second tour was initiated I had to be Medivaced for an acute bronchial asthma attack. I think this qualifies me to speak as a Vietnam veteran. I am a combat veteran.

If I may, I'll run over the highlights of this petition, if I may, to assure you of our feelings here and what we're being suppressed for, for presenting to you. Okay. In this petition presentation before you we sound one collected voice directing it toward the highest office available for our purposes.

We who have fought and supported and we upon whose shoulders the burden falls to continue the war come to you in confidence that you will now take whatever action may be necessarily to right a decade of wrongs.

We feel that any hopes of a military victory in Indochina will serve only to prolong the system of fruitless invasion and further killing of civilian populations on both sides. The pushing of South Vietnam forces across one border after another constitutes a crime both against the country whose forces are intimidated by their actions and against the ARVN troops who are wasted in eventual defeat.

The statement by the GIs simply states: End all hostilities involving Americans. This is what they're asking, not just ground actions but air operations as well, stating that we feel that as long as America supports such actions Americans will die unjustly.

Article 2: The Nation has been asked to decide whether our effort over the last ten years has been just or not. Okay. We won't go into MeLai. I sat in on the MeLai case of Lieutenant William Calley for five witnesses. It came as a shock to me to find that they actually convicted him, God knows, of murder.

Okay, the statement from the GIs says that there can be no differences when it comes to wholesale killing, whether it be point blank in the case of MeLai or miles high as in the cases of the bombing of the North. We are involved in wholesale killing and these 113 men right here ask that this petition be brought before you, asking their members of Congress to do something to stop it. That's all that this petition states.

Article 3: The crimes against the American youth. If a man chose to resist the draft on grounds that the nation was waging an illegal war he has up until now been branded a traitor. And if a man chose to flee the service, this being his only alternative to going to the war he opposed, he was either exiled or imprisoned; rather than correcting only the wrongs done to the people of Indochina please move to right the wrongs done to those who are forced to leave their homes in America to live in exile outside our borders and in the cells of Federal prisons.

We do hereby call, plead, if you will for action leading to an unconditional declaration of amnesty for all war resistent exiles and prisoners for it was they who saw years before now that our presence in Southeast Asia would lead to the United States being where it is today, and the effects of this conflict and the anxiety upon this generation whose choice of war and persecution has lead to a torn sense of moral values. We feel that it will be felt throughout the remainder of this century.

Stating their position as far as war resistors, having no hard feelings, as it is, toward those people who chose to resist the draft and refused to put themselves in the same positions that we voluntarily and involuntarily put ourselves into.

Okay, Article 4 pertains to us. And us alone at Fort Benning. And this is the right of the serviceman to dissent. The nation is divided in its opinions concerning the Indochina War. Since we are in Army made up of members out of the same population there are divisions of personal opinion among the military ranks. But because we are the ones who must go into the actual battle we are expected to be in support of the war and we're not supposed to speak against it or the system and the attitudes that serve to perpetuate it.

Anti war mail can be seized in Vietnam. This is a fact. But it is being seized here at home, too. And those among us who would organize ourselves to make our opinions known are persecuted.

Imprisonment, confinement of those who would speak their sentiments amounts to nothing less than the taking of political prisoners. Under the excuse of fighting Communism our leaders have begun to use unjust tactics, in the name of justice and national unity. We are denied the same rights that we are told that we are fighting for, freedom of speech and freedom to dissent need not tear down the nation. And I feel that we've seen it right here with the VVAW demonstration, a very, very constructive demonstration. And this is in support of

VVAW, and we want the right for active duty members to be able to conduct ourselves in this same manner without being unjustly persecuted, simply because we can no longer go along with the attitudes that have been carrying the war—carrying along the war, and have been sending us to the war.

The people who would resist the war are persecuted. The ones that try legally to get out of going, those with legitimate medical rights, are either ignored or harassed until the best decision that they can make is to go on to the war, and God knows, get out of the situation under which they are subjected right here in stateside duty.

Mr. BINGHAM. Mr. Lemmer, could you wind it up. You are over the eight minutes.

Mr. LEMMER. Okay, what we're asking right now is that something be done to help the members of the active duty armed forces, those that are members or veterans of combat status that don't want to be combat veterans but who are about to be, those who would speak out against the war be allowed to, as is their right. As long as they remain within their rights keeping them from being persecuted. And their sentiments are being silenced forcibly. We are not even allowed to read what we want to.

Underground literature, anti-war literature has been declared illegal, that is, a prohibited item on our post. Our post alone. I can't speak for the others. But for our post anti-war literature is supposedly a prohibited item. And they're being seized illegally. The people who would stand up and speak out against what they feel is being done to us are being persecuted indirectly, or perhaps directly. Just like I had a number of people who wanted to come this weekend but who are now confined to post, simply because their leaders knew that if they came here they'd participate in something like this, and for real fear of reflecting discredit on their individual unit. And because some captain was afraid that some colonel would jump on his back. And because one of his privates participated in an anti-war demonstration these people were kept from coming here, from seeing their Congressmen, their Senators, and from participating in a totally legal method of dissent.

My justification for being here was to deliver this petition. And if I may, I'd like to present it to you right now, and my mission is accomplished. [Applause].

Mr. FINDLEY. Mr. Lemmer, could you come back to the witness table for a moment, please?

Mr. Lemmer, do you feel that you are in violation of Government regulations in being here today?

Mr. LEMMER. No, sir. I do not. Otherwise they wouldn't have given me leave to come.

Mr. FINDLEY. That was my next question. In view of the action taken to keep others away, why do you suppose they permitted you to come?

Mr. LEMMER. Okay, recently it came to light my involvement with the Underground GI Rights Movement. For instance, they went to a lot of trouble to find out something that if they had come to me as such and asked me I would have told them anyway. It's completely legal.

I do a number of contributing pieces of artwork for an underground press which can't be legally prohibited. That action right there is legal. Mass distribution of underground literature, anti war literature on a military installation can be.

Okay, I was told that I was pinned to the wall by military intelligence. I myself have been told that I am under surveillance, which I resent simply because I draw for the underground press. Well this is fine. Okay, my action here was to give me in my opinion enough rope to hang myself, to see what I'd actually do, if they could get me in a civil disturbance case turned over to military authorities, arrested, as it were, by civilian authorities and perhaps lead to action toward my discharge.

When I go back I'm going to receive some type of harassment, I know, from my presence here. I expect it. Other people got the harassment simply because they didn't make their feelings known prior to that.

Mr. FINDLEY. Mr. Lemmer, the petition that you presented to us contains a good many names. I feel a little bit hesitant about publicizing that list of names without some positive assurance that these men knew that this would be made public.

Mr. LEMMER. Okay, it was announced publicly the same time this petition was read. It was read aloud last Saturday at a peace rally which was organized by our people for the purpose—okay, we told them before they even signed it that this was going to Washington, and if you wanted your voice known, if you wanted it heard please put your name on here. It is a legal petition. And we made it known to them that it would be coming on to Washington and that it would be made known publicly here. And it is in this understanding that these people signed their names and asked us, Please, get it to Washington.

Mr. BINGHAM. In terms of war policy your main criticism is that we aren't getting out fast enough, is that a fair statement?

Mr. LEMMER. That is one of the complaints.

Mr. BINGHAM. What would be the other couple or three?

Mr. LEMMER. Okay, for one, we're committing crimes over there. MeLai, okay, that right there was an admission that crimes have been committed, one at least. As a veteran I know and a number of other people know, people whose names are on that petition right there, know from first hand experience, from actually committing said crimes—and I can't go into it any farther than that. Once you're out now the Supreme Court says well, fine, you can't be fined for something you did then. Beautiful, I'm not out that so I'm not going to say a word.

Crimes have been committed. This is one of the things we object to. Another thing we object to is what is being done to the American youth, the anxiety that's placed upon a man as to whether he should perhaps go to college or whether perhaps he should not, forget about it, just go on into the military, take his chances. If he's opposed to the war and you can't be opposed to one war, by law, you've got to be opposed to all of them now. You can't just pick the Vietnam War.

Okay, a lot of people would love to serve their country, but not in the Vietnam War. A lot of us, I myself when I first came into the Army I was very very conscientious. I couldn't find an actual motive for dissenting against the war as a civilian, and refusing the draft or induction of any type. And because I couldn't form an opinion and I knew I should I had to get first hand information.

And so I thought I owed it to somebody to go and see. I turned down an OCS class date. I rather violently turned it down, as a matter of fact. They were going to make me go anyway, before I changed things. But I didn't want to see it from the viewpoint of an officer. I wanted to see it from the viewpoint of a private, and 11 Bravo, a light weapons infantryman, the man whose responsibility it was to look into the eye of the enemy, pull the trigger, kill the man, get mud all over him, in the jungles, the paddies. I've been in both. Get himself dirtied, get mud on his hands. Because this is the man right here above all other people, this is the man, what we call the boonie rat, the light weapons infantryman has more qualification to speak against the war if he feels like it than any other man there can be in the war.

[Applause]

Mr. BINGHAM. Mr. Lemmer, I would like to compliment you on your courage in coming here and as far as I'm concerned I will certainly do anything I can to see that you're not arrested. We will put this statement in the Record, Congressional Record, accepting your assurance, that this is a petition to the Congress and that the people who signed it presumably knew what they were doing.

You're a draftee, Mr. Lemmer?

Mr. LEMMER. No, sir. I enlisted. Three years M1, I went through a portion of Special Forces Training. When they found out I was about to try and received a legitimate medical discharge, they offered me a discharge on the grounds of psychiatric disability for some ungodly reason I never found out. And told me that if I wanted to get out that they would get me out. I turned it down. They said, where would you like to be reassigned? And I said Vietnam. In three days I had orders for Vietnam. I had a 16 day leave before I went to my first tour.

Mr. BINGHAM. And you were sent back there a second time?

Mr. LEMMER. I was sent to the 82nd Airborne Division after my return from Vietnam the first time. We were terribly understaffed as far as TONE strength, that is the standard strength that's supposed to be maintained in an infantry unit.

All of a sudden, and I could go further into what I believe was behind this big levy, that is, this big withdrawal from the states and putting all these people—we had 5900 men from the 82nd Airborne Division alone. Within one month there was a series of three levies sent to Vietnam, during the months of July and August of 1970. We were told, however, that we wouldn't be spending a full 12 month tours. We were going to spend 10 month tours.

Mr. BINGHAM. Were all these men going back for the second time?

Mr. LEMMER. I—a lot of us. One man in particular, a man named Private Henning, he came back from Vietnam an E1, received orders for Vietnam, unsolicited orders. He didn't even request it. Eight days after being in the replacement station of the 82nd Airborne Station, he received orders to go back to the Vietnamese War. And when we got to Cameron Bay, which is the incoming station there, the dispersal station, replacement, if you will, they wired Long Binh as to this man's status. They were going to send him to a unit known as the 5th Meck, up on the DMZ. He wanted to go back to his old unit which was my same unit, the 173rd Airborne Brigade. They told him that even though he was a second tour personnel he was on levy; therefore he did not have any choice in the matter of where he was going to be reassigned. That they would assign him where they felt that he was needed most.

He presented the fact that he was in Fort Bragg eight days before he was given orders to come back. Immediately they wired Long Binh, and Long Binh came back with an ITT or a teletype message saying, Send the man where he wants to go and for God's sake, keep him quiet. Just get him there and keep him quiet. They sent him where he wanted to go but they didn't keep him quiet. He did manage to get a letter off to his Congressman.

Mr. FINDLEY. How much longer do you have to serve?

Mr. LEMMER. I have three months, Sir.

Mr. FINDLEY. Do you happen to now know who your Congressman is in Arkansas?

Mr. LEMMER. Yes, sir. It's J. Paul Hammerschmidt. I contacted him when I had a reassignment problem this last time in Cameron Bay. I contacted him. I wasn't in time, however. I was forced to go on to my next unit where I spent ten units before I was Medivaced.

Mr. FINDLEY. Mr. Lemmer, when you get back to Fort Benning, would you please pass the word that you have presented the petition and that the intention is to place it in the Congressional Record. And do your best to get the word to all of those who signed it, so that if any of them have second

thoughts and don't want their name in the Record they can get in touch with Mr. Bingham's office and get their names off.

I worry about the possibility that some of these men really may not want that publicity.

Mr. LEMMER. Sir, I'll do my best. And I, if I'm not able to go through the Army's PIO system to do it, I wouldn't worry about it because I feel that our underground news publication gets a wider publication or circulation anyway. Thank you very much.

[Applause].

Mr. FINDLEY. Okay, Mr. Bingham. I believe we have four remaining. And that will conclude our list of witnesses. The next one on the list is Alex Prim.

ALEX PRIM

Mr. PRIM. My name is Alex Prim. I live in St. Louis, Missouri. I was drafted in September, 1967 and I went to Vietnam in the end of September, 1968. I was released from service in June, 1969.

In Vietnam I served with the first logistical command with Headquarters at the Information office. I first was assigned after arriving in Vietnam as a rewrite man in the Information Office.

I then became a regional correspondent, and traveled around Vietnam as a correspondent covering a variety of stories.

After this I became editor of our newspaper. My testimony concerns the changing of news and the ineffectiveness of the military information policies of assisting American citizens in understanding what Vietnam is like for military people assigned there, and what the war is, as such. I think most of us who have been to Vietnam, one reason that we are here today is because our fellow citizens have a very slight idea of what the war is like. Most of the civilians don't realize that the Vietnamese regard the Americans as forming an army of occupation. They do not see us there as assisting them.

I can give an example which has been given before, but I'll make it brief this time. It's in the Congressional Record for the Winter Soldier Congressional Investigation. But it's the only incident that I have to relate that can get in across clearly. It's the only incident that I have to relate because most of the news that I had to report on was of a trivial non news nature.

There just wasn't much news. Our office covered such things as reporting on the amount of turkey that would be served in Vietnam on Thanksgiving Day or Christmas. We also gave—sent out a special team to cover the Bob Hope Show. We also covered the arrival of a Christmas ship at Cameron Bay. These were major projects that were covered. And I did hear stories of how the logistics were in a real snaffoo, how there were supplies coming to Vietnam that would sit in warehouses for months and then be returned back to the United States because no one knew what they were there for.

But I knew nothing about this. These were just rumors. And Vietnam is such a large operation that no one man, especially an enlisted man like myself, can really see the whole picture. And that's why investigations such as this are so important, because each man can say what he did and what he saw, and then perhaps someday the whole picture can be told by each person having his say.

This one story I'd like to relate came to our headquarters from the Quinyan [phonetic] support command. It was a story that was written by a military correspondent there about a pipe line repair team that was repairing pipe lines that would carry oil from the coast to air bases further inland.

These pipe lines were constantly being hit, being sabotaged by the Vietcong. Also Vietnamese women would take apart the pipe lines. I gather they were sort of portable light pipe lines. They would take them apart and take the oil. So when this pipe line repair team would be called out to investigate a reported break, they didn't know if they'd be running into an enemy, or they might just be finding some Vietnamese women taking a little oil to cook with.

They had suffered quite a few casualties, and it had also been a highly decorated unit which is unusual in that district. I was given the story. It was about seven or eight pages long and I was told to cut it down. I reworded it making the lead deal with the number of decorations that these men had won. And also mentioning that there had been men killed and wounded. I turned the story in after I rewrote it to my information officer, a lieutenant. He gave it back to me and said, Delete the fact that there had been men killed and wounded and delete the fact of their decorations they've won. He wanted the article to sound like the men had no troubles doing their job.

I said I felt—I persisted. I felt it was important that these decorations be mentioned at least. I could understand why the military would not want the casualties mentioned. It's bad publicity even though it is the truth. He agreed and he let me put the fact about the medals won in the story and it appeared at the end of the article. It was published in our unit newspaper.

This is the end of my testimony.

Mr. BINGHAM. Are you Alexander Prim, Junior?

Mr. PRIM. The fourth, Sir.

Mr. BINGHAM. I believe your father and I were classmates. I have no questions to ask, but I would like to thank you for coming today and giving us this information.

Mr. FINDLEY. Mr. Prim, as a result of our earlier conversation I know that you are the coordinator for Illinois and Missouri. One thing that troubles me—and I know it places you in a difficult position of being introspective about this—is the possibility that the veterans here in Washington this week are really not giving President Nixon credit for what he has accomplished. Would you examine that? Do you really think the veterans are giving him the credit he deserves, in light of the troop reductions which have taken place?

Mr. PRIM. I think we're all glad that the President has started to reduce the number of troops. I think if there were no reductions we wouldn't be here. I mean, there would be much more violent confrontations taking place. I think most of us, we are glad that they're taking place; but we feel that the President has not been making a basic change in policy. Like one man testified here, there is—what is happening now in Vietnam is not a Vietnamization but an Americanization.

We are just changing the color of the corpses. There is no basic change in policy The bombing is still continuing at a similar rate or perhaps even a higher rate. So we feel that while a slight change has taken place, the basic policy has not been changed. And the basic policy, we feel, has been that we have to support a non Communist Government, and that Indochina is essential to the security of the United States.

Most of us who have been to Vietnam have seen that the Vietnamese do not want us in their country, and we've seen that the war—and this is hard to document—but the war is a civil war. It's not a war where the Vietnamese, or where the enemy—what we've seen—has any desire to come over to this country and take over us. We have seen that this idea that we're fighting in Vietnam because soon we'll be fighting on the shores of California. This idea is not true at all. The Vietnamese just want us out of there, and we had this feeling every day, because the average Vietnamese people hate us. They do not want us in their country. If they wanted us there the war would be over in several months because the Vietcong and North Vietnamese would have none of the support of the average civilian.

But now they obviously do and that's why they've been able to persist for so many years against the might of our military.

Mr. FINDLEY. Do you have any way to know the extent to which your attitude reflects that of the Vietnam veterans? Have you taken a poll, or are you engaged in it? Can you give us a progress report on any efforts that are being made to really determine the attitude of Vietnam veterans?

Mr. PRIM. That's very hard to do. I've been spending most of my days for the past five or six months—well, the last three months—working with Vietnam veterans and trying to get them organized to come here to Washington, and trying to get them organized to work in their own homes to end the war.

I have run into Vietnam veterans who do think that the war is a good thing. Most of them feel—those who feel the war is a good thing, they feel that we're helping the people. This is their opinion, and it's very definitely in the minority.

Most Vietnam veterans cannot be organized. It's hard to find them. They come back and they do not want to join a veterans organization such as ours. I assume they do not want to join the American Legion or any other veterans organization. They want to get back to normal life and try to forget about what they've done. They want to forget about the military; they want to forget about Vietnam. They want to get this experience out of their minds and they want to go back to their jobs, their wives, their families, school, and they don't want any more to do with this. And they'd just as soon forget about it.

There are those of us here who do feel that we have a responsibility to continue being active with the military in the sense of not being in the military, but serving our country to tell our fellow countrymen that what we're doing in Vietnam is wrong. We feel what we're doing is patriotic coming here. And most veterans do agree with this and would agree with what we're saying here. Ninety percent of the veterans of Vietnam are against the war, but they're just too involved to be active.

There's also another thing that's taken place with Vietnam veterans.

They've been dehumanized in a way, and this is a frightening thing that's hard to explain. They do not feel like full people in certain ways. They're lost and they're confused. Many of them don't understand what they went through this for in the first place. It was never explained to them and they're at a loss to get adjusted to a society which says one thing about Vietnam but which they know to be otherwise.

Mr. FINDLEY. I wish that the attitude of the American people on the veterans visit to Washington this week could be formed on the basis of what has been presented here today, and particularly on the very good testimony which you've presented, instead of the odd bits of disturbance, harrassment, violence and arrests that have occurred elsewhere.

Thank you.

[Applause].

Mr. BINGHAM. Mr. McLaughlin, Robert McLaughlin.

ROBERT M'LAUGHLIN

Mr. MCLAUGHLIN. My name is Robert McLaughlin. I'm from Middletown, Connecticut. I was a staff sergeant in the United States Army. I served two tours in Vietnam in the 74th LRP 173rd Airborne Division. I have a total of eight years in military service.

Mr. FINDLEY. What does LRP mean?

Mr. MCLAUGHLIN. Long range patrol.

I couldn't possibly talk about all that I saw or did. I'm going to talk about what I did on my second tour between May of '68 and November of '68.

I returned to the 173rd Airborne Division in Vin Dim [phonetic] Province to LZ English, which is the provincial Capitol of

Bonson [phonetic]. In the provincial capitol there is an ARVN prison which is run by the Vietnamese. I witnessed Vietnamese prisoners, suspect, that were forced to work filling sandbags by the ARVN soldiers. This is against the Convention, the Geneva Convention.

I became aware working with the MI attachment that any Vietnamese could be held suspect for up to two years without a trial. While I was there there were two insurrections in the prison camp in which the Vietnamese sergeant-major was killed.

I also was there when the Vietcong tried to free these prisoners from this camp. The camp was run by military personnel. If I can digress further on interrogations that I performed on various people. The important thing is that on August 12 I led a raid on a LRX prison camp called Hoyan—HOIAN, the local prison camp. This camp was approximately 2.5 kilometers from the American and Vietnamese prison camp.

Unlike the American Vietnamese prison camp, it was in an unexposed ravine with ample cover from the sun and ample water. There was no exterior security. There were six guards in the camp. In the raid I led between three and thirty civilians were killed.

We did not capture any of the prisoners The mission that I was given was that there were four Americans in a cage in the Tiger Mountains. I wasn't given the location. In the process of the raid we walked into the camp in which there was a large amount of Vietnamese men and women.

Because of the information given me that there were only Americans in the cage I presumed that the camp that I had walked into was in fact a hospital. I thereby called artillery on what I thought was a hospital.

Two days later after wandering through—oh, excuse me. On the way out of the camp I ordered by assistant team leader to knife a man who was in a hooch for fear that he would see us and shoot us. Two days later after wandering through The Tiger Mountains it became obvious to me that that was the camp. I returned to the camp and in fact found that it was a camp and I have a photograph of the camp. Would you like to see them?

What I'd like to talk about is the parallel between the American Saigon camp and this particular camp. Two days after I returned from the patrol I asked the S2 Officer, Major Stand III, if he had debriefed the documents that I had brought out from the camp? He said no, and he told me to go ahead and debrief the documents myself. I took my interpreter, Corporal Yow, went to the detachment and with another interpreter debriefed the documents as much as I could. I spent one whole day doing so. In the process of debriefing the documents it became evident to me that the camp was run by a political cadre and not as in the American and Saigon camps, by military personnel.

The plant was in a gum tree plantation. According to the documents prisoners were required to work in the morning to collect gum from the trees to support the camp. In the afternoon and evening they were required political education.

On many of the trees and buildings there were scrolls of the 11 Rules of Ho Yan [phonetic] prison camp; none of these rules were not within the keeping of the Geneva Convention. The strictest rule that I found was "In the presence of a guard prisoners in a group must squat while being spoken to." Squatting is a typical Vietnamese custom. They don't use chairs.

Another interesting thing I found out about the camp through these documents was that the majority of 38 men, 25 women and 4 Americans that were in the camp or had been in the camp, they were in the camp at one time. There were hundreds that had been in the camp. Most of the Vietnamese men were draftees who had submitted to the draft. The women were wives of the draftees who had submitted to the draft and then had been placed in another camp, another location.

These people were treated very well. I have to draw a parallel here because that sounds so harsh. In the American Saigon camps entire families are held suspect, can be held suspect and put into the camp for two years. This means men, women and children.

In the NFL camps only one person from a family is required to be in the camp at one time. Not only that, if they rotate on either weekly, monthly or quarterly basis other people in the family so it does not disturb the family of the farmer.

People on the average spent six months in the camp at which time they usually joined the NLF. In the process of debriefing these documents it became evident to me that the NLF—excuse me, I'll have to talk about the American—there's a great amount of documents that I did and I can't do it all from memory.

I was told by the S2, Major Stang, that there were four Americans, two of which had surrendered, two with the NLF. I was given a description of the Americans, of two of the Americans. One was a tall blond and the other one was a short black man. In debriefing the documents and through the intelligence that was available to me, I became aware that the nurse who was in charge of the people in the camp not only kept medical records of their medical health but she also kept some psychological evidence on their mental health.

I'm afraid I'll have to open it up for questions.

Mr. BINGHAM. Will you summarize for us the significance you see in all this?

Mr. MCLAUGHLIN. The significance is obvious. The people of Bon Son [phonetic] which is the provinicial capitol of Bin Dim [phonetic] Province are aware that they can receive better treatment in the NLF prison camps than they can in the American Saigon prison camps. Not only that, the Saigon unit that's in Bon Son is from another area of Vietnam, and the name of that unit is Kak Tin [phonetic] which means Go North.

In the province these people are very hostile to this unit, and to the American Sagion prison camp in Bon Ton.

Mr. BINGHAM. I wasn't clear of the circumstances under which you moved in on this camp. You said that one time you called in artillery?

Mr. MCLAUGHLIN. Yes.

Mr. BINGHAM. And then what actually happened? Was the camp evacuated

Mr. MCLAUGHLIN. No, sir. It's very confusing. We walked into the camp at 9 o'clock in the morning on, I think, August 12.

Mr. BINGHAM. How many of you were there?

Mr. MCLAUGHLIN. Six.

The people in the camp saw us and we pulled back.

We knifed the prisoner who later turned out to be a prisoner, because I took his ID card and compared it to documents I got out of the camp. The man that knifed him—and I won't reveal his name—later committed suicide.

I reported the camps as 30, 40 Vietcong which I believed to be a hospital and requested artillery to cover the knifing. I was at the time not in good command of my men. I moved my men to a hilltop nearby and called the artillery. The reaction force that was supposed to help me capture the prisoners was not sent in. They sent a platoon of infantry in to the camp, which I thought was a hospital.

The platoon wandered all day and did not find the camp. Finally, at 7:30 at night I was ordered to move 1000 meters to the camp and fire a shot so they could find the camp. I moved 1000 meters in 45 minutes. It was growing dark. I collected the documents. I still did not know it was a prison camp.

Mr. BINGHAM. I don't understand. Was the camp by this time empty or what?

Mr. MCLAUGHLIN. When we went into it, the prisoners were on the other side of the camp talking. They would not come near us. And we had no capability of rounding them up.

Mr. BINGHAM. And the VC? Was this a VC operated camp?

Mr. MCLAUGHLIN. Yes.

Mr. BINGHAM. And they disappeared?

Mr. MCLAUGHLIN. Yes, sir. These pictures were taken three weeks after. They moved the prisoners to a town called Bin Chung [phonetic] which is about a kilometer and a half away. And they reset the camp.

In other words, there was nothing in that camp that couldn't be rebuilt and used.

Mr. BINGHAM. You called in the artillery fire. Was their artillery fired?

Mr. MCLAUGHLIN. Yes, sir.

Mr. BINGHAM. In reporting this, did you indicate that this was a hospital?

Mr. MCLAUGHLIN. Yes, sir.

Mr. BINGHAM. Was that standard practice, to call in artillery?

Mr. MCLAUGHLIN. Yes, sir.

Mr. BINGHAM. On a hospital?

Mr. MCLAUGHLIN. Yes, sir

The reason I thought it was a hospital was because of the large amount of women in the camp.

Mr. FINDLEY. Did you identify the day that this occurred? I don't recall.

Mr. MCLAUGHLIN. Yes. The patrol lasted six days and I believe it was August 12, 1968.

Mr. FINDLEY. Do you recall the name of your immediate superior?

Mr. MCLAUGHLIN. What I would consider my immediate superior in this particular instance would be Brigadier General Allen who is now, I believe, a Major General.

I would also like to say that the prisoner that we knifed, the person whom we knifed and also the two, the elderly man and woman who were in our way getting to the camp—I reported those two as enemy and VC.

[Applause].

JACK SMITH

Mr. SMITH. On the tour when I was there our standard operating procedure—we worked in conjunction with artillery. We had ground surveillance radar and counter mortar radar. We located enemy troop movements and vehicle movements in the demilitarized zone on the northern side of the river which is considered North Vietnam. Under the Geneva Conventions we were not allowed to fire along the demilitarized zone. However, our standing policy from the time that we emplaced there and through the entire tour was that with our ground surveillance radar which was stationed at Kontien [phonetic] we would in fact locate troop movements and truck movements along the demilitarized zone in the northern half and that we would call in artillery fire on them.

Because of the Geneva Conventions we would not call in the grid coordinates that we'd be actually firing on in North Vietnam. I would call in a grid coordinate 15 to 20 meters inside the southern half of the demilitarized zone, call in that coordinate, get clearance to fire on that grid, put one round on that grid, and then walk the artillery fire across the border into the North Vietnam half and fire on the troop movements.

We would then report any damages when the movement stopped, and any damage would be reported as having been in the southern half of the demilitarized zone at the location that we originally called in, which was entirely false, and it had actually no relation to the facts, to the target that we were originally firing on.

Mr. FINDLEY. Did you ever receive any

written instructions on this procedure, or was it all verbal?

Mr. SMITH. The written procedures on the subject specifically stated that we would not fire into Vietnam, into North Vietnam. The DMZ control would call up every time we would fire and report that we were firing into North Vietnam. We would assure them that we had called in this grid. They would never check it out because they knew that we were firing there and we would always continue the firing into the North and then report it. There was never anything written that we would do it because we had to cover ourselves because we were violating the border.

The second incident concerns unidentified aircraft.

We were a radar unit. We had a capability at Charley 2 of 24 kilometers, and we were located right on the demilitarized zone, so we were looking effectively 23 kilometers into North Vietnam.

We had in addition to locating all friendly and hostile fire, determining where it came from, we also had to track all aircraft in that area.

On six occasions in March, April and May of 1969 we located aircraft flying from North Vietnam down the South, spotter planes and helicopters which were identified. And we identified them as unidentified aircraft and were immediately called in. I went to a briefing with my commanding officer at Headquarters, 12th Marine and we were told never again to file a report that there were aircraft coming out of the North.

From that time on anytime we had aircraft coming in from the North we called in a uniform fox trot oscar, a UFO. We would call it in as a UFO. They would call it down to the Marine Air Group down at Chu Li. They were sending up fighters from Danang and they would then escort the planes back across the border. And we were advised by—I was advised by my colonel and then advised my teams that we would never ever refer to this. It would never be released to the press that we had ever had any aircraft on the border.

Mr. BINGHAM. Why was that?

Mr. SMITH. I don't know why. As much as I would question, I was never given a reason. I was just told that we would never mention the fact that we had unidentified aircraft coming from across the border.

Mr. BINGHAM. You say they were escorted back?

Mr. SMITH. They were escorted back by fighters back across the border.

The next thing was—there were three incidents, one in September 6th, one approximately September 12 or 16, and then September 21st, during the first initial pullout of the Marine troops from along the demilitarized zone.

We were in charge of mortar operations for that entire area. The first ARVN division took over the AO immediately to the right of us which was located 1 kilometer to the east of the base at Charley 2. In this AO for our operation we had plotted on our maps all the areas where the first ARVNs had platoons and companies and ground forces stationed. On two occasions, on the 6th and the 13th of September, 1969 the Marine base, supply base, combat place at Dan Ha was shelled by rocket fire. This rocket fire was determined to have originated from the vicinity about 50 meters from the location of the ARVN base camp. We filed reports on it and the ARVN subsequently claimed that they had never seen the rockets take off, and there was no information that they had on it. So the information was ignored and it was put aside and we never did anything about it, no investigating.

On September 21, 1969 again rocket fire landed on the base at Dang Ha. Six marines were killed. And the rocket fire was determined to have originated from the center of the ARVN base camp in the AO immediately to the right of Charley 2. An investigation was started and we filed our information as to what we had with the regimental commander of 12th Marines that September. The investigation went on for about 2 weeks and was subsequently dropped and there was never any report filed. We never got any information.

When I requested information as to whether the ARVNs had done it, the feeling that I got when I talked to the Colonel in a briefing session on it, was that the ARVNs had in fact fired the rockets because they were very upset with the fact that marines were pulling back off the demilitarized zone and they had to take over the AO.

There had been for the initial part of that month very limited rocket and mortar attacks on the base. But there had been very heavy activity during July and August. In September it had been somewhat diminished. But his suspicions, which he related to me at that time, were that the ARVNs were firing on the base to make it look like the NVA were infiltrating across the border and firing on us so that we would not in fact continue to withdraw at the rate that we were. There was never any more filed on it. The records of that incident are all located with Headquarters Battery, 12th Marines with the 3rd Marine Division on Okinawa right now. They're located with the counter mortar radar section with the full documentation of all the locations, exactly the grids where they were fired, exactly where the ARVNs were located, it's all located in those records.

The next thing was on July 17, 1969, a tunnel was located half way through the mine field at the base of Charles 2, being burrowed from outside the mine field in toward the counter mortar radar location.

It was discovered and two men were discovered in it. The tunnel was exploded and destroyed. The two men were killed in the insuing fire fight. That evening at the briefing the ground commander who was the company commander for Kilo Company, 3rd Battalion, 4th Marines, 3rd Marine Division called us into a briefing and explained that their feeling was that the Vietnamese civilian woodcutters, the refugees who had been relocated from villages in that area and who made their living by scrounging wood and garbage from our garbage dump right outside the base, that these people as such had been forced by the NVA to carry off the dirt in their little baskets that was being excavated from this tunnel.

He sent an order that evening that the woodcutters would no longer be allowed into this area, which was a free fire zone, to collect the wood. To implement this he ordered three 55 gallon drums of CS gas dropped from helicopters on that area. That evening it was implemented and we had three 55 gallon drums of CS gas dropped on the garbage dump. The next morning on July 18, 1969 19 civilian woodcutters, three of them men—and they were all men of over 50 years old—the remainder old women, young women and children came out as was their usual activity, came out to the base and started scrounging for fire wood in the garbage dump.

As they went to the garbage dump and turned over the garbage they released the gas which had been trapped under the garbage. They immediately started vomiting, becoming noxious and sick and started fleeing from the dump.

The company commander, the base ground commander, then ordered the third platoon of Kilo Company along the perimeter—the platoon commander and the platoon sergeant were there. There were two men with M79 grenade launchers who fired CS gas grenades over the heads of the Vietnamese and behind the Vietnamese to force them along the perimeter and in towards the wire on the outside of the mine field.

As they went along and got in front of the base where the men were lined up the men inserted a magazine into their weapons and on command of the platoon commander opened fire on the civilians.

They opened fire initially on the dirt immediately in front and to either side of the civilians to make them dance. And the Vietnamese started scurrying around and hopping up and down as the bullets bounced around them. They then shifted their fire and the bullets started striking them in the legs and the arms and several fell. I went over and requested that the platoon commander stop this because they were unarmed civilians. He refused and I went into my bunker and reported back to my commanding officer that the incident was going on.

When I returned the firing had stopped. There were no more civilians there. The bodies had all been dragged off. This is what I was informed. I did not see the bodies dragged off. I do not know how many were killed, but there were 19 that originally were out there. And my report was never filed, never went up the chain of command. It stopped at Headquarters Battery, 12th Marines.

Mr. FINDLEY. Could you identify the officer to whom you reported the request that the firing halt?

Mr. SMITH. I did not know his name. He was the third platoon commander of the 3rd Platoon, Kilo Company, 3rd Battalion, 4th Marines. And the date of the incident was July 18, 1969.

The report is again with the Records of Counter Mortar Radar at Headquarters Battery, 12th Marine, 3rd Marine Division on Okinawa.

Mr. BINGHAM. You filed a report and you know that nothing further happened to that report.

Mr. SMITH. Nothing further was done. Every time I went in to request it, they said that nothing was being done, that they were only gooks anyway.

Mr. FINDLEY. This certainly is a terrible incident which you reported to us, and I will do the best I can to get the facts on it.

Thank you very much.

[Applause.]

Mr. BINGHAM. David Maize.

DAVID B. MAIZE

Mr. MAIZE. My name is David B. Maize. I served in the United States Air Force from May, '66 to January, 1970. I received an honorable discharge. But I speak not only as a vet but as an ex GI dissenter who was courtmartialed indirectly, similar to the other testimony.

I was courtmartialed for the expression and participation in an anti war activity, and I think I can speak for all the vets here in saying that we agree that fighting a war in which such a man as Ky, a Massachusetts resident, is sent over to head a presumably free government, a war in which a whole population is either locked up in what seems to be concentration camps or enlisted into the Army, a war in which hundreds of thousands of reluctant GIs have turned to drugs to escape, a war which was instituted in the spirit of Nineteenth Century diplomacy.

The dissenting veterans here feel that members of Congress are responsible for implementing a foreign policy here which is resulting in such a grievous war.

That policy-making is a mere extinction of the morality of the people who are responsible for implementing this policy. We address members of the Congress in order to what we feel to be rectified, the morality and the policy-making that's responsible for wars such as Vietnam.

I come from the State of West Virginia and our state has lost more GI fatalities than any other state across the country on a percentage basis. And I think I have the right to speak for a lot of GIs who aren't here today

as a result of the war that is causing so many social problems that we see today.

I think even the veterans here today are the result of this war, of the policies that perpetuate this war, the policies which perpetuate the society in which we live. We believe that society is changing and we're here to peacefully demonstrate against the policy in which we do not believe. We are here to make an attempt to change the morality which is responsible for this war.

I think that in the last week or so a lot of Americans have been affronted with concepts of the very people who fight the war and who are now protesting against it in force.

And I think that public opinion is gradually changing. I think the public doesn't really support the war anymore. And I think that the war should be put to an end and I can speak for the vets against the war in saying that we feel that the war should be stopped today.

We think we have more urgent problems here at our home, and we think that the society that produces a generation of people who can't believe in that society anymore needs to examine its morality, its purpose and its laws.

We feel that our presence here will help to demonstrate this. Speaking for myself I witnessed quite a few atrocities in Vietnam like the everyday abusement of Vietnamese prisoners, or just Vietnamese people in general, like GIs——

Mr. BINGHAM. I don't think you told us what your rank and position was.

Mr. MAIZE. When I was in Vietnam I was Airman first class and I was on a mobility team traveling through Vietnam for a period of three and a half to four months from Bangkok, Thailand, 6th aerial force squadron. I was at various locations in Vietnam. I was at Kheson at the Kheson conflict. I was at TruBi (phonetic). I was at Danang, Cameron Bay, Tansunut (phonetic), SongBi (phonetic). And at SongBi I witnessed—well, I didn't actually witness, but I observed the Air Force wipe out a whole full village. Because reputedly there was one VC prisoner loose in this village. The artillery of the 101st Cal. or whatever artillery battery was stationed there, aided in the destruction of this village, and there was only—as a matter of fact there was only one structure which was left standing after the raid. That was the mayor's house and the only reason it wasn't destroyed was because it had two banana trees in it, in which there was an agreement with the United States that destruction of banana trees requires a payment of $75, I believe, $50 or $75. And that's the only reason this was left standing.

I think there's been a lot of incompetence in this war. I think the GIs and the veterans, especially the people who have been to Vietnam really don't support this war, and that's why we have what we do in Vietnam today. We have a lot of veterans coming back who result to a different life style. We have a lot of GIs in Vietnam who don't support the military commanders, who actually do everything in their power to obstruct military progress in Vietnam, and these people here—I think we're a good representative group of these people who have come here to speak against the war—So speaking for the Veterans Against the War, speaking for the active GIs who oppose the actual war and suffer consequences, I think I would be correct in saying that we feel this war should stop now and that we feel like the injustice of the war should not continue any further. We feel that—for a group, we have been slighted in treatment. For instance, at Walter Reed Hospital yesterday they have an insufficient number of beds—not Walter Reed, but the veterans hospital in Washington—and they have an unacceptable, insufficient number of beds, numbering I think 10, in which to handle drug cases resulting from Vietnam which total into the thousands.

And this is characteristic of VA hospitals throughout the United States.

The hospitals also are incompetently staffed as far as their drug treatment programs go. And I think this is a major problem. I think it really hasn't been pointed out what major proportions that it has reached. And I think that if—I think only in part it can be corrected by drug rehabilitation programs. I think that the actual policies of Congress, the morality of the people who form the policies and the Government itself is responsible for turning out these people who have rejected society and indeed, have been rejected by society themselves.

And that's all I have to say.

[Applause.]

Mr. BINGHAM. First of all, were you courtmartialed in Vietnam?

Mr. MAIZE. No, I was courmartialed—I was actually anti war in the—when I was overseas. I think I became that way in 1967 while stationed in the United States. I was sent to Thailand and for expressing my views I was sent to Vietnam. Of course which I didn't mind. I had a pretty good time there, although I did see a lot of gruesome sights.

And we traveled around a lot and I got what I think is a good perspective of how the war operated, you know, because of the many travels—like I was constantly traveling around from one place to another.

Mr. BINGHAM. Can you tell us about your courtmartial?

Mr. MAIZE. Well, I was courtmartialed at San Bernadino, and that's Norton Air Force Base. And I don't remember the month now. At any rate——

Mr. BINGHAM. On what charges?

Mr. MAIZE. On charges—I was currently at that time engaged in public speaking, like at demonstrations or organizations against the war. And I was being persecuted for my participation in these activities. For instance, I was given a lot of details, you know, constantly harassed. So I spoke at one large rally in Los Angeles, and after returning one time I was told that—to mop up the floor in the office where I worked, which I mopped. And after much harassment, constant daily harassment, I refused to mop the floor after my regular duty hours. In other words, they didn't have any right—as a matter of fact it's in military regulations—they have to have reasons for assigning a troop like me who's been in for three years and six months, I think at that time, a detail in which the detail lasted past his normal working hours. I refused this. After many of these harassments I was courtmartialed for disobeying a direct order. I think I presented my case very well at the time. I got a lot of publicity and I think it helped the incident—it helped to show that GI's weren't getting the constitutional rights that they deserved.

Mr. BINGHAM. And what was the disposition?

Mr. MAIZE. I was convicted, and I was busted down to the lowest grade and discharged as such. I refused to be promoted. I—they offered to promote me twice after I was busted and I refused.

Mr. BINGHAM. Did you have an honorable discharge?

Mr. MAIZE. Yes, I had an honorable discharge. I had a completely clean record other than this.

Mr. BINGHAM. I'd like to ask you again about objections against the war. You speak of a great many as being dislocated or lost in society.

Mr. MAIZE. Not necessarily——

Mr. BINGHAM. Would you say that is true of a high proportion of those?

Mr. MAIZE. No, I'm not speaking of the ones here. Usually those are the ones who are dislocated—the ones that are dislocated from society are the ones who are completely apathetic; they have no interest in any thing anymore. Usually these people are on the unemployed list, I think most of the people here at this demonstration are strongly motivated. As differentiated again from people who have no motivation, who have come back from the war, whose morality and own motivations have been destroyed by the war.

I think these people over here, the great majority of them are either students or employed in steady jobs, like myself. I go to school.

Mr. BINGHAM. I'd like to ask you another question relating back to your experience that I'm really disturbed about. I noticed, having been at the encampment and having seen many of you around, that a very high proportion of the group here wear beards or long hair. Is their any significance to that?

Mr. MAIZE. I think there is. I think a lot of veterans would deny that. But I think they're so repulsed by what they've seen that they want to identify themselves with people who are generally those held to be against the present establishment, whatever that is. But I think these people at the same time have different motivations; these veterans have different motivations than just the average dissenter. I think as a general rule they know what they're talking about and they know what they want, where a lot of people don't. There have been a lot of people in the past who didn't actually know what they did want. And I think the veterans do. I think we—there's a consensus on the fact that we support the government of the United States, that we don't want to undermine it. We just want to help direct here the policies of the country which in the past years which we feel led us astray as a society and as a nation.

Mr. BINGHAM. I'd like to make a comment. I think Mr. Findley and I have been tremendously impressed by the testimony today. You came here to influence the Congress. You also wanted to influence the American people. Did you ever consider the fact that your influence on the Congress, and on the American people might be lessened by your appearance? I think it misleads a lot of people, frankly. I think some reference was made there to the fact that a lot of our colleagues think that this is sort of a rappist crowd, riff-raff. And there's a lot of questions about the validity of your status as veterans.

I'm just curious to know whether this matter of your physical appearance has been discussed, and whether then you thought this thing through, so to speak?

Mr. MAIZE. Yes, I've discussed it with a lot of people that I've been associating with, closely with, since I've been here at the Mall. At first perhaps I felt the way you did; but now looking back on it and trying to get a historical perspective of it, basically I believe that this will help to rectify the appearance today for dissenters in America. You have all of the students with long hair and beards and these people have been the—the public has been annoyed by them to a certain extent. They feel that they're only attempting to undermine the country. Now, today, this week, you have GIs coming with long hair and beards, who are doing the same.

The American public will be shocked at first; but then on their second consideration they'll see that the people who actually fought this war can't be differentiated from a lot of other people who reject the war and its consequences.

And I think this will help to cleanse the image of the American dissenter, at least I hope it will.

Mr. BINGHAM. Well, that's a very interesting statement. I'd just like to say—and I think that this concludes our hearing—that I deeply regret that more of our colleagues didn't come here today. And I'm particularly regretful that no member of the Armed Services Committee came, although they were invited.

We'll do the best we can through the Congressional Record, and by referring matters that have come up here to the proper authorities for report, to make use of this material.

As far as I'm concerned, it's been a most successful hearing, and I'm very grateful for all of you appearing.

Mr. MAIZE. Thank you very much, Mr. Chairman.

[Applause].

[Hearing recessed.]

REMARKS OF THE HONORABLE CARL PERKINS OF KENTUCKY ON INTRODUCING A BILL TO AMEND THE VOCATIONAL REHABILITATION ACT IN ORDER TO ASSURE REHABILITATION SERVICES TO OLDER BLIND PERSONS

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. PERKINS. Mr. Speaker, I am today introducing for appropriate reference a bill to amend the Vocational Rehabilitation Act to assure rehabilitation services for older blind persons.

My bill is a companion bill to S. 1030 introduced on March 1 by the distinguished senior Senator from West Virginia, the Honorable JENNINGS RANDOLPH, for himself and 48 Members of the Senate. I am pleased to join with our distinguished colleagues in the other body in support of this measure as its principal sponsor in the House of Representatives. For this is urgently needed legislation designed to fill a serious gap in the provision of rehabilitation services to handicapped individuals in this country.

Although older blind persons constitute by far the largest part of the blind population in the United States, they do not receive the essential nonmedical rehabilitation services they so urgently need to minimize dependence on others or to avoid helplessness. Unless the Congress acts to solve this critical problem by providing for the federally assisted program proposed in my bill, the problem will continue to grow; and additional thousands of older blind persons and their families will find themselves in hopelessly tragic situations.

In the United States, blindness is a condition primarily affecting people during middle and later years. Three-quarters of the 430,000 individuals estimated by the National Society for the Prevention of Blindness to be legally blind are 40 years of age and older. The National Society also estimates that 30,000 of the 40,000 Americans who lose their sight each year are 40 and over. Based on its household interview surveys, the Public Health Service's National Center for Health Statistics estimates that 1,239,000 people in this country have severely impaired vision and cannot read ordinary newspaper print with the aid of correcting glasses. These surveys indicate that 1,099,000 of this number are 45 years of age and older.

The leading causes of blindness in the United States—glaucoma, senile cataracts, and diabetic retinopathy—principally affect persons over 40. In addition, blindness is sometimes caused by cardiovascular diseases, such as arteriosclerosis, hypertension, and stroke, as well as other conditions which frequently accompany the aging process. Unfortunately, the prevalence of blindness in the United States in view of current scientific knowledge is a function of population growth. Therefore, we can anticipate that the number of older blind persons will increase as the number of older persons in our population increases.

Mr. Speaker, there are certain basic skills which every blind person must acquire in order to minimize the handicapping effects of blindness. In effect, a blind person must learn how to perform without sight a variety of ordinary everyday tasks, such as walking, personal grooming, writing, reading, dialing a telephone, and the like, which those of us who can see take for granted because we do them without any special effort. Learning these skills is the key to achieving a great degree of independence in contrast to helpless continuous dependence for a blind person. Learning these skills is essential to a blind person for successful accomplishment in schooling, in vocational rehabilitation, in a job, and in daily living. Fortunately, as a result of federally assisted programs, basic nonmedical rehabilitation of the blind in the United States has become a well-defined procedure utilizing the skills of a variety of professions.

Basic nonmedical rehabilitation services are becoming increasingly available to blind children in elementary and secondary school settings. They are readily available for blind persons accepted by State agencies for vocational rehabilitation. But unfortunately, Mr. Speaker, very few blind persons over 40 receive basic rehabilitation services unless these are part of a vocational rehabilitation program; and the number of blind persons over 40 accepted for vocational rehabilitation decreases in direct proportion to their age.

Most agencies—public or private—which provide basic rehabilitation services for older blind persons are generally limited by staff and financial considerations to serving those individuals whose way is paid from Federal-State vocational rehabilitation funds. Most older blind persons cannot afford the cost of rehabilitation center training; and other special services for them are limited. No Federal program routinely finances the cost of basic nonmedical rehabilitation services to older blind persons.

The problem, Mr. Speaker, is critical. Here we have the largest single population group of blind persons in our country being deprived of essential services. Increasingly, elderly blind persons are turning up in nursing homes and homes for the aged, where too many of them are virtual prisoners in their rooms without the basic skills which would permit them to enjoy a greater degree of freedom or even to return to their homes. The lives of many older blind persons still living at home and of their families would be relieved of a greater degree of anxiety and burdensome dependence if basic rehabilitation services were made readily available to them.

The most effective solution is the type of target program provided by the bill I am introducing. My bill would establish a specific Federal-State partnership program of rehabilitation services for older blind persons and provide as well for training of specialized personnel and for research and demonstration projects in this specific area of need. The national organizations specifically concerned about this problem have recommended this type of target program utilizing the Federal-State vocational rehabilitation mechanism as the most effective way of meeting this urgent need. These organizations are the American Association of Workers for the Blind, American Council of the Blind, American Foundation for the Blind, Blinded Veterans Association, National Council of State Agencies for the Blind, and National Federation of the Blind.

The bill would do the following:

First. Establish a new Section 18 of the Vocational Rehabilitation Act entitled "Rehabilitation Services for Older Blind Persons."

Second. Authorize appropriations of $10,000,000 for the fiscal year ending June 30, 1972; $20,00,000 for the fiscal year ending June 30, 1973; and $30,000,000 for the fiscal year ending June 30, 1974.

Third. Allot the appropriation to each State on the basis of population similar to the formula used in the basic program of grants to the State for vocational rehabilitation, and assure a minimum allotment of $50,000 a year to each State.

Fourth. Authorize the Secretary of Health, Education, and Welfare to pay each State 90 percent of the cost of providing rehabilitation services to older blind persons under an approved State plan.

Fifth. Establish State plan requirements similar to those used in other sections of the Vocational Rehabilitation Act, including designation of the State vocational rehabilitation agency serving blind persons to administer the program.

Sixth. Define older blind persons as individuals whose combination of severe visual impairment and age makes gainful employment less readily attainable in the light of current employment practices.

Seventh. Authorize separate appropriations in amounts to be determined by the Congress to cover the cost of research and demonstration projects and personnel training to improve the effectiveness of rehabilitation services for older blind persons.

Eighth. Authorize the Secretary to make grants to and contracts with public and private nonprofit organizations for research, demonstrations, and personnel training.

Mr. Speaker, as my colleagues know, I have played an active part in assuring the provision of adequate education and rehabilitation services for handicapped children and adults. I have been particularly concerned about the special needs of blind persons, and have been proud of the role which the American Printing House for the Blind in Louisville has played for more than a century as the major source of reading matter in braille and recorded form. Over the years, we have sought through various federally assisted programs to meet many of the special needs of blind persons which would otherwise go unmet. The program,

the bill I am introducing today, would inaugurate, will assure older blind persons throughout the United States of urgently needed rehabilitation services they will not otherwise get. I commend this bill to my colleagues and urge their support of its enactment into law during the current session of the Congress.

NATIONAL EDUCATION POLICY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I submit for the CONGRESSIONAL RECORD and commend the attention of my colleagues to a release and a transcript of a recent radio interview on the Labor News Conference of Walter G. Davis, director of the AFL–CIO's Department of Education, regarding a national education policy.

LABOR NEWS CONFERENCE

Federal programs aimed at quality education at all levels enacted during the Sixties could be seriously weakened or destroyed by President Nixon's plan of no-strings, block-grant aid to education, the AFL–CIO's Director of Education warned today.

Congress designed those programs for educational purposes that "were not being fulfilled at the local level," particularly quality schools for low-income and disadvantaged citizens, declared Walter G. Davis, on the network radio interview LABOR NEWS CONFERENCE. Stressing that "you don't scrap everything that's been done, simply because it doesn't have the Administration's stamp on it," Davis said that block grants for education would produce results "just the opposite" from the intent of Congress in adopting the programs.

Davis pointed out that the Nixon Administration wants to give local politicians a free hand in using 70% of the federal aid-to-education money intended for such programs as vocational training, aid to federally-impacted school districts, aid for handicapped children and school lunches. "That would be a big turn-around, in terms of what we have fought and struggled for over the last ten years," he declared.

"This could be a very political situation," he said, with strong pressures at the local level working to the further disadvantage of "people in low income brackets" who "don't have the necessary political muscle" to assure that their special needs are met. They have no strong "lobby at the local level," he declared, and the federal purpose could be thwarted if local officials are given a free hand to "respond to what makes political sense to them."

Davis was also critical of the Administration's reluctance to "come to grips" with the need to fully fund federal educational programs and research. Citing President Nixon's vetoes of two education appropriations during the last Congress, he asserted, "Any attempt to rationalize vetoing research money just doesn't stand up."

Reporters questioning him were Tom Joyce, of Newsweek magazine, and Harry Conn, of Press Associates, Incorporated. The interview was broadcast Tuesday at 9:35 p.m. (EST), on the Mutual Broadcasting System, and on WAVA–FM in Washington, D.C.

The Labor News Conference follows:

MUTUAL ANNOUNCER. The following time is presented as a public service by this station and the Mutal Broadcasting System.

HARDEN. Labor News Conference. Welcome to another edition of Labor News Conference, a public affairs program brought to you by the AFL–CIO. Labor News Conference brings together leading AFL–CIO representatives and ranking members of the press. Today's guest is Walter G. Davis, director of the AFL–CIO's Department of Education.

In the view of the AFL–CIO, President Nixon's budget proposals to lump a number of specific federal educational programs into a few broad categories, to which federal revenues would be applied in a largely no-strings-attached manner, would, if adopted, seriously endanger the wide range of federal aid to education legislation for which the labor movement fought long and hard. Here to question Mr. Davis about the AFL–CIO's view on President Nixon's education policy, dangers it poses, and alternatives the labor movement urges, are Tom Joyce, labor correspondent for Newsweek magazine, and Harry Conn, editor of Press Associates, Incorporated. Your moderator, Frank Harden.

And now Mr. Joyce, I believe you have the first question?

JOYCE. Mr. Davis, instead of categorical aid, President Nixon is proposing a block grant approach to help education. What, in your view, would this do to the American educational system and federal support for it?

DAVIS. Well, as you know, Mr. Joyce, we reported, in February, to the AFL–CIO Executive Council, our views on the subject, based on extensive research.

We've been involved in a number of struggles to bring about quality education in this country over the last decade—quality education for all of our citizens—and we think that the approach Congress made during the Sixties will meet a great many of the needs, in all phases of education.

We thing that the block grant approach would bring about a result just the opposite from what was intended in the federal purpose established by the bills that went through the House and the Senate in the last ten years.

We think that the point that ought to be stressed is that the federal programs were put together precisely because these matters—these purposes—were not being fulfilled at the local level. So, we think that this is going back to the period prior to the Sixties—the Nixon Administration's proposals.

JOYCE. Basically, is this not an extention of the Administration's total revenue-sharing program, which the AFL–CIO opposes? And, do you oppose this because of a feeling that local politicians are not to be trusted with funds on a "no-strings attached" basis?

DAVIS. Well, there are pressures, as you know, at the local level—politically.

Those who prevail are pretty much in the upper-income areas. For example, take Title I of the Elementary and Secondary School Act. Now, the federal purpose was to provide additional money for disadvantaged people—for those people in low-income brackets—to bring about a quality educational system.

But, they will not prevail under the revenue-sharing plan, because they don't have the necesasry political muscle at the local level.

Take aid for handicapped children. There is no real handicapped children's lobby at the local level. The federal government recognized this. Therefore, categorical aid was set out to improve young people in that category.

Now, under this approach, of course, the local communities will be able to respond to what makes political sense to them.

We think that this is a mistake.

CONN. Mr. Davis, isn't there a combination here—the Administration wants block grants, on the one hand and they want to provide categorical aid on the other hand. In other words there are two forms of assistance to the states and localities. The Administration claims that where block grants will fail—or may not meet the needs—that the categorical would. Do you feel that this is a valid defense of their position?

DAVIS. Oh, I don't think that it is really their position.

Their representatives in testifying—the Commissioner of Educatiin, for example—testifying in connection with the block grant proposal of some $3.1 billion for assistance in elementary and secondary education—said that the funds would be grouped into five broad categories: aid for disadvantaged children; aid for education of the handicapped; federal support for vocational education; impact aid for school districts serving children of federal employees; and federal support for supportive services, such as guidance counselling, school lunches, textbooks, and so forth.

Now, he adds that 70% of these funds can be used in any way the local officials feel necessary—70% would be exempt from actually helping disadvantaged children for example. Under the previous system—the system enacted by the Congress—100% of that money would have to go for disadvantaged children. Now, they could exempt 70% from aid for disadvantaged children, and use it however the political pressures want it used.

This defeats the federal purpose, it seems to us. It's going to vary, in a checker-board pattern, over the country, depending upon local politics, and that is why we disagree.

CONN. What you are really faced with then, is a question of—going back to Mr. Joyce's question—a question of whether local elected officials can make a fair decision, given the political pressures that are placed on them in the state and local governments. Is that correct?

DAVIS. That's correct, and in addition, I would say that there will be no uniform sharing of values, with respect to where this money should go.

I think that we might, for example, learn something from the Australian experience. They had this problem several years ago. They resolved it in the manner suggested by Mr. Joyce—that you have both. That is, you have a categorical aid program that serves the federal purpose—that lets the Congress make the decisions as to what the nation needs in this area. Categorical aid programs, properly funded, should go toward that.

Then, there should also be money left for the school systems to deal with the question of their priorities.

CONN. Under the Administration's program then, they do not want any categorical aid whatsoever—is that right?

DAVIS. I can't say that's totally correct, because there is a percentage of money that they will say has to serve a Federal purpose.

But, what I'm saying is, 70% of that fund can be exempt—30% would have to go for a federal purpose.

Now, to us, this is a big turn-around, in terms of what we have fought and struggled for over the last ten years.

JOYCE. Mr. Davis, the AFL-CIO charges that the Elementary and Secondary Education Act, the Vocational Training Act, the Impact Aid Program—and even the School Lunch Program—might be destroyed under the Administration's concept. That's a rather sweeping charge. Can you explain the basis of that charge?

DAVIS. Well, we've seen, for example, what happens in most of the major cities around the country.

We find that the apathy in the disadvantaged communities really adds to their disadvantage, in terms of getting a fair share of available funds. We would go even further—this could be a very political situation, as we see it.

No city in this country is able to meet the rising costs of education—the rising costs of running their systems and providing equality education. It has been a sort of bitter "finger pointing" at the federal government and Congress for not doing their job.

We think that the strategy could very well be looking towards 1972. In other words,

the Administration "getting the monkey off their backs," so to speak, by saying "Here's a revenue-sharing plan—here's 'X-amount' of dollars. You fellows down there fight it out among yourselves. You can't blame the federal government for this, because the priorities you set will get that money."

Now, this is a nice way of getting some political heat off the Administration, it seems to us.

But, it defeats the total purpose of the Congress in existing legislation—the laws we now have on the books.

JOYCE. You have said that the President's proposals would work a special hardship—I believe you've said this—work a special hardship on the middle-class. Can you explain what you mean by that?

DAVIS. Well, in connection with higher education, one of the President's proposals was to come up with a new scheme on student aid for higher education.

In that particular area, we felt that it would be to the disadvantage of middle-income people. For example, you used to be able to get a student loan, if your income was $15,000 or less. Their recommendation is to reduce that to $10,000—family income, not just individual income. A survey of our own people showed that none of them would be able to get a student loan on that basis. They would have to get a regular bank loan, on conventional terms.

The cost of higher education today is such that it would be prohibitive for the average worker and his family.

We're concerned. Many people ask me why the AFL–CIO is so concerned in this particular field?

Well, we are education consumers. Our people have moved to the stage where most of the members of our unions who are parents looks forward and aspire to have their children go on to college.

College costs today, are prohibitive.

The figures we set forth in our study, for example, indicate that in 1971, only 29% of the authorized funds for higher education were actually appropriated. That is why many colleges are in trouble.

The only way the colleges can address themselves to this problem is to raise tuitions. But, tuitions today are out of sight, for most students of working-class families.

CONN. Mr. Davis, to get back from the higher education field to elementary and secondary education—the cities, as we have been seeing, are in a great deal of crisis. Education on this level, of course, is in extreme crisis. Does the AFL–CIO feel that the states and localities have sufficiently tapped the resources in their own states and localities for education? For example, do you feel that business and industry are paying their fair share of education costs?

DAVIS. My answer is no—certainly, no.

We have pointed out, for example, that the business contribution, through taxes, has declined, rather than increased in recent years.

The inner-cities are suffering—most of the sources of revenue have moved to the suburbs, so they don't have a good local tax base.

That is what has really created the crisis, you see, and if this trend continues—and I suspect that it will—the inner-city youngster is going to be further disadvantaged.

We've reached the saturation point in taxing real estate for funds for education.

When those affluent persons who can afford to make a contribution leave the inner-cities and move to the suburbs, that puts the city at an even greater disadvantage. So, I think that is the problem.

CONN. Is that why the AFL–CIO feels that you have to look to the federal government to resolve this problem—because the cities have no real tax bases?

DAVIS. That's correct.

JOYCE. On the other hand, the Administration argues that local educators are closer to the problems, and therefore, in a better position to determine how the funds should be spent. Do you see no merit to this idea?

DAVIS. Well, surely they are closer to the problems.

Yet, if you've read any of the recent studies made by the education community—many of them national associations—there is great disagreement on how to address these problems.

Take a look at the Coleman Report, for example, that came out a few years ago. You can find as many people in the education community agreeing with that as disagreeing. Educators themselves disagree as to what constitutes the most effective way of dealing with the problems at the local level. We think that the extensive hearings in the House and Senate did identify, in broad categories, areas in which money would certainly help to upgrade the quality of education.

We think that the approach of this Administration will reduce that.

Now, the inflation situation is involved here, too. With higher teacher salaries and higher costs of plant and equipment, there is definitely need for a greater funding-level than we had five years ago. The Administration, right now, is offering a proposal which would only bring us up to the same amount of money which was appropriated—not authorized—but appropriated last time. That was less than 50% of authorization.

So, we're steadily going backward, in our view, in addressing ourselves to this problem.

We are trying to bring this to the attention of our people—and anyone who will listen, as a matter of fact.

JOYCE. How about total-funding under the President's proposal, Mr. Davis? Would there be more money or less money? Would we break about even? Where do we stand?

DAVIS. Well, the actual figures would be about the same, except that it should have been 10% more to cover the inflation of the last year.

The total appropriation last year was something in the neighborhood of $4.9 billion. The President is asking for exactly the same amount this time.

We say that if he wants to stay level with last year, he has to ask for at least 10% more than that.

So, there is a decline in this area.

But, we have not entered into that argument. Our argument is principally that we want full-funding of the complete authorizations. That is essential, if we are going to do anything about the problems. That's what Congress said when it passed the Elementary and Secondary Education bill, the Vocational Education bill, and the Higher Education bill. We felt then that the authorizations were too conservative.

And, when the actual appropriation is less than 50% of the authorization, there is a real problem, as we see it.

CONN. Mr. Davis, the Administration says that money is not as important a factor in education as some maintain it is. They say that reform is vital. What do you understand they mean by reform?

DAVIS. Well, all I've been able to get out of them, in terms of a definition of "reform," is that we ought to have more research—that the present research is not adequate.

They say they really don't know what constitutes a decent educational system, in its implementation.

Well, we don't buy that. We think that the amount of research that has been conducted—with federal grants—over the last ten years certainly tells us precisely what can be done to establish quality education in this country.

Certainly, we are not against research. We think that this is a continuing process.

But, you don't scrap everything that's been done, simply because it doesn't have the Administration's stamp on it, and start afresh. That's going over the same old territory again.

If they made the argument, on the basis of merit, that previous research results were not valid, I think they would get a lot more support than they are getting now.

CONN. Mr. Davis, isn't it true that in the 91st Congress, President Nixon vetoed two education bills—both of which dealt, to a large extent, with research? How do they justify the vetoes, on the basis of their approach to the education problem?

DAVIS. Well, during that period, they were responding to the moves of the labor movement, the education community and the Congress, which called for more money—I think it was $1 billion more than the President's proposal.

I don't think you can find an adequate rationale for those vetoes.

I think that any attempt to rationalize vetoing research money just doesn't stand up. It makes no sense at all to us.

CONN. Do you think that now that the Administration has revised its approach—actually switched—and is now accepting deficit spending, that if you get a similar education bill in this Congress, you may not get a veto?

DAVIS. Well, it depends on how far it goes toward the figure of authorization.

There are a few bills in now which have no authorization figures. For example, the Emergency School Aid bill, which deals with bringing about a quality, integrated system. They have called for a National Institute of Education, similar to the National Institutes of Health. They have called for a National Foundation for Higher Education—also a research operation. These are still before the House and Senate. Our testimony at recent appropriation hearings in the House explained our position on these bills. We have to wait, at this point, to see what happens.

I don't think the Administration is anxious to approve any legislation that goes beyond the dollar-amounts it wants to spend.

JOYCE. Mr. Davis, it seems that there is a crying need for more vocational training—something we have ignored over the last few years. Do you think that there is a danger in the Administration's approach—a danger of weakening vocational training?

DAVIS. Well, here again, you're dealing with two sides of an argument—and the Administration is on both sides, by the way.

On the one hand, they are promoting the idea that not all children in this country should aspire to higher education—that vocational education would be a better route for many to take.

We agree with that.

We think that the kind of vocational education system that's needed—the kind that would provide the kind of services and skills that the country needs—certainly should be advanced.

On the other hand, when you develop a law that provides a really decent education for young people who want to pursue this path, they can't seem to come to grips with the cost of the program—you get back into the question of cost.

We have been harping cost all along, because these things don't come cheap or free. I would think that they would be more receptive to a point of view favoring a move to further vocational education, than they would to other areas.

CONN. Mr. Davis, is the AFL–CIO actually concerned that the Nixon Administration will seriously undermine the whole series of education programs adopted in the Kennedy and Johnson years?

DAVIS. I don't think they will have the votes to do it.

I think that they would like to do this, but I don't think that they will be able to

get the votes—in either the House or the Senate—to do that.

There is a lot of pressure building up back home—in local school boards, among labor representatives and other interested citizens in the communities.

I think that it will stifle any efforts on the part of the Administration to push their plan—particularly the revenue-sharing, block grant plan.

That's the picture, as we see it, right now.

Certainly, the cities are concerned about the lack of money. But, I think that we're going to see a situation in which there will be a ground-swell of support for the idea of fully-funding existing legislation. At least, I'm hopeful that we will.

HARDEN. Thank you, gentlemen. Today's Labor News Conference guest was Walter G. Davis, director of the AFL–CIO's Department of Education. Representing the press were Harry Conn, editor of Press Associates, Incorporated, and Tom Joyce, labor correspondent for Newsweek magazine. This is your moderator, Frank Harden, inviting you to listen again next week. Labor News Conference is a public affairs production of the AFL–CIO, produced in cooperation with the Mutual Broadcasting System.

MUTUAL ANNOUNCER. The preceding program time was presented as a public service by this station and the Mutual Broadcasting System. The opinions expressed are solely those of the participants.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

Twenty years ago, 26 percent of all persons 18 through 21 years of age were in institutions of higher education. Today, 47 percent are enrolled.

"LEST WE FORGET"

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in a land of progress and prosperity, it is often easy to assume an "out of sight, out of mind" attitude about matters which are not consistently brought to our attention. The fact exists that today more than 1,550 American servicemen are listed as prisoners or missing in Southeast Asia. The wives, children, and parents of these men have not forgotten, and I would hope that my colleagues in Congress and our countrymen across America will not neglect the fact that all men are not free for as long as one of our number is enslaved.

Lt. Col. Robert E. Brinckmann, U.S. Air Force, [redacted] Shalimar, Fla. Married and the father of four children. The son of Col. and Mrs. Edwin L. Brinckmann, Chalimar, Fla. Attended the University of Maryland. Officially listed as missing November 4, 1966. As of today, Lieutenant Colonel Brinckmann has been missing in action in Southeast Asia for 1,637 days.

CONGRESSMAN ANNUNZIO COMMEMORATES 180TH ANNIVERSARY OF POLISH CONSTITUTION DAY

(Mr. ANNUNZIO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ANNUNZIO. Mr. Speaker, on May 3 we celebrate one of the most significant occurrences in the history of Poland—the 180th anniversary of Poland's first democratic Constitution.

This Constitution, only 2 years younger than our own, reorganized life in Poland and provided for political, economic and social reforms. The power of the king and nobility were reduced, and relations between peasants and landlords were placed under the rule of law. The new Constitution offered liberty and independence to the people of Poland. It was achieved, not with bloodshed as in France, but through the courage and foresight of a few dedicated and persistent men.

While these innovations were unfortunately revoked after the partition of 1795, the lofty principles of democracy embodied in that Constitution were not forgotten. Today Poland continues to be Communist-dominated, yet the hope for liberty still lives in the hearts of more than 34 million Polish people behind the Iron Curtain.

The words of encouragement we speak in the House of Representatives today as we commemorate the 180th anniversary of the Polish Constitution will, I know, sustain the courageous Polish people behind the Iron Curtain who are still struggling valiantly for the day when Poland will throw off the heavy yoke of communism and once again join the community of free nations in the world.

Americans of Polish descent all over the United States, thousands of whom live in my own Seventh Congressional District of Illinois, are pausing today to observe the 180th anniversary of Polish Constitution Day. On this special occasion, I am pleased to send my sincere greetings to them, and especially I am proud to join my colleagues in recognizing the outstanding contribution to the cultural development of both Europe and America that the Polish people have made. We in the U.S. Congress are looking forward to the day when the ideals of the May 3 Constitution may be reinstated so that Poland will once more claim its place among the free nations of the world.

LEGISLATION REGULATING INCOME TAX RETURN PREPARATION

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, now that the deadline for filing taxes has past, it is appropriate for Congress to review a growing industry in America—the income tax preparation business.

The reason for raising the issue is obvious. Literally thousands of these practitioners are now receiving fees ranging from nominal to the hundreds of dollars for services which many of them may be unable to competently provide. I in no way wish to implicate into this charge the many well trained, competent, and knowledgeable preparers who are providing taxpayers with a worthwhile and necessary service. However, because this business has grown so quickly, and because there are no readily discernible guidelines for the conduct of this business, it is often difficult to distinguish the competent from the incompetent; the quick buck preparer from the honest and knowledgeable practitioner.

There are two serious problems emerging from the unchecked growth of this business. First, what may be millions of unsuspecting consumers of these services have found themselves victims of bad advice. Not only can such advice cost the individual taxpayer money, but it can also get him into serious trouble with the Internal Revenue Service. And in such a case, the taxpayer is on his own. The IRS will not permit most of these practitioners to appear on behalf of a client. In fact, many taxpayers can never find the preparer after April 15.

The reason for this is that many people now in the business are only part-timers. They rent temporary facilities which usually are given up at midnight on April 15. They and their files, and their responsibility conveniently dissolve while the taxpayer may be faced with fines and penalties.

Last month, articles appeared in both the Wall Street Journal and the Los Angeles Times reporting the diversity of advice and expertise between income tax preparers. The Journal article followed a consumer as he called upon five different tax services. No two preparers gave him exactly the same information. One told him Government owed him a refund of $652.04, while another said he owed Uncle Sam $141.

The Los Angeles Times article reported on three preparers who had a difference of $602 in the amount they told the same taxpayer he should receive back from the Government.

At this point, Mr. Speaker, I wish to include the two articles I refer to above:

[From the Wall Street Journal, Apr. 7, 1971]

TAX TOTALERS: DOES AN ATLANTA MAN OWE UNCLE SAM $141? OR DOES HE GET REFUND?—PROFESSIONAL SERVICES, USING IDENTICAL SETS OF FIGURES REACH DIFFERENT ANSWERS—MONEY BACK FOR EVERYBODY

(By Tom Herman)

ATLANTA.—John Sherman, his wife and two small children live in a comfortable $30,000 home in a suburb of this Southern city. Last year, John (not his real name) earned $13,962.69, including $3,643.89 paid him by his employer, a large publisher, as reimbursement for moving expenses incurred during his transfer here last summer.

John is a fairly typical American taxpayer. He has the usual income tax deductions, including medical expenses, interest, state and local taxes and charities. He also has the typical taxpayer's sense of foreboding as the April 15 deadline for filing returns rapidly approaches.

John usually computes his own income taxes. Once, however, he used a professional tax-preparation service. And this year, because of such complexities as the separate form used for itemizing moving expenses,

John, like several million other U.S. taxpayers, decided once again to seek professional tax advice.

Once his decision was made, John encountered a common problem: Which service should he use? This year's Atlanta Yellow Pages list 90 tax-preparation firms, up from 82 in last year's edition. John, like other taxpayers throughout the country, was at a loss as to which office would be the best choice. Or did it make any difference?

A $793 DIFFERENCE

It did indeed. At the suggestion of a reporter from this newspaper, John agreed to submit his figures to five different services. At one extreme he was told by a tax office he was entitled to a refund of $652.04 from the federal government; at the other extreme, another service figured he *owed* the government $141. The difference between these two figures was a hefty $793.04—despite the fact that John had given all the so-called experts the same set of figures.

The services also varied in other areas. On John's Georgia income tax return, the five offices all came up with different refunds, ranging from $55 to $181.04—a difference of $126.04. And, perhaps coincidentally, the expert who promised John the biggest refund also charged him the biggest fee ($31), while the office that told how he owed the government money charged him the lowest fee ($15).

Such variances between the professional services may surprise the average taxpayer, who often seems to assume that tax computation is an exact science. But federal tax officials say the differences aren't surprising at all, since there are absolutely no rules or regulations to govern who can set himself up in business as a tax expert.

It's been suggested that all would-be tax experts be required to pass a standardized test. But an Internal Revenue Service spokesman in Atlanta says the IRS "would be reluctant to jump into the game of judging which people are qualified to figure out other people's income taxes."

"MECHANIC ON DUTY"

For this reason, at least for the foreseeable future, taxpayers seeking help from professional services should be prepared to face the fact that no one expert has the last word on all tax matters. A close look at John's experiences with the experts helps to illustrate this point. (In his rounds, John was accompanied by this reporter, who claimed he was along "for moral support.")

The first discovery made by the comparison shopper is that tax services can be found in varied locales, ranging from downtown office buildings where clients are seen by appointment only to gasoline stations where the sign outside advertises: "Cigarettes 35 cents. Guaranteed Income Tax Returns, 20 Years Exp. $5 & Up. Mechanic On Duty."

The difference don't stop at the door, as John quickly found out. The five offices he visited were operated by C&M Tax Service; H&R Block (John used two branches—one in Atlanta and one in Decatur); Sears, Roebuck & Co. and Mr. Tax of America. Their computations and fees were as follows:

	Refund or (Amount owed)		
	Federal	State	Fee
C&M	$652.04	$181.04	$31.00
Block-Atl	487.00	167.00	25.00
Block-Dec	542.00	55.00	22.50
Sears	(141.00)	111.00	15.00
Mr. Tax	483.00	82.00	26.00

Each tax service insisted its work was checked several times by highly qualified personnel. Each also assured John that it was positive its works was 100% correct and that it would gladly pay any penalty or interest caused by any error. (Each office also said, however, that it wouldn't pay any extra taxes, should they later be deemed due by the IRS.)

THE ULTIMATE EXPERT

John was perplexed. Should he put his trust in C&M Tax Service and claim a $652.04 refund? Or should he follow Sears, Roebuck's computations and pay $141 to the IRS? He finally decided to take his problem to the ultimate expert: the Internal Revenue Service itself.

Under most circumstances, the IRS won't figure out a taxpayer's return unless the individual is blind or disabled. It will, however, answer specific questions from any taxpayer and it will compute the tax of an individual using the standard deduction whose adjusted gross income is $20,000 or less and consists solely of wages or salaries and tips, dividends, interest, pensions and annuities. Although John's case didn't conform to all these requirements, the IRS agreed to compute his taxes since he was working with a reporter on a story.

But even the IRS wasn't infallible. After examining John's figures in detail, the government agency said he was entitled to a refund of $466.10. Later, however, when John questioned this figure, an agent said he had erred in the computation of moving expenses.

The correct refund, the IRS said, was $400.94. This figure, presumably the last word, was $251.10 less than the refund stipulated by C&M. It was also $541.94 better than the figure advised by Sears.

To solve the confusion on the state income tax, John took his form to the Georgia Revenue Department, which will fill out without charge the state form of any Georgia resident. The department informed John that he was entitled to a refund of $117.80. The figure was $63.34 less than that given John by C&M, but it was far better than those computed by three of the other offices.

A study of the forms prepared by the five commercial services shows that the biggest and costliest differences were connected with moving expenses and itemized deductions:

	Itemized deductions	
	Federal	State
C&M	$3,724.16	$3,510.56
Block-Atl	2,835.00	1,710.00
Block-Dec	3,034.00	1,902.00
Sears	3,103.00	1,957.00
Mr. Tax	2,937.00	2,579.00
	Moving expenses	
	Federal	State
C&M	$3,643.89	0
Block-Atl	3,682.00	$3,585.00
Block-Dec	3,772.00	0
Sears	204.00	204.00
Mr. Tax	3,561.00	0

A NUMBER OF ERRORS

Certainly, the treatment of moving expenses for tax purposes has recently become more complex. Federal tax changes in 1969 increased the number of deductible moving expenses, including a number of "indirect" items associated with moving. Former laws, for example, didn't allow currently legitimate deductions, such as expenses connected with househunting and other related costs not directly involved in the move.

But the services also had a large number of errors:

—An employe of H&R Block's Decatur office filled in $3,054 in itemized deductions on one tax form but later put $3,034 on another form, costing John $20 in deductions.

—Several of the services failed to deduct $214 in state taxes withheld by Georgia during the year, even though the figure was prominently displayed on John's W-2 forms.

—Several offices failed to include as income $8.53 in interest earned by John even though he gave each office a set of figures including that item.

—H&R Block's Atlanta office didn't include a $138 deduction for medicine and drugs.

—One office wrongly listed his home address, and another listed his first name as his surname.

—Two offices gave him deductions he didn't claim and to which he clearly wasn't entitled. C&M, for example, allowed him $25 for "tax preparation" by a professional last year, although John said he had prepared his own taxes. And Sears allowed him $30 for miscellaneous deductions, although John said he had no idea what this amount should be.

SOME WERE ALERT

On the other side of the coin, some of the service's employes seemed to be especially alert. For example, Mrs. Mildred Dorton of Mr. Tax of America discovered several legitimate deductions that went unnoticed by everyone else, and she cited specific tax court rulings to substantiate her claims. (Mrs. Dorton apparently made one error, however, when she informed John he couldn't deduct any of his moving expenses on his state forms. The Georgia Revenue Department later said he could deduct $1,555.89 of these expenses.)

Despite the faults of tax services, growing numbers of taxpayers are turning to them for professional help. Statistics aren't available for the total number of offices throughout the U.S., but their growth is reflected plainly in the performance of some of the industry leaders.

H&R Block, number one in size, has 5,267 offices this year, up from 4,349 in 1970. Sears, Roebuck has tax services this year in more than 600 stores, up from 109 last year. Montgomery Ward & Co., another giant retailer, currently has tax services in 250 retail stores, up from 135 last year.

S. Bonsal White Jr., a partner at Alex Brown & Sons, a Baltimore brokerage firm, says a major reason for the industry's growth is the growing complexity of tax laws and tax decisions. "Every time Congress or a state legislature passes a tax reform bill, and every time a tax court hands down a major decision, you can be sure that more people will flock to tax-return companies," Mr. White says.

MORE COMPLICATED TAXES

Observers say another reason for the industry's growth is the rise in individual incomes, leading to increasing diversification of investments and more complicated tax returns. Also, more cities and localities are requiring income taxes, meaning that more forms must be filed.

Tax services operate their offices in a variety of ways, including franchises. H&R Block owns outright most of its locations in major cities and operates these offices with its own personnel. Block also has a few franchised locations; and in smaller cities and towns, the service sets up so-called satellite offices.

Under the satellite method, H&R Block selects and trains a local individual, who is allowed to set up shop under the H & R Block emblem. The individual furnishes his own office, but Block does his advertising and provides him with some of his office supplies.

Tax services, of course, operate their offices on a seasonal basis—usually from early January through mid-April. During the remainder of the year, the larger offices run training sessions for the upcoming season's employes.

Richard Bloch, chairman of H & R Block, says about "75% or more" of each season's employes return to the service the following year. "Personnel is no longer a problem," he says. "It was at first when we were getting started, but not any longer."

"A PEOPLE BUSINESS"

Some services disagree. "Getting qualified personnel is by far our biggest worry," says R. L. Swan Sr., an official at Mr. Tax of America. "You see, this is a people business, and getting good people is the whole ball game."

Despite personnel problems, the industry sees more growth in the future. The IRS estimates that slightly more than half of the 77 million indiivdual returns filed last year were prepared by "third parties," including professionals, semiprofessionals, friends and relatives. This means that about 50% of the taxpayers will prepare their own returns—about 40 million potential customers. Furthermore, analysts predict population growth will lead to a steady growth of new, young customers.

The industry also undoubtedly prospers from the fear and mistrust with which many taxpayers regard the government in general, and the IRS in particular. "Do you think the average taxpayer will actually ask the IRS to figure out the best angle for him?" asks one Atlanta tax practitioner. "Don't be silly. He believes the government's people are out to squeeze every penny they can from the public, and so he'll come to private firms."

Firms specializing in tax returns aren't the only beneficiaries. Banks and loan companies for example, have found that tax-return services draw new customers. "When you have a man's tax return in front of you, you're in a great position to know what he can afford and can't afford to do with his money," says one tax-service man.

OCCASIONAL FRAUD

Federal and state tax officials report that fraud is sometimes evident in the work of tax-return services. "There's this one outfit here in Atlanta that promises every client a refund, and you should see some of his work," says an agent at the Georgia Revenue Department. "We've never been able to get him in court because nobody will testify against him."

Earlier this year, however, the federal government managed to prosecute a case involving fraud by a tax professional. A federal district court in Jackson, Tenn., convicted Mrs. Fannie Mae Case Robertson, a tax practitioner, on 12 counts of fraud and sentenced her to a year in prison and a $600 fine. Mrs. Robertson is appealing the decision.

But the five firms visited by John were guilty of errors rather than fraud. "That was purely a mistake on my part," the Sears man later said concerning his moving-expenses computation. And Richard Bloch said, "I've got to place the blame squarely on the tax return service."

"It astounds me," Mr. Bloch said. "We do nine million returns, so we're bound to make some mistakes, but there's no excuse for getting the spread you got. I can't understand it. We have a minimum of two people checking every return done by our preparer."

At C&M, tax-preparer Thomas Perry conceded he forgot to include several items on John's forms, including $13 in dividends and interest on his state return. Mr. Perry stood by the deduction he gave John for tax-preparation services, claiming it was for his own work this year. (Mr. Perry noted, however, that the $25 he allowed John for tax preparashould have been $31—the fee charged by C&M.) According to the IRS, however, such deductions may be made only for tax-preparation fees paid during the year for which the return is being submitted.

Mr. Tax of America's Mrs. Dorton also stood by her ruling that John wasn't entitled to moving-expense deductions on his state forms. She said the matter of such deductions was "a very gray area," adding that her reasoning was based on prior experience. But the Georgia Revenue Service, which presumably has the last word, maintained John was indeed entitled to the deductions.

Beyond the problems of error or fraud, there lurks another worry: Some tax return firms may be selling information gleaned from supposedly confidential returns to outside concerns, such as department stores, credit bureaus and direct-mail companies. The Federal Trade Commission is now investigating this possibility, as well as possibly misleading advertising by some tax firms that promise big refunds to prospective clients.

Congress has also entered the picture. Sen. Charles Mathias (R., Md.) last month introduced a bill that would require the consent of a taxpayer before a tax-return preparer could use infomation from his client for any purpose other than figuring the return. "Many income tax preparation firms and services are beginning to move into other fields, such as the selling of mutual funds, insurance and other financial services, and are using for these marketing purposes the detailed knowledge of their customers gleaned in the course of preparing income-tax returns," Sen. Mathias says.

THREE PREPARERS: $602 DIFFERENCE

How much tax do you owe?

Ask three different tax preparers and you are likely to come up with three different answers.

Armed with a tax withholding statement and a set of personal records, this reporter visited three different tax preparation services. The results were:

Firm A, an established practitioner, prepared a set of returns which showed a refund of $463 and omitted a large number of legitimate deductions. The charge was $17.50.

Preparer B, who uses a barren office in Anaheim, figured a refund of $674.68. He was thorough in compiling a list of itemized deductions, but missed several items affected by recent changes in the tax law and failed to give the taxpayer one major break.

The cost was $20.

Firm C, another established tax service, compiled the best record, a refund of $1,065, but only after the taxpayer reinterpreted a section of tax law for the interviewer and thus was able to take advantage of a major deduction. The price was $43.

All three preparers worked from the same information, or at least had the same information available to them.

The vast differences in the final results were a reflection of misinterpretation of tax law and failure to perform a basic function of tax preparers—to elicit from the taxpayer the kind of information about his finances that leads to increased deductions and lower taxes.

Especially was the failure of the tax preparer evident at the office of Firm A.

The interviewer, who told the reporter he was semi-retired and "just picking up some spare cash," failed to draw out information on any but the standard deductions for medical expenses, real estate and other taxes, interest payments and expenses for an office in the taxpayer's home.

He failed to ask the kind of questions that the other preparers asked to remind the taxpayer of other deductions. For example:

"Did you make installment payments on a car last year?" The taxpayer had made more than $200 in interest payments on a car, but that legitimate deduction was missed.

However, the major failing of the interviewer was to incorrectly interpret the Internal Revenue Service regulation on moving expenses.

The taxpayer had moved more than 50 miles to take a new job during the previous year. And the moving expenses, plus most of the cost of selling his old house and some of the costs of buying a new one, were deductible, according to fairly simple rules in the IRS handbook.

But when the taxpayer asked about deducting the costs, the preparer said, "You would not qualify because you were just moving to take a new job."

The result was a missed deduction of more than $2,500.

The practitioner with the barren office—just two desks, several folding chairs and a couple of files—did a substantially better job of drawing out information about potential deductions.

He asked about car payments and about large purchases which qualified the reporter for a larger deduction for state sales taxes.

He said the office-in-home expenses would not be allowable, but he did suggest taking some of them as deductions for professional expenses.

He did allow $357 for moving expenses, primarily the costs of locating a new house and moving household goods. But instead of deducting the costs of selling the former home and buying a new one, he asked for estimates of those costs and figured them on a separate schedule of long-term capital gains and losses.

NOT BEST METHOD

This method, while perfectly legitimate, is not the most advantageous to the taxpayer, according to an IRS auditor who checked all the returns.

"He took a pretty conservative approach," the auditor said of Practitioner B. "But it would appear that he was not up very well on the most current tax laws."

As proof, he pointed out that one of the rules on mileage had changed this tax year, and the practitioner had used the old rather than the new figures.

The preparer who yielded the biggest refund came very close to making the same mistake on the moving deduction as did the other two.

After having done a relatively thorough job of digging out deductions, the interviewer dismissed the taxpayer, telling him to come back in several days for his forms. The taxpayer then asked about the moving expenses, saying he thought they might be deductible.

The interviewer turned to his manual, pointed to the IRS regulation in question, and said, "As you can see, you would not qualify for that."

TAXPAYER PERSISTED

Unlike the earlier encounter with Firm A, the taxpayer persisted, saying that as he read the regulation, he would qualify. The interviewer shrugged his shoulders and said he would talk to his supervisor about the matter later.

A few hours later, the tax preparer called to say that the costs would indeed be deductible. The preparer asked a few questions about the costs and was supplied the answers.

A few days later, when the taxpayer picked up his completed forms, they reflected not only the costs he had claimed but several hundred dollars in added expenses.

The figures, for premove meals and lodging and for travel expenses, were ones that the taxpayer had specifically stated he had not incurred.

But, almost by magic, those questionable figures boosted the moving expenses to the exact legal maximum allowed for that type of deduction.

The point of this, of course, is that the taxpayer is being given contrary and sometimes bad advice by people he feels are competent. And of course that is the issue. The tax service consumer has no way of knowing which preparer is competent. He is usually faced with dozens of choices among preparers and a bewildering array of advertising promising guaranteed returns, guaranteed accuracy, and in some cases the return in advance.

Earlier this year, I began to investigate this entire problem. In southern California, thousands of tax preparers opened temporary offices in shopping centers, supermarkets, trailers, and some even operating out of the back seats of their cars. I received some complaints from constituents and from some recognized professionals in the business. There were also rumors circulating that a wide scale IRS investigation was being launched.

I wrote the Commissioner of the Internal Revenue Service in February, and asked for his views. On March 8, I received his reply. In light of the article above and one that I will include in the RECORD at a later point, I found it quite disturbing.

First, the letter acknowledged the problem, particularly the seriousness of misleading advertising. I was informed that the FTC was investigating this area. A little later, I will report on the extent and progress of this investigation.

While this was somewhat encouraging, the rest of the letter offered some unfortunate surprises.

First. The Internal Revenue Service "is without authority to police" the conduct of preparers receiving fees, as these people cannot represent their clients before the IRS. Although attorneys, certified public accountants, and others who have specifically passed an IRS competency test are regulated, because they are eligible to represent clients before IRS, the majority of return preparers cannot be regulated because they cannot represent their clients.

This, of course, is a most stupendous piece of bad luck for the taxpayer. The logic for this regulation is quite absurd. Essentially, I've been told that since the preparer has no credentials to appear before IRS, and therefore no responsibility in the eyes of the IRS, the IRS has no responsibility for him. This despite the fact the majority of American taxpayers are now paying precisely these people to prepare their returns.

Thus, according to IRS, the only people regulated are those judged competent by the Service. People who either through professional training, or the acceptable passing of a test are the ones judged most competent to offer tax preparation services, and are the only ones the IRS is interested in. The bulk of the preparation services who prepare most of the returns are exempt from IRS scrutiny because they are not competent or professional enough to represent clients before the Service. This is extraordinary.

Second. The letter politely informed me that:

Frankly, while we are concerned about the increases in the number of incompetent preparers, we are still of the view that the Service should not attempt to control these firms or individuals. We do not have sufficient manpower to test and police the thousands of persons engaged in this business.

After admitting IRS concern over the "increase in the number of incompetent preparers" the letter then suggests that controls would tend to discourage more people from getting into the business, something the Service apparently feels would be against the interests of the taxpayers.

At this point in the RECORD, I include the full text of the IRS response to my inquiries. I also include the letter I received from the Federal Trade Commission:

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, D.C., March 8, 1971.

Hon. RICHARD T. HANNA,
House of Representatives,
Washington, D.C.

DEAR MR. HANNA: Commissioner Thrower has asked me to reply to your letter dated February 18, 1971.

The Internal Revenue Service launched an inquiry into commercial tax return preparation services a little over a year ago to define the scope of our authority and to consider what actions we might properly take for dealing with abuses by tax return preparers.

The recent proliferation of commercial preparers of returns is essentially a manifestation of American enterprise looking for new markets. More and more businessmen are looking at the millions of individual taxpayers as potential clientele. This in itself is not of concern to the Internal Revenue Service because these firms can provide a service for the taxpaying public.

Our main problem is that of misleading and deceptive advertising arising from the activities of a relatively few commercial preparers. Our interest here is to be alert to the occasional excesses of this minority which, if unchecked, might result in problems both for taxpayers and tax administration. The FTC is currently cooperating with us in a survey of advertising tactics of returns preparation firms.

The rules of conduct for practice before the IRS, as set forth in Treasury Department Circular No. 230, (copies enclosed) generally apply only to attorneys, certified public accountants, and others enrolled to practice. Since commercial preparers of returns advertise, they are not eligible to represent taxpayers before the IRS and, therefore, do not come within the purview of the Circular. So, absent a clearly fraudulent act such as inducing a taxpayer to file a false return or document, the Service is without authority to police this area.

Interestingly, H.R. 9922 was introduced in 1954 to authorize the Secretary of the Treasury to issue regulations relating to qualifications of persons who assist taxpayers in the preparation of tax returns. The Service opposed this legislation on the grounds that if a high standard of technical competence would be required, the number of persons who could qualify would not be sufficient to meet the demands of the taxpayers. If the system, otherwise, did not contemplate high technical competence, the evils inherent in the present system would not be greatly abated. To our knowledge, no similar legislation has been introduced since 1954.

Frankly, while we are concerned about the increases in the number of incompetent preparers, we are still of the view that the Service should not attempt to control these firms or individuals. We do not have sufficient manpower to test and police the thousands of persons engaged in this business. Furthermore, we are still concerned that controls would cause fewer people to engage in this business, thereby depriving taxpayers of needed assistance. Also, I doubt whether we in the Service could ever staff up or devote sufficient manpower to take care of the needs of taxpayers who do not feel competent to prepare their own return.

At this time we do not feel that we can draw any final conclusions or make legislative or administrative recommendations. I appreciate the opportunity to clarify this matter for you. If I can be of any further service please let me know.

Sincerely yours,

S. B. WOLFE,
Director, Audit Division.

Enclosures.

FEDERAL TRADE COMMISSION,
Washington, D.C.

Hon. RICHARD T. HANNA,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HANNA: This is in reply to your letter of March 25, 1971, inquiring as to the status of an investigation being conducted by the Bureau of Consumer Protection of the Commission into the practices of commercial income tax preparers.

As I understand it, the IRS presently has regulatory responsibility only over enrolled tax preparers. Certain IRS regulations have been effected which serve to control some of the business practices of these enrolled preparers. This class of tax preparers generally includes attorneys, accountants and others who have successfully completed an examination by IRS.

In general, the commercial tax preparers which advertise do not fall within this class and are consequently not within the jurisdiction of the IRS.

Although no formal determination has been made by the Commission, the staff of the Bureau of Consumer Protection feels that the practices of these commercial tax preparers are within the jurisdiction of the Commission under Section 5 of the Federal Trade Commission Act. Of course, this assumes that in any given instance other jurisdictional requirements, such as interstate commerce and adequate public interest, have been met.

In this regard, the Bureau of Consumer Protection is currently involved in an industry-wide inquiry concerning the practices of these companies.

This survey relates both to the use made of information gathered as a result of tax return preparation and to the advertising employed by commercial tax preparers.

Complaints have been received by the Commission which indicate that some firms may be using the tax returns for other purposes without disclosing this to their clients.

For example, in some instances this detailed financial information reportedly has been made available to investment companies, which then solicit the unsuspecting taxpayer. Also, some commercial preparers may be including clients' names—without their knowledge—on mailing lists sold to direct-mail advertisers and merchandisers.

The investigation also will involve allegations that various advertisements are designed to mislead the taxpaying public with respect to:

"Guarantees" of accuracy and preparer's liability if return is incorrect. (The taxpayer is responsible for the correctness of his own return regardless of who prepared it for him. Generally, "guarantees" as to accuracy cover only mathematical computations on the return; and preparer will make restitution only for interest and penalties due to his math errors.)

"Guarantees" for representation of taxpayer during a subsequent audit of his return. (Generally, only attorneys, certified public accountants and enrolled agents can represent clients before Internal Revenue Service; and such persons are prohibited from advertising.)

Quoting of statistics out of context in a misleading manner.

Implying that preparer has a special ability to get refunds for clients due to a past or present relationship with Internal Revenue Service.

These categories are offered by way of example and in no way are intended as perimeters of the scope of the investigation.

To date, and in the near future, the staff's efforts have been directed at securing information from the largest commercial tax preparers. As soon as these individual investigations are completed, a determination will be made as to what corrective action, if any, is warranted in the public interest as to these companies as well as other smaller firms in this field.

I must stress, however, that the inquiry is at a preliminary stage and no facts have been revealed at this time which would indicate whether or not any of these companies may be in violation of Section 5.

I hope this information is helpful and, if I may be of any further assistance, please do not hesitate to let me know.

With kind personal regards,

Sincerely,

JOSEPH MARTIN, Jr.,
General Counsel and Congressional Liaison Officer.

The second serious problem involves the handling of the files retained by these tens of thousand of practitioners. The information contained in a return is quite valuable to some. And while the taxpayer's return to the Government receives some protection, there is virtually no control over or protection for the consumer.

Whether these people fall under the provisions of the Fair Credit Reporting Act is still under debate. In order to avoid any confusion and guarantee the maximum protection to the consumer, legislation which includes these files under the law is needed.

In order to resolve these two problems before they become more serious than they currently are, I am asking today that the appropriate committees of the Congress begin immediate investigations. I am introducing a measure which can serve as the focus of the investigations.

The measure authorizes the Secretary of the Treasury to issue rules that will regulate the thousands of present practitioners that are currently outside Federal scrutiny. This measure would assure the consumer that he is at least receiving advice on his return from someone who has had to prove his competency and will be held accountable for his actions.

The measure also includes these practitioners under the fair credit bill if they attempt to sell or pass along for gain any of the information they obtain from preparing returns.

It is very difficult to document the scope of the problems that this proliferating business is causing. Very little attention has been paid to it. However, there is sufficient information now available to suggest we have an increasingly serious dilemma on our hands.

I am including a Los Angeles Times article and a Washington Post editorial at this point in the RECORD. Those Members who may not be sufficiently familiar with the scope of the problem should read this material.

The Los Angeles Times article reports the shocking state of affairs in southern California, where it is estimated that as many as 7,500 practitioners are engaged in some form of tax fraud.

The articles follow:

[From the Los Angeles Times, March 28, 1971]

GETTING HELP ON YOUR RETURN CAN BE TAXING

"When there is an income tax the just man will pay more and the unjust less on the same amount of income."—Plato, The Republic.

(By Evan Maxwell)

History records little about the income tax preparation business in ancient Greece, but the modern American taxpayer, whether he be just or unjust, can find plenty of help in figuring out his annual levy.

There are thousands of tax practitioners in Southern California, some good at their jobs and some bad. The taxpayer would be well-advised to choose carefully.

According to one Internal Revenue Service estimate, there are as many as 7,500 tax practitioners in Orange and Los Angeles counties engaged in some form of tax fraud.

"In the last two years, we have identified about 2,500 questionable practitioners," said one IRS investigator.

"There are probably three times that many practicing," he added.

There is no way to count the incompetent tax preparers in the area, but most observers say their number is substantial.

"We have enough trouble just finding a few qualified tax workers for full-time jobs," said the head of one large accounting firm. 'How can these tax services find experienced qualified help for part-time work during the tax season?"

Still, the tax preparation field has undergone an explosion in the last few years. For example, H&R Block, the largest firm in the field, opened seven offices in the Southland in 1963. This year, the firm has 28 in Orange County alone.

Between 70% and 80% of all federal tax return from Orange County are prepared by someone other than the taxpayer, usually by a professional, said Dan Pawlowski, Office Audit Group supervisor for the IRS in Garden Grove.

The figure representing an estimated 20% increase since 1969, is in part a reflection of the affluence of the county's population, according to IRS officials.

Also, a new set of regulations, the result of the Tax Reform Act of 1969, has sent the average taxpayer scrambling for help in the last two tax years.

But the increased number of these seeking professional tax help is also a reflection of the multiplication of services available.

Retail stores, banks and savings associations are offering tax preparation services, not necessarily as profit-making ventures but often simply as services to their customers.

In addition, there are hundreds of accounting firms, large and small and equal numbers of store front operators and persons who prepare tax returns as a sidelight to regular businesses.

Publicly, IRS officials and others in the tax field will make little comment on the quality of tax preparation services generally.

But the situation locally is serious enough to warrant real concern, according to the IRS.

Orange and Los Angeles counties make up one of four or five target areas in the nation for a crackdown on what are referred to as "questionable practitioners."

"Orange County is definitely worse off than the rest of the nation as far as questionable practices are concerned," said the IRS special agent in charge of the investigation.

And the nationwide problem is, according to the agent, second only to organized crime in its cost to citizens.

This fact alone should put the taxpayer on his guard when he seeks help in the annual ritual of paying his dues to civilized society.

In addition, the taxpayer should be aware of the wide variety of tax services available. Not all are equally suited to handle particular taxpayer problems. And there are some, say the experts, which are not qualified to handle any problems at all.

Among the most qualified are the certified public accountants and public accountants—commonly referred to as the "professionals" by virtue of their training and, in the case of the certified accountants, by their passage of a tough three-day state examination.

"For tax purposes, the public accountants and CPAs are probably equally competent as long as they have experience in the tax field," said Earl Harriman, chairman of the tax committee of the Orange County Chapter of the Society of California Accountants.

"But the key word here is 'experience,'" Harriman said. "Accountants do work in so many fields that they are not necessarily experts in tax law and problems."

Many certified accountants, especially those in large firms, are not interested in preparing personal tax returns on a mass basis, Harriman said.

The bulk of their business is with books and records of businesses. And their cost, probably up to $75 for an average personal return, makes their service somewhat costly for the average taxpayer.

HAZY DISTINCTION

Public accountants and CPAs in private practice are more likely to provide the kind of tax service most individual taxpayers need. And their costs are generally lower than those of the larger accounting firms.

The distinction between public accountants and tax preparation services is somewhat hazy for a number of reasons.

In the past, the two could be separated because accountants were available to their clients on a year-around basis, while tax services operated only four or five months a year.

But tax services, especially some of the larger ones, are going into year-around operations and are offering tax-planning assistance similar to that of private accounting firms.

In other areas, too, the distinction between locally owned and operated accounting firms and mass-oriented tax services is blurred.

Many of the mass preparers operate on a franchise basis, with the bulk of their work being done by local accountants who benefit from the prestige and national advertising programs of the parent firms.

But a basic distinction between the two probably is still intact. The one works on a mass basis, while the other works with limited numbers of clients and offers more individualized service.

And that distinction is the basis of the rather strong rivalry between the two.

Private accountants play up their own ability, by virtue of training and experience, to deal with the more complex tax problems better than what they refer to as "tax shops (store front operators and mass preparers)."

In order to catch all the deductions that the taxpayer is entitled to, the tax preparer must "know the correct questions to ask," said accountants' spokesman Harriman.

"A comprehensive interview and check list are essential, as is some knowledge of the taxpayer's particular situation.

"Most of the work in these shops is done by people who are not very well-trained and who probably don't know the right questions.

"There are all sorts of gray areas, problem areas, in taxes, and I would think that a great many people in these tax services would not know a problem area if they ran across it," Harriman said.

For their part, the tax services say their preparers are thoroughly qualified.

"We give all our preparers a 72-hour course

of instruction in all sorts of tax law and preparation," said Lou Cupp, advertising manager for H&R Block.

Most of the tax services also provide their interviewers with extensive questionnaires designed to elicit from the taxpayer information about all deductions for which he might qualify.

But the fact remains that most interviewers receive comparatively little training and have relatively little experience when compared to professional tax accountants.

"I just don't see how they can get qualified people," said Harriman. "Everybody who is really competent already has a job."

The tax services maintain that their systems of checking and rechecking each return is the best backstop against error. But these checks, experts say, pertain mostly to mathematics. They are of little value in uncovering legitimate deductions missed by both the taxpayer and the interviewer.

IRS spokesmen agree that there are few mathematical errors on the returns of the large tax services. But they say it is not uncommon, when these returns are audited, to find that preparers overlooked or left out substantial deductions.

"I would have to say that many of the firms are concerned about their images and therefore are conservative in stating deductions in order to avoid having anything disallowed," said one IRS investigator.

Some accountants have a tendency to follow similarly conservative courses, according to the IRS.

Another criticism which tax professionals level at tax services is that they are geared for one thing—speed.

"They just can't do a quality job when they crank people through as quickly as they do," said one private accountant.

Taxpayers need not necessarily be put off by these criticisms. For a comparatively low cost, and with little of the taxpayer's time, the tax services can do a good job on the less complex returns.

Their interview lists touch most of the major categories of potential deductions, and many of their interviewers gain a lot of tax experience quickly, especially in the busier offices.

PROFESSIONAL HELP

But the possibility remains that taxpayers with complex returns probably will get better service from professional tax experts than from a housewife or a student who became a tax expert within a matter of weeks.

Any criticism applied to the larger tax services must be applied at least equally to the storefront operators, according to critics.

"These guys cause more problems than anybody else," an IRS investigator said.

Some of them are former employes of the larger tax services who have gone into business for themselves, he said. Others are outright frauds who have no experience in taxes but who set themselves up as experts.

Many of them practice in the crowded lower-income areas, charging inflated rates for simple returns and preying on the poorly educated, unsophisticated taxpayer.

"One of the favorite ploys is to quote a low rate for the return," said an IRS spokesman.

"The accountant then takes all the man's tax records, including his W-2 form. When the man comes back, the preparer says he ran into some problems, filled out a lot of extra forms and now wants $200.

Another gambit is used by a practitioner who says he will use every angle to get a big refund and keep a percentage of the refund.

The practitioner will fill out a grossly fraudulent return, keep part of the refund, and probably disappear. When the IRS calls for an audit the taxpayer is liable for all the back taxes, plus any penalties.

"A preparer who cheats each of 100 customers out of $1,000, and that is not an outrageous figure, can clean up on $100,000 and disappear," said the investigator.

The practice of inflating deductions is not limited to tax preparers. Indeed, this is one of the areas where Plato's "unjust" man can easily participate in the preparation of false tax returns.

The IRS requires substantiation for all deductions that a taxpayer claims. But spokesmen for the IRS and others in the tax field say that legitimate tax preparers prefer to work from the same sort of substantiation.

But, they say, there are many tax preparers who lead their clients down the primrose path by encouraging estimates, often inflated estimates of deductions and even by outright invention of them.

If these falsifications are discovered, the taxpayer is most directly liable. And he pays the costs, because he signed the blank which said the return was "true, and complete." If the preparer signed the return at all, he simply signed in the space which indicated that all the information was supplied by the taxpayer.

However, acting out of the belief that the problem of inflated deductions is in large part the fault of tax preparers, the IRS has begun to look more closely at tax preparation services.

"We aren't really interested in the taxpayer," said one of the investigators. "We are trying to locate the practitioners who assist in preparing these false returns."

With this in mind, the IRS has begun seizing the records of suspected fraudulent practitioners.

"We are looking for patterns of inflated deductions through all these records," said the investigator.

"Very often, they inflate the same deductions for all their clients, or they use the same sorts of questionable practices.

"One of these guys asked all his clients if they had a dog who gave birth to a litter of pups in the last year," the investigator said.

"If they answered yes, they automatically became professional dog-breeders and picked up a number of deductions."

These kinds of patterns, as well as the simple ones like the claiming of $104 a year in church contributions because the IRS has said that figure is acceptable without documentation, are the patterns which differentiate the just from the unjust, whether they be taxpayers or tax practitioners.

[From the Washington Post]

APRIL 15, FORM 1040 AND ALL THAT

Now that the awful day has passed we would like to explore a little the maze of complications that surrounds April 15 and the document known as "Individual Income Tax Return." It is a maze that seems to grow in size and complexity each year, although some tax experts assure us it is not as formidable as it once was. And it has been in recent years the source of a host of new tax advisers and tax-return preparers, who by their mere existence raise problems that did not exist before.

We pass over lightly the ponderables and imponderables of Form 1040 with its numbered lines and schedules, A, B, C, D, and so on. It is, we think, somewhat more comprehensible than it once was although some people can remember when there was only one long sheet of paper and an optional short form. We also pass lightly over the questions raised on this page earlier this week by Hobart Rowen in his discussion of the tax-avoidance gimmicks that still exist despite the tightening of the laws that occurred only a year or so ago. True, many of those are worthy of detailed discussion but, somehow, the day after tax returns are due is not a day on which rational analysis of those gimmicks seems possible. That leaves the problem of filling out the existing form itself and this seems like a fit subject for mid-April.

A few days ago, the *Wall Street Journal* reported the saga of a man in Atlanta who took his data to five businesses that specialize in preparing tax returns and got back five different answers as to what he owed or didn't owe Uncle Sam. Then the *Journal* took the same set of figures to the Internal Revenue Service which produced a sixth figure. The range of these figures wasn't even close. The IRS said the man was entitled to a $466.10 refund; four tax services had given him returns claiming a refund of $652.04, $542, $487, or $483; the fifth said he owed $141.

Obviously, something is wrong somewhere. The tax laws and regulations are complicated but, given the figures in this man's case, not that complicated. The *Journal* reported such things as the inclusion on the returns by the tax services of deductions not claimed by the taxpayer and the exclusion of some clearly deductible items, as well as some simple mistakes such as filling in the form with the wrong name and address.

This leads us to suggest that Congress might quite properly take a careful look at the tax preparation and adviser business. Everybody seems to be getting into it these days and we suspect that not everybody who is filling out returns provides advice worth what it costs. There are almost a hundred listings in the District of Columbia's yellow pages alone under "tax return preparation" and it seems likely that there are other places around the country like the one the *Journal* found in Atlanta that sold gasoline but advertised, "Cigarettes 35 cents. Guaranteed Income Tax Returns, 20 Years Exp. $5 & Up. Mechanic On Duty." Indeed, we were struck by the letter from the Commissioner of Internal Revenue that appeared on the opposite page recently in which he pointed out that those people who can represent others before the IRS are strictly limited in the advertising they can do to attract business.

There is a second troubling aspect in this whole matter. The Federal Trade Commission is even now investigating the possibility that some tax-return firms are selling the information they gain from taxpayers to others, such as credit bureaus, department stores and direct-mail companies. This knowledge is, no doubt, of considerable use to companies which extend credit or which want to solicit business from people in certain income levels. But it is information that a taxpayer ought not to give up readily and it is information that these businesses can't get from the IRS. So there is much to be said for a bill introduced last month by Senator Mathias to bar tax-return preparers from giving out any such information without the specific authorization of clients.

The ideal solution to the problem of preparing tax returns, of course, would be either to have a tax system so simple that everybody could understand it or to have a government agency which people would trust to give them the best possible break. Unfortunately, the United States has neither since people believe, rightly or wrongly, that the IRS aims at getting as much in taxes out of them as possible. Given this situation, Congress might well draw up a set of qualifications and rules to govern the entire field of tax return preparers. That would make the annual April scramble a little safer and saner for everybody.

Congress has the opportunity of checking the spread of this problem. I urge it to take up the measure I am introducing today as rapidly as possible.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. DON H. CLAUSEN (at the request of Mr. GERALD R. FORD), from April 29,

1971, through May 9, 1971, on account of official business.

Mr. PEPPER (at the request of Mr. BOGGS), for Monday, May 3 through Wednesday, May 5, on account of official business.

Mr. GRIFFIN (at the request of Mr. BOGGS), on Monday, May 3, and Tuesday, May 4, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MONTGOMERY, for 60 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. PUCINSKI, for 60 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. HOLIFIELD, today, for 10 minutes, to revise and extend his remarks, and to include extraneous material.

(The following Members (at the request of Mr POWELL), to revise and extend their remarks and to include extraneous matter:)

Mr. MATHIAS of California, today, for 5 minutes.

Mr. HALPERN, today, for 5 minutes.

Mr. FINDLEY, today, for 15 minutes.

Mr. KEMP, today, for 15 minutes.

(The following Members (at the request of Mr. DAVIS of South Carolina), to revise and extend their remarks and include extraneous matter:)

Mr. FLOOD, for 15 minutes, today.

Mr. SISK, for 10 minutes, today.

Mr. KYROS, for 30 minutes, today.

Mr. VANIK, for 15 minutes, today.

Mr. HECHLER of West Virginia, for 5 minutes, today.

(The following Members (at the request of Mr. LANDGREBE), to revise and extend their remarks, and to include extraneous matter:)

Mr. ANDERSON of Illinois, today, for 30 minutes.

Mr. HOGAN, for 10 minutes.

(The following Members (at the request of Mr. DAVIS of South Carolina), to revise and extend their remarks, and to include extraneous matter:)

Mr. GONZALEZ, today, for 10 minutes.

Mr. KYROS, on May 4, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BENNETT in two instances and to include extraneous matter.

Mr. PELLY and Mr. KEITH (at the request of Mr. MAILLIARD), to revise and extend their remarks on the bill H.R. 155.

(The following Members (at the request of Mr. POWELL) and to include extraneous matter:)

Mr. STEELE in 10 instances.

Mr. BROYHILL of Virginia in two instances.

Mr. HOSMER in three instances.

Mr. SPENCE.

Mr. FORSYTHE.

Mr. YOUNG of Florida in five instances.

Mr. GERALD R. FORD.

Mr. HUNT in two instances.

Mr. MYERS in two instances.

Mr. DENNIS.

Mr. WYMAN in two instances.

Mr. COLLIER in five instances.

Mr. SCHMITZ in two instances.

Mr. NELSEN.

Mr. PRICE of Texas.

Mr. ZION.

(The following Members (at the request of Mr. LANDGREBE) and to include extraneous matter:)

Mr. QUIE in two instances.

Mr. GOLDWATER.

Mr. SCHERLE in 10 instances.

(The following Members (at the request of Mr. DAVIS of South Carolina) and to include extraneous matter:)

Mr. FISHER in four instances.

Mr. MAHON in two instances.

Mr. HARRINGTON in two instances.

Mr. BEGICH in four instances.

Mr. JAMES V. STANTON.

Mr. WILLIAM D. FORD.

Mr. ASPIN.

Mr. GRIFFIN.

Mrs. GRIFFITHS.

Mr. BRINKLEY.

Mrs. CHISHOLM.

Mr. VAN DEERLIN.

Mr. EILBERG.

Mr. STOKES.

Mr. PREYER of North Carolina in two instances.

Mr. DANIELSON.

Mr. ALBERT in two instances.

Mr. RARICK in three instances.

Mr. DULSKI in six instances.

Mr. KLUCZYNSKI in two instances.

Mr. THOMPSON of New Jersey in two instances.

Mr. KYROS in two instances.

Mr. MINISH in three instances.

Mr. ROY.

Mr. ROSTENKOWSKI.

Mr. VANIK in two instances.

Mr. DINGELL in two instances.

Mr. LONG of Maryland in two instances.

Mr. HATHAWAY.

Mr. HANNA in two instances.

Mr. FOLEY in two instances.

Mr. RYAN in three instances.

Mr. WOLFF in two instances.

Mr. ANDERSON of California in two instances.

Mr. EDWARDS of California in four instances.

Mr. FRASER.

Mr. SCHEUER.

Mr. DRINAN in three instances.

Mr. GONZALEZ in three instances.

Mr. BRASCO.

Mr. ROONEY of New York.

Mr. MOORHEAD.

Mr. RODINO.

Mr. BARING in two instances.

Mr. ADDABBO.

Mr. LEGGETT.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on April 29, 1971, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 567. Joint resolution making certain urgent supplemental appropriations for the fiscal year 1971, and for other purposes.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 646. An act to amend title 17 of the United States Code to provide for the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recording, and for other purposes; to the Committee on the Judiciary.

S. Con. Res. 22. Concurrent resolution designating "Human Development Month" and "Voluntary Overseas Aid Week"; to the Committee on the Judiciary.

ADJOURNMENT

Mr. DAVIS of South Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 4, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

650. A letter from the Secretary of Agriculture, transmitting the report on the agricultural conservation program for the fiscal year ending June 30, 1970, pursuant to 50 Stat. 329; to the Committee on Agriculture.

651. A letter from the Acting Secretary of the Army, transmitting a report on the Department of the Army aviation personnel above the grade of major, for the period July 1–December 31, 1970, pursuant to 37 U.S.C. 301(g); to the Committee on Armed Services.

652. A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting notice of a proposed transfer of a 42-foot aircraft refueling boat, pursuant to 10 U.S.C. 7308(c); to the Committee on Armed Services.

653. A letter from the Assistant to the Commissioner, the District of Columbia, transmitting a draft of proposed legislation to provide additional revenue for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

654. A letter from the Assistant to the Commissioner, the District of Columbia, transmitting a draft of proposed legislation to provide for improvements in the administration of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

655. A letter from the Assistant to the Commissioner, the District of Columbia transmitting a draft of proposed legislation to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia and the District of Columbia Traffic Act, 1925, in order to promote increased traffic safety, and for other purposes; to the Committee on the District of Columbia.

656. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the creation of the Indian Trust Counsel Authority, and for other purposes; to the Committee on Interior and Insular Affairs.

657. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to establish within the Department of the Interior the Indian business development program to stimulate Indian entrepreneurship and employment, and for other purposes;

to the Committee on Interior and Insular Affairs.

658. A letter from the Legislative Counsel, U.S. Department of the Interior, transmitting a report on the environmental impact of proposed legislation relative to the national land use policy; to the Committee on Interior and Insular Affairs.

659. A letter from the Executive Director, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases as of March 31, 1971, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

660. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the annual report on applications for court orders made to Federal and State courts to permit the interception of wire or oral communications, pursuant to section 2519 of title 18, U.S.C.; to the Committee on the Judiciary.

661. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 18, United States Code, to provide for the protection of U.S. probation officers; to the Committee on the Judiciary.

662. A letter from the Chairman, Administrative Conference of the United States, transmitting a draft of proposed legislation to amend title 28 of the United States Code with respect to judicial review of decisions of the Interstate Commerce Commission, and for other purposes; to the Committee on the Judiciary.

663. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation relating to age requirements for appointments to positions in executive agencies and in the competitive service; to the Committee on Post Office and Civil Service.

664. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 3, 1970, submitting a report, together with accompanying papers and an illustration, on Cadet Bayou, Miss., requested by a resolution of the Committee on Public Works, House of Representatives, adopted December 14, 1950. No authorization by Congress is recommended as the desired improvement has been approved for accomplishment under section 107 of the River and Harbor Act of 1960; to the Committee on Public Works.

RECEIVED FROM THE COMPTROLLER GENERAL

665. A letter from the Comptroller General of the United States, transmitting a report of multiyear leasing and Government-wide purchasing of automatic data processing equipment should result in significant savings; to the Committee on Government Operations.

666. A letter from the Comptroller General of the United States, transmitting a report on the impact of employment ceilings on management of civilian personnel, Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H.R. 2596. A bill to amend the act of July 11, 1947, to authorize members of the District of Columbia Fire Department, the U.S. Park Police force, and the Executive Protective Service, to participate in the Metropolitan Police Department Band, and for other purposes; (Rept. No. 92–168). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 2594. A bill to amend chapter 19 of title 20 of the District of Columbia Code to provide for distribution of a minor's share in a decedent's personal estate where the share does not exceed the value of $1,000; (Rept. No. 92–169). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 5638. A bill to extend the penalty for assault on a police officer in the District of Columbia to assaults on firemen, to provide criminal penalties for interfering with firemen in the performance of their duties, and for other purposes; (Rept. No. 92–170). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severely referred as follows:

By Mr. PERKINS:

H.R. 7949. A bill to amend the Vocational Rehabilitation Act in order to assure rehabilitation services to older blind persons, and for other purposes; to the Committee on Education and Labor.

By Mr. HEBERT (for himself and Mr. ARENDS):

H.R. 7950. A bill to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title; to the Committee on Armed Services.

By Mr. SEBELIUS:

H.R. 7951. A bill relating to the conservation and restoration of marginal farmland; to the Committee on Agriculture.

By Mr. ABBITT:

H.R. 7952. A bill to protect ocean mammals from being pursued, harassed, or killed; to the Committee on Merchant Marine and Fisheries.

By Mr. ASHBROOK:

H.R. 7953. A bill to authorize the Secretary of the Interior to protect, manage, and control free-roaming horses and burros on public lands; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.R. 7954. A bill to amend section 207 of title 18, United States Code, in order to prohibit former Federal employees who participated in a contract formulation from being employed, for a period of 2 years, by anyone who has a direct interest in the contract; to the Committee on the Judiciary.

By Mr. BERGLAND:

H.R. 7955. A bill to amend the Interstate Commerce Act, section 204; to the Committee on Interstate and Foreign Commerce.

By Mr. BRINKLEY:

H.R. 7956. A bill to amend title 38, United States Code, so as to provide that increases in social security benefits, railroad retirement benefits, and cost-of-living adjustments of civil service retirement annuities shall be disregarded under certain circumstances in determining eligibility for or the amount of dependency and indemnity compensation for dependent parents of veterans and non-service-connected pension for veterans and widows; to the Committee on Veterans' Affairs.

By Mr. BROOMFIELD:

H.R. 7957. A bill to establish the Advisory Commission on Federal Tax Forms, and for other purposes; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 7958. A bill to amend section 584 of the Internal Revenue Code of 1954, relating to common trust funds maintained by banks; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. HAMMERSCHMIDT, Mr. MONTGOMERY, and Mr. HECHLER of West Virginia):

H.R. 7959. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. CABELL:

H.R. 7960. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes; to the Committee on Science and Astronautics.

By Mr. COLLIER:

H.R. 7961. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 with respect to the terms of office of officers of local labor organizations; to the Committee on Education and Labor.

H.R. 7962. A bill to amend the Communications Act of 1934 so as to provide for the regulation of the broadcasting of certain major sporting events in the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. DOW, Mr. REID of New York, Mr. RUPPE, and Mr. WOLFF):

H.R. 7963. A bill to amend the Federal Water Pollution Control Act to provide for its uniform application to all of the navigable waters of the United States and to provide financial assistance to States and municipalities for water quality enhancement and pollution control, and for other purposes; to the Committee on Public Works.

By Mr. DULSKI (for himself, Mr. WALDIE, Mr. CHAPPELL, Mr. DANIELS of New Jersey, Mr. WHITE, Mr. BRASCO, Mr. SCOTT, Mr. HOGAN, Mr. POWELL and Mr. BROYHILL of Virginia):

H.R. 7964. A bill to liberalize eligibility for cost-of-living increases in civil service retirement annuities; to the Committee on Post Office and Civil Service.

By Mr. ESHLEMAN:

H.R. 7965. A bill to amend the tariff and trade laws of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 7966. A bill to amend section 7 of the Flood Control Act approved June 28, 1938 (52 Stat. 1215, 1225), as amended; to the Committee on Public Works.

By Mr. GERALD R. FORD:

H.R. 7967. A bill to establish within the Department of Housing and Urban Development a program of direct loans to skilled nursing homes to enable them to qualify for participation in the medicare program; to the Committee on Banking and Currency.

By Mr. FULTON of Pennsylvania (for himself and Mr. MOSHER):

H.R. 7968. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GALIFIANAKIS:

H.R. 7969. A bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy; to the Committee on Post Office and Civil Service.

By Mr. GROSS:

H.R. 7970. A bill limiting the use of publicly owned or controlled property in the District of Columbia, requiring the posting of a bond for the use of such property, and for other purposes; to the Committee on Public Works.

By Mr. GUDE:

H.R. 7971. A bill to amend the Rail Passenger Service Act of 1970 in order to prevent

the discontinuance pursuant to such act of intercity rail passenger service which provides service for a substantial number of regular commuter passengers; to the Committee on Interstate and Foreign Commerce.

H.R. 7972. A bill to amend the Rail Passenger Service Act of 1970 to provide that all passenger train discontinuances must be in accordance with the provisions of section 13a of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

By Mr. HANNA:

H.R. 7973. A bill to authorize the Secretary of the Treasury to prescribe regulations relating to qualifications of persons who assist taxpayers in the determination of their Federal tax liabilities, and to amend the Internal Revenue Code of 1954 to require the consent of the taxpayer concerned before a person who prepares a taxpayer's income tax return may use or disclose for other purposes any information furnished for the preparation of such return, and for other purposes; to the Committee on Ways and Means.

By Mr. HARSHA:

H.R. 7974. A bill to establish a National Cancer Authority in order to conquer cancer at the earliest possible date; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 7975. A bill to provide for the conveyance of certain mineral rights in and under lands in Onslow County, N.C.; to the Committee on Interior and Insular Affairs.

By Mr. JACOBS (for himself, Mr. O'KONSKI, Mr. MELCHER, Mr. DANIEL of Virginia, Mr. ANDERSON of Tennessee, Mr. GARMATZ, Mr. PIKE, Mr. ROYBAL, Mr. REES, Mr. DERWINSKI, Mr. FOLEY, Mr. MCCLOSKEY, Mr. COLLIER, Mr. HECHLER of West Virginia, Mr. GIBBONS, Mr. MOORHEAD, Mr. MITCHELL, Mr. FULTON of Tennessee, Mr. ASPIN, Mr. COLLINS of Texas, Mr. GRAY, Mr. COLLINS of Illinois, Mr. ROY, Mr. ANDERSON of Illinois, and Mr. ECKHARDT):

H.R. 7976. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

By Mr. JACOBS (for himself, Mr. MORSE, Mr. PEPPER, Mr. CHARLES H. WILSON, Mr. MEEDS, Mr. WOLFF, Mr. NICHOLS, Mr. MATASUNAGA, and Mr. HARRINGTON):

H.R. 7977. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 7978. A bill to amend certain Federal law relating to the interception of wire and oral communications; to the Committee on the Judiciary.

By Mr. McCORMACK:

H.R. 7979. A bill to amend the Interstate Commerce Act, section 204; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK (for himself and Mr. JOHNSON of California):

H.R. 7980. A bill to amend the Internal Revenue Code of 1954 to provide for the continuation of the investment tax credit for small businesses, and for other purposes; to the Committee on Ways and Means.

By Mr. MIKVA (for himself and Mr. PRICE of Illinois):

H.R. 7981. A bill: National Public Employee Relations Act; to the Committee on Education and Labor.

By Mr. MINISH:

H.R. 7982. A bill to amend the Federal Water Pollution Control Act to provide for its uniform application to all of the navigable waters of the United States and to provide financial assistance to State and municipalities for water quality enhancement and pollution control, and for other purposes; to the Committee on Public Works.

By Mr. MONTGOMERY:

H.R. 7983. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. MORSE:

H.R. 7984. A bill to assure an opportunity for employment to every American veteran who is seeking work; to the Committee on Veterans' Affairs.

By Mr. MURPHY of New York:

H.R. 7985. A bill to provide for the sharing with State and local governments of a portion of the tax revenue of the Federal Government and to authorize Federal collection of State income taxes; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, Mr. ROONEY of Pennsylvania, Mr. VAN DEERLIN, Mr. HALPERN, Mr. DULSKI, Mr. EVINS of Tennessee, Mr. DORN, Mr. KYROS, Mr. PIRNIE, Mr. THOMPSON of New Jersey, Mr. HAYS, Mr. HATHAWAY, Mr. PODELL, Mr. TIERNAN, Mr. ROY, Mr. O'NEILL, Mr. GETTYS, Mr. FULTON of Tennessee, Mr. MOORHEAD, Mr. METCALFE, Mr. FORSYTHE, Mr. HOWARD, Mr. CAREY of New York, Mr. CARNEY, and Mr. CARTER):

H.R. 7986. A bill to amend section 409 of part IV of the Interstate Commerce Act, as amended, to authorize contracts between freight forwarders and railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN (for himself, Mrs. SULLIVAN, and Mr. WIDNALL):

H.R. 7987. A bill to provide for the striking of medals in commemoration of the bicentennial of the American Revolution; to the Committee on Banking and Currency.

By Mr. PUCINSKI (for himself, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. BRADEMAS, Mr. HAWKINS, Mrs. MINK, Mr. SCHEUER, Mr. MEEDS, Mr. BURTON, Mr. CLAY, Mrs. CHISHOLM, Mrs. HICKS of Massachusetts, Mr. BADILLO, Mr. PRICE of Illinois, Mr. DERWINSKI, Mr. COLLINS of Illinois, Mr. ANNUNZIO, Mr. HELSTOSKI, Mr. CONYERS, Mr. ANDERSON of California, Mr. MOORHEAD, Mr. ROYBAL, Mr. MORGAN, and Mr. FULTON of Pennsylvania):

H.R. 7988. A bill to provide a program to improve the opportunity of students in elementary and secondary schools to study cultural heritages of the various ethnic groups in the Nation; to the Committee on Education and Labor.

By Mr. PUCINSKI (for himself, Mr. EILBERG, Mrs. GRASSO, and Mr. MATSUNAGA):

H.R. 7989. A bill to provide a program to improve the opportunity of students in elementary and secondary schools to study cultural heritages of the various ethnic groups in the Nation; to the Committee on Education and Labor.

By Mr. RAILSBACK (for himself and Mr. ARENDS):

H.R. 7990. A bill to amend the Internal Revenue Code of 1954 to continue the investment tax credit for the first $20,000 of investment in each taxable year in a farming business; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. RUPPE, and Mr. TERRY):

H.R. 7991. A bill to terminate and to direct the Secretary of the Interior and the Secretary of the Navy to take action with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore the Naval Petroleum Reserve No. 4, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCHMITZ:

H.R. 7992. A bill limiting the use of publicly owned or controlled property in the District of Columbia, requiring the posting of a bond for the use of such property, and for other purposes; to the Committee on Public Works.

By Mr. SCHWENGEL:

H.R. 7993. A bill to establish a revenue sharing program for rural development; to the Committee on Government Operations.

By Mr. SHRIVER:

H.R. 7994. A bill to amend the Interstate Commerce Act in order to provide for the rail transportation of freight for the Department of Defense in general-purpose boxcars owned by the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 7995. A bill to amend the Internal Revenue Code of 1954 to extend the time within which certain ministers may file applications for exemption from the tax on self-employment income; to the Committee on Ways and Means.

By Mr. SIKES (for himself, Mr. DENNIS, Mr. ALEXANDER, Mr. WAGGONNER, and Mr. MATHIAS of California):

H.R. 7996. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. STEELE:

H.R. 7997. A bill to provide a program to improve the opportunity for the study of cultural heritages of all ethnic groups in the Nation; to the Committee on Education and Labor.

H.R. 7998. A bill to authorize and request the President to proclaim April 11 of each year as "National Submarine Day"; to the Committee on the Judiciary.

H.R. 7999. A bill to establish a Federal Judiciary Council; to the Committee on the Judiciary.

H.R. 8000. A bill relating to the fixing of prevailing rates for wage board employees of the Government of the United States; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN:

H.R. 8001. A bill to amend the Internal Revenue Code of 1954 to exempt from the aircraft use tax certain agricultural aviation and to provide for refund of the gasoline tax to the agricultural aircraft operator with the consent of the farmer; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 8002. A bill to provide for determination through judicial proceedings of claims for compensation on account of disability or death resulting from disease or injury incurred or aggravated in line of duty while serving in the active military or naval service, including those who served during peacetime, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WINN:

H.R. 8003. A bill to authorize the Secretary of Commerce to conduct research and development programs to increase knowledge of tornadoes, squall lines, and other severe local storms, to develop methods for detecting storms for prediction and advance warning, and to provide for the establishment of a National Severe Storms Service; to the Committee on Interstate and Foreign Commerce.

By Mr. ZION:

H.R. 8004. A bill to create a National Agricultural Bargaining Board to provide stand-

ards for the qualification of associations of producers, to define the mutual obligation of handlers and associations of producers to negotiate regarding agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. DOW (for himself, Mr. ASPIN, Mr. BADILLO, Mr. BINGHAM, Mr. BLACKBURN, Mr. BRADEMAS, Mr. BURKE of Massachusetts, Mr. CLEVELAND, Mr. CONTE, Mr. DINGELL, Mr. EDWARDS of California, Mr. EDWARDS of Louisiana, Mr. ESCH, Mr. FORSYTHE, Mr. FRASER, Mr. GIBBONS, Mrs. GRASSO, Mr. GUDE, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HORTON, Mr. KEMP, and Mr. KOCH):

H.R. 8005. A bill to authorize and direct the Secretary of Defense and the Administrator of the General Services Administration to insure the procurement and use by the Federal Government of products manufactured from recycled materials; to the Committee on Government Operations.

By Mr. DOW (for himself, Mr. KYROS, Mr. LONG of Maryland, Mr. MCCLOSKEY, Mr. MAZZOLI, Mrs. MINK, Mr. O'KONSKI, Mr. PICKLE, Mr. PODELL, Mr. RANGEL, Mr. ROONEY of Pennsylvania, Mr. ROUSH, Mr. RYAN, Mr. TEAGUE of California, Mr. TIERNAN, Mr. VIGORITO, Mr. WILLIAMS, Mr. CHARLES H. WILSON, and Mr. WOLFF):

H.R. 8006. A bill to authorize and direct the Secretary of Defense and the Administrator of the General Services Administration to insure the procurement and use by the Federal Government of products manufactured from recycled materials; to the Committee on Government Operations.

By Mr. DOW (for himself, Mr. ASPIN, Mr. BADILLO, Mr. BINGHAM, Mr. BLACKBURN, Mr. BRADEMAS, Mr. BURKE of Massachusetts, Mr. CLEVELAND, Mr. CONTE, Mr. DINGELL, Mr. EDWARDS of California, Mr. EDWARDS of Louisiana, Mr. ESCH, Mr. FORSYTHE, Mr. FRASER, Mr. GIBBONS, Mrs. GRASSO, Mr. GUDE, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HORTON, Mr. KEMP, and Mr. KOCH):

H.R. 8007. A bill to authorize and direct the Administrator of the General Services Administration to prescribe regulations with respect to the amount of recycled material contained in paper procured or used by the Federal Government or the District of Columbia; to the Committee on Government Operations.

By Mr. DOW (for himself, Mr. KYROS, Mr. LONG of Maryland, Mr. MCCLOSKEY, Mr. MAZZOLI, Mrs. MINK, Mr. O'KONSKI, Mr. PICKLE, Mr. PODELL, Mr. RANGEL, Mr. ROONEY of Pennsylvania, Mr. ROUSH, Mr. RYAN, Mr. TEAGUE of California, Mr. TIERNAN, Mr. VIGORITO, Mr. WILLIAMS, Mr. CHARLES H. WILSON, and Mr. WOLFF):

H.R. 8008. A bill to authorize and direct the Administrator of the General Services Administration to prescribe regulations with respect to the amount of recycled material contained in paper procured or used by the Federal Government or the District of Columbia; to the Committee on Government Operations.

By Mr. MICHEL:

H.R. 8009. A bill to authorize the Secretary of the Interior to protect, manage, and control free-roaming horses and burros on public lands; to the Committee on Interior and Insular Affairs.

By Mr. PRICE of Texas:

H.R. 8010. A bill to furnish assistance to farmers and ranchers in emergencies caused by natural disasters; to the Committee on Agriculture.

By Mr. RANDALL (for himself, Mr. HOLIFIELD, Mrs. DWYER, Mr. WYDLER, Mr. GARMATZ, Mr. GALLAGHER, Mr. COLLINS of Illinois, Mrs. ABZUG, Mr. BROWN of Michigan, Mr. GOLDWATER, Mr. HOSMER, Mr. GUDE, Mr. GUBSER, Mr. WALDIE, and Mr. ROE):

H.R. 8011. A bill to amend the Wagner-O'Day Act to extend its provisions relating to Government procurement of commodities produced by the blind to commodities produced by other severely handicapped individuals, and for other purposes; to the Committee on Government Operations.

By Mr. SCHEUER (for himself, Mr. CORMAN, Mr. HARRINGTON, Mr. MCCORMACK, and Mr. MEEDS):

H.R. 8012. A bill to amend the Foreign Assistance Act of 1961 to provide for international drug control assistance; to the Committee on Foreign Affairs.

By Mr. TIERNAN:

H.R. 8013. A bill to make possible appropriate, economical, and accessible learning opportunities for all adults, both for their individual fulfillment and for the social and economic well-being of the Nation; to the Committee on Education and Labor.

By Mr. UDALL (for himself, Mr. MCCLURE, and Mr. LUJAN):

H.R. 8014. A bill to retain coverage under the laws providing employee benefits, such as compensation for injury, retirement, life insurance, and health benefits for employees of the Government of the United States who transfer to Indian tribal organizations to perform services in connection with governmental or other activities which are or have been performed by Government employees in or for Indian communities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN:

H.R. 8015. A bill to provide that the taxable year shall start on January 1 rather than July 1 for purposes of the tax imposed on the use of highway motor vehicles by section 4481 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. ZWACH:

H.R. 8016. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8017. A bill to amend the Public Health Service Act to assist in alleviating the shortage of health care personnel in rural areas and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Dakota:

H.J. Res. 601. Joint resolution requesting the President of the United States to issue a proclamation calling for a "Day of Bread" and "Harvest Festival"; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.J. Res. 602. Joint resolution authorizing the President to proclaim the period from May 22, 1971, through May 28, 1971, as "National Rescue Mission Week"; to the Committee on the Judiciary.

By Mr. BEVILL:

H.J. Res. 603. Joint resolution to instruct the President of the United States to release certain appropriated funds; to the Committee on Government Operations.

By Mr. RODINO (for himself and Mr. HENDERSON):

H.J. Res. 604. Joint resolution designating the last full week in July of 1971 as "National Star Route Mail Carriers Week"; to the Committee on the Judiciary.

By Mr. ZABLOCKI (for himself, Mr. REUSS, Mr. KASTENMEIER, Mr. OBEY, and Mr. ASPIN):

H.J. Res. 605. Joint resolution to instruct the President of the United States to release certain appropriated funds; to the Committee on Government Operations.

By Mr. BENNETT (for himself, Mr. GIBBONS, Mr. HORTON, Mr. LEGGETT, Mr. LONG of Maryland, Mr. PEPPER, Mr. HUNGATE, Mr. REES, Mr. BEVILL, Mr. BRASCO, Mr. BRINKLEY, Mr. EILBERG, Mr. NICHOLS, Mr. GRIFFIN, Mr. ALEXANDER, Mr. MANN, Mr. MIKVA, Mr. MELCHER, Mr. HARRINGTON, Mr. ROE, Mr. ABOUREZK, Mr. ASPIN, Mr. BADILLO, and Mr. DOW):

H. Con. Res. 284. Concurrent resolution to establish a Joint Committee on Impoundment of Funds; to the Committee on Rules.

By Mr. BENNETT (for himself, Mr. PATMAN, Mr. SIKES, Mr. MILLER of California, Mr. PRICE of Illinois, Mr. EVINS of Tennessee, Mr. FOUNTAIN, Mr. MOSS, Mr. GRAY, Mr. WRIGHT, Mr. ULLMAN, Mr. LENNON, Mr. BURKE of Massachusetts, Mr. DENT, Mr. KARTH, Mr. STRATTON, Mrs. HANSEN of Washington, Mr. ADDABBO, Mr. HAGAN, Mr. ICHORD, Mr. STEPHENS, Mr. UDALL, Mr. GONZALEZ, Mr. NEDZI, and Mr. PURCELL):

H. Con. Res. 285. Concurrent resolution to establish a Joint Committee on Impoundment of Funds: to the Committee on Rules.

By Mr. BENNETT (for himself, Mrs. GRASSO, Mr. MAZZOLI, Mr. ROY, and Mr. RUNNELS):

H. Con. Res. 286. Concurrent resolution to establish a Joint Committee on Impoundment of Funds; to the Committee on Rules.

By Mr. DANIELS of New Jersey:

H. Con. Res. 287. Concurrent resolution expressing the sense of Congress with respect to the announcement of Federal grants and contracts; to the Committee on Government Operations.

By Mr. PURCELL (for himself, Mr. LINK, and Mr. BERGLAND):

H. Con. Res. 288. Concurrent resolution expressing the sense of the Congress that investigations be conducted into existing law regarding the determination of the parity price for commodities and the parity ratio; to the Committee on Rules.

By Mr. DULSKI:

H. Res. 415. Resolution authorizing the Committee on Post Office and Civil Service to conduct studies and investigations within its jurisdiction; to the Committee on Rules.

By Mr. ROYBAL:

H. Res. 416. Resolution creating a select committee to conduct an investigation and study of the care of the aged in the United States and the effects of Federal laws and programs on the availability and quality of care; to the Committee on Rules.

By Mr. STEELE:

H. Res. 417. Resolution designating January 22 of each year as Ukrainian Independence Day; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. Res. 418. Resolution relating to telephone allowances of Members of the House of Representatives, and for other purposes; to the Committee on House Administration.

H. Res. 419. Resolution relating to office space in the districts represented by Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and the Delegate from the District of Columbia; to the Committee on House Administration.

H. Res. 420. Resolution providing additional postage for Members and officers of the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

153. By the SPEAKER: Memorial of the Legislature of the State of Nebraska, relative to proposals of the Bureau of Reclamation for the North Loup Division water de-

velopment project; to the Committee on Interior and Insular Affairs.

154. Also, memorial of the Legislature of the State of Nevada, relative to amending legislation promoting the development of the mining resources of the United States; to the Committee on Interior and Insular Affairs.

155. Also, memorial of the Legislature of the State of Oklahoma, relative to changing the period of daylight saving time; to the Committee on Interstate and Foreign Commerce.

156. Also, memorial of the Senate of the State of Washington, relative to changing the proposed Railpax schedule to provide an additional stop; to the Committee on Interstate and Foreign Commerce.

157. Also, memorial of the Legislature of the State of Maine, relative to lowering the retirement age under social security from 65 to 62 years; to the Committee on Ways and Means.

158. Also, memorial of the Legislature of the State of Massachusetts, relative to providing free and fair trade in the products relating to the power transformer industry; to the Committee on Ways and Means.

159. Also, memorial of the Senate of the State of New Jersey, requesting Congress to assume the entire cost and administration of the welfare and relief programs presently administered by the various States, counties, and municipalities; to the Committee on Ways and Means.

160. By Mr. BARING: Memorial of the Assembly and Senate of the State of Nevada, jointly: That the members of Nevada's congressional delegation are hereby memorialized to urge the Bureau of Indian Affairs of the U.S. Department of the Interior to ask for appropriations for and to build a new multipurpose gynasium building at the Stewart Indian School, near Carson City, Nev.; to the Committee on Interior and Insular Affairs.

161. By Mr. BARING: Memorial of the Senate and Assembly of the State of Nevada, jointly: That the Legislature of the State of Nevada urges the Congress of the United States to amend an act to promote the development of the mining resources of the United States, 17 Stat. 91, and other related acts to prevent further abuse thereof by speculators; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 8018. A bill for the relief of Josephat Ahing; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H.R. 8019. A bill for the relief of Edna Clarke; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 8020. A bill for the relief of Leonardo Tandes Prado; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 8021. A bill for the relief of Parviz Faramarzi; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 8022. A bill for the relief of Hubert Knapp; to the Committee on the Judiciary.

H.R. 8023. A bill for the relief of Sebastian Okechukwu Mezu; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 8024. A bill for the relief of Joao De Quadros; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 8025. A bill for the relief of Andreas Boutsis; to the Committee on the Judiciary.

H.R. 8026. A bill for the relief of Fernando Carreira Martins; to the Committee on the Judiciary.

SENATE—*Monday, May 3, 1971*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. ELLENDER).

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

Almighty God, as our fathers trusted in Thee and brought forth "one nation under God" so we would yield ourselves to Thee in our time of trial. Open our minds to the instruction of Thy truth and our hearts to the ways of compassion, mercy, and justice. Amid all that is ugly and brutal in this world grant us not to miss the beauty and kindness all about us in human existence.

Bestow Thy grace and wisdom upon those who bear the burdens of government. Make us all, both leaders and followers, receptive to new insights for peace and justice, and willing to explore the untried but ofttimes perilous pathways to a new world of freedom and brotherhood. Keep us from that bitterness and hate which enervates the spirit, dissipates creative energy, and extinguishes the light of Thy truth.

O Lord, our God, we beseech Thee to frustrate the ways of the peacebreakers and to prosper the efforts of the peacemakers that all men may dwell together in safety, in the unity of Thy spirit, and in the bonds of love.

We pray in the Master's name. Amen.

CALL OF THE ROLL

The PRESIDENT pro tempore. The Senate having adjourned in the absence of a quorum on April 30, 1971, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 56 Leg.]

Aiken	Gravel	Prouty
Allott	Hollings	Proxmire
Anderson	Hughes	Ribicoff
Beall	Inouye	Roth
Bible	Javits	Schweiker
Byrd, Va.	Jordan, N.C.	Scott
Byrd, W. Va.	Jordan, Idaho	Sparkman
Cook	Mansfield	Stevenson
Cotton	McClellan	Symington
Curtis	Metcalf	Talmadge
Ellender	Packwood	Tower
Ervin	Pearson	Young

Mr. BYRD of West Virginia. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Virginia (Mr. SPONG), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from California (Mr. CRANSTON), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Minnesota (Mr. HUMPHREY), are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Nebraska Mr. HRUSKA), the Senator from Iowa (Mr. MILLER), the Senator from Ohio (Mr. SAXBE) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Delaware (Mr. BOGGS) is absent because of death in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Baker	Griffin	Mondale
Bayh	Gurney	Moss
Bennett	Hansen	Nelson
Brock	Harris	Pastore
Buckley	Hart	Pell
Case	Hartke	Percy
Chiles	Hatfield	Randolph
Cooper	Jackson	Smith
Eagleton	Kennedy	Stennis
Eastland	Long	Stevens
Fannin	Magnuson	Taft
Fong	Mathias	Tunney
Fulbright	McGovern	Weicker
Goldwater	McIntyre	

The PRESIDENT pro tempore. A quorum is present.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the President pro tempore laid before the Senate a message from the President of the United States, submitting the nomination of