

than 6,000 pounds; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 9767. A bill to amend the National Environmental Policy Act of 1969 with respect to the application of its provisions to the proposed trans-Alaska oil pipeline; to the Committee on Interior and Insular Affairs.

H.R. 9768. A bill to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes; to the Committee on Ways and Means.

By Mr. HAGAN:

H.R. 9769. A bill concerning medical records, information, and data to promote and facilitate medical studies, research, education, and the performance of the obligations of medical utilization committees in the District of Columbia; to the Committee on the District of Columbia.

By Mrs. GRASSO:

H.J. Res. 778. A resolution authorizing the President to proclaim the second Sunday in July as "National Prayer Salute to Our Fighting Men in Vietnam Day"; to the Committee on the Judiciary.

By Mr. PETTIS:
H.J. Res. 779. Resolution to establish the National Commission on Executive Secrecy; to the Committee on the Judiciary.

By Mrs. CHISHOLM:

H. Res. 536. Resolution calling upon the Voice of America to broadcast in the Yiddish language to Soviet Jewry; to the Committee on Foreign Affairs.

By Mrs. HICKS of Massachusetts:

H. Res. 537. Resolution to express the sense of the House of Representatives that the United States maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

By Mr. TEAGUE of Texas:

H. Res. 538. Resolution to authorize the Committee on Veterans' Affairs to conduct an investigation and study with respect to certain matters within its jurisdiction; to the Committee on Rules.

By Mr. BELL:
H.R. 9770. A bill for the relief of Miss Lee Keun Soon; to the Committee on the Judiciary.

By Mr. DE LA GARZA:

H.R. 9771. A bill for the relief of Raul Alvarez Rodriguez; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 9772. A bill for the relief of Santa Nicolosi; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 9773. A bill for the relief of Jung Il Kim, Jung Sook Kim, and Jung Rang Kim; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause I of rule XXII,

103. The SPEAKER presented petition of Gerald L. K. Smith, Los Angeles, Calif., relative to the Middle East; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

EXTENSIONS OF REMARKS

REPORT TO NINTH DISTRICT CONSTITUENTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following commentary on the 26th amendment:

A common topic of conversation among Congressmen these days is the political impact of the unprecedented wave of young people entering the electorate as a result of the baby boom following World War II and the recent adoption of the Constitutional amendment permitting 18, 19 and 20 year-olds to vote.

When the 26th Amendment was ratified, 11 million new voters became eligible to vote—303,000 of them Hoosiers.

In 1964, only 10.5 million young Americans became eligible to vote in their first Presidential election. In 1972, this figure will jump to more than 25 million, including new voters under the Amendment and those reaching 21 years of age since 1968. While the age group 35 and older will increase between 1970 and 1980 by about 6 million, the age group below that which will be able to vote will be increasing by 22 million.

In 1920 women won the right to vote and, although the number of voters doubled overnight, nothing much new happened in American politics.

The question now is, will the addition of the young people make any more difference. Not surprisingly, opinions differ. Some contend they will merely echo their parents' political views. My feeling is that they will constitute an important and independent force in elections.

One of the Nation's decisive political influences of recent years has been the senior citizens. They have had increasing political leverage during the last 30 years or more. As a result, the government has been giving increasing attention to such matters as So-

cial Security, Medicare, special tax considerations for the elderly, and a variety of other benefits.

Now, with the sudden growth of the younger voting group in the 1970's, we can expect increasing emphasis in public affairs and legislation for the benefit of the younger generation. This is, as the director of the Census Bureau recently said, the era of the young marrieds.

A smaller percentage of eligible young people going to the polls may work to delay, or at least weaken, the full political impact of the new voters.

The participation of the young in the democratic process in the past has not been spectacular, to say the least. The Census Bureau reports that only 21 percent of those between the ages of 21 and 29 voted in 1970. This compares to 51 percent of the 30-34 year-olds; 61 percent of the 35-54 year-olds; and 65 percent of the 55-65 year-olds. In the four states which allowed 18, 19 or 20 year-olds to vote in the 1970 elections—Georgia, Kentucky, Alaska and Hawaii—only 26 percent went to the polls.

My observations are that the young people today have a sharp perception of events and a full understanding of the political system. They seem to show special interest in the democratic process, like fair and open procedures and fundamental reform and restructuring of institutions. They tend to be less nationalistic than their elders and more concerned with mankind. They are impatient, less apt to agree to gradual change, and more insistent on immediate progress.

They are not so interested in labels—Democrat or Republican, liberal or conservative—and are more pragmatic and independent. They look with skepticism on the politician's instinct to compromise. Economic security has been the goal of most Americans, but that may recede somewhat with young people, very few of whom have experienced economic hardship and who place more emphasis on fulfillment of personal goals.

The new voters could bring our political process to facing a fundamental reshaping, shifting the grounds upon which elections are fought. Hopefully, they will help to upgrade the process.

ENVIRONMENT: EXPORTING WASTEPAPER

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. MILLER of Ohio. Mr. Speaker, our environmental problems seem to be on everyone's mind these days. The gravity of the situation has prompted not only grave public concern but nationwide effort to seek new solutions and methods to handle the environmental crisis. A very important field in which research is being conducted is solid waste management and, as we all know, recycling is being viewed as an alternative to clean up what we have already consumed and at the same time conserve our precious resources.

At a recent international waste management conference, Mr. Lloyd E. Williams, vice president of Container Corp. of America, delivered a rather interesting statement on the potentials for expanding the international wastepaper market. Mr. Williams states that, given proper economic incentives, we can export paper waste abroad cheaper than trying to dispose of it here.

In light of the widespread interest in recycling and the need to explore every possible remedy to our solid waste problem, I wish to insert at this point the full text of Mr. Williams' remarks:

EXPANDING THE INTERNATIONAL WASTEPAPER MARKET

I appreciate this opportunity to talk to you today about wastepaper markets. The export of wastepaper by the United States may be on the threshold of a fundamental change. The nature of this change depends a great deal upon how the interested people in this room guide the development of expanding international wastepaper markets.

Today, I want to review the current situation in exporting, and try to put the activities of dealers in the United States into perspective with the current situation found here and in the rest of the world. Hopefully, I can point out ways in which we can all work together to make it possible to expand our operations and increase our profitability.

Let me begin with the situation here in the U.S. As most of you know, the recycling rate of the U.S. paper and paperboard industry is currently slightly under the 20 percent level. Last year, the U.S. recycled about 10 million tons out of 58 million tons of paper and paperboard produced and imported. The Pioneer Paper Stock Division of Container Corporation was involved in the collection of about one million tons of this wastepaper. The majority of paper collected by Pioneer is used in our own mills in the manufacture of paper and paperboard packaging.

My reason for giving you these figures is to provide you with the proper perspective on the relationship of my company to wastepaper.

Last year, my company's domestic paperboard mills used 715,000 tons of wastepaper as a raw material input, in manufacturing 1.4 million tons of paperboard. Thus, wastepaper represents 47 percent of Container's total raw material input. The recycling level at Container's overseas mills was considerably higher for pretty much the same reasons that the overall recycling rates in several fiber-short countries are higher than in the United States.

The major use for the wastepaper fibres recycled by Container is in the manufacture of combination boxboards, which are used for cartons of soaps, cereals, crackers, and a myriad of other consumer products one sees while shopping in United States stores. It is also used in the manufacture of corrugating medium, fibre cans, tubes and cores, as well as posters, book covers, and other products. Wastepaper fibres are also used in several other product areas, but I won't go into detail about them now.

Now let's take a look at what has happened to the international export market in recent years.

From 1960 through 1970, most countries have shown a sizeable increase in imports of secondary fibres from the U.S. Total exports from the U.S. have gone from 153,000 short tons in 1960, to an all-time high of 408,000 short tons in 1970, with only a few areas where exports remained steady or fell off slightly. The major importers of U.S. stock have been Canada, Italy, Japan, Korea, Mexico, the Philippines, and Venezuela. These seven countries account for 87 percent of total U.S. wastepaper exports.

Over the past ten years, the amount exported has fluctuated widely from year to year. The percentage increase between 1969 and 1970 for example, was a whopping 41 percent. There have been a number of factors which affect the movement of secondary fibres. The first of these, obviously, is U.S. domestic demand. If domestic demand is good, then domestic prices are strong. When domestic demand falls off, secondary fibre prices weaken and they become more attractive as an export item. Export demand is fairly constant, varying according to local situations within importing nations. But, U.S. price is the major factor that determines the extent of the United States' recycling industry's efforts to meet the demand.

Exports to Europe and the Far East are now mostly in the medium-priced, long-fibred brown grades, while Mexico and Latin America have shown great demand for these brown grades as well as pulp substitute grades.

The breakdown of goods exported to markets outside the U.S. is not detailed. But, based upon Container experience in 1969, 72 percent of the total amount exported was in the bulk grades, and 28 percent in specialty

or pulp substitute grades. In 1970, bulk grades accounted for 65 percent, and pulp grades 35 percent. It is difficult to draw any real conclusions on these figures, because a great number of circumstances change the mix of tonnage shipments. For example, domestic demand for the grade in question will frequently determine whether or not tonnage can be exported. Short pulp supply usually means strong business or higher prices for pulp substitutes in the U.S. High prices, in turn, will frequently prohibit or at least limit the export stability of a given stock. For that matter, anything affecting prices upward will have a limiting effect upon the importer in fibre-short countries. Frequently, also, importing countries will control importation with the use of import duties, various licenses, import permits, requirements, examinations, etc.

Recently, I read an interesting article analyzing the problems of export marketing of wastepaper. The article stated that the movement of wastepaper out of the U.S. has been spasmodic in the past, and hindered by the actions of marginal dealers in the United States who are in and out of the market with great frequency. At times, special lower cargo rates have been available stateside, and frequent sailings were offered during periods when shipping business was depressed. However, as soon as shipping space became short again, the shippers chose goods with greater revenue and some paper stock was left standing on the exporting dock.

In spite of this, however, there are opportunities for increased exports of wastepaper due to overseas shortages of wood pulp and secondary fibres, as well as high pulp prices. The relatively high freight rates usually place wastepaper from the United States at a price disadvantage as compared to the importing mill's local supply of wastepaper and pulp.

Let me emphasize, although wastepaper from the United States delivered to a mill abroad usually costs two to three times that of the local supply, the demand in virgin fibre-short countries for additional pulp encourages the use of imported wastepaper to stretch the limited domestic supply.

And, this brings me around to my principal subject—the potentials for expanding the international wastepaper market. This is a very timely topic in light of the current activity here in the States with the general public and government influence on the environment, and, especially, recycling.

As I pointed out, the U.S. demand for wastepaper plays a significant role in determining the amount of paper, the quality, and the price of paper that can be exported from this country. So, let me take a few minutes to discuss what effect I think the current interest in recycling here in the U.S. will have and how it will affect wastepaper exports.

First, I do not think my country's interest in recycling has reached its peak, and I do believe that U.S. government and industry, and the general public, will continue to work for the social good of this country. This means that there will be continued interest in, and demand for, effective utilization of recycled fibres. However, this demand will not adversely affect export opportunities. Let me explain why.

The U.S. National Academy of Sciences is currently saying that the U.S. must double its paper recycling rate by 1985 or the environment will suffer considerably. For purposes of discussion, let us assume that this figure will be reached. To assume this, of course, we have to ignore the economics of this increase, including the capability of the industry to meet it and the capability of customers to absorb this amount.

Along with the doubled recycling rate, predictions are that the use of paper in the U.S. will double from 58 million tons to about 117

million tons. Therefore, if paper use doubles, the amount of paper disposed of will grow from 40 million tons to 80 million tons and continue to be 50 percent of municipal waste, assuming all other factors hold. On the other hand, if recycling into paper and board doubles to 40 percent, the tonnage use will not just double to 20 million, but will redouble to 40 million tons. However, the paper and board in solid waste will still increase to 60 million tons, and the percent of wastepaper in municipal solid waste will drop to only 43 percent from its present 50 percent level.

So, as you can see, there will still be plenty of paper around for export, no matter what happens to the current recycling movement in the United States.

One role members of B.I.R. can play in the U.S. domestic situation is to make certain that all concerned parties realize that importation of wastepaper from the U.S. represents an approach that turns America's solid waste management problem into another country's raw material resource solution. This is a salutary form of recycling that must be explored by governments and environmentalists. Though U.S. use of wastepaper be quadrupled, there would still be just as much of a disposal problem in the U.S. as there is now. The demand for recycled wastepaper in international markets is considerable. It also is predicted to grow rapidly in the coming years.

Since U.S. demand for recycled fibre does play an important role in overseas export potential, I think it is interesting to compare the per capita consumption of paper and paperboard in the U.S. against other countries, keeping in mind that the U.S. recycles at a 20 percent rate.

Current consumption of paper and paperboard worldwide is 72 pounds per person. The U.S. consumption figure in 1969 was 576 pounds, with all other countries consuming under 50 pounds per person per year.

This large difference indicates that the rest of the world can absorb a large amount of wastepaper, as the standard of living increases in developing countries; when it is economically feasible, the possibility for exporting the wastepaper from the U.S. to these outlets is excellent.

Recent projections of the future requirements of the world for paper and paperboard indicate that there will be growing pressures for increased internal recycling or importation of wastepaper to supplement the limited fibre resources available in many countries. Undoubtedly, the wastepaper from the United States could play a large role in supporting these worldwide needs. When wood pulp prices increase and substitution of wastepaper becomes technically and practically feasible, it then will become economically attractive for major portions of the furnish to come from the large tonnage grades—old containers, news, and mixed papers.

An appreciable percentage of the world's increased requirements for paper and board in future years will have to be based on wastepaper to a greater degree than past and present usage of this resource.

However, don't let me give anyone the idea that all countries are just sitting there and waiting for the U.S. to ship them paper. Quite the contrary. Most countries can't afford to buy from the United States. And, frequently, there is a lack of incentive for capital money to be invested in wastepaper consuming mills in developing countries, or fibre-short countries, because the delivered price of wastepaper imports is too high.

Two main factors in the delivered price are the cost in the U.S. of preparing the fibres for export, and the total transportation cost from the point of preparation to the docks and over the water to the point of consumption. Transportation cost can add from 50 to 300 percent to the delivered cost of wastepaper, and constitutes a substantial impediment to export.

Increased volume and new techniques for transoceanic handling give hope for a closer correlation between freight and f.o.b. cost. Containerization in 10-25 ton units has been available for the past two years. There are roll-on and roll-off type vessels which take 40 tons in containers on lift trucks into holds, with unloading and discharge handled in the same convenient, expeditious manner.

Also, now becoming available is the transportation of containerized "lighters aboard ship." This is a revolutionary system for carrying cargo aboard ship in floating containers. These lighters dramatically increase the speed of handling cargoes, and cut voyage turn-around time in half. The entire vessel can be loaded to capacity in 24 hours, rather than the 10 days now required for conventional ships. These lighters can carry from 100 to 500 tons of paper stock and are, of course, on a per-ton comparison, loaded and unloaded much more quickly than with conventional ships.

Another area deserving investigation is bale density. This is important because freight rates are partially dependent upon density, with denser bales carrying a lower per-ton rate.

The possibilities for significantly increasing the density of wastepaper bales, however, is dependent upon technological advancements. With current known technology, it is feasible, but not economical, to get bales with a density of greater than 30 lbs./cu. ft. or a bulk volume of less than 67 cu. ft. per short ton of 2,000 lbs.

As pulp prices rise and foreign requirements for papermaking fibre grow, it is obvious that a considerable potential exists for increasing supplies of wastepaper from the U.S., if ocean freight can be reduced by negotiation, or if bale density can be improved economically. This may not be as easy as you think.

Let me tell of an actual experience at Container Corporation's California paper stock operations. In order to reduce shipping costs through a high density bale, we developed and installed the largest and most powerful paper baler currently in use. However, much to our dismay, we discovered that when the bale was compressed to 35 pounds per cubic foot, the size of the metal bale band had to be increased to keep the bale from breaking open. Of course, the stronger and heavier banding cost more. This added expense equalized the anticipated ocean freight savings from the denser bale. So, an approach which we thought would save us money actually ended up not having any at all. The outcome was that we reduced the bale density to 35 pounds per cubic foot, and then we had a viable shipping unit that did not require the stronger bands. So, as you can see, improved bale density may not be the complete answer, at least with current technology.

New techniques for collecting and processing of wastepaper suitable for mill consumption are being developed, but more are needed if we are to meet the demand for economical waste fibres, and if we are to contribute to the alleviation of solid waste in the U.S.

One of the fundamentals of economic pricing is a more stable export demand for long brown fibre and groundwood grades. It is crucial that importers and exporters work together to promote long term ordering so plans and investments can be made with the assurance that there will be a market for our output.

Recommendations for increasing exports of wastepaper invariably list the reduction in freight costs as the most important problem to be solved. Government could assist this by paying a subsidy or exported wastepaper, equal to a portion the cost of disposal in municipal solid waste disposal systems, with no incremental charge to the taxpayer. The payments could be in the form of direct freight subsidy or some other form of gov-

ernment credits to accomplish the same purpose. This would provide a substantial inducement to export, since the average cost of collecting and disposing of municipal waste equates to more than one-half the cost of trans-Atlantic shipment. Other assistance government might render would include tax abatement or accelerated depreciation on new process facilities installed for preparing wastepaper for export.

Thus, we see that the role of wastepaper in some of the developing countries, that do not have adequate supplies of papermaking fibres, can be an important one, and the United States appears to be the only major source they can call upon at the present time to furnish it.

The major industrial countries which can and do generate large supplies of wastepaper consume it and will continue to do so. In this situation, the position of the United States for exporting a large tonnage of wastepaper is unique. It appears that instead of concerning itself with the destructive disposal of wastepaper, the U.S. can rid itself of part of the problems and costs by selling a valuable recyclable resource to other countries who need and can use it. It won't solve the U.S. balance of payments problem, but every small contribution helps.

We must educate all officials and all Americans that it is cheaper to provide economic incentives to get cellulose wastes out of the U.S. than it is to dispose of it. What the amount of the subsidy should be will have to be decided by a careful review of alternative disposal costs.

Economics, of course, is the key to expanded exports, but there are two other related items that at times are equally significant. Exporters here in the States must set and adhere to strict quality control to prevent substandard shipments. We must ship the quality ordered. And, likewise, the importer must have integrity to live up to his end of the bargain and accept what has been properly shipped to him and not create problems just because it is on open credit. This type of unprofessional conduct at either end of the shipping route leads to frustration and a reluctance to get more involved in exporting or importing.

I have touched on many points so far. Any single one might be worth several hour discussion, which undoubtedly will happen, as the international exporting of wastepaper continues to be explored. It is impossible to go into a great amount of detail in the short amount of time available to me today.

Let me summarize my comments on international marketing of wastepaper. Hopefully, my remarks can serve as a catalyst for more action, interest and results on all fronts.

The export demand for wastepaper has fluctuated wildly over the past years, because of changes in domestic demand and prices. The demand for wastepaper in fibre-short countries is great and can be expected to grow rapidly as these countries become more and more industrialized. The relatively low per capita consumption of paper and board in many countries makes the operation of small paper machines necessary as an economic alternative to importing new paper. Smaller machines are more adaptable to wastepaper, furnish than virgin fibre and they require less capital investment. This is a pertinent argument in their favor, either in developing, tree-rich countries, or countries with no tree supply. In the majority of these emerging nations, the supply of local wastepaper is very minimal and therefore needs fortification by import.

The cost of delivered wastepaper must be reduced before the U.S. paper stock industry can meet the demand, increase its exports, and help alleviate America's solid waste management problem. Costs can be reduced through several courses of action—all of which B.I.R. members should work toward. These include encouragement of long term

ordering for sustained demand, reduced freight costs for wastepaper in U.S. shipment, subsidized cargo rates for overseas shipment, and development of more advanced equipment for handling wastepaper.

The current interest in the environment here in the U.S. and elsewhere will have slight effect upon exports of wastepaper, no matter what the optimistic predictions are. Keep in mind that even if we increase the amount exported by as much as one million tons, that still is only ten percent of the wastepaper presently being recycled in the United States and only 1/40 of what ends up in dumps. The perspective should be retained that exports of wastepaper have a limited role in the solution of the United States' solid waste disposal problem, unless more economic incentives are developed to favor such exports.

What is needed is for members of the B.I.R. in their respective countries, and for our respective governments, to come to grips with the real problem of economics. We must join forces on a worldwide basis to turn the waste management problem here in the U.S. into a trade advantage and a resource potential to countries that truly can use wastepaper.

THE KENT STATE MURDERS—JUSTICE DELAYED IS JUSTICE DENIED

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mrs. ABZUG. Mr. Speaker, more than a year ago, on May 4, 1970, four students were killed by National Guard fire at Kent State University. An FBI investigation determined that the National Guardsmen were in no danger from the student demonstrators, and all the evidence indicates that there was no justification for the shooting. In fact, the Guardsmen seem to have taken it upon themselves to inflict summary punishment on the demonstrators. Since that time there have been numerous calls on the Justice Department to bring the matter before a Federal grand jury for the indictment of those responsible. The Justice Department has repeatedly stalled in making its decision, though we have seen in the case of Daniel Ellsberg how fast they can move when they want to.

On May 13, 1971, 20 Members, including myself, wrote to Attorney General Mitchell requesting action on this matter; most recently, the Justice Department stated on June 21 that it would announce a decision within a month of that time.

In Saturday's Washington Post, there appeared a most moving letter from Arthur Krause, father of one of the slain students. At this point, Mr. Speaker, I am including in the RECORD Mr. Krause's letter:

PITTSBURGH, PA.

GENTLEMEN: I am one of those Americans who find it extremely difficult to understand why the deliberate killing of my child and the three who died with her evokes no "comparable priority." And in despair I ask you how it is that so many hints that the shooting was a "conscious deliberate act" can be so cynically and callously ignored?

I will conclude by saying that this letter was prompted by the following item in this week's issue of Time Magazine concerning

your legal conflict with the Justice Department:

"The White House insisted with much justification, that it must take action when it feels that a law has been violated. 'How would you explain to people that you elected not to enforce the law?' asked one presidential aide."

ARTHUR S. KRAUSE.

Mr. Speaker, Attorney General Mitchell claims to stand for "law and order." Here is a chance for him to demonstrate that. Certainly, if the administration refuses to act in the fact of strong evidence that the crime of murder has been committed, we have neither law nor order. We must not allow the tragic events of Kent State to be repeated, and to help prevent this those responsible must be held to account. If the Justice Department fails to act, they will be showing the world that America is a nation of liberty and justice not for all, but for some.

RANK AND FILE REBELLION

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. ROSENTHAL. Mr. Speaker, there is growing evidence that union leadership is getting out of touch with the rank and file. It has been estimated that nearly 15 percent of the contract settlements negotiated by union leaders are being rejected by the members.

There also appears to be a growing gap between union leaders and members in terms of age, social status, income, political views, and, often, goals.

Many young workers are having difficulty distinguishing between their leaders and company management. Contributing to this are the high salaries, plush offices, official cars, and other accouterments of high union offices.

On the other hand, union leadership is probably more educated, more sophisticated, and more professional than ever before—all to the benefit of their members, although these qualities are not as readily apparent as the more tangible trappings of the offices.

Reporter Sandor M. Polster in the June 21, 1971, issue of the Nation, observes:

The reasons for rank and file rebellions are varied and complex, and so are the suggested solutions.

He discusses the topic in a very thorough and readable manner. I highly recommend his article to everyone interested in the labor movement, and I am inserting it in the RECORD at this point:

LABOR'S NEW BLOOD—INSUBORDINATE RANK AND FILE

(By Sandor M. Polster)

In mid-April more than 5,000 of New York City's 11,300 firemen massed inside a midtown auditorium and overwhelmingly voted down a leadership-supported city contract offer. The contract would have granted the firemen a handsome wage increase, fringe benefits and a forty-year, full-pension program. Altogether, the package would have

boosted their current \$10,950, a year top salaries to about \$15,500 in January 1973.

The firemen, by rejecting the tentative contract agreement, joined an estimated 12 per cent of the country's labor unions in what has become a phenomenon of increasing concern to organized labor, management and mediators. Never before in the nation's labor history have there been so many rank-and-file repudiations of leadership-negotiated contracts as in these past half-dozen years. To say that the cause of this problem is the economy is to overlook elements of far greater consequence.

The Federal Mediation and Conciliation Service has compiled the only accurate figures on contract rejections, and its statistics apply only to those negotiations "actively" entered by the agency. However, the figures are a good barometer of the problem: in 1964, there were 8.7 per cent rejections by the rank and file of the 8,000 cases mediated by the FMCS; in 1965 there were 10 per cent; 1966, 11.7 per cent; 1967, 14.2 per cent; 1968, 11.9 per cent; 1969, 12.3 per cent, and last year, 11.2 per cent. Mediators and others who follow the national labor picture maintain that if accurate records were kept of all contract rejections, the figure would be close to 15 per cent.

"Negative membership response to settlements negotiated by authorized union leaders has been apparent in negotiations across the country for at least the past ten years," says Walter L. Eisenberg, chairman of the Hunter College Economics Department and mediator in the contract negotiations between New York City and its municipal service unions. In the past five or six years, adds Eisenberg, "some very substantial collective bargaining settlements have produced negative results in large urban centers."

One of the first and most significant of rank-and-file repudiations occurred during the International Association of Machinists negotiations with the airlines in 1965. The membership rejected a settlement reached by its leaders at the White House, with the assistance of President Johnson. New York attorney and labor mediator Theodore W. Kheel refers to the airline mechanics' action as "an historic turning point. It broke guidelines. It was a dramatic repudiation by the rank and file of the settlement made by the leadership."

That strike in 1965 signaled the beginning of a period of restlessness and militancy in the labor movement that continues today. To understand the problem fully it is necessary to study the changes organized labor has undergone in the past dozen years.

Several labor experts, including Eisenberg, see the Taft-Hartley Act of 1947 as the beginning, and the Landrum-Griffin Act of 1959 as the end, of Congressional attempts to impose controls at the bargaining table and on the union's own affairs. The unions have claimed that the power which this legislation gave the membership has undermined the leadership control of the rank and file. "The impression was created," says Eisenberg, "that union leadership could be brought to book by the membership. It created mistrust of the union and the union leadership."

The change in temperament is also linked to a change in the composition of union membership. Eric J. Schmertz, Hofstra University law professor and labor mediator for New York City, says: "In the past, when there were immigrant workers, the membership was more inclined to accept the decisions of leadership. . . . Once all members and leaders were of a single class, they identified with that class, their political persuasions were the same. There was an identity between members and leaders. The membership of a union today is so diverse that the interests and the demands no longer coalesce. . . . The level of education has made a difference. You have a more educated membership now that questions the job its lead-

ers are doing. The diversity of the membership, its improved economic status, its increased education make the member more of an individual."

This difference has arisen recently. In the 1930s, the depression gave workers a common cause; then, in the 1940s World War II, and in the 1950s the war in Korea imposed economic controls. But in the 1960s there was a war economy without defined controls; and compounding the runaway economy of the 1970s, with its hectic wage-price spiral, is an air of militancy.

Vincent McDonnell, chairman of the New York State Mediation Board, says of this growing militancy: "I think it's the general way of life that's been developing for a number of years. A good deal of it started in the civil rights movement, then expanded into the schools and now it's expanded into the labor unions. There's nothing phenomenal about the rank and file overturning the leadership in contract ratification. They see everybody doing these things, and they do it, too."

According to Eisenberg, "We're living in a time where groups that have not had a sense of group power are now exercising it, or groups that have exerted it with great restraint are now exerting it with force." The workers' new awareness of their power hasn't been due entirely to outside influences. An ever increasing number of young persons have been joining the work force, producing labor's own generation gap. Matthew A. Kelly, professor at Cornell University's School of Industrial and Labor Relations, writes in the July 1969 *Labor Law Journal*: "The composition of most union memberships has been going through a dramatic and dynamic change and it is the exception where there has not been a recent major influx of new and youthful members, whose needs, goals and attitudes toward established ways differ sharply from those of their elders. This is especially pronounced in industrial unions where it no longer is a rarity to find that fully one half of the union membership is under 30, or that close to half the membership joined the union within the past four years."

William E. Simkin, former chairman of the Federal Mediation and Conciliation Service, surveyed federal mediators across the country from July 1, 1965, to June 30, 1967. From these data on 1,520 labor disputes he concludes: "Many younger workers who have grown up in a period of relative affluence have never experienced either a real depression or the early history of union struggles. Moreover, they are not very interested in attempts to acquaint them with these hard facts of earlier years. Many have never experienced a strike of any duration. When these facts are coupled with what may be loosely described as the current disillusionment of youth in other areas of activity, negative ratification votes are not surprising."

Simkin's study is nearly four years old, but observers of the labor scene nevertheless cite the report today as an authoritative account of the causes of the rejection phenomenon. Coupled with the problems of labor's youth movement is the growing number of lethargic or apathetic members. Whatever the cause—disillusionment, lack of identity—the result is in direct contrast to organized labor's one-time ability to muster the membership to work for its leaders. Now, most members stay home, allowing the dissident elements within a union to exercise influence out of proportion to their numbers.

Kheel sees as one cause for contract rejections an increasing attack on leadership per se. "It is one of the sicknesses of our times," he says. "We attack leadership and the result has been that many leaders now run to cover." Eisenberg concurs:

"Union leaders did have a freer hand in another era. Now, the character of leader-

ship is changing. New members are not coming in by voluntary means, and this brings a tendency to resent leadership. Unions have tried to overcome this—fine those members who don't attend meetings, conduct educational programs and publish shop papers and, in alert unions, bring in shop stewards of a representative age.

"I suspect that the rejections of collective bargaining settlements we have been experiencing in the last couple of years are the reaction of workers responding adversely to the establishment, including the unions to which they belong. There is a sort of competition. Union members are expecting of their unions at least as good a result as non-union workers are getting from the government. But no matter what the unions will do, the settlements will be turned down.

"The repudiations are not a result of contracts, because the contracts are often good, but they are a result of some other factors. There is no test of reasonableness."

A factor contributing to any mass action that repudiates leadership is internal politics, and latter-day labor unions, being politically sophisticated, are no exception. Simkin, in his study, found politics to be the second most cited cause of rejections. The first was contract agreements reached elsewhere.

"In a sizable number of situations," he writes, "the union leadership handling the negotiations was elected by a narrow majority. The strong minority group may have opposed the agreement primarily because it was negotiated by the opposition. Or, a quantitatively weak but very vocal minority may rally enough support from others who are dissatisfied for other reasons to promote a negative ratification vote."

Dissident elements find support from special interest groups within the membership, such as blacks or women, who feel that management has treated them unfairly and that the current union leadership has been unresponsive. Also, skilled workers, who have prided themselves on this wage advantage over the unskilled, have lately become restive because of an apparent closing of the gap, and they lend their support to a dissident group that pledges them pre-eminence once again.

But whenever the causes are discussed, youth plays a key role. As Simkin writes, "The fact that the work force at many plants is now composed of an increasing percentage of young, low-seniority employees creates sharp differences as to how a total economic package is to be divided between cash wages and security fringes."

The union leadership may very well have negotiated a contract that was representative of the membership, but younger members, unconcerned about a pension program won in the contract, muster strength at the ratification meeting and manage to reject the offer. These younger members are satisfied that their elders have received a fair pension plan, but it will be many years before they themselves can take advantage of it, and they want higher wages now.

Arvid Anderson, chairman of New York City's impartial Office of Collective Bargaining, says, "I think some of the rejections result from the belief, 'O.K., turn it down and we'll shake the tree a couple more times.'" Julius Manson, former executive director of the New York State Mediation Board, holds a similar view: "The tendency to repudiate contracts will continue so long as it is believed that with repudiation of a contract there will be more put into the kitty."

McDonnell cites as an example of this attitude a recent strike by New York City garage attendants, a dispute that his office mediated. The negotiations reached an impasse and a strike was called. After a few days the union leadership and the management reached a tentative agreement. But at the ratification vote the membership rejected

the offer. Management then announced that it was refusing to negotiate further, that it had bargained in good faith with the appointed leaders, and if those leaders couldn't speak for the membership then it saw no use in resuming the talks. This stand apparently had its desired effect: cosmetic changes were made in the contract offer, and it was accepted in a second vote.

Another suspected reason for contract rejections is the tendency of leadership to take a militant stand at the beginning of negotiations, promising the membership impossible gains. Upon completion of the negotiations the membership remembers the unfulfilled promises. Schmertz says, "I have seen this heightening of expectations to the point where retreat from the hard collective bargaining becomes very difficult."

He adds that associated with this is the leadership's failure to inform its members of the nature of collective bargaining. "The specific details of the tedious bargaining, the give and take, where demands on one side are met with an equal amount of resistance, escape the membership," he says. "I think the leadership makes a mistake in portraying the negotiations in a much too simplistic fashion. When the leaders come out with something less, or something ground down, the members are dissatisfied."

Thus, the reasons for rank-and-file rebellions are varied and complex, and so are the suggested solutions. Simkin concludes his study: "There is no best solution. For the most part, solutions must be devised by the union and company involved within the framework of a specific situation."

One of the solutions most discussed is the elimination of the ratification vote. "There is always the possibility of wildcat strikes," says Schmertz, "but over a period of time the membership would accept it." The greatest obstacle to this remedy, Schmertz adds, is "the conflict on just how democratic a union should be and how strong the leadership should be."

McDonnell says, "There should be a law requiring the union leadership to settle a contract without membership ratification, and if the members don't like the result, they can vote the leaders out of office. If repudiations accelerate, management may refuse to negotiate. I could see management questioning whom it's bargaining with."

Manson says that one possible solution would be to develop "restraints . . . where it can be made plain that repudiated contracts simply won't be changed. There is another way to handle it, to have acceptance of a proposal by majority vote, but no strike action can occur without a three-quarter vote."

It has been frequently suggested that Congress should enact strike curbs, especially in the public sector. "I think it will happen eventually," says Manson. "I think we are approaching a collision course in the strike situation, particularly with public employees."

Eisenberg sees two possible outcomes to the repudiation problem: "It could be a momentary, temporary phenomenon, and we can wait it out, or it could become a fixture of the system. It could replace the institutionalized bargaining method. If Congress finds there is no way to cope with the phenomenon, it could look into the strike as a weapon and legislate strike controls. There is already talk of such things."

This talk includes banning strikes by public service unions, and substituting mandatory compulsory arbitration. "I'm very skeptical on the enforceability of anti-strike legislation," says Schmertz. "As for compulsory arbitration for public employee unions, it's too late, the unions are too strong."

His answer would be "a type of structure where the parties, on a voluntary basis, would use a forum which blends merit, fact and a sufficient amount of pragmatism with-

out exerting economic pressure. The normal collective bargain structure would be used."

Kheel would not look to legislation or any form of mandated action. "I don't see the rank and file changing, but I do see the professionalism of leadership changing. Every action must have a reaction. You have to teach the rank and file the importance of following, and teach the leadership the importance of leading. The solution to the problem is development of leadership that will be followed. You just don't legislate leadership."

DENHOLM DISCUSSES REA NEEDS

HON. JAMES ABOUREZK

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. ABOUREZK. Mr. Speaker, one of the real pleasures I have had since becoming a Member of the House of Representatives has been the opportunity to work closely with my friend and colleague, Congressman FRANK DENHOLM of the First District of South Dakota. One area in which I am sure he shares my satisfaction is the recently appropriated \$545 million for the REA electric loan fund. This sum has long been needed. In a recent article in Rural Electrification, the official magazine of the National Rural Electric Cooperative Association, Congressman DENHOLM very articulately discussed several aspects of REA financial needs and problems. The merit and quality of this article are such that I would like to call it to your attention:

A CRITICAL FINANCING SITUATION

(By Representative FRANK E. DENHOLM)

Electric power did not become readily available in South Dakota until 1944, when Congress passed the Agriculture Organic Act, popularly referred to as the Pace Act for its sponsor, Representative Stephen Pace of Georgia.

REA would have expired automatically in 1946 without this legislation. The interest rate on outstanding and on all new REA loans was set at 2% by this act and the amortization period for loans was extended from 25 to 30 years.

When the Pace Act became law, a concept of greater obligation consistent with the intent of the legislation was imposed on rural electricians.

Rural electric cooperatives were required to adopt "area coverage covenant" resolutions to qualify for REA loan funds. In 1950, the principle of area coverage was incorporated into and made a part of loan contracts.

Administration of the law by REA gave rural electricians the burden of energizing electric lines to every remote area of our country. The obligation and purpose of 2%, 35-year loans were defined with certainty—electric service for all of rural America.

Rural electric cooperatives have performed according to the terms of the covenant and pursuant to the provisions of law. They have kept faith with the Congress and the people. They have met required payments on principal and interest and built a record of prepayment on loans in a manner unequalled by any agency.

Because the cooperatives have fulfilled the covenant of area coverage and still kept retail rates as low as possible, and because of inflation, rural electricians now face a critical financing situation.

Millions of people who once lived on the land have been forced to leave farm homes. Facilities constructed by rural electricians to

provide service to rural families have in many instances become abandoned, disconnected and useless as people left the land.

The economic impact of the loss of revenue because of these abandoned farms and homes, coupled with inflation, makes it essential that the Congress approve, at the very minimum, an appropriation of \$555-million for REA for fiscal year 1972.

IMPACT OF INFLATION

I have reviewed the effect of inflation on facilities required to provide farmers with electric service in South Dakota and North Dakota. This has caused me to conclude that 50% more capital is required to finance facilities today than was necessary five years ago:

(1) In 1964 a single-phase line with No. 2 ACSR conductor cost \$1,760 per mile. In 1970, the same facility cost \$2,200.

(2) A three-phase line with No. 4 ACSR conductor cost \$2,310 in 1964 as compared to \$3,600 in 1970.

(3) Three-phase lines with progressively higher capacity have increased in cost proportionately—\$2,500 per mile to \$4,000; \$3,040 to \$5,000, and \$4,040 to \$6,000.

At the subtransmission level, rural electric personnel in South Dakota estimate that building one mile of 69,000-kilovolt transmission line costs 40% more now than in 1965. A mile of line which could be placed in service for \$9,600 at the earlier date would cost at least \$13,000 today.

The higher cost of completed facilities reflects the increased cost of components. Labor costs in the Dakotas are 43% higher; wood poles increased in cost by 25%; cross-arms from 15% to 50%. Trucks cost from 50% to 60% more today than in 1965. Conductors are the one major component showing no significant price change.

Price increases associated with the generation of electric energy are of great concern. In 1965 a modern, efficient coal-fired generating station could be built for \$130 per kilowatt. The same facility will cost more than \$200 per kilowatt today.

The figures I have cited are indicators which have caused me to conclude that the average cost of an electric system has escalated by at least 50% in the past five years. This inflation is not peculiar to South Dakota. It is true of the entire electric industry.

ABANDONED SERVICES

The fact that thousands upon thousands of rural families have had to seek livelihood elsewhere has imposed further economic hardships on rural electricians and the member still being served.

When thousands of families left the land, farms became vacant and facilities constructed to serve those homes and farms became useless. Rural electric managers in South Dakota advise me that salvage of these facilities does not justify the cost of removing them. Cost of lines and facilities to serve a typical farm or rural residence in South Dakota is about \$1,000. If a cooperative has its employees remove a line for salvage, this salvage is about \$300, assuming the transformer is usable elsewhere on the system. Cost of removal of such facilities varies from \$200 to \$300. It is easily seen the cooperative gains nothing by attempting to salvage "disconnected" equipment.

In South Dakota there are 11,128 such abandoned services. Facilities constructed to serve these now-abandoned facilities required an investment of approximately \$11-million. Yearly amortization cost—principal and interest—on a 2% REA loan with 35-year repayment schedule, is 4.5% of the principal amount.

Rural electric members in South Dakota are thus paying through their rates an additional \$500,000 annually to cover the cost of providing facilities no longer in use.

Nationally, there are more than 700,000 such idle or abandoned services. The capital

cost of having provided such facilities has been estimated at approximately \$700-million, and the cost to remaining members is about \$31.5-million annually.

The "charge off" costs or "loss" to the cooperatives vary from region to region. The computation of loss depends on the original investment—primarily age of the facility.

National policy, decreed by the Congress, has imposed on rural electric a total capital investment of \$700-million to be amortized by retail rates to members based on full use of the constructed facilities. Vacant farms all over the nation are not consumers or users of such capital investment outlays that result in a cost which must be absorbed by the remaining people in rural America.

It would be justified, in my opinion, for the Congress to authorize REA, by special legislation, to reduce outstanding indebtedness for each distribution cooperative by an amount equal to its investment in abandoned service.

At the very least, the Congress should provide adequate funds for the REA 2%, 35-year loan program for all of the requirements of the cooperatives.

W. A. "TONY" BOYLE CHARGES "RELENTLESS DRIVE FOR PRODUCTION" RESPONSIBLE FOR INCREASING NUMBER OF NEEDLESS ACCIDENTS

HON. FRANK M. CLARK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. CLARK. Mr. Speaker, I bring to the attention of the House the release recently given by Tony Boyle, president of the United Mine Workers of America:

RELEASE GIVEN BY TONY BOYLE

W. A. (Tony) Boyle, president, United Mine Workers of America, today charged that the "relentless drive for production" in the nation's deep mines is responsible for an increasing number of needless accidents.

Boyle further charged that the continuing shortage of trained manpower to police the Federal Coal Mine Health and Safety Act results in large measure from "policies of indifference" and needless test hurdles of the U.S. Bureau of Mines.

"We have offered to work with the Bureau to recruit experienced mine workers as inspectors. Our offer has been ignored despite the need, although it still remains available to the Bureau.

"The Bureau also has insisted upon test procedures that are a high hurdle for otherwise experienced mine workers who are fully capable of conducting thorough mine safety inspections. Many of these men have had long experience on mine safety committees and know what should be done to prevent accidents, eliminate dust and otherwise insure safe working conditions," Boyle added.

The UMWA president further pointed out that he has written to all UMWA locals regarding fatal accidents due to the drive for increased production. He added that he has called upon all officers and members of the union to give these matters "our utmost attention."

"We have pointed out to our locals that our analysis of fatal accidents shows that most accidents result from the constant drive for increased production. Some men are being driven beyond the limit of human endurance to get out coal. We have stressed that while mine workers are expected to do a fair day's work for a fair day's pay, they are not hired to set production records.

"We intend to bring up the issue of mine safety and health in our coming negotiations. We will make it clear that a fair day's pay for a fair day's work does not give management the right to push the men until their lives and health are endangered," Boyle said.

MOURNS PASSING OF DOROTHY KABIS, TREASURER OF THE UNITED STATES

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. McCLORY. Mr. Speaker, as a long-time friend of the late Mrs. Dorothy Andrews Kabis, 33d Treasurer of the United States, I am moved to express to my colleagues my respect and affection for her and for the deep sorrow which so many of us share in her untimely passing last Saturday, July 3, 1971.

During my more than 8 years in the Congress, I have known Mrs. Kabis principally under the name of Dottie Elston, as a dynamic and charming woman, as a prominent national leader of our Republican Party, and as a distinguished public figure in her office as Treasurer of the United States.

Mr. Speaker, Dottie Elston Kabis visited frequently in Illinois in the course of her political and public career. She thrilled and inspired Republican women and men alike in the 12th Congressional District where she was welcomed not too long ago as keynote speaker for the 12th Congressional District Women's Republican Club.

In addition to her personal beauty and charm, Mrs. Kabis possessed outstanding talents as an executive and administrator. She brought her full talents, her seemingly limitless energy, and her personal dedication to every job she undertook. Above and beyond these qualities, Mrs. Kabis was both loving and beloved in the fullest sense.

My wife, Doris, who was also one of her personal friends, joins in this expression of affection and sympathy on the occasion of her recent passing. We extend to her mother, Mrs. Mabel A. Andrews; her husband, Lawrence Kabis; and to all members of her family, this expression of compassion and respect.

THE RIGHT TO BEAR ARMS

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. SIKES. Mr. Speaker, in the recent issue of New Guard, the magazine of young Americans for freedom, there appears a very interesting article entitled "The Right to Bear Arms." It is written by John M. Snyder, who is an assistant editor of the American Rifleman. This careful analysis of a controversial question deserves thoughtful attention. I submit it for reprinting in the RECORD:

AN ASPECT OF FREEDOM: THE RIGHT TO BEAR ARMS

(By John M. Snyder)

The right to keep and bear arms is integral to the specific American heritage of liberty and freedom. Approximately one fourth of the Nation's people now benefit directly from this freedom as actual firearms owners. Although some media and political personalities wage a pressurized public relations campaign to weaken or to destroy this liberty, tens of millions of Americans exercise the right to keep and bear arms in various legitimate shooting activities.

The constitutionally guaranteed right to keep and bear arms is under more concerted attack today than at any time since the British Crown tried to seize American colonists' guns in 1775. Chief opponents of the traditional American right to keep and bear arms include the Americans for Democratic Action, former U.S. Attorney General Ramsey Clark, Sen. Edward M. Kennedy (Mass.), Rep. Abner J. Mikva (2nd Dist., Ill.), the National Commission on the Causes and Prevention of Violence and those media monsters who lash private gun ownership through such channels of anti-gun propaganda as the Los Angeles Times, the New York Times, the Washington Post, ABC, CBS and NBC.

Opponents of the right to keep and bear arms assert that the Second Amendment guarantee of the right applies only to militia such as the National Guard. This is at best an inaccurate interpretation. It is most likely a false assumption. The right of individuals as individuals to keep and bear arms in this free American society is at least as old as is our very freedom.

The third U.S. President, Thomas Jefferson, forthrightly upheld the principle when he declared simply that "no freeman shall ever be debarred the use of arms" in a draft of the Virginia Constitution in June of 1776. In two subsequent drafts, he wrote that "no freeman shall ever be debarred the use of arms within his own lands or tenements." He penned these statements without interconnecting corollary reference to a militia. Just a few weeks later, his arguments for Americans' rights rang out in the Declaration of Independence.

THE BILL OF RIGHTS

Chief theoretician of the bill of rights concept was Jefferson's fellow Virginian, George Mason of Gunston Hall. Mason authored the State's Declaration of Rights and proposed an individual right to keep and bear arms.

One of Mason's earliest public documents was the "Fairfax County Militia Plan for Embodying the People" of February 6, 1775. He clearly indicated that persons individually armed at their own expense constituted a source of personnel from which militia could be drawn. "We do each of us, for ourselves respectively," he wrote, "promise to engage a good Fire-lock in proper Order, & to furnish Ourselves as soon as possible with, & always keep by us, one Pound of Gunpowder, four Pounds of Lead, one Dozen Gun-Flints, & a pair of Bullet-Moulds, with a Cartouch Box, or powder-horn, and Bag for Balls."

Mason's statement carried the definitive implication that it is because the people have the individual right to keep and bear arms, are capable of exercising it and in fact do exercise it that an active militia can exist. The mere fact that there is a militia depends on people's individual right to keep and bear arms.

George Mason was a delegate to the Philadelphia Convention called in 1787 to consider changes in the Articles of Confederation, under which the newly independent States had experienced governmental difficulties. In that Convention, he objected to the lack of a bill of rights in the proposed Federal Constitution.

The Convention did adopt a Federal Constitution without a declaration of individual rights. Mason then represented Fairfax County in the Virginia convention called at Richmond to consider ratification of that Constitution. He opposed ratification on the grounds that unless guarantees of individual rights were included in the document itself, some future government could and might deny such rights.

Mason collaborated with similarly minded statesmen in other places. He corresponded with one John Lamb, an anti-Federalist in New York. In a letter to Lamb written on June 9, 1788 and carried on June 11, 1788, Mason enclosed the handwritten "Proposed Amendments Agreed Upon by the Anti-Federal Committee on Richmond and Dispatched to New York."

That agreement called for a "Declaration or Bill of Rights, asserting and securing from Encroachment the essential and inalienable Rights of the People, in some such manner as the following:

"17. That the People have a Right to keep & bear Arms; that a well regulated Militia, composed of the Body of the People, trained to Arms, is the proper, natural and safe Defense of a free State."

Here, too, Mason clearly indicated that the right of the people to keep and bear arms is conceptually prior to a militia.

After the Constitution was adopted, the first Congress met in New York, September 25, 1789. Mason corresponded with James Monroe, a member of the first Congress who introduced a twelve article Bill of Rights. Ten of these, including the article on the right to keep and bear arms, were adopted and ratified by the States. The article on the right to keep and bear arms, Amendment II to the U.S. Constitution, reads: A well-regulated militia, being necessary to the security of a free State, the right of the people to keep and bear arms, shall not be infringed.

The language of this Amendment carries through the concept underlying the historical development of the concept as found in the writings of Jefferson and Mason. The people have an individual right to keep and bear arms. This is distinct from a militia. Furthermore, it is a right upon which both a well regulated militia and the security of a free State depends. The right to keep and bear arms, then, is necessary to preserve the capability of maintaining freedom.

The right is as significant today as it was when it was incorporated into the U.S. Constitution. As the winning entry in the American Bar Association's 1965 Samuel Pool Weaver Constitutional Law Essay Competition ("The Lost Amendment" by Robert A. Sprecher) pointed out, the Second Amendment right to keep and bear arms is an insurer, protector and guarantor of other traditional American personal and property rights.

Each year, newspapers throughout the United States report thousands of instances in which the presence of privately owned firearms helped prevent murder, rape or assault upon the gun owners or robbery, theft or burglary of their property. This spring, for instance, the owner of Brooklyn, New York's oldest pharmacy prevented two holdup attempts with the use of his .38 caliber revolver. In the first case, he wounded one of three bandits and the other two fled. In the second instance, the pharmacist shot and dispatched a lone holdup man. Police then took his .38 for tests. While the police possessed the firearm, a holdup man armed with a .45 caliber automatic pistol tied up the pharmacist, locked him in a closet in the rear of the shop and stole some drugs. Later, the pharmacist commented: "If only I'd had my gun!"

Despite the obvious crime deterrence of private firearms ownership by law-abiding citizens and the dissuading effect on some would-be criminals of the possibility of

meeting a law-abiding armed citizen during the perpetration of a criminal act, advocates of extremist gun control measures such as firearms registration, gun owner licensing and governmental confiscation of privately owned firearms continually barrage the public with the fallacy that privately owned firearms are a causal factor in the crime problem.

GUNS AND THE CRIME RATE

The truth is that the FBI Uniform Crime Report rates per 100,000 population for murder and non-negligent manslaughter and total crime are higher for the States with the most restrictive gun control laws than they are for the States with the least restrictive gun control laws.

The seven contiguous States with the most restrictive gun control laws with their 1969 rates for homicide and total crime are California, 7.1-4,110; Massachusetts, 3.5-2,740; Michigan, 8.3-3,193; New Jersey, 5.2-2,458; New York, 7.2-3,566; Oklahoma, 5.8-1,675; and West Virginia, 5.6-765. The average homicide rate: 6.1. Average total crime rate: 2,643.

The seven contiguous States with the least restrictive gun control laws with their 1969 rates for homicide and total crime are Arizona, 6.0-3,085; Arkansas, 9.9-1,418; Kansas, 3.5-1,765; Kentucky, 10.4-1,663; Minnesota, 1.9-2,023; Vermont, 2.4-1,027; and Wisconsin, 2.1-1,383. Average homicide rate: 5.1. This is a full point lower than the average for the seven most restrictive States. Average total crime rate: 1,766. This is less than three fourths the average rate for the most restrictive States.

The four toughest gun control States are New York and Massachusetts, which require permits to buy or carry handguns; New Jersey, which prescribes permits to purchase or publicly carry any kind of firearm and West Virginia, which require licenses to carry handguns and, with certain exceptions, high powered rifles. The average homicide rate for this group: 5.4. Average total crime rate: 2,382.

The four States with the least restrictive gun control laws are Kansas, Kentucky, Minnesota and Vermont. None of these require licenses for the purchase or possession of firearms, although they do ban concealed weapons on the person (in Minnesota and Vermont with intent to do harm). Average homicide rate for this group: 4.6. This was 0.8 points less than the average for the four toughest gun control States. Average total crime rate: 1,619. This was over a thousand points lower than the rate for the four toughest States.

The evidence indicates there is no correlation between tougher gun control laws and lower crime rates. It suggests a correlation between tougher gun control laws and higher crime rates.

The situation in New York City leads one to the same conclusion. Under the infamous Sullivan Law, New York City dwellers have been subjected to requirements for the licensing of all handgun owners for the last 60 years. Owners of rifles and shotguns in that metropolis have had to acquire licenses and register their long guns since 1968. Despite this legislation, the New York City rates per 100,000 population for murder and non-negligent manslaughter rate of 13.2 was nearly two and one-half times the national average rate of 5.9. Since the 1968 ordinance took effect, the criminal homicide rate has increased by over 22%, from 11.4 in 1968 to 14.0 in 1970.

The message is clear. Despite the fact that New York City reports approximately only 19,000 authorized private handgun owners, only about 2,000 of which are not private security guards, the tough gun legislation in New York has not operated as an effective crime control instrument.

REGISTRATION OF ARMS?

Given these facts, it is preposterous to argue that Americans' right to bear arms should be weakened or destroyed by the state in an effort to reduce crime. Yet this is precisely what anti-gun extremists do advocate. The ADA, Ramsey Clark, Sen. Kennedy, Congressman Mikva, the Violence Commission and others have all advocated nationwide registration of firearms and licensing of firearms owners. Their position adheres to the absurdity that crime will be reduced by transferring the right of individual Americans to keep and bear arms to some governmental agency which would decide who could and who could not own a firearm. They would thus subject 50 million American firearms owners to governmental scrutiny and investigation in a supposed attempt to prevent homicides committed by a few thousand culprits who, when they do use guns in criminal activity, often use stolen guns anyway.

In addition, ADA, Clark, Mikva the Violence Commission and approximately 30 members of Congress are on record as wanting to ban, gradually eliminate or severely restrict to about 10% of the population the private ownership of handguns. Kennedy wants to limit possession to the discretion of the Treasury Department. They argue that "handguns are meant only to kill" and have no legitimate purpose. They should have consulted relevant official figures from New York State, the only State with a complete record of legally owned handguns, which indicate that 80% of such handguns are for hunting, target shooting or other outdoor use. As of June, 1969, 623,556 pistol permits had been issued—493,613 for hunting and target shooting and 129,944 for self protection.

The answer to the crime problem is not to penalize the law-abiding citizens but to get after the criminals. This would entail more effective law enforcement, speedier adjudication of criminal cases with the hoped for correlative decrease in recidivism by culprits on bail awaiting trial and greater efforts to rehabilitate those convicts who are capable of rehabilitation.

Over the long haul, much might be done to eliminate some causes of crime. The criminally inclined, if discovered before they committed a crime or crimes, could be helped to conquer the tendency to crime within themselves. Where poverty and alienation are found to constitute an environment for those socially destructive tendencies which so often result in criminal activity, they could possibly be reduced.

Mandatory minimum penalties for the use of firearms during the commission of felonies could also deter the misuse of firearms in crime.

Possession of firearms by certain categories of persons such as convicted felons, fugitives from justice, adjudicated mental incompetents and habitual drunkards and users of certain narcotics, could be prohibited.

These proposals, if adopted, would attack the crime problem without restricting the right of law-abiding American citizens to keep and bear arms. They would not infringe on the rights of the law-abiding members of those 30 million households owning firearms. They would not restrict America's 22 million active hunters, trap and skeet and target shooters in their activities. They would not prevent people from keeping arms for self protection. They would not negate the protection afforded non-gun owners by the fear on the part of some criminals that the non-gun owners just might be gun owners and able to resist criminal action.

There are thus two basic approaches to the problem of crime and disorders underlying the approaches to gun control. The one is utopian and statist and would blanket the entire population with restrictions on gun ownership in an attempt to get after a prob-

lem caused by a small minority. This approach is also ineffective, as statistical analysis indicates.

The other is democratic. It rests on faith in the people. It does not evidence fear of people possessing firearms as does the statist approach. The democratic approach is not found embodied in the writings of the super statist, the totalitarians, people like V. I. Lenin, who called for "the disarming of the bourgeoisie." It is found embodied in the writings of the statesmen who loved and love freedom as a necessary social value, people like Jefferson, who declared that "no freeman shall ever be debarred the use of arms."

The answer to the question "which approach shall triumph in the end" rests with the people. Thus far, the response of the people has been encouraging.

GUN CONTROL AND THE PUBLIC

A nationwide poll conducted last year by "The Advocates" television program indicated that letters to the stations running the program ran 56% against outlawing handguns and 43.6% in favor of outlawing handguns.

Perhaps the most significant index of popular feeling, though is the electoral process, for it is through elections that the people choose who will make policy for them.

In last year's elections, two of the three principal U.S. Senate opponents of the traditional American right to keep and bear arms, Sens. Thomas J. Dodd (Conn.) and Joseph D. Tydings (Md.), were defeated in re-election attempts. The third, Sen. Edward M. Kennedy (Mass.), saw his percentage of the popular vote in Massachusetts reduced from the 71% he obtained in 1964 to 58.8% in 1970. Sen. Kennedy's party colleagues in the Senate subsequently dismissed him from the leadership post of Majority Party Whip and replaced him with Sen. Robert C. Byrd (W. Va.), a legislator whose views have been more in keeping with the interests of firearms owners than have those of Sen. Kennedy.

Other anti-gun Senators retired by voters from the Senate in 1970 and 1968 were Joseph Clark (Pa.), who now heads up the utopian minded United World Federalists, Charles E. Goodell (N.Y.), Albert (Tenn.) and Mike Monroney (Okla.).

In the 1970 and 1968 elections, several candidates for the U.S. Senate won their elections as proponents of the rights of firearms owners or as opponents of candidates favoring a rigid approach to gun controls. These Senators are J. Glenn Beall (Md.), Henry Bellmon (Okla.), William E. Brock (Tenn.), James L. Buckley (N.Y.), Robert Dole (Kans.), Edward J. Gurney (Fla.), Robert Packwood (Oreg.), William B. Saxbe (Ohio), Richard S. Schweiker (Pa.) and Lowell P. Weicker, Jr. (Conn.). During his campaign, Sen. Buckley proposed a commission be set up to study the possibility of gun control repeal.

Three candidates for the U.S. Senate who favored or voted for the Gun Control Act of 1968, which banned mail order sales of all guns in interstate shipments to non-federally licensed persons and empowered the Internal Revenue Service to tell dealers how to record and register ammunition purchases for IRS inspection, reversed their position on the Act and subsequently won election or re-election to the U.S. Senate. The three: Sens. Hubert H. Humphrey (Minn.), William Proxmire (Wis.) and Hugh Scott (Pa.).

On balance, though, it does appear that the American voters have given their elected representatives the message that they do not want the traditional right of Americans to keep and bear arms tampered with and that they might even want some of the previous tampering, such as that embodied in some

provisions of the Gun Control Act of 1968, remedied by legislative action.

Congress has already acted to blot out some of the onerous portions of the Gun Control Act. It has already amended the Act to exempt sales of ammunition suitable for use only in rifles and shotguns from the record keeping requirements of the Act. Last year, the House of Representatives voted to exempt .22 caliber rimfire ammunition sales, too. The Senate Finance Committee approved the measure but due to the workload at the close of the previous Congress, the bill did not come before the full Senate. Several bills now pending in both houses would exempt the .22 rimfire ammunition, used by millions of law-abiding shooters, from the sales record keeping provisions of the Act.

Scores of Congressmen are already on record as wanting repeal of the entire Act, indicating it places unnecessary burdens on law-abiding firearms owners without doing anything to remedy the crime problem. These include the new Speaker of the House, Rep. Carl Albert, who co-sponsored the first bill in the previous Congress to repeal the Act.

The chances for repeal of the Gun Control Act and for the prevention of firearms registration, gun owner licensing and handgun confiscation depend on the effectiveness with which traditionalists defending the right to keep and bear arms combat propaganda concerning the meaning of the Second Amendment, the causes of the crime problem and the actual opinion of the people on the right to keep and bear arms.

CONGRESS' HOUSE OF SECRET DEALS

HON. MICHAEL J. HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HARRINGTON, Mr. Speaker, I would like to call the attention of my colleagues and the American public to the secrecy that pervades the House-Senate conference committees. All House-Senate conferences are closed to the public, the press, and other Members of Congress. Although conferences often significantly alter legislation passed by the two Houses, no record is made available of what occurs during a conference or how the conferees vote on the key issues involved. These secret meetings are detrimental to public confidence in the legislative process and encourage special interests whose purposes cannot stand public scrutiny. The public is denied information to which it is entitled in a democratic society.

Recent action of the conference committee on the military pay bill, in apparent violation of the Legislative Reorganization Act of 1970, is only the latest in abuses of conference procedures. Although both the House and Senate have passed similar pay increases and effective dates, the conferees have approved measures which are clearly outside any previous action by their respective bodies. The Legislative Reorganization Act states that the report of conferees "shall not include matter not committed to the conference committee by either House, nor shall their report include a modification of any specific topic, question, issue, or proposition committed to the conference committee by either or both Houses if

that modification is beyond the scope of that specific topic, question, issue, or proposition as so committed to the conference committee."

I insert into the RECORD the article, "Congress's House of Secret Deals," written by the very distinguished former U.S. Senator from Tennessee, Albert Gore, in which he describes and discusses the closed-door dealings of the House-Senate conference committees. The article follows:

CONGRESS'S HOUSE OF SECRET DEALS
(By Albert Gore)

Congress has never come to grips with the archaic ways and the often dictatorial-like powers of conference committees. It is here, in secret meetings often not even announced until the last minute, that a few men can sit down and undo in one hour the most painstaking work of months of effort by several standing committees and the full membership of both houses. It is here, after the tumult and shouting and public debate have faded from the House and Senate and after the headlines have shifted to a new subject, that appropriations measures, tax bills and other substantive legislation can suffer remarkable mutation.

After the conference committee's "report," or agreed action, is taken, the two houses must then vote on it up or down, in toto, without amendment. There is usually scant explanation or debate before the vote to accept or reject. The conference deliberations are not published, and the reports are often all but unintelligible to the public and the Congress alike—sometimes legislators are not aware of what they have voted for. And perhaps most important, there is usually a finality about conference committee decisions. Any senator or congressman who opposes only a specific provision is faced with two choices: accepting the provision or trying to defeat the entire bill, a move which would cost weeks or months of work. Often, the important legislation comes up right before recess or holiday, which makes a fight against the conference report even more unlikely. For these reasons, the reports, even when they distort the intent of either house, are rarely challenged.

One such committee, on which I served, met in secret on a cold December night in 1969. By 2:30 a.m., it reached a decision which would increase personal income tax exemptions from \$600 to \$750 (in stages), a beneficial step. But part of the decision also ultimately gave an enormous tax reduction to the relatively few with very large "earned" incomes (salaries, bonuses, commissions, as opposed to "dividend" or "interest" income). The head of General Motors, and others with like earned incomes, may gain as much as \$90,000 per year from this reduction. And the reduction was available only to those in the top brackets and denied to everyone else below them.

This conference committee, made up of seven senators and nine representatives, had been appointed by the president of the Senate and the speaker of the House, respectively. (In practice, the chairmen and ranking minority members of the standing committees handling a given piece of legislation actually name the conferees. Almost invariably, they name themselves.) The committee was brought together to compose, "settle" in congressional cloakroom jargon, the hundred or so differences between the versions of the Tax Reform Act of 1969 as it had passed each house of Congress. It is in such committees, established in similar fashion every time there are differences between the House- and Senate-passed bills, that final details of most important legislation are decided on—and these details may often be the essence of the legislation.

The reduction in tax on large earned income was actually just an extra dividend added to the already staggering benefits the rich have received through tax breaks in recent years. It is generally believed that we have a graduated income tax based on ability to pay. Since 1964, however, the tax rates have become much less graduated, and each successive "reform" appears to give even more money back to the wealthy. Prior to 1964, the tax rates ran from 20 per cent to 91 per cent—a spread of 71 percentage points. In the Tax Reduction Act of that year, the minimum tax rate, on the first taxable dollar of income, was lowered to 14 per cent—but at the upper levels, the maximum rates were reduced from 91 to 70 per cent of income.

In 1969, President Nixon recommended what he called tax "reform"—another cut in the top tax rates. I countered by introducing a bill to raise the personal exemption for each taxpayer and dependent. (The \$600 exemption had been fixed in 1948 at what was, even then, an admittedly low level as measured by the cost of living. By 1969 the cost of living had about doubled, yet the \$600 personal exemption remained.)

After making some modifications, the House passed the Nixon administration bill which lowered the top tax rate, this time from 70 to 65 per cent, with no reduction whatsoever in the rates applicable at the bottom. And, in addition, the bill proposed to cut the top rate on earned income from 70 to 50 per cent. This provision was added by the Nixon administration at a midnight session of the House Ways and Means Committee just before the bill was approved and reported to the full House. It represented an extra \$200-million loss to the government, or gain to the highly paid, and the ordinary taxpayer would have to make up the deficit. The earned income measure was passed by the House with the tax bill as a whole under the notorious "gag" rule, which permits no amendments. In the Senate, I took a single-shot aim at the measure, because I found it odious in the extreme. The Finance Committee, of which I was a member, adopted unanimously an amendment to strike this provision from the tax bill—an amendment offered by the committee chairman, Sen. Russell Long.

A WAITING GAME

During the detailed discussions and debate in the Senate, no suggestion was made that this provision be restored to the bill, and there was no one to lament publicly its elimination. In fact, in order to make the legislative history and the Senate's position clear, Sen. Long, in his initial discussion of the bill on the Senate floor on Nov. 24, 1969, stated:

"In establishing the new tax rates, the committee deleted from the bill a House provision limiting to 50 per cent the maximum marginal rate applicable to an individual's earned income. This action was taken because the committee believed that a 50 per cent top marginal rate, though beneficial for work incentives, would provide unduly large tax reductions to those with substantial earned income."

The most important difference between the House and Senate tax bills was the amendment I had offered and won on the floor of the Senate to strike out the Nixon-proposed rate changes and substitute instead an increase in personal exemption from \$600 to \$800. Another difference, of course, was the earned income provision, which the House had adopted and the Senate had not. Both of these, among others, had to be resolved in conference committee.

DEBATE AT 2 A.M.

On the first point, the conferees agreed on a compromise which eliminated the rate changes and adopted a gradual increase in personal exemption from \$600 to \$750. Finally, at about 2 a.m. on the last day of the

conference, the chairman, Rep. Wilbur Mills, brought up the last item in disagreement, the reduction in the top rate for earned income. The argument became quite heated, despite the fact that no one could advance any better justification for the provision than restating a point made by Edwin S. Cohen, assistant secretary of the treasury, before the Senate Finance Committee: "We do get to the point where with respect to services . . . inordinately high rates may cause a person to spend more time trying to figure out some of the incentives in the law than he does concentrating on his work . . ."

In other words, the best way to guarantee the efficiency of corporate leaders, to relieve their minds of the burdensome task of getting around the taxes, would be to reduce the taxes and give them the money, anyway. This argument could be carried further—the best way to insure maximum productivity of the nation's highly paid would be to charge them no taxes at all, freeing their imaginations from material things and onto the disinterested plane of public service.

The debate continued until finally conference committee chairman Mills suggested a compromise—that the 50 per cent earned income figure be set as a maximum "effective" rate (an average of all taxable income) rather than the "marginal rate" (applicable to the last dollar of income). This would involve much less money, only a \$15-million loss in revenue to the Treasury. I felt I had won my main battle on the personal exemption increase, so I agreed to go along with this compromise.

Chairman Mills then announced that the conference committee would adjourn "for the night," but would meet again at noon that same day to sign the conference report, which the staff would meanwhile prepare. As we began to depart, I noticed a whispered conference between Sen. Wallace Bennett, a ranking Republican on the Senate Finance Committee, and the assistant secretary of the treasury. Unavoidably, I overheard Sen. Bennett say, "Let's meet in my office."

At the 10 a.m. Democratic caucus, Sen. Long suggested to me that when the conference committee reconvened it might be necessary to "give" the administration something "in order" to avoid a veto. He made some imprecise reference to the 50 per cent ceiling on high-bracket earnings. I was thus forewarned that a deal had been made. Sure enough, on the reconvening of the conference committee at noon for the announced purpose of "signing the conference report," more or less a formality, Chairman Mills quickly reopened the earned income tax rate question. Sen. Long, despite his statement on the floor of the Senate in support of his own amendment to knock the provision out of the bill, went on the offensive in support of the Nixon administration position. Sen. Bennett, who had voted to strike it out, joined with Sen. Long, as did others.

The committee quickly voted in favor of giving corporate officials, doctors, lawyers, and other highly paid taxpayers an absolute marginal tax rate of 50 per cent of their earned income—to give them the whole \$200 million. This was a clear breach of our earlier agreement but it availed me nothing to make this charge, which I did angrily, for I was hopelessly outnumbered.

This conference report was presented to the Senate on Dec. 22, 1969, and adopted by both houses the very same day. On the floor of the Senate three days before Christmas, it was impossible for me to hold up a multibillion-dollar tax bill on which months of hard work had been spent.

There was never a separate vote on the earned income provision by either Senate or House, and the general public never really became aware of it.

OCCASIONAL "STUMPHOLES"

Theoretically, the conferees support the position of their respective houses. Obviously,

however, one side or the other, or both, must alter its position. But the personal views of conferees often make their support of the views of their own house ineffective; indeed, given the personal sympathies of the conferees one can usually, though not always, correctly forecast the shape of the agreement to be reached by the conference committee.

The latter point is well illustrated by the action of Congress last year on the SST appropriation. This was not a party affair. It was more nearly a test of the power of the industrial-military complex to prevent a re-ordering of national priorities. A majority of Senate conferees had strongly supported the Pentagon position on the SST, and the agreement ultimately reached by the conference committee was freely predicted. The "compromise" agreement reached by the conferees merely reduced by a token amount the funds which could be spent on further SST development this year.

But in this case the issue was so clear-cut, and the "compromise" so patently a surrender of the Senate position, that the Senate stuck by its guns and refused to agree to the conference report. Even more important to stiffening senators' backbones against the intense lobby was the fact that the headlines stayed with the SST and did not shift away from that issue to some new seven-day wonder. As a result, the SST was finally voted down.

This kind of rejection does not usually occur. It happened with the SST and a few other issues of public interest, but generally the results of the conference committee are accepted, even when the conferees either have abandoned their house's position or have inserted something in the bill that wasn't in the version of either house. (Theoretically, this should not happen, but it sometimes does—as in the recent federal pay raise bill when the conference committee inserted a provision transferring certain powers over federal pay raises to the President, a provision that had not been included in either the House or Senate bills. But even after Sen. Stennis called the procedure a "stumphole," resting on the "recommendation of someone way out yonder—whom we do not know," the conference report passed the Senate by a vote of 40 to 35.)

I can think of some instances where conference committees have done their work well, where the Senate conferees did not give in too easily on the measures adopted by their house, and where the public interest was served. But often this happened because of a quirk of fate, a momentary situation that had nothing to do with the bill under question, illustrating again how dependent the conference decision is on the changing political fortunes.

UNLOCKING THE DOOR

There is nothing wrong, in principle, with the conference as a procedure. It is impossible to conduct the business of a bicameral legislative body without some regularized machinery for the arbitration of differences between the two houses, and the conference committee can be a good and workable method. But several specific steps are required to make the conference committee more useful and more responsive. Some would require changes in the rules of either Senate or House. Others would require only that greater attention and care be exercised in following existing rules.

First, the slate of conferees should be actually voted on by the full membership of each house. This would help insure that conferees are selected who will fairly represent the views of each house and would also involve the full membership more directly in the conference process. As things now stand, the rank and file of the membership of both houses feel that matters are out of their

hands after initial floor action on a bill has been completed.

Second, a record of the conference actions should be kept, and the day following the termination of a conference all votes taken during the conference should be published in the Congressional Record. This would put conferees on notice that they will be judged not only by their constituents but, more importantly in some cases, by their fellow members on their conduct during the conference bargaining sessions.

It should be borne in mind that the conferees from each house vote separately on any question effecting a change in the position taken by their own house; that is, Senate conferees vote independently of House conferees on any motion to recede from a Senate position. Neither set of conferees can complain of being outvoted by the other. One side can, of course, be out-threatened and intimidated.

A powerful House Appropriations subcommittee chairman can tell Senate conferees that unless appropriations for a dam in his home district are voted there will simply be no bill at all. Senate or House conferees, who may not particularly care which dam in a given series is built first, will readily give in and vote to recede from the Senate position. On more important matters, however, the Senate conferees would be inclined to put up more fight if they knew they must individually be held accountable for their votes.

Third, the report issued by the conference committee should be improved. Simple but reasonably full explanations of actions taken, and their effects on the positions previously adopted by the two houses, should be included.

Fourth, statements of conferees disagreeing with the majority on major points should be incorporated in the report, just as minority, individual, or supplemental views are now included in the reports of standing committees. It is a rare thing for a member of a conference committee today to raise a post-conference objection. On occasion a conference member may decline to sign the conference report, but there is not often a sufficient explanation for his action or non-action.

Fifth, no vote should be taken in the Senate or House on a conference report until the report has been printed and available to members for at least 48 hours. This may result in some distress in the closing days of a session, but proper leadership must be counted on to provide more orderly scheduling in both houses than has been the case in recent years.

These changes in rules or current practice would make the conference a more useful tool and should result in better legislation more attuned to the wishes of the general congressional membership. But in the final analysis, no changes in the rules will automatically bring about good conferences. After all is said, written, and done, the attitude of individual members toward their work will determine how good the final version of any legislation is. If sufficient numbers of Senators were really interested in looking into the work of their conferees, they could under existing rules refuse to approve any given conference report until proper explanations for all actions were forthcoming. I am sorry to say that few senators are willing to go to this much trouble. The rules we now have, even statutory provisions, are blandly ignored or blithely set aside by "unanimous consent"—surely one of the greatest enemies of orderly procedure and good legislation.

The Congress must improve the quality of its work. It must improve its "image," and the best way to do that is to improve its product. I know of no better place to start than with the conference committee.

FREEDOM OF THE PRESS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. FRASER. Mr. Speaker, the issue of free speech and its limitations has been raised often in the controversy over the publishing of the Pentagon papers. It has rarely, however, received the intelligent and careful consideration given in the following article I submit. Written by Anne McKinsey, editorial page editor of the University of Minnesota newspaper, the Minnesota Daily, its accurate historical perspective should be carefully reflected upon:

[From the Minnesota Daily, June 29, 1971]

PRESS FREEDOM: A CONSTITUTIONAL CHRONOLOGY

(By Anne McKinsey)

That the Constitution of the United States is the oldest enduring written constitution in the world today is a tribute to its framers who had the wisdom and foresight to construct an extraordinarily adaptable and malleable document.

However, the Founding Fathers would probably be amazed at the extent to which their scrupulously-drawn principles have been defined and redefined, expanded and delimited according to existing needs and conditions.

In the 180 years since the ratification of the Bill of Rights, the Supreme Court has been the arbiter of "constitutionally-protected freedoms"—and the definitions of those freedoms, as well as the priority assigned them, have changed radically.

While the debate over the proper limits on the First Amendment freedoms of speech and press is relatively young in terms of the scope of constitutional history, the principles on which the current arguments are founded are centuries old.

Although the idea that truth will emerge in an open "marketplace of ideas" may be found in the writings of the Greek philosophers, the First Amendment is properly identified as a direct descendant of the Cartesians who lived in the so-called Age of Enlightenment in Europe at the time of the American colonial and revolutionary periods.

The philosophers of that age—Locke, Hobbes, Rousseau, Voltaire—assumed the rationality of man and held that a free exchange of ideas was necessary for man to make proper decisions. The most frequently cited work dealing with press freedom during that era is Milton's *Areopagitica*—an argument against government licensing of books. Free expression is a "self-righting process," Milton said.

Yet Milton was far from an "absolutist" on the freedom of speech and press; he would have restricted those rights to those who agreed with him in principle and denied them to those who didn't—Catholics, for example. And, curiously, Milton later became a book licenser.

In this country, speech and press freedom were quickly recognized as prerequisites for democratic government. Jefferson's views on free press bordered on absolutism, in theory if not actually in practice; he once wrote George Washington: "No government ought to be without censors; and where the press is free, no one ever will be. If virtuous, it need not fear the fair operations of attack and defense."

The current debate, culminating in the case now before the Supreme Court, is a

product of the 20th Century. The First Amendment states that "Congress shall make no law . . . abridging the freedom of speech, or of the press." Yet Congress has in fact made many laws which do just that. And never has a federal statute been declared unconstitutional on First Amendment grounds.

The Supreme Court has, however, overturned numerous state laws which encroach upon the freedom of expression. Yet it was not until 1925 that the First Amendment was held applicable to the states as well as to the federal government. Decisions in state cases, plus "interpretation" of federal statutes, provide the context of free speech and free press today.

The case of *United States v. New York Times* is unique in constitutional jurisprudence in presenting the issue of press freedom versus national security. But it is not wholly without precedents nor Supreme Court formulations upon which the decision could be based.

Many of the issues raised by the case are questions which the Court has haggled over for the last half-century: Should freedom of expression be an absolute? If not, what should be the limits, where should the line be drawn? Is prior censorship absolutely forbidden, or is its use justified in extreme cases? Is this an extreme case? If so, what is the "test" for recognizing expression which is not constitutionally protected? Can the government forbid publication or may it rely only on criminal prosecution following publication? What means are at the government's disposal for controlling the press?

The question of whether or not the First Amendment makes freedom of expression an absolute right is rendered moot by the fact that it never has been interpreted that way and probably never will be—at least in the foreseeable future. Justice Hugo Black is, in fact, the only "absolutist" or pure "strict constructionist" in matters of free speech and press on the Supreme Court today. And his absolute views are restricted to matters of "pure speech" only—not "symbolic speech" or "speech-plus" (draft-card burning, demonstrations, etc.).

Even the liberal Justice William O. Douglas is not an absolutist. "Freedom of speech is not an absolute," he says over and over again in his opinions, but the only instance when it should be curtailed is "the extreme case of peril from the speech itself" (*Dennis v. U.S.*, 1951). Thus falsely shouting "fire" in a crowded theatre would not be constitutionally protected speech, Douglas says.

If freedom of expression is not an absolute, then, the restrictions on speech and press must be carefully drawn. The court has experimented with numerous tests and formulas for the determination of which utterances are protected and which are not.

Probably the best known of these tests is the "clear and present danger" doctrine, first articulated by Justice Holmes in 1919. As he stated it then, utterances could be punished if they created a "clear and present danger that they will bring about the substantive evils that Congress has a right to prevent" (*Schenck v. U.S.*).

That formula has since been reworked and reapplied. In the *Dennis* case, where the Court upheld conviction of "communist conspirators" under the Smith Act, the Court used the definition of "clear and present danger" drawn by Appeals Court Judge Learned Hand: "In each case (courts) must ask whether the gravity of the evil discounted by its improbability justifies such invasion of free speech as is necessary to avoid the danger."

Yet there are obvious problems with such a doctrine. Who is to decide when danger is imminent? Such a judgment must be subjective. This test has largely been abandoned by the Court in more recent free expression cases, though Attorney General Mitchell—in his original injunction request—may have sought to revive it by claiming that pub-

lication of the Pentagon study would cause "irreparable injury" to the United States.

Another formula used by the Court more recently in free expression cases—and one which certainly will be considered in ruling on the current case—is the so-called "balancing" test. Rights and interests which come into conflict are weighed against one another to determine which is more substantial.

In 1968, the Court upheld the conviction of a draft-card burner under federal law. Even though the act was "symbolic speech"—a public act protesting the war—the government's interest in prohibiting knowing mutilation of draft cards, the Court said, is "sufficiently justified . . . if the incidental restriction on alleged First Amendment freedom is no greater than is essential to the furtherance of that interest" (*U.S. v. O'Brien*).

In a 1967 decision overruling a conviction under a section of the Smith Act, the Court weighed the government interest (in prohibiting communists from working in defense plants) against the First Amendment right of association (*United States v. Robel*). Chief Justice Warren's majority opinion stated that the "balancing" of congressional power and individual rights could be avoided by "legislation drawn more narrowly to avoid the conflict."

Quite probably the government's interest in protecting "national security," when "balanced" against the First Amendment right to freedom of the press, will also require more narrowly drawn and specifically defined legislation.

Emerging from the conflict of national interest and individual rights is the concept that freedom of expression is a "preferred freedom"—one to be given the highest priority in consideration of cases. This idea, while anathema to some Supreme Court Justices—notably former Justice Frankfurter—nevertheless has been applied and implied in numerous decisions.

The concept of "preferred freedoms" has had—by implication—a substantial effect on "unleashing" the press to provide "fair comment and criticism" on public personages and issues. In another "landmark" case involving the *New York Times*, the Supreme Court ruled that a public official could not collect damages for libel without showing that "actual malice" was intended (*New York Times v. Sullivan*, 1964).

That case, the Court said, was considered "against the background of a profound national commitment to the principle that debate on public issues should be uninhibited, robust and wide-open, and that it may well include vehement, caustic and sometimes unpleasantly sharp attacks on government and public officials." Later decisions extended the privilege of "fair comment" without fear of libel suits to "public figures" and "public issues" as well as public officials.

The language of that earlier decision involving the paper is certainly applicable to the current *New York Times* case. But perhaps the central issue is the question of what constraints government may place on the press.

The colonial governments long ago ruled out licensing as a means of government control over publication. Freedom from discriminatory taxation of newspapers has also been guaranteed.

The government's ability to ban reporting of official proceedings is still one method of controlling the press. Congress and the legislatures are authorized to prohibit press coverage, although this power has not been used on the floors of the houses since the middle of the 19th century.

But the power has been revived in part during the Cold War. In 1951, Harry S. Truman authorized government agencies, even those without military functions, to decide what information they wished to release to the public. Eisenhower mitigated the situa-

tion somewhat, but many government agencies still withhold information, and one-third of all congressional committee meetings are closed.

Military security during "hot wars"—from the Civil War to the Korean War—has traditionally been part of government regulation and part "gentlemen's agreement" between the press and the government. Some criminal charges have been filed against newspapers for publication of "military secrets" during wartime.

But never before two weeks ago has the government actually sought to enjoin publication of classified material before the fact. The action of the government, say the *Times* lawyers, is a clear-cut case of prior restraint—a practice which the Supreme Court ruled unconstitutional in 1931 (*Near v. Minnesota*). But that decision also suggested that prior restraint might be allowed in "exceptional cases," including, for example, the "publication of sailing dates and transports or the number and location of troops."

The government seeks to make its case enjoining further publication of the *Pentagon Papers* on the grounds that the *Pentagon* study is, in fact, an "exceptional case." But the Supreme Court will be remiss in its responsibility to constitutional precedent if it concedes that publication of essentially historical documents threatens the national security and therefore provides an exception to that long-standing constitutional principle.

The government in this case has made no attempt to file criminal charges against the *Times*—and thus has rejected the Court-sanctioned standard procedure in cases of expression deemed beyond the bounds of constitutional protection.

It is difficult to believe that the Court could rule otherwise than in favor of the *Times*. If it should grant the government its permanent injunction, it could hardly be construed as anything other than a politically-motivated—rather than a constitutionally-motivated—decision.

For emerging from the decisions of cases involving the First Amendment is another principle—that of the public's right to know. Only when speech and press are granted the greatest possible immunity is there a chance that democracy can function. For only totalitarian governments are founded on the submission of the governed to unassailable governors, and, according to John Stuart Mill, "all silencing of discussion is an assumption of infallibility."

But perhaps the most lucid explanation of the constitutional principles involved in *U.S. v. New York Times* is related in the opinion of New York Federal District Judge Murray Gurfein in his decision last week upholding the *Times*.

The case does not imply only a balancing of freedom of the press against national security, because, as Gurfein said, "The security of the nation is not at the ramports alone. Security also lies in the value of our free institutions. A cantankerous press, an obstinant press, a ubiquitous press must be suffered by those in authority in order to preserve the even greater values of freedom of expression and the right to know."

HOUSE RESOLUTION 319

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. JACOBS. Mr. Speaker, the following is the language of House Resolution 319, which I introduced on March 17, 1971. I was hoping it might catch the attention of the administration:

H. Res. 319

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madam Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on September 17, 1970, that the policy of her government is "In case the United States Government declares it will withdraw from South Vietnam all its troops and those of the other foreign countries in the United States camp, and the parties will engage at once in discussion on:

"—the question of ensuring safety for the total withdrawal from South Vietnam of United States troops and those of the other foreign countries in the United States camp.

"—The question of releasing captured military men."

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from Vietnam within sixty days following the signing of the agreement: Provided, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the National Liberation Front of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

ARCTIC HEALTH RESEARCH CENTER

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. BEGICH. Mr. Speaker, in past months I have spoken out against the administration's proposed budget cut of \$347,000 from the current Arctic Health Research Center funds. This 25-percent cut would reduce the Center's staff from 83 to 47 positions and make it impossible for a large number of important services and research projects to continue. I have received a great deal of correspondence from people deeply concerned with the effects this would have on the Center, which is the only one of its kind in the United States. Among these were the statements of the Alaska State Legislature and a letter from Gov. William A. Egan of Alaska, which appeared in the May 12 and June 30 editions of the RECORD, respectively. I feel that it is necessary to provide more background information about the institution to illustrate why this is such important service and why this previously irrevocable decision must be reconsidered.

The Arctic Health Research Center was established in June of 1948 as the result of a survey made in 1947-48 by an advisory committee of physicians named by the American Medical Association and engaged by the Department of the Interior. Its purpose was to conduct activities necessary in the investigation, prevention, treatment, and control of diseases. Since that time the Center has become nationally and internationally known for accomplishments in such diverse areas as tuberculosis control, health education, long-term studies of

animal related diseases transmissible to man, and general arctic and subarctic health control, as in the discovery and treatment of previously unrecognized diseases peculiar to northern climates. Alaska's distinguished late Senator Bob Bartlett was instrumental in securing the initial funds for the Center. The Center is unique not only in the area it serves and its low temperature orientation, but also in its multidisciplinary approach. By working in several fields rather than following a one-discipline approach, information can be shared and problems can be attacked in a coordinated effort.

At this time I share with my colleagues a description of some of the work the AHRC has done to provide better health conditions for many people. A sampling of current projects the center is involved in would be helpful in understanding the scope of its work:

ARCTIC HEALTH RESEARCH CENTER

Health Education—Information on reproduction and contraception was presented by Dr. Berman, NICHD investigator, to the women in eight of the villages in the reproduction study. He was assisted by the village health aides. Films and slides used in the education program will be discussed with Alaska Native Health Service personnel as an initial step in defining a sex education program suitable for Native villages.

Housing—Guidance has been given to HUD, Alaska Native Health Service, and Alaska State agencies on some of the social and biological problems associated with housing in the arctic. The research project on a model house for remote construction has continued at AHRC.

The Village Demonstration Project of EPA has requested the services of the anthropologist in setting up the \$1 million project for remote Alaskan Native villages.

In addition, the anthropologist will serve as a consultant to other Human Ecology Centers and complete his investigations on the multidisciplinary project with Eskimos for the International Biological Program.

Chronic Disease—serum cholinesterase deficiency: The population of King Island was surveyed following the discovery of two cases of this enzyme deficiency in that village. The survey revealed four additional cases for a frequency of about 3%—the highest recorded in the world. Current phases of the study of the inherited disorder are directed at determining the nature and cause for the difference in the two types of deficiency that occur, both in Eskimos and in other populations. Eskimos provide an unexcelled opportunity for resolving these questions because the disorder is most prevalent among them, and because of the ease with which family lines can be followed in the study of genetic disease.

Infectious Disease—trichinosis: Bioassays were continued to define the degree of difference in cold resistance of the indigenous and introduced strains of *Trichinella spiralis*. Preliminary findings indicate that meat containing larvae of the arctic strain is not rendered safe by storage at temperatures defined by the Department of Agriculture.

Bering Sea Expedition—Dr. Fay is co-leader of a scientific party that departed from Nome on March 26 for a month-long expedition in western Bering Sea. He will collect information and specimens for use in the management of marine mammal resources. Samples will also be collected for analysis for the presence of heavy metals. University of Alaska and State Department of Fish and Game scientists are also participating in the investigation, which is being conducted from the Coast Guard Cutter Glacier. Helicopters and small boats will be used to fan out from the icebreaker.

Disease Control—Parainfluenza—Naknek: Dr. Gary Kaplan assisted State and CDC, Anchorage epidemiologists in the investigation and management of an outbreak of acute respiratory illness at Naknek. The attack rate for the village was 51%. Parainfluenza type I, Coxsackie B² and Adenovirus type I have been recovered to date from cultures obtained from 94 of the 98 households. Throat cultures were positive for Beta-hemolytic streptococcus group A in 61 persons. Penicillin was administered by AHRC and CDC physicians in the absence of a local doctor.

Pathogeography—First steps were completed in developing a computer program for determining the temporal and geographic distribution of specific illnesses among Alaskan Natives. Discharge summary data for patients discharged from Alaska Native Health Service hospitals in 1969 was transformed into a basic format and stored on magnetic tapes. Plans were made with the University of Alaska Fortran Programmer for writing a computer program to list disease instances, and to print out disease by village on an outline map of Alaska.

Genetics Clinic: A genetics clinic was held in Anchorage in January, following which Dr. Lyons spoke at a meeting of the Anchorage Association for Retarded Children on the subject of "Genetics and Mental Retardation."

ENVIRONMENTAL IMPROVEMENT

Ice fog suppression; Eilson Air Force Base: An ice cover was obtained and held on the hot (intake) side of the power plant's cooling plant. Depth of the cover was then increased by pumping water from below the ice onto the surface at the rate of 450 gallons per hour. The feasibility of developing an adequate ice cover having been established, permanent modifications to the system will be installed this summer to implement procedures for the suppression of ice fog from this source in the winter of 1971-72.

Carbon monoxide monitoring; Fairbanks—Well defined periods of high and low pollution potential were identified from this quarter's data on CO levels in downtown Fairbanks. Regular reports on pollution levels were made through various local news media. Monitoring will be continued throughout the year to demonstrate that CO levels exceed acceptable limits at times other than during the winter months.

The results of AHRC investigations have been shared in many ways. Communication to peer groups is through scientific, professional and technical journals and meetings; lectures, monographs, and correspondence; and by assistance afforded to visiting scientists (for periods of several months to 1 year) from the United States and other nations.

An AHRC Report series begun in 1969 provides practical and technical information on a variety of subjects of concern to different segments of the Alaskan public including industry, federal and state health agencies, and military establishments in Alaska. Subjects range from the control of mosquitoes and the prevention of frostbite, to technical information on water supply management for North Slope activities and color and iron removal from arctic surface waters. A publications list is sent regularly to libraries, universities, and other research institutions and agencies. Reprints of published articles by AHRC investigators are furnished on request and in response to specific inquiries. In addition, the Center sponsors a public forum series, provides articles for trade journals, and speakers and participants for local and state meetings.

It may appear that these projects are randomly selected and might be better handled through more specialized agencies, but it is precisely the AHRC's coordinated study of social and environ-

mental influences on health that make it so important. The Public Health Service is more "crisis-oriented," treating individuals with specific needs rather than developing a systematic preventive care program that would significantly raise the general level of health. By attacking the underlying causes of disease—poor housing, malnutrition, and inadequate sanitation—the AHRC can not only treat but prevent the occurrence of disease, create an early detection system, and fundamentally change the situation.

The services of the AHRC are vital to the native population of Alaska, which is known for its extraordinarily low life expectancy averages. Here tuberculosis runs 24 times as high as the national rate, and many "rare" diseases remain largely untreated, such as certain forms of ear infection that can cause complete loss of hearing and affect up to 80 percent of all native children. With such a shortage of resources as already exists, a further reduction of AHRC work in this area would be very harmful.

And yet the benefits of AHRC work extend far beyond the boundaries of the State. In response to Alaska's desperate need for physicians, AHRC joined the WAMI—Washington, Alaska, Montana, and Idaho—program designed to train more medical students, and now its facilities and health scientists are open to all such students. The center is also taking a major part in the fight against rabies, which has reached epidemic proportions in south-central Alaska and threatens to spread into Canada. The AHRC can determine where the natural reservoir of infection is, how it spreads and how to contain and combat it most effectively. They are doing the same with hydatid disease, which has been carried down from dogs in infected northern regions to the fox population of North and South Dakota; lives can be saved if the scientists are able to detect this disease in an early stage. The center has in this way been a vital contributor to out-of-State services as well as international research such as with Canada, Sweden, and Germany, where there are cooperative efforts currently being conducted. However, these functions will have to be significantly curtailed if the proposed 25-percent budget cuts are made.

As Governor Egan stated:

How shall we justify cutbacks under these conditions when the Federal Government itself is alarmed at the spiraling costs of medical and health care and is urging and encouraging states to stress prevention and preventive health practices? Arctic Health Research Center and the state of Alaska have been functioning as a team to complement one another's services and research and to discover and control diseases and other threats to human health. This is prevention and optimal cooperation in its finest sense. It must not be destroyed. It is too rare to find these days. Federal agencies and publications constantly proclaim the virtues of preventive health services as essential for economical, social and health reasons. Yet the action in cutting positions at Arctic Health Research Center is inconsistent and achieve exactly the opposite. There is nothing that I am aware of that can be more egregious and harmful to the people of the state of Alaska than to permit the cutback of these positions and the weakening of the Arctic Health Research Center upon which we all depend.

CHILDREN STILL PERILED BY UNSAFE TOYS

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. O'HARA. Mr. Speaker, in late 1969, the Congress enacted the Child Protection and Toy Safety Act.

Today, more than 18 months later, there are still unsafe toys on market shelves, and our children are still unprotected.

Last Christmas we discovered that toy safety was more myth than reality, even though the Toy Safety Act had been in effect for nearly a year.

And today we see that the Food and Drug Administration still has not taken the aggressive action necessary to purge dangerous toys from the shelves.

This morning's New York Times contained an article dealing with toy safety. In that article Mr. Malcolm W. Jensen, Director of the FDA's Bureau of Product Safety, admitted that the FDA has "not reached the state where parents can buy any toy on the market with confidence."

Last Christmas, I found that unsafe toys were still on sale, and I asked the FDA to do something about it. The result was a halfway effort that was both too weak and too late to be effective.

In an effort to make certain that this does not happen again, early this month I wrote to Food and Drug Commissioner Charles C. Edwards.

In my letter to Mr. Edwards, I urged his agency to plan and implement a special Christmas toy safety check campaign, to get underway no less than 3 months before Christmas Day. I suggested that if FDA's regular manpower is insufficient, the agency should recruit and train volunteers from the ranks of consumers to do the job.

Mr. Speaker, parents are aware of the Federal legislation on toy safety. Many of them believe—mistakenly—that the Government has made certain that all toys offered for sale are safe. This should be the case; regrettably it is not.

I call upon the Food and Drug Administration to assure the Congress that it will enforce the law aggressively and that there will be no dangerous toys on the market shelves this Christmas.

I insert the New York Times story "Toys of 1970's: Guillotines and Hypodermic Needles," a copy of my letter to Commissioner Edwards, and a press release which I issued on the subject of toy safety in the RECORD:

TOYS OF 1970'S: GUILLOTINES AND HYPODERMIC NEEDLES

(By Grace Lichtenstein)

Thousands of American children are being hurt and maimed by unsafe and psychologically damaging playthings despite the enactment 18 months ago of a new toy safety law, a wide range of consumer activists contend.

Some of the charges made by Congressmen and representatives of consumer, parent, feminist and public-welfare organizations who were interviewed on the subject were as follows:

Many of the most widely sold toys in the country, such as toy electric irons, dolls and cap pistols, can be highly dangerous yet carry no warnings to either parent or child.

There has been an increase in the marketing of sadistic toys and games, such as toy hypodermic needles and plastic guillotine kits.

The toy industry's official guidelines on toy safety are inadequate, unenforceable and often ignored.

Even with the Child Protection and Toy Safety Act, the Federal Government cannot significantly curb the availability of unsafe toys, with the result that many outlawed toys, such as the paired "clacker balls," remain on the market and in children's toy chests.

The charges are documented in detail in a new book, "Toys That Don't Care," published by Gambit, Inc. The author, Edward M. Swartz, is a Boston lawyer and former assistant state attorney general who specializes in produce liability law. He became interested in the subject after he represented many families of injured children in lawsuits against toy manufacturers.

DANGERS ARE CITED

"Toys with sharp cutting edges, easily shatterable parts, high explosive potential, lethal electrical hazards, dangerous flammability, unnecessary psychological risks, suffocation or strangulation capabilities or fatally poisonous potential can be found by the dozens," Mr. Swartz says.

Among those who agree with him are Representative John E. Moss, a California Democrat who was one of the authors of the Toy Safety Act; Consumers Union, the National Society for the Prevention of Blindness, the New York chapter of National Organization for Women (NOW), Action for Children's Television, a parents' group, and the Public Interest Research Group, an organization headed by Ralph Nader.

PRODUCTS ARE DEFENDED

In response, industry spokesmen and individual toy makers and retailers have defended their products as generally harmless.

"I don't think the industry is that bad," said Fred Ertl Jr., president of the Toy Manufacturers of America, Inc., the leading trade organization. "I think we've done a remarkable job considering the number of products over the past couple of years."

Mr. Ertl added that "no system would be quite good enough to prevent all accidents."

Government statistics bear him out. According to the Department of Health, Education and Welfare, 700,000 children are injured each year by toys, not including bicycles, swings or slides.

The Food and Drug Administration, which has the responsibility of administering the toy safety law, says it is doing its best with limited funds and manpower.

Although the law became effective in January, 1970, there was no section within the F.D.A. to enforce it until last October, when the Bureau of Product Safety was created. That bureau still does not have a budget of its own.

SOME STILL SKEPTICAL

Malcolm W. Jensen, the bureau's director, acknowledged that "we have not reached the stage where parents can buy any toy on the market with confidence." But he said he felt that the law "clearly has succeeded in reducing the number of unsafe toys on the market."

Others are not so sure. "As far as we can see, the Toy Safety Act hasn't done much to improve toy safety," said Cynthia Margolies of the National Society for Prevention of Blindness. She noted that "clacker balls," with their tendency to shatter as they hit one another, caused numerous eye injuries to children before they were outlawed by the F.D.A.

"There's a lack of money and a lack of a sense of urgency about the problem within the F.D.A.," said Representative Moss. He added that he hoped to hold new hearings on toys this fall in his role as chairman of the Subcommittee on Commerce and Finance.

To combat the problem, the New York chapter of NOW and a group called Parents for Responsibility in the Toy Industry are planning to start a consumer boycott in August of toys they consider dangerous or sexist. Mr. Nader's Public Interest Research Group is planning its own investigation of the industry.

In his book, Mr. Swartz cited as among the most dangerous toys the Etch-a-Sketch drawing device, whose glass top can shatter and spread aluminum dust; rockets with sharp points, dolls with sharp pins in their hair or with easily removable and swallowable eyes, plastic tops that can accidentally explode, cap pistols so loud they can deafen a child, toy electric ovens and irons and guns that shoot plastic projectiles at high speeds.

On a tour recently through the Manhattan branch of F.A.O. Schwarz, the nation's largest toy outlet, Mr. Swartz objected to others.

Pointing to an armor set on prominent display, including an 18-inch-long metal sword with a point at the end, he declared, "You could take out an eye with that."

He also took exception to a boomerang, sold as a toy with no warning on the package. "It doesn't bother to say that this is a weapon that can kill," he asserted.

In the games section, he pointed out a board game labeled for children 6 to 14 called "Operation." The box showed a grinning physician jabbing a knife into the thigh of a prone patient while another physician, cigar in mouth, is about to plunge a knife into the patient's chest. Mr. Swartz called it "an invitation to ghoulishness and sadism."

CHARGES DENIED

Asked about those toys, Ernest H. Thauer, who has just retired as president of F.A.O. Schwarz, said, "I don't know of any toys in our stores that are not safe. We select our toys as carefully as we can."

Mr. Thauer said he did not "think there's anything wrong" with the "Operation" game or the armor set. He said that a child could not throw a boomerang hard enough to kill someone.

In his book, Mr. Swartz also cites as hazardous the growing line of electrical hobby kits for young children, such as the "Thingmaker," a kit for making toy monsters produced by Mattel, Inc., the nation's largest toymaker.

"Sure, you can burn your hand on the 'thingmaker,'" said Mrs. Jerri Jorgenson, consultant for Mattel. "My little girl burned herself several times, never seriously." She added that her daughter "had a great deal of fun with it."

NO AGE INDICATIONS

Mrs. Jorgenson and other toy manufacturers interviewed emphasized that any toy could be dangerous in the hands of a child too young to use it. However, the "Thingmaker," which was on sale last week in several New York stores, and many other toys do not carry any indication of what ages they were designed for.

The manufacturers say this is because ability and interest level vary from child to child and that parents must use discretion in purchasing toys.

Mr. Swartz and other observers of the toy scene say they are especially concerned with the growing number of "psychologically harmful" toys, such as "The Pendulum," an assemble-it-yourself plastic guillotine, kits containing simulated human organs with painted blood dripping from them and games such as "Headache" and "Bounce Your Eyeball" and "Bash," which all suggest gore, violence and mayhem.

One toy currently on the market is an imitation hypodermic needle called "Hypo-Phony," whose package says it is "good for

a million laughs." The package has a drawing of an arm being injected with the needle.

POTENTIAL ADMITTED

Howard Fishlove, president of the needle's manufacturer, H. Fishlove and Company, said it was "a joke item." However, he acknowledged that it might be psychologically damaging in the current era of drug abuse among youths.

Why, then, did the company continue to manufacture "Hypo-Phony"? "Because we can still legally make it and it's a profitable item," he replied.

In defending itself against Mr. Swartz's charges, the industry notes that the Toy Manufacturers of America has had its own set of safety guidelines for member companies since December, 1968.

The industry has also contracted with the Arthur D. Little Company for a \$100,000 research program on toy standards, according to Mr. Ertl.

But Mr. Ertl admitted that the trade association "cannot enforce standards, it can only recommend compliance with them." Nor does the association try to monitor safety standards maintained by its members.

REGULATIONS DUE

Under the Child Protection and Toy Safety Act of 1969, the Food and Drug Administration can investigate toys, order the recall of unsafe toys and seize toys in stores whose owners fail to remove them from their shelves.

The F.D.A., according to Mr. Jensen, has set or is about to set regulations on the manufacture of such items as electrical toys and toys that might puncture a child and on the lead content in paint used on toys.

But he added that his bureau has only about 200 employees to deal with some 140,000 toys currently on the market.

"Complete surveillance of the toy market is prohibitive due to the large size of the toy industry," said an F.D.A. fact sheet issued in May. (The industry magazine "Playthings" in its June issue estimated 1970 retail toy sales in the United States at \$3.625-billion.)

Mr. Swartz, noting that a banned toy often found its way into thousands of children's toy chests before being taken off the market, said he believed that premarket testing of all toys by the Government was the only way to insure safety.

Mr. Jensen replied that "we would never have sufficient staff nor would we want to go into a premarket clearance situation."

He would like to see a system of laboratory accreditation, under which private labs would make tests on toys voluntarily submitted. Toys that passed the tests would get a special seal authorized by the Government, which Mr. Jensen feels would have "high authenticity" appeal among parents.

"I think the toy safety act provides ample authority for safer toys," Mr. Jensen concluded, "but we clearly need greater resources."

FTC IS INVESTIGATING TOY PACKAGING DECEPTION

The Federal Trade Commission office here said yesterday that it was investigating consumer complaints of deception in the packaging of toys.

"It appears that a cruel hoax is being perpetrated against the younger consumers by the way some toys are being packaged," said Richard A. Givens, regional director for the commission.

The principal deceptions, the office said, were that some containers had false bottoms, some boxes are oversized and some illustrations were misleading. It was also pointed out that often contents are not visible until packages were opened, usually by children.

JUNE 29, 1971.

CHARLES C. EDWARDS,
Commissioner, Food and Drug Administration,
Department of Health, Education,
and Welfare, Washington, D.C.

DEAR COMMISSIONER EDWARDS: I have long been interested in the subject of toy safety, and as a sponsor of the Child Protection and Toy Safety Act of 1969, believed that its enactment would result in the prompt elimination of hazardous toys from the marketplace.

I was bitterly disappointed when, less than a month before Christmas Day of 1970, it was discovered that unsafe toys were being sold and that the Food and Drug Administration had not taken the strong action intended by Congress when it enacted the Child Protection Act.

Now it is less than six months until Christmas, 1971. It is not too early, in my estimation, to seek assurance from the Food and Drug Administration that every possible action is being taken to fully implement the Child Protection Act. While unsafe toys should be barred from store shelves at all times, the large numbers of toys sold during the Christmas season make it appropriate for the FDA to plan a special toy safety campaign during that period.

I would strongly recommend, in light of the experience of Christmas, 1970, that the FDA begin now to plan a vigorous and comprehensive Christmas "Toy Safety Check" campaign to be implemented no less than three months before December 25, 1971. The assurance that Christmas toys are safe is, in my view, the best gift we can give to American children and their parents.

The principal component of the special Christmas Toy Safety Campaign should be increased and intensive surveillance of stores by the FDA field representatives. If regular FDA manpower is insufficient for the task, I would suggest that the field staff be augmented by voluntary manpower recruited from among consumers and provided with training in the identification of hazardous toys and other products designed for use by children.

Finally, I would like to address myself to some specific provisions of the Toy Safety Act, and the Food and Drug Administration's implementation of these provisions.

1. Imminent Hazard—As you are aware, the Act gives the Secretary of Health, Education and Welfare the authority to declare a dangerous toy an "imminent hazard to the public health," he may declare the toy a banned hazardous substance, thus prohibiting its sale immediately upon publication of an order in the Federal Register. Apparently there is some reluctance on the part of the Food and Drug Administration to use this authority. I note that even though a number of toys have been identified as dangerous and available for purchase, the FDA has never used the "imminent hazard" provision of the Act but, instead has chosen slower administrative procedures or negotiation. What plans do you have to utilize the imminent hazard provisions of the Toy Safety Act?

2. Thermal and Electrical Hazards: The Food and Drug Administration has promulgated regulations regarding toys with mechanical hazards. At this writing, more than 18 months after the effective date of the Act, the Food and Drug Administration still has no regulations applying to toys with thermal or electrical hazards as provided by the Act. When does the FDA plan to promulgate thermal and electrical hazard regulations?

I would appreciate a response at your earliest convenience.

Very truly yours,

JAMES G. O'HARA,
Member of Congress.

NEWS FROM CONGRESSMAN JAMES G. O'HARA

Christmas still may be six months away, but Congressman James G. O'Hara doesn't feel it's too early to be thinking seriously about unsafe toys, and how to keep them out from under Christmas trees this December.

Noting that he was "bitterly disappointed" that unsafe toys were offered for sale at Christmastime last year—a year after passage of the Child Protection and Toy Safety Act of 1969, O'Hara has written Food and Drug Commissioner Charles C. Edwards about FDA plans for Christmas, 1971.

O'Hara, a sponsor of the 1969 Child Protection Act disclosed FDA laxity in administering the law prior to Christmas of last year, and prodded the FDA into taking action to identify unsafe toys and warn consumers of their availability.

For Christmas, 1971, O'Hara recommended the implementation of a special Christmas Toy Safety Check campaign, to get underway no less than three months before Christmas day. The campaign would consist of comprehensive and intensive surveillance of toy stores by FDA field representatives. The Michigan Congressman suggested that if FDA's regular manpower is insufficient for the task, volunteers be recruited from among the ranks of the consumers and trained to search out and identify hazardous toys.

Said O'Hara today "The assurance that Christmas toys are safe is, in my view, the best gift we can give to America's children, and to their parents as well."

O'Hara also asked Edwards two questions dealing with FDA implementation of provisions of the Child Protection Act.

He noted that the Act gives the Secretary of Health, Education and Welfare the authority to order the swift withdrawal of toys that present an "imminent hazard to public health" but that the Secretary had never, in the 18 months the Act has been in effect, used this authority. O'Hara asked if the FDA has plans to utilize the imminent hazard provisions of the Act.

He also pointed out that the FDA has not promulgated regulations regarding toys with electrical or thermal hazards, and asked when these regulations could be expected.

BRINGING THE CONVENTION TO LOUISVILLE: THE EFFORTS OF SHERIFF HAMILTON AND MR. LARRY TOWNSEND

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. MAZZOLI. Mr. Speaker, On June 30 I spoke to the House to commend the fine efforts of a number of Kentuckians to bring Louisville to the attention of the 1972 site committee of the Democratic National Committee. Although I expressed regret that our city had not been selected as the site for the convention, I considered it a tribute to the dedicated efforts of these people that Louisville was one of the two finalists.

In recognizing the people who worked to bring the convention to Louisville, I should not have omitted the names of Jefferson County Sheriff Allen Hamilton and Mr. Larry Townsend, both of whom spent many long hours in this effort.

POLITICS, PAPERWORK, AND REAL POLLUTION CONTROL

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. WYATT. Mr. Speaker, Mr. Matthew Gould, director, environmental control, Georgia-Pacific Corp., recently addressed the 35th annual conference on Environmental Health of the National Environmental Health Association, in Portland, Ore.

All who are deeply interested in improving the quality of our environment will want to read Mr. Gould's thoughtful and challenging statement, as follows:

STATEMENT OF MATTHEW GOULD

Several months ago I spoke to the Oregon Newspaper Publishers Association in Eugene. At the time I felt a little like David in the lion's den in choosing that occasion to voice, for the first time, some of the concerns of an industry environmentalist. The presentation was well received and accurately reported, and later quoted from in an astonishing array of publications. Apart from one abusive letter, I was gratified to receive letters from all around the country, voicing approval of someone from industry speaking out against the history of mismanagement of our national pollution control effort.

This morning I face an assembly of not just ecological fellow travellers, but real live professional environmentalists, and I think it fitting that I take this opportunity to extend my previous remarks, as the politicians say.

Those of you who have been watching events in the Washington scene have seen the federal pollution effort become hopelessly bogged down in politics and paperwork. In a half a dozen years the water pollution agency has had four different titles: a kaleidoscopic procession of administrators; passed from H.E.W. to Interior and now bounced into E.P.A. to be joined by the Air Quality and Solid Waste Agency, which arrived non-stop from H.E.W. Their arrival, and progress thus far, has been unimpeded by the presence of any one highly qualified in environmental health. This was pointed out in the June 1st issue of "Environmental Health Letter", and I quote:

"Ruckelshaus did not win any points with his remarks to the Conference of State Sanitary Engineers, judging from the negative reactions expressed to us by members of C.S.S.E. after his talk. He tried to assure them that health would be the top concern of his agency, said he was awaiting approval of the Office of Management and Budget to appoint a high-level health contact within the E.P.A., and tried to explain why he felt it was important that the trend to putting environmental programs in a larger context than a health agency should continue."

The same issue of this newsletter was, incidentally, critical of the role of conservation organizations, saying "they were not in the forefront of the movement to protect man; they were more identified with the preservation of natural resources—more for saving redwoods than for saving man's health". The wholesale promotion, via the mass media by a small but militant and vocal minority, using half truths and scare tactics, has resulted in the distortion of values that we see today, with public health as a priority far down the line when it should be at the very top. Gentlemen, one of our mutual objectives is to get it right back where it belongs. This

is not to say that conservation and aesthetics are to be left out, but they do need to be placed back in perspective, before the country is faced with economic ruin. You cannot apply "laissez faire" principles to the environment, it is by nature a constantly changing and dynamic equilibrium.

Now let's take the lid off the boiling pot of current control programs and what do we see? Well, we see a civil war between various federal and state control agencies. If any real progress is to be made, an armistice must be declared in these current "inter-agency war games." Furthermore, we cannot solve our problems with the mess of conflicting regulations that seem to have grown like Topsy. Finally, we see the polarization that has been fostered between regulator and regulatee. This oft quoted credibility gap is a product of image-building legislators and publicity-conscious control and judicial agencies, using the news media to prosecute punitive actions against prominent industry leaders. Some people have no qualms about using the law to further their own designs, rather than the needs of the situation. Particularly, in an election year, all motives are suspect! Suffice to say, we can never solve our real life problems with conflicting regulations and continued headline hunting, replete with half-truths.

Well! Where do we go from here? In our blundering way we have finally recognized the interdependence of the various pollutions and the need to consolidate control at the federal level under one agency in order to establish clear guidelines that can be made enforceable and unambiguous.

President Nixon's new E.P.A. does seem the logical choice for this end, but it needs to pursue a course of more responsible action and less sensationalism than heretofore! The consolidation of the federal effort in one agency must not be oblivious of opinions and inputs from other interested and involved agencies at all levels of government. E.P.A. should actively seek liaison with the administrative and technical representatives of other agencies. Failure to foster this could lead to an ecological dictatorship, sacrificing all in an ecological crusade that would paralyze the nation's economy. If I echo the cliché "that the operation was a success, but the patient was inconsiderate enough to die", it just reflects my personal apprehension of an administration dominated by well-meaning politicians and lawyers, instead of the technologists and scientists that are needed to get the job done.

Just as it is now obvious that the Federal Government must provide guidelines and overall direction, so the enormous task of applying regulations uniformly across the nation must rest at the state level. State pollution agencies are well equipped to be the primary standard-making and enforcement authority under these guidelines, with all other local, regional, state, interstate, federal and international agencies funneling their inputs through the states.

In order to monitor performance, E.P.A. should review each state program every two years and report progress to Congress or the White House. This procedure would be fairer than E.P.A. exercising its current powers to hold hearings on a random basis if it feels a state is not performing. The latter has the potential of being used as a pointed political weapon not wholly related to environmental problems.

Two other areas need to be explored.

We have already mentioned the importance of getting public health ahead of all other environmental considerations. Redefinition of exactly what is meant by "harmful pollution" is urgently needed. Giving recognition to the fact that air and water are naturally contaminated to a degree, I favor the simple statement that "pollution

is an unacceptable level of contamination".

This leads us now into the thorny area of priorities, and the need for spelling out a new pragmatic basis for setting priorities. It is tragic that so much time, so much money, and so much energy are expended in fighting skirmishes, when a great deal more could be accomplished by concentrating first on major problems in critical areas.

It makes little sense to require the Village of East Elbow, to paraphrase a name for protection of the innocent, to have secondary treatment for a discharge into the ocean when the metropolis of Magnaport discharges the sewage of a multimillion population into the Salmonless River with the barest of primary treatment.

A parallel example of air pollution impact would be the case of a major utility which may have a relatively small emission rate in terms of parts per million from burning coal. But when multiplied by the enormous amount of fossil fuel consumed in a single day, the total discharge completely dwarfs a little smoke or plume of steam that may be seen coming from the stack of a neighboring industrial plant. Such industry emissions, though more visible, may be measured in hundreds of pounds per day rather than hundreds of tons per day.

It is imperative that each situation be assessed on the basis of actual environmental impact rather than blind application of numerical standards, and I am happy to see today a small but growing trend towards assessing this total environmental impact.

The new water pollution control legislation Congress is working on this year presents a rare opportunity to rationalize pollution control efforts, in that the opportunity exists here to settle conflicts between the various laws once and for all.

Presently, a company or municipality might meet both federal and state demands for abatement only to be sued by the third agency, the Corps of Engineers, under the 1899 Act. To those of you not familiar with the current panic to meet a July 1 deadline in filing for Corps of Engineers permits, this presents a classic illustration of that bureaucratic truism, "A camel is a horse designed by a committee!"

The stage was set by two unrelated events. For some years a congressional committee had been demanding, without success, a national inventory of waste discharges. Also, several recent Supreme Court decisions apparently became victims of ecological fever (or is it fervor) during the current epidemic.

The net result was to exhume the 70 year old Rivers and Harbors Act and interpret its provisions far beyond the original congressional intent of protection of navigation in waterways. The legitimate control of oil and settleable solids was administratively extended to all discharges of any kind, other than domestic sewage from a municipal plant. A waterway was construed to include even ditches that flowed only after heavy rain! Next it was announced that everybody was now in violation of the 1899 Act and needed both a permit for their discharge line, and also a permit to discharge through it. As nobody had a valid permit, a July 1st deadline was set for filing applications. It is estimated that 100,000 to 250,000 permits should be applied for by this date.

In order to obtain a permit, the waste inventory concept was combined with Corps of Engineers data requirements. The result was a form that makes income tax filing look easy—a "camel" that indeed was designed by a committee. A series of versions of the form culminated in the final version in May—just weeks before the deadline.

By this time the form reproduced by binary fission, leaving part II to be filed by October 1st, with its requirement of a \$500 analysis on each discharge, plus enormous detail as to manufacturing processes. To add insult to injury, a \$100 filing fee is demanded.

The Corps, having received the application,

will ask for state approval in each case before sending each application to E.P.A. for their approval, for without their okay, the Corps cannot issue a permit! I just wish I had the time to make a slide of the paper flow for these forms—it defies verbal description. Finally, within a couple of years most people will learn if they will be granted permits.

The Corps of Engineers are the unwitting victim of this atrocity and will no doubt do the best they can with the paper chase. Here is a shining example of bureaucratic cancer run wild. Can you wonder at everyone's apprehension at the thought of further federal encroachment on state programs.

The commendable objective of inventory of waste discharges quickly degenerated into a frankenstein monster bent on devouring reams of worthless data acquired at enormous expense in both time and money. The hard-pressed federal, state and industry pollution personnel are expected to shoulder this useless burden, while at the same time struggling to keep their ongoing pollution control efforts from grinding to a halt; all for the benefit of some maniac with a computer to occupy himself for the next few years processing truckloads of forms to prove what we already know—some waters are more polluted than others.

The real tragedy is that by the time all the data is analyzed and published, it will be out of date—with most of the discharges having changed in the meantime, hopefully for the better. Someday we will erect a monument to this bureaucratic folly.

In conclusion, it is apparent that pollution problems will not be solved by bombast, but by technology and ultimately by people sitting around a table, working out details and schedules, recognizing limitations of equipment availability, and the inordinate time it takes these days to get permits and clearances.

We must get away from constantly changing rules and regulations in our anxiety to "do something about the environment", even in the face of the political realities of the 1972 elections.

It is high time we simplified and overhauled the creaking pollution control structure now bogged down in trivialities, and reset out priorities so all of us really can get to work cleaning up America."

MODEL CITIES—WHERE? WHEN?

HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. THOMPSON of Georgia. Mr. Speaker, I insert in the RECORD a series of articles on model cities because I want other Members to have the benefit of seeing what I felt to be excellent and impartial reporting. The Atlanta papers have so diligently pushed for support of model cities and it is certainly heartwarming to see the papers, especially in my hometown, to be so responsible in their investigative reporting work. I will insert one article on each of the next 6 congressional days.

The first article follows:

ROCKY UPLIFT BID—SLOW WORK ONLY
ADDS TO HOSTILITY
(By Duane Riner)

There it was—a shiny new bauble on Uncle Sam's money tree.

Former President Lyndon B. Johnson barely had finished telling Congress about his latest Great Society trinket on that day

in January 1966 when Atlantic jumped to the head of the line and extended its open palm.

The program was named Model Cities and its broadly defined goal was to concentrate public and private resources in a comprehensive five-year attack on the social economic and physical problems of slums and blighted neighborhoods.

EAGER TO GET ABOARD

So eager was former Mayor Ivan Allen Jr. to pluck this opportunity for upgrading the total environment of sagging inner-city residential areas on the fringe of Atlanta's gleaming new downtown skyscrapers that the city contacted the federal government about a grant even before the legislation had been approved by Congress.

Atlanta demonstrated a zeal and commitment that dazzled officials of the U.S. Department of Housing and Urban Development (HUD) into giving the city one of the nation's first Model Cities planning grants in the fall of 1967.

The trail from the enthusiasm of those formative months when six neighborhoods were singled out for concentrated attention to the dissatisfaction of the present is a rocky road of delay, name-calling, broken promises, indecision and inaction.

Two years and more than \$14 million have been invested in the implementation phase of Atlanta's Model Cities program and no new houses have replaced the shoddy, substandard units torn down. But there are promises.

Twenty-eight public and private agencies are under contract with Model Cities to carry out an impressive array of social uplift programs in the Mechanicsville, Summerhill, Pittsburgh, Peopletown, Grant Park and Adair Park neighborhoods.

A Georgia State University research team asked the participating agencies about the reception they were receiving from Model Cities residents.

The responses indicated that the residents are "very angry and hostile" toward Model Cities.

NEGATIVE REACTION

"This negative reaction was so strong that four of the projects evaluated indicated that their association with Model Cities tended to affect negatively their relations with the residents," said the report, part of a Model Cities evaluation package compiled at a cost of \$144,000 by the Atlanta Urban Observatory at Georgia State.

Some agencies became so gun-shy, the report continued, that they now have a tendency to conceal their affiliation with Model Cities when dealing with residents.

The study disclosed that residents think of Model Cities as a slum clearance program akin to urban renewal and show little awareness of the so-called "software" efforts such as better education, improved health care, opportunities for economic development, jobs and job training or improved transportation.

"The problem of housing was listed most often as the area of greatest need in the Model Cities area. Yet the residents do not see much work being done to improve the houses or add to the supply of standard housing, which increased their resentment and hostility toward Model Cities," the report added.

Dr. Francis X. Stegert, director of the Model Cities evaluation for the Urban Observatory, said a recent survey of 458 Model Cities residents, showed that almost one in four did not realize the services they were receiving "was connected with anything called Model Cities," the report added.

"People associate with capital construction," he said. "The principal complaint from people everywhere (in the Model Cities area) is that the physical redevelopment they assumed would occur like magic isn't occurring."

Steggert complained that an Urban Ob-

servatory request to perform a survey of attitudes among Model Cities residents was blocked by Model Cities director Johnny C. Johnson.

"We don't know how many people want what," Stegert insisted.

Johnson defends his decision with the explanation that six studies were in progress in the Model Cities area, "and my feeling was this was too much. I think the poor folks have been studied to death when one series should have been enough. At the time the study instrument came down to me for approval, I'd had my fill of survey instruments."

One survey that was ordered by Johnson was a Georgia Tech study of transportation needs in the Model Cities area.

The costly, minutely detailed report concluded: "90 per cent of those interviewed said they had no transportation problems of any kind."

Steggert blames a "bureaucratic assumption" that since Model Cities residents, are disadvantaged, and everyone else has transportation problems, "theirs has to be worse than anyone else. Lo and behold, many weeks and some significant monies were utilized, and as the survey quite unequivocally indicates, that assumption was unfounded."

MONSIGNOR BRITT DIES—"THE OLD MAN WHO CELEBRATED THE OLD MASS IN THE OLD CATHEDRAL"

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. DULSKI. Mr. Speaker, a week ago a beloved priest died as the result of a fall at his summer home near my home city of Buffalo, N.Y.

He was the Right Reverend Monsignor Edmund J. Britt, PA, pastor of St. Joseph's Old Cathedral in Buffalo for the past 45 years.

The Old Cathedral is located in the heart of lower downtown and has a limited number of parishioners because of the industrial and business makeup of the area.

However, the Old Cathedral had a heavy schedule of Masses every Sunday and a large following of the faithful from throughout the Buffalo area, particularly on Holy Days, as well as the many visitors to our city.

But what really has made the Old Cathedral an attraction to the faithful has been its pastor, Monsignor Britt, who had a broad record of public service to the community during his lifetime in our city.

He was chancellor of the Buffalo Diocese under three of its bishops and had served as first chaplain of the city's police and fire departments. He also served for many years as an Army chaplain including service in both World War I and World War II and later with the 74th Regiment of the New York State Guard.

STILL CELEBRATED LATIN MASS

Monsignor Britt described himself as the "old man who celebrates the old Mass in the Old Cathedral."

By this self-description, Monsignor Britt was referring to the fact that notwithstanding the broad changes in the procedures of the Mass in recent years,

he continued to say one Mass every Sunday in Latin as he was taught in the seminary at Niagara University years ago.

It is interesting that following his tragic death, his three assistants donned black vestments and celebrated a memorial Mass in Latin at the Old Cathedral out of respect to their deceased pastor.

Clearly, Monsignor Britt made an indelible mark upon our community and upon many of its citizens. He won wide respect among both the clergy and the faithful of the church, as well as the men in uniform who came under his wing.

The story of Monsignor Britt is related in a most comprehensive and heart-warming manner in the article in the Buffalo, N.Y., Evening News which follows:

MSGR. E. J. BRITT KILLED IN FALL; OLD CATHEDRAL'S GRAND "OLD MAN"

The priests wore black vestments, and the Mass was said this morning in Latin at St. Joseph's Old Cathedral out of respect to the pastor, Msgr. Edmund J. Britt, PA, who died Sunday (July 4, 1971) when he fell from a cliff at his summer home in Derby.

It was a solemn, special tribute to Msgr. Britt who frequently described himself as the "old man who celebrates the old Mass in the Old Cathedral."

The Rev. Robert A. Mack, the Rev. Leo F. McCarthy, and the Rev. Thomas E. O'Leary were the celebrants, and the parishioners were mainly members of the Old Cathedral staff and the Britt family. The church doors were draped in black.

Msgr. Britt, 83, was believed to have been raking leaves at the rear of his summer home at 6808 Old Lake Shore Rd. when he lost his balance and fell down a cliff.

He was pronounced dead on arrival at Mercy Hospital.

Police said he fell about 100 feet, and his body was found partially in the lake. His head had been cut.

In eulogizing him this morning, Father Mack spoke of the monsignor as "an old soldier."

"He can never die. His spirit is here, in the Cathedral."

MADE CATHEDRAL WARM PLACE

"As a downtown church, this could have been an impersonal place," Father Mack said. "Msgr. Britt made it a warm place."

Though he was a chancellor under three of the Buffalo Diocese's 10 bishops and had served as the first chaplain of the city's Police and Fire Departments, Father Britt was mostly identified with the Old Cathedral.

His 45-year pastorate was the longest in the 123-year history of the Catholic Diocese of Buffalo. He was appointed Sept. 11, 1926.

Msgr. Britt's entire priestly career was served in the Old Cathedral parish. The 28 years of his chancellorship were at 50 Franklin St., when the Chancery office was there. He resigned as chancellor May 20, 1946, but remained as pastor.

He loved life, and life to him meant people.

To Msgr. Britt all change was not necessarily progress. Perhaps typical of the old-timer were these remarks:

PREFERRED COUNCIL OF TRENT

Interviewed after Vatican II, when the Latin Mass had moved into its modern-day language, and old rubrics were being made contemporary he remarked with a touch of asperity: "I'm glad I was brought up under the Council of Trent."

Returning recently from a shopping trip on Main St. he met a News reporter. With a nod to indicate a collegiate group in ponchos and beards he tartly commented: "It's not America any more!"

His subtle humor—rooted in a Tipperary

heritage—was like the sparkle of a fresh spring and as irreplaceable.

Talking to a group of converts one time he said with a straight face: "I wasn't a Catholic all my life." Before they could question him he quipped: "Until I was baptized I was a pagan."

The old priest was particularly proud of his Army career—that of a World War I chaplain with the rank of first lieutenant and World War II service as a chaplain in the 74th Regiment of the New York State Guard. He retired in 1953 as a colonel.

RETIRED AS A COLONEL

He stood ram-rod straight throughout his years and remained spry and sparse in his latter years.

He loved the old-fashioned rectory where he spent his whole adult life, fondly calling it "the old homestead."

A native of this city, he was born Jan. 16, 1888, the oldest of five children of William and Ellen O'Donnell Britt. He is survived by a sister, Mrs. Louise E. McGhan of Derby. He is also survived by two nieces and a nephew.

Seed-bed of the monsignor's vocation was the sacristy of St. Columba's Church as an altar boy. He served Mass occasionally for a young priest named Richard O'Brien, who lived to become one of the oldest active priests in the nation. He died in 1963 at the age of 101.

Msgr. Britt graduated from Canisius College in 1909 and went on to Our Lady of Angels Seminary at Niagara University.

He received the sacrament of Holy Orders May 17, 1913, in St. Joseph's Cathedral—now the old Cathedral—from Bishop Charles Henry Colton, fourth bishop of Buffalo.

FRIEND OF LAKE SEAMEN

Fourteen days later he became assistant to the late Msgr. John D. Biden, PA, then Cathedral rector.

In the bustling port city of Buffalo hundreds of Great Lakes seamen—from masters to wipers—were warm friends of Msgr. Britt.

He had spiritual concern for them as chaplain of the Port of Buffalo and representative of the diocese in the Apostleship of the Sea in the early 1950s. He became national president of the organization in 1953 and was re-elected the following year.

Pope Pius XII honored him ecclesiastically papal chamberlain June 22, 1922, with the title of very reverend monsignor. Three years later he became domestic prelate with the address of right reverend monsignor.

Pope Pius XII honored him ecclesiastically by making him a protonotary apostolic, which explains the PA after his name.

This allowed him to celebrate Solemn Pontifical Mass on certain feast days vested in mitre and pectoral cross—pontificals ordinarily reserved for a bishop.

At Canisius College's 1933 convocation he received the LaSalle Medal from his alma mater. It is awarded annually to a prominent alumnus. He also received an honorary doctor of laws degree.

FRIENDLY GREETING FOR ALL

His zest, humor and affability endeared him to thousands who over the years went to Mass at the Old Cathedral. He always managed to be in the back of the church as Mass ended, personally greeting his downtown flock with a smile and handshake.

Shortly after his appointment here in 1963 Bishop James A. McNulty attended the 50th anniversary of Msgr. Britt's ordination.

"I may be his new bishop," he remarked, "but I'm an old admirer . . . He walks into the heart of the individual."

Charles S. Desmond, then chief judge of New York State, also was at the celebration of Msgr. Britt. He had this to say: "His name is written in large letters in the book of life."

The body will lie in state until shortly

before noon Thursday at the Old Cathedral rectory, Swan and Franklin Sts.

Auxiliary Bishop Plus Benincasa will celebrate a parish Memorial Mass at noon Thursday in the Old Cathedral.

On Friday at 10:30 AM, Bishop McNulty will celebrate the Mass of the Resurrection in the Old Cathedral. Msgr. Britt's three assistants will be concelebrants.

Burial will follow at Holy Cross Cemetery, Lackawanna.

Between the Mass on Thursday and the one on Friday, the body will lie in state in the Old Cathedral.

[Editorial from the Buffalo Evening News]
MSGR. EDMUND J. BRITT

For the community at large as well as for the many thousands in the Buffalo Diocese whose lives he had enriched, the Rt. Rev. Edmund J. Britt, PA, personified a rock-like dedication to a religious vocation of selfless service. That his record 45-year pastorate was entirely spent in Buffalo's Old Cathedral was a mark both of his staunch personal concern for the welfare of his downtown parish flock, and of their enduring affection for him.

In war and in peace, as a chaplain in two wars and as the first spiritual adviser for the city's firemen and policemen, Msgr. Britt's kindness and gentle humor endeared him to all whose lives he touched. The many honors his church accorded him bespoke the admiration in which he was held by the priesthood and the laity alike. Through two generations of immense changes in the city's downtown profile and in the country at large, Msgr. Britt never wavered in his passion for good works, in his peppery zeal, or in labors of faith and solicitude which made his beloved cathedral a refuge of warm hospitality and spiritual solace.

WHY—WHY—WHY?

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. DUNCAN. Mr. Speaker, I would like to place in the RECORD today an interesting article by Mr. Holmes Alexander. This appeared in the Knoxville, Tenn., Journal on July 7, 1971:

WHEN DID THESE MEN LAST PUT AMERICA FIRST?

(By Holmes Alexander)

WASHINGTON.—"Whatever happened to the United States of America?" asked the Returning Traveler who'd been away for awhile, "How come it got wiped off the map?"

There were numerous reasons, international and domestic, the Traveler was told. A very large reason why America vanished from the earth was that the U.S. Senate became peopled with men named Church, Bayh, Fulbright, Hartke, Kennedy, Gravel, Proxmire—"Yes, whenever I heard of a roll call of senators who were voting America out of existence, those names and more were on," said the Traveler. "If it was a measure for unilateral disarmament, or one to make America a second-class industrial power or one to gladden the politicos in Moscow, Peking and Hanoi, those senators and others would speak for it and support it. But I am asking why—why—why?"

There came a time after World War II, the Traveler was told, when it became intellectually fashionable not to love America less, but to love other institutions more. Patriotism is like monogamy; an American patriot should cleave only unto America, forsaking all others.

At first, it was a daft infatuation with the United Nations that made polygamists out of U.S. presidents, senators, pundits and smartalecks. It was easier to get elected, easier to get published, easier to be considered a sage in the postwar years if you set the UN above the U.S. and bad-mouth nationalism, and went in for internationalism the way a womanizer chases skirts. It did something not good for this country when our leaders behaved as though Europeans, Orientals and Hottentots were just as good as Americans. How could we expect to keep ourselves Number One unless we believed that we were?

"Yes," said the Traveler, "it could hardly fail to affect the growing generation to hear that peace and justice required a world government, that our survival depended on outsiders, like the NATO and SEATO allies, that all of us shared the guilt of Hiroshima and that our only hope of avoiding the Holocaust was to fight limited wars on a no-win policy. Was it this gradual erosion of national pride, self-reliance and self-interest that caused the America-we-used-to-know to become hardly more than a fond memory?"

Those were some of the factors, it was asserted. At the end of World War II, there was nothing we couldn't have done with our military and industrial might. If we had put America first, the sky would have been the limit to what we could have done for our people and our environment. But, instead of spending to improve our own human and natural resources, we rebuilt Germany and Japan, tried to find a shoddy substitute for victory in two wars, failed to protect our interests in Cuba and frittered away the worth of the dollar. But by far the worst that happened to us was the loss of military superiority and morale within the services, coupled with the defiance of all civil authority. It would be very hard to find an issue on which the Senators mentioned and others of their ilk ever worked and voted to make America stronger instead of weaker, or ever supported ideas to lengthen her life as a nation instead of to shorten it.

"From all that I have been told," agreed the Traveler, "it is evident that a decline and fall took place while those senators were in office, and that America perished from negligence and non-support."

PENTAGON PAPERS PARALLEL

HON. WILLIAM D. HATHAWAY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HATHAWAY. Mr. Speaker, an interesting essay appeared in last Thursday's Washington Post, drawing a parallel between the recent Pentagon Papers episode and circumstances surrounding the enactment and ramifications of the Sedition Act of 1798.

The essay is the product of Daniel A. Reznick, former law clerk to Associate Justice William J. Brennan, Jr., a professor of law at Georgetown University's Law Center, and a member of the Washington law firm of Arnold and Porter.

The comparison of the details associated with the Government's recent attempts to harness the press with events 173 years old this month is well defined; the episodes are remarkably similar.

Urging, as Reznick does, that we recall the hard lessons of the past, else we be forced to repeat them, I ask that the essay be printed in today's RECORD of this body's proceedings—with this additional

note: That the Government's recent court actions against the New York Times and the Washington Post called for the same prior restraint rejected by even the most stalwart supporters of the infamous Sedition Act in 1798.

I leave it to my colleagues to conclude whether the Government's suits or the opinions of three dissenting Supreme Court justices evidence a new crack in the first amendment's protection of free speech and a free press.

The essay follows:

THE PENTAGON PAPERS UPROAR AND THE SEDITION ACT

(By Daniel A. Reznick)

The encounter between the government and the press over the Pentagon Papers has some striking parallels to an earlier confrontation in our history—the attempt by the Federalist Party to silence the opposition press through the Sedition Act of 1798. Whether one agrees with Henry Ford that history is bunk, or with Santayana that those who cannot remember the past are condemned to repeat it, the wisdom of Ecclesiastes remains valid: there is no new thing under the sun.

1798 was a critical year in the early life of the American Republic. The Federalist Party, which controlled the national government, was presiding over an undeclared naval war with France. Battles were fought in the Atlantic and the West Indies. The nation was bitterly divided over the war. A faction in the Federalist Party welcomed the prospect of war with France and sought to brand the opposition as disloyal.

The political struggle between the Federalists and the Jeffersonian opposition came to focus on the role of the press. The American press was the most rambunctious and untrammelled in the world at the time. Editors ascribed every political and personal defect to the leaders of the country; no one, not even George Washington living in retirement at Mount Vernon, was exempt. An English traveler to America wrote admiringly in 1798: "The grand bulwark of liberty in America is the freedom of the press—its latitude is infinite—it cannot be restrained—whether for or against the government, there is no power that can prevent the voice of truth from being heard."

The Federalists regarded the press as their natural enemy. Supreme Court Justice Samuel Chase, a leading Federalist, said: "There is nothing we should more dread than the licentiousness of the press." Chase warned: "If a man attempts to destroy the confidence of the people in their officers, their supreme magistrate, and their legislature, he effectually saps the foundation of the government."

The Federalist campaign to discipline the press began in the summer of 1798. The Federalists proposed the Sedition Act in the name of national security. Newspapers, it was said, could not be permitted to "paralyze the public arm, and weaken the efforts of government for the defense of the country." The Act made it a Federal crime to publish any "false, scandalous and malicious" writings against the government, Congress, or President, with intent to "defame them, bring them into contempt or disrepute, or excite against them the hatred of the people."

Even before the Sedition Act was passed, the Federalist administration moved against one of their most persistent critics, Benjamin Franklin Bache, a Philadelphia printer. Bache, a grandson of Benjamin Franklin, had a propensity for embarrassing the administration by obtaining and publishing documents which the government wished to keep secret. In 1795 a United States Senator turned over to Bache a copy of the Jay Treaty with Great Britain, which the Senate

had voted to keep secret. Bache published the full text of the treaty. As a result, there was widespread public protest that the Administration was sacrificing American interests to the recent oppressor of the American colonists.

In 1798 Bache did it again. In an attempt to avert an all-out war with France, he published correspondence between the French government and the American envoys to France, which indicated a conciliatory attitude on the part of France.

Bache was labeled a menace to the national security by the Federalists. They brought a common law prosecution for seditious libel against him in June, 1798, and cited his actions as justification for the Sedition Act. The battle was now joined.

On July 4, James Madison, father of the Constitution and the Bill of Rights, toasted the Freedom of the Press: "The scourge of the guilty and the support of virtuous Government." The next day, however, the Senate passed the Sedition bill, the House followed a week later, and President Adams signed the act into law. It was to contribute to his downfall and that of his party.

The struggle over the Sedition Act lasted for the next two years. It gave rise to one of the great constitutional debates in American history, which has continued to the present day: whether the First Amendment denies the Federal government any power over speech and press or permits their abridgement in the interest of national security. It is significant, however, that not even the Federalist supporters of the Act ever suggested that the press should be prevented by law from publishing. It was common ground to Federalists and Jeffersonians that any prior restraint on the press violated both the principles of the common law and the First Amendment. The Federalists conceded: "A law, therefore, to impose previous restraint upon the press, and not one to inflict punishment on wicked and malicious publications, would be a law to abridge the liberty of the press, and, as such unconstitutional."

Bache himself escaped the penalties of seditious libel by dying of yellow fever before he could be brought to trial. A Vermont Congressman, Matthew Lyon, then became the most prominent target of the Act. Lyon, one of the principal opponents of the administration war policy, was convicted of publishing seditious articles against the Government and sentenced to four months in jail. He wrote from jail: "Everyone who is not in favor of this mad war is branded with the epithet of Opposers of Government, Disorganizers, Jacobins, etc. . . . It is quite a new kind of jargon to call a Representative of the People an Opposer of the Government, because he does not, as a Legislator, advocate and acquiesce in every proposition that comes from the Executive."

Lyon was reelected to Congress from jail. He emerged a hero to his constituents and to the followers of Jefferson throughout the country.

But prosecutions under the Sedition Act continued. Chief enforcer of the Act was President Adams' Secretary of State, Timothy Pickering. A leading historian of the Sedition Act describes Pickering as "grim and forbidding, irascible and unyielding. . . one of those austere, deadly serious, humorless individuals who are impenetrably armored in rectitude." Pickering was reported to pore over the newspapers every morning in search of seditious materials. He ordered all United States district attorneys likewise to scrutinize the newspapers in their districts and send notice to the capital of the appearance of sedition so that prosecutions might be commenced.

The Sedition Act was to expire by its own terms after the presidential election of 1800. Instead of stifling the criticism of the administration, however, the act strengthened the opposition to the President. Thomas

Cooper, one of the last persons prosecuted under the act asked at his trial: "Is it a crime to doubt the capacity of the President? . . . Have we advanced so far on the road to despotism in this republican country, that we dare not say our President may be mistaken?" It is estimated that the number of newspapers supporting Jefferson more than doubled under the Sedition Act. A Federalist leader complained: "The press has become a most daring nuisance to society."

John Quincy Adams saw the impact of the Sedition Act as "an ineffectual attempt to extinguish the fire of defamation, but it operated like oil upon the flames." Historians have concluded that there were "not enough prisons in the country to hold the newspaper writers, the politicians and the plain citizens guilty of violating the Sedition Act in the campaign of 1800."

The Federalist attack on the press backfired completely. The American people turned decisively against the war. The Sedition Act helped to make John Adams a one-term President. Jefferson won the election of 1800, was inaugurated on the promise to restore the unity of the nation, and pardoned all those convicted under the act. The Federalist Party never won another national election and soon afterwards disappeared forever from American politics.

AMERICA'S WEAKNESS THREATENS ISRAEL'S SECURITY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. CRANE. Mr. Speaker, one of the important paradoxes of today's political scene is the sight of political spokesmen who argue on behalf of lower military spending, disarmament, and American disengagement from its world responsibilities while at the same time arguing a firm commitment to the preservation of the independence and integrity of Israel.

The increasing Soviet presence in the Arab World and in the Mediterranean makes this confused double standard a real threat both to the security of Israel and, in fact, the integrity of all of our allies in that crucial part of the world.

At a time when President Nixon's Blue Ribbon Defense Panel stated that:

Since World War II a degree of world order has been maintained almost solely by the dominance of U.S. strategic-military strength . . . this American preserved world order is now disintegrating. We no longer have the power to preserve it.

It makes no sense at all for any one to speak both of a lower defense posture and of fulfilling our commitments in the Middle East. It is impossible, without strength, to compete with ever increasing Soviet power.

This point is made both clearly and effectively by the distinguished political observer, Frank J. Johnson, foreign editor of the Washington Report of the American Security Council.

In that report for June 7, 1971, Mr. Johnson points out that Israel's security, in the long run, is clearly dependent upon the U.S. counterweight to Soviet force. He writes:

In the end, though, Israel probably cannot be saved by geography. It is effective,

if at all, only against the Arabs. If the Soviets choose to throw their full weight into the conflict on the Arab side, Israel cannot stand alone. She is still utterly dependent upon the U.S. counterweight to deter the U.S.S.R. from coming openly to the help of the Arabs in a full offensive. In the last analysis, Israel's security is mortgaged to the U.S. deterrent."

Challenging those who say they support both a lowered American military posture and also the security of Israel, Mr. Johnson declares that:

Once that deterrent is lost, as it will be if present trends in the U.S.-Soviet military balance continue, Israel's hope for survival depends mainly on the usefulness of her existence to Soviet purposes, and thus on Russia's unwillingness to allow the Arabs to carry on a war of total extermination against her. This is a dubious hope at best.

Mr. Johnson states that:

Those Americans who have been all in favor of precipitate withdrawal from Vietnam, and yet would have us go all out in defense of Israel will soon find that they cannot have it both ways.

I wish to share Mr. Johnson's article with my colleagues, and insert it into the Record at this time:

[From the Washington Report, June 7, 1971]

NO PEACE IN SIGHT FOR THE MIDDLE EAST

(By Frank J. Johnson)

The Middle East continues to be the world's most dangerous and insoluble trouble spot. No one should be misled by the "hopeful" tone adopted by Secretary of State Rogers following his recent tour of the area. A peaceful solution to the crisis is still extremely unlikely. The objective conditions necessary for a settlement do not exist. They cannot be created by any amount of diplomatic maneuvering. A resumption of the Arab-Israeli war, sooner or later, is regarded by the most competent Washington analysts as almost inevitable.

The foregoing assessment is gloomy and unpleasant, but it is the only one justified by the facts.

To be sure, neither Israel nor her chief protagonist—Egypt—wants war. Each would much prefer to achieve her objectives peacefully. But their respective objectives are quite irreconcilable. Neither side can accept the terms of the other without what it considers to be an intolerable sacrifice of national interest: for Israel the abandonment of geographically secure borders; for Egypt, Jordan and Syria the permanent loss of territory to Israeli conquest. And for the Arab world generally, the acceptance of Israeli control over all of Jerusalem.

The very strong military positions which are now enjoyed by both sides makes renewed war appear to each of them to be a lesser evil than submission, or even than major compromise.

SOVIET MILITARY INTERVENTION

The enormous Soviet military intervention on the side of Egypt has transformed the general situation in the last 15 months. True, there has been no significant change in Egypt's offensive capability to mount a successful crossing of the Suez Canal. This is still near zero. Such an offensive would require direct and massive Soviet participation and there is no sign as yet that Moscow intends such a move in the near future. But the Soviets have, by their vast military presence, including 16,000 personnel, guaranteed Egypt against the possibility of another total defeat. The commanding military position enjoyed by Israel after the Six Day War is gone. No longer are Cairo and Alexandria at the mercy of another lightning air attack or the threat of Israeli occupation, which

was also feasible back in 1967. Besides the very effective surface to air missile system which they have supplied to Egypt, there is no reason now to suppose that Soviet pilots flying the latest model Soviet aircraft, will not fight actively anywhere in the skies over Egypt if necessary.

ISRAEL'S POSITION

Israel's position, however, is still very strong. Diplomatically, the U.S. strives for impartiality, but militarily it continues to be our policy to give Israel whatever we think she needs to maintain the balance of power in the Middle East. There is no indication that we will use our position as arms supplier to Israel as a lever to force her to return the captive territories to the Arabs—as the Arabs wish us to do. Besides being politically difficult, there is simply no indication that such a tactic would work.

It would not work because Israel has made her own judgment as to where her security lies. This judgment is not likely to be altered by any amount of outside argumentation or pressure. Her rationale is that her 100 million Arab neighbors cannot be trusted to really forgive and forget the rule of 2.2 million Jews in a Palestine which they regard as rightfully theirs; that no matter what conciliatory words present Arab leaders might utter, or even what they might put on paper, they cannot take the place of a secure geographic buffer against attack into the Israeli heartland; and that no matter what international guarantees of her borders might be offered her, these cannot take the place of Israel's own independent ability to defend herself.

The Israeli attitude is heavily weighted by the Jewish experience in Nazi Germany. Hitler, it turned out, really meant what he said about the Jews in *Mein Kampf*. Israel therefore refuses to assume that extremist Arab propaganda vowing her extermination is merely so much hot air.

In the very unlikely event that the US were to threaten an arms cutoff if Israel did not retreat from the territories captured in 1967, Israel's answer almost certainly would be flat defiance. Israel would stand fast on the present cease fire line on the basis of her present strength and wait for a new administration in Washington, to reinforce if necessary.

In a desperate attempt to find some way out of the impasse, U.S. diplomacy, led by Secretary Rogers, is pushing the so-called "interim solution". This would involve a partial Israeli withdrawal from the Suez Canal and the reopening of the waterway to navigation. Egyptian President Sadat has agreed to this idea provided that it is linked to the broader question of a timetable for full Israeli withdrawal from all territories captured in 1967, and provided that Egyptian military forces are permitted to reoccupy the East bank of the Canal. Rogers' grounds for optimism appear to revolve around the fact that the Israelis, in order not to send him away empty-handed, gave vague indications that they might permit some kind of Egyptian military "presence" on the East bank. Israel, it was explained, would remain "flexible" on this and other details of an Israeli withdrawal, but only on condition that Egypt first agrees in principle to Israeli terms for reopening of Suez. There is not even a hint that Israel will give up her key positions in the Sinai, including the Bar-Lev defense line just back of the Canal.

FUTURE SCENARIO

This position throws the ball into Cairo's court. Egyptian national pride and diplomatic strategy cannot accept such conditions. Egypt is squarely faced with the proposition that peace can be bought only at the cost of the loss of much, if not all, of the Sinai. With the new support given to her by her powerful Soviet ally, Egypt is most unlikely to pay the price.

Therefore, the probable scenario for the future involves a resumption, by Egypt, of the war of attrition against Israel whenever her patience wears out and frustration becomes unbearable. This possibility is heightened by the fact that Sadat, having just survived an attempted coup, may want to create an image for himself of more fervent nationalism, as well as redirecting any lingering internecine animosities against the "common" external enemy—Israel. Such resumption would involve artillery barrages, commando type raids, and air battles along the Canal in which Soviet pilots will periodically participate. Russia will use this siege warfare against Israel as a continuing cover and excuse to build up her military position in the Middle East and to establish permanent air and naval bases along the Mediterranean and Red Seas.

Neither are the Palestine guerrillas likely to remain as inactive as they are now, following their heavy defeat in Jordan last fall. The Fedayeen are reorganizing, this time under Algerian tutelage. Algerian President Boumediene expects the collapse of the American peace initiative and is sending the guerrillas arms and political advice.

When and if Russia concludes that U.S. counteraction is no longer to be feared—either because of political vacillation, military incapability, or both—then the Soviets will most likely provide at least enough muscle to force Israel out of the Sinai, permitting the reopening of the Canal on Soviet-Arab terms. Quite conceivably it would be used by the Soviet Fleet as an entrance-way to the Indian Ocean, while a similar use would be denied to the U.S. Sixth Fleet.

SOME HANDICAPS TO SOVIET-EGYPTIAN UNITY

There are some signs however that all is not yet entirely smooth sailing for the Soviets in their deal with the Arabs. An article in *Izvestia* of 28 April 1971 by Prof. H. Ulyanovsky—an obvious follow-up expansion of one of the themes in the 24th Party Congress, included as follows:

"Lack of understanding and distrust between the two progressive forces—the communists and the national democrats—have not been overcome, and in some countries the national democrats in power are even displaying the aspiration to carry out repressive measures against left wing forces.

"... the national revolutionary democrats and the communists are faced with realizing increasingly that their invincible strength lies in unity. . . .

"In the majority of the Arab countries . . . the national democrats and the communists constitute the two most prestigious political forces, standing firmly on positions of militant anti-imperialism . . . There always have been and still are differences of opinion between them, but at the present stage of the revolution these differences are not and cannot be of primary importance."

There may still be some Arab leaders astute enough to wonder just how the Soviets intend to resolve those differences in the next stage of the revolution, when these become of "primary importance."

U.S. INFLUENCE RECEDING

Such an outlook can hardly be more grim from the standpoint of either Israel or the United States. Yet there seems little that we, as a nation, are willing to do about it. It is the inevitable concomitant of the tremendous shift in the world's balance of military and political power that has taken place in the world in the past five years.

As members of President Nixon's Blue Ribbon Defense Panel stated in their Supplemental Statement "on the Shifting Balance of Military Power, "Since World War II a degree of world order has been maintained almost solely by the dominance of U.S. strategic military strength . . . this American-preserved world order is now disinte-

grating. We no longer have the power to preserve it. Nor do we appear to have the will, as a new neo-isolationist fever dims the perception of our people . . . there is every reason to believe that the Soviet Union envisions the new era as one which it will dominate, employing its military power and the threat of its use to promote and attain its own imperialist objectives.

The trauma of the Vietnam experience, in which the U.S. failed to use its full military power for victory when the American public would have backed such a policy, has damaged, perhaps fatally, the American will to act. It has resulted in deep political divisions, in a widespread feeling of defeatism and antimilitarism, and in a new neo-isolationism.

The total U.S. image emerging in the world is that of a power so obsessed with peace (the President has most unwisely forecast a generation of it) and its domestic difficulties that it will no longer enforce its rights or protect its interests (witness the supine acquiescence to the seizure of our fishing boats by Ecuador). The Soviet ambassador has openly warned our highest officials that Russia will not be bluffed in the Middle East. Neither, for example, does she intend to be bluffed in Cuba. The continuing presence of Soviet submarine tenders in and around the Cuban port of Cienfuegos has made a mockery of the U.S. warnings not to make it into a nuclear submarine base.

Many moderate Arabs argue, quite sincerely, that times have changed, that the serious Arab leaders are reconciled to Israel's existence, and that in any case Israel can count on the protection of the United States if she is seriously threatened.

Most Israelis do not agree (ex-Premier David Ben Gurion is a conspicuous exception). They refuse to mortgage their security to decisions which would be made by a United States as troubled and disunited as it is today.

Where, they might ask, was the United States in 1967 when President Nasser announced his intention (though he never carried it out) to blockade the Straits of Tiran? The U.S. had guaranteed to Israel freedom of navigation in the Straits in 1957. But when the crunch came and Israel demanded to know our position, she got only evasive answers. She then took matters into her own hands.

Where was the United States in 1969 when its friend, King Idris of Libya called for help against the coup which deposed him? We did nothing and permitted an oil rich nation to fall into the hands of anti-Western extremists who can be counted on to support the idea of war, not peace, with Israel.

What did the United States do, last year, when Russia at least achieved the ambitions of the Tsars by establishing her own military forces in Egypt? When Presidential Adviser Henry Kissinger suggested in a background briefing last July that the U.S. would have to roll back the Soviet presence, the leaked story was hooted down by a phalanx of State Department doves, and he was forced to retract. Those who had once confidently suggested that Russia would never fly her planes in combat over Suez because there was no radar control for them on the ground found themselves confounded when Russia moved in her own ground control forces.

It should not be surprising that Israel still elects to depend upon herself and on geography, rather than upon the pledges of the United States, no matter how sincere we might be at the time they are given. In the present climate, the U.S. simply cannot be considered to be a dependably ally.

ISRAEL ULTIMATELY VULNERABLE

In the end, though, Israel probably cannot be saved by geography. It is effective, if at all, only against the Arabs. If the Soviets choose to throw their full weight into the

conflict on the Arab side, Israel cannot stand alone. She is still utterly dependent upon the U.S. counterweight to deter the U.S.S.R. from coming openly to the help of the Arabs in a full offensive. In the last analysis, Israel's security is mortgaged to the U.S. deterrent.

Once that deterrent is lost, as it will be if present trends in the U.S.-Soviet military balance continue, Israel's hope for survival depends mainly on the usefulness of her existence to Soviet purposes, and thus on Russia's unwillingness to allow the Arabs to carry on a war of total extermination against her. This is a dubious hope, at best.

Those Americans who have been all in favor of precipitate withdrawal from Vietnam, and yet would have us go all out in defense of Israel, will soon find that they cannot have it both ways. We cannot wear two faces—one soft in Asia, the other hard in the Middle East. The damage has been done. The steady decline of U.S. power and influence which is now occurring throughout the world threatens to become a rout. We will soon enough be thinking only of our own survival when Soviet ultimatums, backed up by overwhelming strategic military superiority, rain down upon our ears.

Meanwhile, Israel, that Spartan state which will not go away to suit anybody's convenience, has so far triumphed over its adversaries because it has put its trust only in itself. It is one of the world's most terrible tragedies that its continued existence can only be at the expense of what 100 million Arabs regard as one of history's greatest injustices. The irresistible force continues to collide with the immovable object.

There was a time when the Mediterranean Sea was considered solely within the confines of the free world. That time, however, is long since past. As *Time* magazine points out in its issue of June 28, 1971:

Since 1964, the U.S. has increasingly had to share its *mare nostrum* with a constantly growing Russian fleet. Today the two forces are very nearly equal.

Our 6th Fleet consists of 45 ships, including three aircraft carriers, along with four submarines, 200 planes and 25,000 men. The Soviet force, an arm of the Black Sea fleet, consists of 40 to 60 ships, 10 to 13 submarines and as many as 10,000 men. As yet there are no aircraft except those aboard the helicopter carriers *Moskva* or *Leningrad*. U.S. combat ships are, on the average, 19 years old. The Russian fleet averages only 7 years. Of all Soviet warships serving in international waters, fully one-half are assigned to the Mediterranean.

Time notes that:

Ultimately the Navy and the Administration will have to make some new decisions about the Sixth Fleet's makeup and mission.

Those who call for American disengagement, withdrawal, and a lower defense posture should not forget that the Soviet Union is pursuing an opposite policy, and it is most strikingly evident in the Mediterranean.

I wish to share this report from *Time* magazine with my colleagues, and insert it in the *RECORD* here:

[From *Time* magazine, June 28, 1971]

SOVIET THRUST IN THE MEDITERRANEAN

"Now the spy will appear," murmured the signal officer of the cruiser *Dzerzhinsky* as the Soviet vessel cautiously approached the Bosphorus on its voyage from the Black Sea to the Mediterranean.

"What spy?" asked the man at his side, an

Izvestia correspondent who was aboard the cruiser because Defense Minister Andrei Grechko, Fleet Admiral Sergei Gorskov and General Aleksei Yepishev, the top political commissar for the Soviet military, were paying a visit to Moscow's Mediterranean fleet.

"The American destroyer," said the signal officer. "It always glues itself to us as soon as we pass through these narrows." Sure enough, the *Dzerzhinsky* had no sooner passed Istanbul when a Sixth Fleet destroyer, the U.S.S. *Ricketts*, took position alongside. Surveillance was so close that the exasperated captain of the *Dzerzhinsky* finally flashed a message: "Sir, this is not Broadway. Please find a safer place for your promenade."

FORMIDABLE FORCE

The skipper of the *Ricketts* was acting out of habit. Since World War II, the Mediterranean has been an American promenade from the Dardanelles to Gibraltar, 2,330 miles to the west. A formidable task force of warships and combat-ready Marines was posted in the Mediterranean to protect the southern flank of NATO, to "project force ashore" in the event of political crises,* and simply to show the U.S. flag. For a long time the Mediterranean was an American lake; any warship sighted was bound to be either friendly, neutral or innocuous.

Since 1964, however, the U.S. has increasingly had to share its *mare nostrum* with a constantly growing Russian fleet. Today the two forces are very nearly equal. The Sixth Fleet, commanded by Vice Admiral Isaac C. Kidd Jr. (who will shortly move upward to become head of the Naval Material Command and be replaced by Vice Admiral Gerald E. Miller), consists of 45 ships, including three aircraft carriers, along with four submarines, 200 planes and 25,000 men. Under Vice Admiral V. N. Leonenkov, the Soviet force, an arm of the Black Sea fleet, consists of 40 to 60 ships, ten to 13 submarines and as many as 10,000 men—but no aircraft except those aboard the helicopter carriers *Moskva* or *Leningrad*. U.S. combat ships on the average are 19 years old; the Russian fleet averages only seven years. Of all Soviet warships serving in international waters, fully one-half are assigned to the Mediterranean. Says Kidd: "We walk a tightrope of adequacy."

IN THE BATTLE ZONE

U.S. officers are understandably alarmed by this shifting of balances. Soviet naval strength on all oceans has been growing with remarkable rapidity for several years now (*Time* cover, Feb. 23, 1968). "Nothing stops them," admits Admiral Thomas H. Moorer, Chairman of the Joint Chiefs of Staff. "They are moving in everywhere." Nowhere is this more true than in the Mediterranean. Warns U.S. Admiral Horacio Rivero Jr., the diminutive (5 ft. 3 in.) commander of NATO forces in southern Europe: "What was traditionally NATO's southern flank has developed into its southern front. The Mediterranean, which was for NATO part of the zone of the interior, a rear area, is now within the battle zone." Concern filters down to officers at sea with the fleet. "There is no feeling now of being on a second team," says Captain John E. Hansen, skipper of the 82,000-ton carrier *Franklin D. Roosevelt*. Says Commander Richard Hopper, who heads the *Roosevelt's* 75-plane air group: "This used to be a sunshine cruise. Pilots volunteered from here for Viet Nam. Now the action is here."

The Russians have become a constant threat in the Mediterranean because they have learned to keep their ships on station and, as the U.S. does, resupply them at sea with the four essential b's—bombs, bullets, beans and black oil. At the same time, Soviet

* It happened only once, in 1958, when Marines waded onto Beirut beaches strewn with Coca-Cola bottles and suntanned bathing beauties to protect a pro-Western Lebanese government from a coup.

diplomacy has carved out several important auxiliary ports for the fleet along the Mediterranean coasts. Among them are Latakia in Syria and Alexandria and Port Said in Egypt. The Russians, who now sail the western Mediterranean more frequently, have also shown an interest in using the Algerian seaport of Mers-el-Kebir. Last week they got another potential port of call when Malta's Labor Party won a one-vote majority in the island's Parliament. Malta has long been the unsinkable aircraft carrier of the British Mediterranean defense system, but Labor Party Leader Dom Mintoff won the election partly by promising the island's 320,000 inhabitants that he would relax this link to the West. The Russians do not really need another naval base, but they may find irresistible the idea of just showing the red flag on an island that was long a NATO bastion and won Britain's George Cross for heroism in World War II.

HISTORIC ROLES

In connection with Grechko's visit last week, *Izvestia* emphasized Russia's ancient historic role in the Mediterranean, tracing its beginnings to a navigation treaty signed by the Principality of Kiev in the 10th century. The Russian presence in the Mediterranean was forcefully reaffirmed in 1770 when Admiral Orlov defeated the Turkish fleet at Tchesme. Later the Russians made a series of amphibious landings on the Ionian islands and even captured Corfu in 1799. "No, we are not guests in this sea," crowed *Izvestia*. "Many glorious victories of our people are connected with it." (*Izvestia* conveniently forgets, of course, that soon afterward the Russians gave up Corfu and were bottled up behind the Bosphorus by the Crimean War.) The U.S. is equally insistent on its Mediterranean rights, which date back to Stephen Decatur's arrival in 1803 to fight the Barbary pirates.

With both superpowers patrolling the Mediterranean in force, the grim game of surveillance is played in dead earnest. Both sides are particularly vigilant for submarines, which are difficult to detect in the shallow waters where thermal layers and the screws of some 2,000 merchantmen on any day distort sound. The watch is most intense at six main "choke points," or "ticket gates," as Admiral Kidd calls them, through which maneuvering submarines must pass. These are Gibraltar, the sea south of Sardinia and Sicily, and the areas between Crete and Greece, Crete and North Africa, and Crete and Turkey. Both sides keep watch on the choke points. At the same time, surface ships frequently shadow one another. Cruising aboard the *Roosevelt* recently, *TIME* Correspondent John Shaw was startled to come on deck one morning to find that during the night a Soviet *Kashin*-class destroyer had taken station 500 yds. away.

TRIPLE TRAILERS

The same shadow game is played aloft, but there are very special rules. Soviet TU-16 Badger bombers with Egyptian markings fly out of Cairo West airbase to follow the Sixth Fleet and look for Polaris submarines. Whenever they get near the U.S. carriers, a "fast-back alert" is sounded, and Phantom jets are catapulted off the carriers to keep the Badgers from getting too close. The Phantoms always approach gradually and at an angle, sometimes drawing abreast of the Soviet planes. On one such occasion, a Phantom pilot was surprised to see his Soviet counterpart hold up a centerfold from, of all things, *Playboy* magazine.

The two fleets have one mission in common. Kidd estimates that much of his time, like that of the Soviets, is spent in showing the flag around the Mediterranean. Beyond that, however, the two forces have vastly different roles. The U.S. carriers and their Phantoms still have an offensive nuclear capacity against East bloc targets. Half the fleet's planes are kept in the air at all times in

order to make certain that a surprise Soviet missile attack would not sink the entire Sixth Fleet strike force. The Russians, on the other hand, appear to be primarily intent on neutralizing the Sixth Fleet. For this purpose they have assembled an impressive array of missile power aboard their ships, including the 22-mile-range Styx aboard small gunboats, the 100-mile Strela aboard destroyers, and the 400-mile, supersonic Shaddock aboard Soviet cruisers.

To defend itself against the Russian missiles, the Sixth Fleet has patched together new responses in recent months. Two 240-ton patrol gunboats superpowered by jet engines have been transferred from Viet Nam as an experiment. The gunboats move so swiftly (top speed: 40 knots) that their crews must be strapped into their stations. Admiral Elmo R. Zumwalt Jr., who is Chief of Naval Operations, has dubbed them "triple trawlers" because they are assigned to lurk behind the Soviet vessels that trail U.S. ships.

RETHINKING ROLES

The U.S. is also fitting out some ships with surface-to-surface standard missiles that have 35- to 60-mile ranges. In two or three years, after further research and development, more efficient Harpoon missiles will be introduced. In addition, in an unusual move for a nation that has traditionally developed its own weapons, the U.S. is considering buying either the Israeli surface-to-surface Gabriel missile or the French Exocet.

Ultimately the Navy and the Administration will have to make some new decisions about the Sixth Fleet's makeup and mission. It now defends NATO's supply lines, provides a small but sinewy landing force, supports and protects the Polaris nuclear submarines that operate out of the U.S. bases of Rota, Spain, and Holy Loch, Scotland, and furnishes a nuclear punch in case of war. With aging ships and outmoded ordnance, it is difficult enough to carry out those assignments. Since the fleet is taking on the added mission of neutralizing the Russians, the job may be growing close to impossible.

THE GI'S GENERAL

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HALL. Mr. Speaker, on May 8, 1971, I had the pleasure of visiting with Gen. Omar N. Bradley when he officially dedicated the new museum named in his honor at Carlisle Barracks, Pa., which was also the post of my first military duty.

While reading the June 30, 1971, issue of *Farmland*, I was most pleased when I came across a feature article about the distinguished general who grew up on a farm in my home State of Missouri. I feel that this summarized biography of General Bradley's truly extraordinary life is worthy of being placed in the RECORD. The story of a man called the GI's general, appeared as follows:

[From *Farmland*, June 30, 1971]

THE GI'S GENERAL

A man's destiny with greatness can hinge on little things—such as the price of a railroad ticket from Moberly, Mo., to St. Louis.

Back in 1911 this was an obstacle to young Omar Nelson Bradley's going to West Point. He felt the chances of passing the entrance test at St. Louis and being accepted at the academy were too slim to justify the expense.

Though bright in high school, he had been out a year and was a bit rusty.

Had not the Wabash Railroad provided him a pass, Bradley probably would have gone on saving his money to go to the University of Missouri and study law. But he made it to St. Louis and joined another midwesterner at West Point by the name of Dwight Eisenhower.

Born Feb. 12, 1893 on a farm near Clark, Mo. (just 55 miles from the Laeade birthplace of another great American general John J. Pershing) Bradley's fondest memories of childhood are of hunting and fishing with his father, described as a happy, if underpaid, schoolteacher who imparted to Omar his love of the outdoors.

John Bradley died when Omar was 14 and he and his mother moved to Moberly so he could go to high school and she could take in sewing. After graduation in 1910, he went to work in the Wabash shops to help his mother and save for college.

Omar was encouraged to consider West Point by his Campbellite Sunday School teacher who felt an Army career would sustain the young man's love of the outdoors.

At the Point, Bradley ranked 44th in the 1915 class of 164 that produced several World War II generals. He played football, hit .385 on the baseball team and rated sixth in conduct. The West Point yearbook's summation of Bradley's chief characteristic—"getting there"—was prophetic as German armies later would vouchsafe. The high school annual, too, had hit the mark with its one-word description of him: "Calculative."

Bradley spent most of World War I commanding a guard company in the copper mines of Butte, Mont. When the war ended, Bradley predicted another would erupt in 20 years or so and began preparing for it. Interviewed by Jules Loh of the Associated Press on his 78th birthday anniversary, the 5-star general had this to say on what World War II had meant to him.

"I certainly did not welcome war. That goes without saying. I would have preferred to have served out my years in a peacetime army and retired quietly as a colonel. Once war came, I welcomed the opportunity to do what I was trained to do and paid to do."

Bradley draws this distinction between military men and militarists: "Those who serve their country professionally, under civilian control, as opposed to those who put themselves in a separate caste above their government with a code of their own."

Bradley saw little glory in war. Shortly after World War II he spoke at a Memorial Day ceremony at the grave of a Medal of Honor winner. The script called for bravado, but Bradley said: "For every man in whom war has inspired sacrifice, courage and love, there are many more whom it has degraded, with brutality, callousness and greed."

In his book, "A Soldier's Story," he wrote: "War has neither the time nor the heart to concern itself with the dignity of man. Men must be subordinated to the effort that comes with fighting a war and as a consequence men must die that objectives be taken. For a commander the agony of war is not its dangers, deprivations or the fear of defeat but in the knowledge that with each new day men's lives must be spent to pay the costs of the day's objectives."

"Because war is as much a conflict of passion as it is of force, no commander can become a strategist until first he knows his men. Far from being a handicap to command, compassion is the measure of it. For unless one values the lives of soldiers and is tormented by their ordeals, he is unfit to command."

Before the invasion of France, despondency was sweeping American troops infected by talk that few would survive D-Day. In an off-the-cuff talk to them, Bradley called such fears "tommyrot" and predicted casu-

alties would be far less than expected. (They ranged to 10% of the attacking force). Bradley's words got out, to his chagrin, and he considered firing the censor. But after the war Bradley met a GI's mother who told him how much his "tommyrot" speech had meant to her and others. "Let this be a footnote of justice to that censor," Bradley said.

His career is sprinkled with incidents that suggest why the GI's called him their general. He was least affected by position. While Ike had his jacket, Patton his jodphurs and MacArthur his hat, Bradley was content with GI issue. Later, when he headed the Veterans Administration, he forbade use of military titles in correspondence to discharged soldiers.

Those close to Bradley seldom knew him to raise his voice. "When your position is such that no one can answer back," he has said, "why shout?"

Bradley's first combat action came in North Africa when he commanded a corps of four divisions and helped draw the nose on Axis forces at Bizerte and Tunis. Of this first experience in combat command, he later wrote:

"To command a corps toughness alone isn't enough. You must know your division commanders, thoroughly understand their problems, respect their judgment and be tolerant of their limitations. There are few distinguishing characteristics of a successful division commander. Success comes from a well-balanced combination of good judgment, self-confidence, leadership and boldness."

After Africa, Bradley served under Gen. George S. Patton in Sicily. While his philosophy of war differed sharply from Patton's, Bradley's respect for the storybook general was great.

"To George," Bradley wrote in his book, "the war was not so much an ordeal as it was fulfillment of a destiny to which he shaped his life. He believed war to be a chronic ailment of mankind, destined to pursue civilization to its grave. . . . Since conflict was to be the inevitable lot of all mankind, George reasoned that man should resign himself to it and indeed welcome it as a manly challenge. Exhilarated by conflict, he found it inconceivable that men, other than cowards, should want no part of war."

Such a philosophy explains the "slapping incident" when Patton struck a soldier hospitalized with "nerves" in Sicily, accused him of cowardice and sent him back to the front.

The chief reason Bradley was popular with the troops was his human quality and lack of put-on. In contrast to Patton's glory view of war, Bradley considered it a "wretched debasement of all the thin pretensions of civilization. In the rear areas war may sometime assume the mask of an adventure. On the front it seldom lapses far from what General Sherman declared it to be."

Bradley's favorite soldier was the rifleman. "The rifleman," he said, "trudges into battle knowing the statistics are stacked against his survival. He fights without promise of either reward or relief. Behind every river, there's another hill—and behind that hill, another river. After weeks or months in the line only a wound can offer him the comfort of safety, shelter and a bed. Those who are left to fight, fight on, evading death but knowing that with each day of evasion they have exhausted one more chance of survival. Sooner or later, unless victory comes, the chase must end on the litter or in the grave."

When the Allies got bogged down on the Western Front after the Normandy breakout, Bradley saw his casualties in a 5-week period reach 64,000. Obtaining replacements became difficult as the War in the Pacific demanded its share of America's young men.

An underling proposed to Bradley the term "replacement" be changed to specialist

to avoid the cannon fodder connotation and improve morale among those waiting to go to the front. Bradley would have no part of the word game.

"The remedy for improving morale among replacements," he said, "lies not in changing the name but in taking every possible step to see that they are properly taken care of and that they get the feeling someone is interested in their welfare."

There was a time, however, when the slow-to-anger Bradley was ready to quit and go home. It came after the German counter-attack that developed into the Battle of the Bulge. For tactical reasons, Eisenhower shifted two American armies from Bradley's command to the British General Montgomery. Bradley and Monty had had equal billing under Ike, Monty commanding British and Canadian forces on the northern prong and Bradley the American on the southern thrust.

When Monty exploited the situation to flatter his ego at Bradley's expense, the Missourian told Ike that unless the American troops were returned to his command, once the German drive was blunted, that he would resign. Bradley believed that if he were to become subordinate to Monty—when the Americans had far more troops in the field than the British—his effectiveness would be impaired. The troops of Generals Hodges and Simpson were returned to Bradley by Ike with the bitter comment: "Well—I thought you were the one person I could count on for doing anything I asked you to."

But of his choice of Bradley to lead the American armies in Europe, Ike would later say in his book, "Crusade in Europe":

"General Bradley displayed qualities of steadfastness, drive, professional skill, and a capacity for human understanding which became so obvious to his subordinates and his superiors alike that the American teamwork forged on the many battlefields of the Normandy beachhead was never thereafter seriously threatened."

In the closing days of the European war, the Allies had to decide whether to go for Berlin or choose other targets. The nature of Berlin's occupation already had been decided by the Four Powers and Bradley advised Ike against racing the Russians for the capital. He predicted it would mean an additional 100,000 casualties, a price too great for a prize they could not keep.

With the Allies to be dependent on Russian good will for access to Berlin, Bradley had misgivings. He had learned as a farm boy in Missouri that "dependence did not make for good neighbors."

America honors its 5-star officers (there have been only nine) with active duty status while permitting them to pursue their own interests. Bradley is chairman of the Bulova Watch Company, highly interested in a North Dakota Indian work project financed by Bulova, and now lives in Beverly Hills, Calif., with his second wife. His first wife died in 1965. A daughter lives in the Washington area.

In the Jules Loh interview, Bradley expressed thoughts on youth today and the problems of modern living.

"My boyhood experience gave me a sense of responsibility," he said. "If I didn't cut firewood we didn't have firewood. If I didn't clean the lamps, we didn't have clean lamps. One trouble with modern living is that children don't have that opportunity. The furnace goes on automatically and you flip a switch to get light. If a child doesn't learn responsibility by having responsibility, first of all to his own family, how will he ever develop a sense of responsibility to his community and country?"

But Bradley doesn't brand technology as a villain. Machines, he says, have expanded human opportunities and he sees "no reason people should worry about losing their individuality."

Bradley returned to Moberly in May of

1971 to visit the wooded hills where he once hunted with his father and to commemorate a Boy Scout trail named for him.

Farmland visited him there and asked if it worried him that the shrinking number of farms meant fewer boys were getting the chance to experience an outdoors upbringing such as he had enjoyed. Standing under the trees and appearing fit enough to hike the 15-mile Scout trail, Bradley spoke of machinery and technology. They've got equipment now, he noted, that eliminates need for a lot of people on farms, and this is a fact we must accept. Then, too, others have gone to cities as a matter of choice, "and this is their right."

As for the rash of criticism of the Army today, Bradley said this was nothing new. "The only time the Army is appreciated," he said, "is when it is called on to correct the mistakes made by our diplomats and politicians."

Those who know him best say Bradley's success represents the triumph of simple, absolute honesty and good will. He has never lost faith in his belief in America's qualities or in the teachings of that Sunday School teacher, John Crewson, who set him the course to West Point.

Of all that's been said and written of Omar Nelson Bradley, perhaps a paragraph from an essay penned in 1962 by a Moberly seventh grader, Debbie Shrivin, sums it up best:

"He was a Missouri boy from our very own community. His rise to military fame was spectacular, even in our country of great opportunities. His plainness and his human touch have protected him from enemies that often destroy good men."

LEWIS AND CLARK REVISITED—AT A SLIGHTLY HIGHER COST

HON. FRED SCHWENGL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. SCHWENGL. Mr. Speaker, in the spring of 1804, 29 men left St. Louis on a journey to the Pacific Ocean, a journey that would be known as the Lewis and Clark Expedition. The expedition was funded by Congress on February 28, 1803, under an act for extending the external commerce of the United States. The cost of this exploration of new lands to the taxpayers of the United States was \$2,500.

On May 14, 1971, 29 members of the U.S. Army Special Forces from Fort Bragg, N.C., left St. Louis on what was billed by the military as "a valuable training exercise, testing endurance, survival techniques, mountaineering, land and river navigation, and long range communication." This group is following the Lewis and Clark Trail from beginning to end. The cost of this "expedition" to the taxpayers of the United States is over \$80,000.

This type of program is exactly what the Members of Congress are talking about when they speak of spending the taxpayers' dollars to promote the public image of the military, especially under the guise of a "training mission," supposedly designed to test endurance and survival techniques.

The \$80,000 that is being spent on this program was not designated as public affairs money in any way, but is being spent for the purpose of promoting the

public image of the Green Berets. This type of spending by the military is merely another way of increasing their public affairs spending while pulling the wool over the eyes of Congress and the American people.

Approximately 2,000 copies of a brochure entitled "Operation Labrador Corner V, 168 Years Later—Green Berets on the Lewis and Clark Trail," have been printed and distributed at Government expense to announce the journey. This brochure calls on the people to "come on down and see us—check your local newspaper for progress reports." On the other hand, a fact sheet on the project says that the welcomes by the general population have been "spontaneous and unsolicited." The booklet contains a list of the men on the expedition, a map detailing the route with the major cities marked, the approximate dates this specially trained group of men will be at certain points on the journey, a pictorial college of Green Berets in action and a brief résumé of the project. Two thousand copies of another brochure, "What Does It Take to Earn a Green Beret," were also printed especially for Operation Labrador Corner V. This brochure contains such things as the qualifications of a Green Beret. For example, "he is intelligent, able to learn and to teach others, he has obtained the required security clearance, he is in excellent physical shape, he is able to swim, and he is inventive and adaptable." Even more ridiculous for a "training mission" are the 2,000 "certificates of award" printed for the project which state:

The Lewis and Clark "A" Teams of the United States Army Special Forces present an Honorary Green Beret to _____ in recognition of _____ appreciation of the attributes and qualities required of the U.S. Army Special Forces.

These brochures, pamphlets, and award certificates are all listed as being printed by Psychological Warfare Battalions—PSYOP BN—as "training missions." Yes, training missions, believe it or not.

I insert in the RECORD the text of the special brochure on Operation Labrador Corner V in its entirety:

TRIP BACKGROUND

"After purchasing the Louisiana Territory from France in 1803 for \$15 million, President Jefferson sought to determine exactly what people and treasures this vast area contained. To find out, he charged Captain Meriwether Lewis of the Army with leading an expedition to explore and report on the Territory. At Lewis' insistence, Lieutenant William Clark was appointed second in command.

Lewis and Clark gathered a party of 29, including experts in Indian sign language, boat handling and frontier movement and weapons. Lewis himself took cram courses in zoology, botany, and celestial navigation. During the winter of 1803-1804 the expedition members trained in St. Louis for the 17 month journey to the Pacific, which would be the first step in opening up the way to the great Northwest.

Now, 167 years later, another group of frontier experts are traveling the same route. They, like the original group, are all specialists, volunteers, and soldiers—members of the U.S. Army Special Forces from Fort Bragg, North Carolina. For them the trip will be a valuable training exercise, testing endurance, survival techniques, mountaineer-

ing, land and river navigation and long range communications.

The men, members of the 5th and 7th Special Forces Groups, will be divided into two 12-man teams and a 5-man command and control group. In each team, communications experts have the job of maintaining continual contact with the command group and with headquarters at Fort Bragg. The team medics are prepared for all sorts of sickness and accidents, including the contingency of a bee sting to one team member who reacts strongly to such bites. Their intensive 37 week training has qualified them to perform almost any treatment short of surgery. The engineer and weapons experts will not be practicing their specialties, but will be practicing other specialties in which they, like all Green Beret Soldiers, are cross-trained.

Leaving St. Louis on 14 May 1971, the Green Berets will arrive at Astoria, Oregon, by 4 September 1971, having spent over 18 weeks en route. Included in their baggage will be a 50 star flag, to be presented to the Lewis and Clark Museum at their destination in commemoration of their trip. The long trip will have been well worth it, for the men will have received some excellent training and gained valuable experience."

Several newspapers in my State printed stories concerning the Green Berets on the Lewis and Clark Trail when they were in the vicinity of Iowa. Some of these newspapers mentioned the fact that some of the men on the trip were complaining because they had gained so much weight. It seems that every town they pass through holds a large banquet for them. It would seem that it should indeed be a rare occasion when men who are on a "valuable training exercise, testing endurance, and survival techniques" gain weight from overeating.

Operation Labrador Corner V is said to be a training expedition, but it appears to be nothing more than a highly touted attempt to improve the public image of the Green Berets, a group that has received much criticism in the past few years, at the expense of the taxpayers.

The military maneuver, along with the printing of brochures and award certificates designed to sell the project, is an unnecessary expense to the taxpayers of our country.

A fact sheet on the Lewis and Clark project gives the following estimated costs of the expedition:

1. Tactical reconnaissance by advance party of three persons (includes an Army C-45 aircraft)	\$2,396.00
2. Supplies and equipment	1,523.00
3. Contingency funds for local procurement of repair parts, maintenance, etc.	1,500.00
4. Petroleum, oil and lubricants ..	\$1,000.00
5. Per diem	2,019.00
Total	8,437.00
Salaries (approximate—my estimate)	70,412.00
Publicity materials (approximate—my estimate)	1,812.00
Grand total	80,661.00

The facts that I have learned about Operation Labrador Corner V, the Green Berets on the Lewis and Clark Trail prove to me that the entire project is nothing more than a public relations activity of the military. This brings to point

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my question—How many of the other public relations activities of the military are placed in areas other than public affairs spending, where they actually belong?

AN IMPLICATION OF SOVIET QUANTITATIVE SUPERIORITY

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. SCHMITZ. Mr. Speaker, Air Force magazine of July 1971 contained a timely article by Brig. Gen. Harry N. Cordes, Deputy Chief of Staff, Intelligence, Strategic Air Command, concerning the strategic threat now facing the United States.

Particular attention should be called to the continued growth of both Soviet offensive and defensive strategic forces. General Cordes points out that the Soviet force of ICBM launchers is approaching a level of 1,500 launchers—almost seven times as large as their force in 1965 and 50 percent larger than the U.S. force.

While quantitative superiority is not the only factor which must be considered when making an assessment of the security of our Nation based on the relative United States-Soviet strategic forces, it is certainly a most important factor. For example, President Nixon stated in his state of the world message delivered in February this year that—

I must not be—and my successors must not be—limited to the indiscriminate mass destruction of enemy civilians as the sole response to challenges.

Pronounced quantitative inferiority limits our response just exactly to "the indiscriminate mass destruction of enemy civilians."

At a certain level of Soviet quantitative superiority the option to target either civilian-industrial areas or military targets, such as Soviet missile complexes, virtually disappears. The smaller ones forces in relation to those of the enemy the less sense it makes to direct an attack against these larger forces since even a successful attack with a small force would have relatively little effect on his war fighting capability. Some analysts feel that this was the reason the Soviet Union rejected the counterforce targeting doctrine put forward by former Secretary of Defense McNamara in the early sixties. Since the Soviets were quantitatively inferior to the United States at that point in time they realized that by accepting this type of targeting doctrine, striking at much larger enemy forces instead of civilian-industrial centers, they would be, in fact, renouncing a second strike capability. The Soviets understood that U.S. superiority in the early sixties to a large extent determined their targeting doctrine for them.

Limiting our second strike options to civilian-industrial targets through failing to maintain at least quantitative parity with the Soviets becomes extremely dangerous when we understand that the

Soviet Union has the most thoroughgoing and comprehensive civil defense program in the world. As quantitative inferiority limits our actions to retaliatory strikes to civilian-industrial centers the Soviets are placing great emphasis on civil defense programs and lowering our capability to inflict decisive damage on the only targets which remain open to us.

This is something to think about. Should the Soviets come to the conclusion that their quantitative superiority has forced us into a position where we can only interfere with their battle plan through striking civilian-industrial targets, and that their ballistic missile defenses—both active through such things as ABM systems and passive through civil defense procedures—are sufficient to reduce the damage we are able to inflict to an acceptable level, the United States will no longer have the material basis for deterrence. Deterrence will then be based on a conscious Soviet renunciation of certain victory in nuclear war.

Deterrence will no longer be based on credible United States retaliation but rather on Soviet benevolence.

The article by General Cordes follows:

THE STRATEGIC THREAT

(By Brig. Gen. Harry N. Cordes, USAF)

(NOTE.—Brig. Gen. Harry N. Cordes has been DCS/Intelligence at Hq. SAC since April 1970. A dual-rated pilot/navigator, he was at the 1946 Bikini atomic bomb tests, and has served in SAC bomb and reconnaissance units, as a SAC intelligence staff officer, and as a member of the joint Strategic Targets Planning Staff. Prior to his present assignment, General Cordes was Deputy Director of Plans for Force Development, Hq. USAF. He is a graduate of the Air Command and Staff College, the Industrial College of the Armed Forces, and holds a master's degree from George Washington University, Washington, D.C.)

An inescapable fact of the 1970s is the Soviet Union's inventory of powerful and modern strategic weapons approaching—and in some cases, surpassing—ours in quantity and in quality. The importance of this change in relative power of the U.S. and U.S.S.R. should be of real concern to all Americans, and countless official and unofficial statements have addressed the relative strengths of the two superpowers.

Before analyzing this threat, one fact of traditional Soviet military policy must be considered: a reliance on mass—the concentration of arms at the critical place and time to the maximum extent possible. This is evident in their large land forces their emphasis on firepower, and their propensity to retain older, proved systems. At the same time, to deploy barely operational new systems with the view of incorporating qualitative improvements in later modifications. These Soviet policies are apparent today in both strategic offensive and defensive forces.

THE SOVIET ICBM FORCE

The expanding Soviet strategic threat is reflected in the rapid growth of their ICBM inventory. Since initial deployment in the early 1960s, the Soviets have developed a number of ICBM systems, although growth of the force was quite moderate until 1965. Since then, an accelerated research, development, testing, production, and deployment program has resulted in a force today approaching 1,500 launchers—considerably larger than the 1,054 US ICBMs and almost seven times larger than the Soviets' 1965 inventory. Furthermore, deployment continues.

Currently, three ICBM systems—the SS-9,

SS-11, and SS-13—are being deployed, though at reduced rates, and two of the earlier versions still are retained. These early systems, the liquid-fueled SS-7 and SS-8, were deployed in only limited numbers; however, their retention in the Soviet inventory illustrates the point made earlier about the propensity to retain older, proved systems.

At this time, the largest segment of the ICBM force consists of SS-11s. Deployment of these launchers appears to have leveled off at the present time at somewhat in excess of 900. In addition, the Soviets have tested SS-11s with a new reentry vehicle that has shown improved performance. Last August, Secretary of Defense Melvin R. Laird announced that two extended-range tests of the SS-11, into a Pacific Ocean impact area, may have carried as many as three reentry vehicles. Thus, multiple reentry vehicles are a distinct probability for this system.

Little is known about the only solid-fueled ICBM system in the Soviet inventory—the SS-13—except that deployment has been limited. Its testing continues, and deployment could be resumed at any time. It could also provide the technology for a mobile, land-based ICBM in a few years or for a completely new system.

Their most awesome and destructive weapon today is the SS-9. Liquid fueled, it is deployed in nearly 300 silos operational or under construction. The SS-9 has been tested in a variety of strategic roles. Its payload options include up to a single twenty-five megaton warhead or combinations of smaller multiple warheads. The multiple reentry vehicle version as already tested can carry three reentry vehicles, each capable of delivering a five-megaton weapon to a range of more than 5,000 miles. The SS-9 also has served as the booster for tests of a fractional orbital bombardment system (FOBS). The large-payload SS-9 missile appears to have great versatility, with its flexibility offering the potential for a wide variety of employment or deployment options.

As mentioned previously, there has been an apparent slowdown in deployment of the three current systems—the SS-9, SS-11, and SS-13. One possible reason for this was revealed recently by Secretary Laird. The Soviets may be deploying a new ICBM with concurrent construction of new silos. While the missile associated with these new silos has not been identified as yet, it could be an improved version of already proved, flexible systems.

Based on the level of missile activity in recent years, the Soviet ICBM force could exceed 2,000 ICBMs by the mid-1970s. The total number of ICBMs is significant, but even more important are the qualitative improvements, total payload capacity, their emphasis on multiple reentry vehicle testing, and the wide variety of options thus provided by these systems.

Supplementing the ICBM force are many shorter range, medium- and intermediate-ranged ballistic missiles. Although not a direct threat to the United States, since the 650-plus launchers are deployed mainly along the western USSR border, they do present a threat to our overseas forces and bases as well as to our allies.

SUB-LAUNCHED MISSILES

The third category of ballistic missiles involves the submarine-launched force. Its growth has paralleled that of the land-launched systems. In less than five years, the threat has tripled, mainly due to the production of the new Yankee class submarine.

Currently, four ballistic-missile-carrying submarine types are in the inventory. Three are older classes but the fourth, the Yankee class nuclear-powered sub, is by far the most significant factor in the expanding SLBM threat. Like the United States Polaris/Poseidon subs, each Yankee carries sixteen mis-

siles. At least seventeen of these subs are considered operational, while about fifteen more are being outfitted or are under construction.

Today, the United States still holds a lead in numbers of SLBMs, but the Soviets are continuing to close the gap. Present production rates for the Yankee submarines—about six to eight per year—could bring them to equality with the US in the next couple of years. By the mid-1970's, they could have about fifty Yankee submarines carrying 800 missiles.

The missile carried by the Yankee subs has a range of about 1,300 miles. However, testing is under way on a new, longer range, submarine-launched missile with the potential of doubling the present missile range and thus increasing the flexibility of their ballistic-missile submarine force.

SOVIET BOMBERS

Rounding out the Soviet offensive power is their bomber force, which has remained relatively static at a little over 900 aircraft since 1965. Although the United States stopped production of heavy bombers in 1962, the Soviet Union only recently discontinued a modest production. Currently, their heavy bomber force numbers 195 Bears and Bisons, about fifty of which are normally used as air refueling tankers. The Long-Range Aviation bomber force consists of about 700 Badgers and Blinders. While their range is less than the Bears and Bisons, when deployed at northern USSR staging bases, they could cover most of the United States on one-way missions. Therefore, in assessing the total threat to this country, the Badgers and Blinders must be considered as well as the Bears and Bisons. In addition to these bombers, the Soviet Navy has more than 500 Bear, Badger, and Blinder aircraft, configured in both reconnaissance and bomber versions.

In accord with their tradition, these older systems are regularly updated with modifications. At the same time, the Soviets continue to develop new and improved aircraft. The Soviet supersonic transport (SST) has been flying for more than two years, and although there is no known direct military application, it nevertheless would provide valuable engineering data for a follow-on strategic bomber.

In addition, there are indications that a new prototype strategic bomber is now flying in the Soviet Union. Available information points to a variable-sweep-wing, supersonic aircraft with range improvements over the Badger and Blinder. Further indications are that it might be air-refuelable and could possibly carry a long-range air-to-surface missile, thus giving it an intercontinental capability. Since this prototype possibly is already flying, its deployment could, if it became operational, precede that of the USAF B-1 by several years.

Despite predictions to the contrary, the Soviets have made only minor reductions in their strategic bomber force during the past six years. We see a continued reliance on a mixed strategic force concept similar to our own Triad. In view of reductions in United States air defenses over the past several years, the relative threat becomes even more apparent.

SOVIET AIR DEFENSES

In order to gain a full appreciation of Soviet strategic strength, one must look at the defensive forces, as well as their offensive forces. By almost any yardstick, overall Soviet aerospace defenses are the strongest in the world. In all defensive categories, from anti-aircraft artillery to antiballistic missiles, their forces are quantitatively superior. For example, with a land area not quite three times that of the US, they have from five to twenty times as many radars, surface-to-air missiles (SAMs), and interceptors. Furthermore, programs to improve air and missile defenses continue, and they have made

significant progress in antisubmarine warfare.

Air defense radars number in the thousands and provide extensive warning and interceptor control throughout the Soviet Union. One feature—overlapping redundancy—characterizes the mass of warning and control radars. These radars span the full usable frequency spectrum and incorporate all the latest advancements to counter electronic jamming. In addition, the Soviet Union has under way an extensive program to improve their ability to detect and track low-flying bombers.

A key new development in air defense that may be deployed later in this decade is an airborne warning and control system (AWACS) aircraft, which could extend Soviet detection of penetrating bombers by a considerable distance. Even without advanced technology, it could probably detect low-altitude aircraft against the background of a calm sea. In any event, the AWACS could further complicate our bomber penetration problems.

The fighter-interceptor inventory is an impressive level of more than 3,000 aircraft. Some of them are older aircraft—1950 versions—but most, including the MIG-17, MIG-19, and MIG-21, are still effective aircraft and have good all-weather capability. Production continues on the MIG-21, which is employed throughout the Communist sphere of influence.

A dynamic modernization program has seen the introduction of a new fighter aircraft about every eighteen months, and in the past five years, three new fighters have become operational. One of these is the Fiddler, a large, long-range interceptor that could be a perfect complement to the AWACS. Another is the Flagon, a small, fast, point-defense interceptor that has been in service for more than two years. The Foxbat, a long-range, Mach 3 class fighter, has established several speed, payload, and altitude records and still holds two official world speed records over a closed-circuit course. This aircraft may be equipped in the future with radar and armament to attack low-altitude aircraft. We believe it was recently deployed as an air defense interceptor and may have a tactical role in the future.

SURFACE-TO-AIR MISSILES

The fighter-interceptor force is supplemented by an extensive deployment of surface-to-air missile (SAM) systems—on the order of 10,000 launchers—again illustrating the Soviet penchant for massive firepower. Besides numerous anti-aircraft artillery weapons, the Soviet Union has literally thousands of surface-to-air missile launchers in both fixed and mobile configurations. In accordance with their policy of retaining older, proved systems, the SA-1, designed for defense against mass raids such as occurred in World War II, is still deployed around Moscow.

The backbone of the SAM defenses in the Communist world, however, is the SA-2. This medium- to high-altitude system has been spread throughout the Soviet Union and pro-Soviet nations, including Cuba, China, North Korea, North Vietnam, and the United Arab Republic. The SA-3 has better low-altitude characteristics and thus provides an excellent complement to the SA-2s.

In addition, the Soviets also have mobile SAM systems—the SA-4 and SA-6—which are ideally suited for defense of army field units. The one remaining system—the SA-5 Tallinn system—provides an excellent defense against high-speed, high-altitude aircraft. It also has the inherent potential to intercept ballistic missile reentry vehicles. The deployment pattern for the SA-5, as we know it, adds very little to the SA-2/SA-3 coverage against the sort of air attack we can mount. We in SAC believe this to be a strong argument that the SA-5 Tallinn system was

deployed with a dual purpose in mind: air defense and ballistic missile defense. This thesis will be developed further in the discussion of Soviet ballistic missile defense.

ANTISUBMARINE WARFARE

The Soviet Union has declared its intentions on and beneath the high seas as illustrated by a well-documented naval production program. The naval exercise Okean in 1970, which was the widest in scope ever attempted by any navy, and displays of naval presence in the Mediterranean and Caribbean Seas are well known. Less well known, perhaps, are the two large helicopter carriers—*Moskva* and *Leningrad*. These ships carry sophisticated electronic gear for detection and tracking of submarines, and armed helicopters to attack undersea vessels.

In addition to the helicopter carriers, the Soviet Union has developed several long-range, land-based aircraft for the antisubmarine warfare (ASW) mission. These aircraft probably are equipped with a high-resolution radar and magnetic anomaly detection equipment, using torpedoes and depth charges as weapons. The long-range naval version of the Bear bomber could also be used for the ASW role. With such an aircraft recovering in Cuba, as has already been done with the reconnaissance version of the Bear, it would be possible to cover the entire North Atlantic in a routine fashion.

BALLISTIC MISSILE DEFENSE

The third portion of the Soviet Union defensive system is ballistic missile defense, where there is considerable activity under way. The deployed Moscow system consists of sixty-four launchers in four complexes, supported by several radars. Dr. John S. Foster, Jr., the Department of Defense Director of Defense Research and Engineering, described this system as a "relatively complete ballistic missile defense" and also stated that there is "no reason to doubt the effectiveness of this system."

About five years ago, construction began on extremely large and powerful early-warning acquisition and tracking radars designated Hen House. This is a giant radar, approximately 900 feet long and ninety feet wide, providing early-warning acquisition and tracking functions. A new acquisition radar, known as Dog House, stands hundreds of feet tall and provides refined data for improved battle management. Final target tracking and missile guidance probably is provided by large, dome-covered tracking radars known as Try Adds at the four Moscow sites.

The interceptor weapon associated with the Moscow ABM system is a multistaged missile designated Galosh. It probably has a range of several hundred miles, can carry a nuclear warhead of one to two megatons, and appears suitable for a high-altitude area defense. As now deployed, it could give the Soviets some capability against Minuteman or Polaris missiles on northern trajectories. Completion of this entire system is still two or three years away, when the half dozen Hen House installations around the Soviet Union are operational.

However, some estimates do not limit the ABM missile inventory to just the Galosh, since the SA-5 Tallinn system has the potential of a second system. It has been pointed out that it could have considerable capability in making successful intercepts of incoming ballistic missiles if the system is given information from the aforementioned large ballistic missile acquisition and tracking radars.

In addition, extensive research, development, and testing of new and improved ABM components is under way. The sum total of these efforts indicates that by the mid-1970s the Soviets could have 2,000 or more ABM launchers defending all important industrial areas in the Soviet Union.

SOVIET R. & D.

Underlying this strategic buildup, which has been accomplished in an incredibly short time, is a dynamic research and development program efficiently managed and adequately funded. Again quoting Dr. Foster, "The Soviet Union is now about to seize world technological leadership from the United States." The basis for his conclusion is the comparative state of technology between the two nations and the current level of research and development efforts. The United States still retains an edge in overall technology, but unfortunately this edge may exist in nonessential or irrelevant areas.

Three features characterize research and development practices of the Soviet Union. (1) They are bold in their approach to program concepts. Construction on the large Hen House radar, for example, actually began several years before a working interceptor to complement it became available. (2) The Soviets organize their system development around a few prototypes, most often pitting two teams of designers against each other. The wide variety and variations of USSR fighter aircraft are examples of this methodology. (3) They seldom abandon a proved piece of equipment or system, but instead, rebuild or modify it to improve its usefulness or extend its life. Prime examples of this are the numerous modifications made to the Bear heavy bomber and the versatility of the SS-9 missile.

Allocation of funds and qualified personnel indicates heavy emphasis on research and development. Soviet efforts in defense-related R&D have exceeded those of the United States. The Soviets have expanded their research, development, test, and engineering (RDT&E) budget annually by ten to thirteen percent while the United States RDT&E budget has remained essentially constant. Looking at military, space, and atomic energy R&D, the US is already behind about \$3 billion a year.

The production from this Soviet effort is phenomenal, and has had disquieting results in at least three major military areas. The Soviets have publicly flown twenty-five prototype bomber and fixed-wing, support-type aircraft in the past sixteen years. The regularity of their production output is amazing and apparently quite unaffected by the high-priority missile and space programs. In the last twenty years, fifteen fighter systems have been developed. All have flown at least in the prototype stage and have been seen in public. Since 1957, the Soviets also have designed and tested a total of eight defensive ABM and SAM missile systems. The emphasis on development, initiation of programs, and competition between systems is evident.

COMMUNIST CHINA

By far the gravest military threat to the United States today is posed by the Soviets' massive strategic power. However, one must also keep an eye on the emerging threat from the Chinese Communists. The Chinese apparently are convinced that the possession of a strategic nuclear strike capability will greatly enhance Red China's bargaining position throughout the world.

As a step toward attaining this goal, the Chinese thus far have achieved a modest nuclear capability. They have conducted nuclear testing since 1964, totaling eleven detonations. Several have been thermonuclear devices, including both air- and, possibly, missile-delivered weapons, with yields in the megaton class.

They are working hard on all forms of delivery systems. The Chinese have successfully orbited two satellites, one in the spring of 1970, and one in March of this year. The technology displayed in launching these nearly 400-pound payloads provides an insight into their missile potential. Based on their demonstrated space technology, the start of ICBM testing could occur at any

time. Following testing, an operational ICBM could become available as early as 1973 and could be deployed in limited numbers (ten to twenty-five) by late in the decade.

A parallel potential exists with mid-range ballistic missiles. Although the Soviet Union provided MRBMs in the early 1960s, the Chinese have been testing their own designs. It seems likely that they have developed an indigenous missile, and limited deployment could have begun already. A force of eighty to 100 MRBMs could be available by 1975. Emphasis in their missile research and development appears to have shifted last year to the development of an IRBM. This system could be operational within one or two years.

The present Chinese nuclear-capable delivery force consists of a limited number of medium-range bomber aircraft. These bombers include about ten B-29 type piston aircraft acquired from the Soviet Union in the late 1950s. They also have a small but growing jet-powered medium bomber force of Chinese-produced Badgers.

Communist China's air defense is a vintage version of the USSR's, with 3,000 fighter aircraft, mostly of Soviet design. Indications are that they may now be producing domestically designed fighter aircraft. A radar network supporting these fighters consists of nearly 1,500 air defense radar sets. In addition, key targets are protected by more than fifty surface-to-air missile sites and nearly 4,500 antiaircraft weapons.

While growth of the strategic forces of the Chinese Communists is hardly comparable to Soviet growth, the threat they pose does include improvements in all areas. The medium-range bomber force is expected to continue to grow at a modest rate. Missile deployment may have begun last year with MRBMs, followed by IRBMs, with an ICBM at the earliest by 1973. By the mid-1970s, total missiles on hand could reach as many as 125.

THE GROWING THREAT

In summary, there is no doubt that the threat is growing. The Soviets are testing improvements for three types of ICBMs and may be deploying a completely new system. Steady growth is also evident in the submarine-launched ballistic missile force, and testing is under way of a new sub-launched missile that could double the range of the current missile. They continue to maintain a large strategic bomber force, and a new bomber is undergoing extensive testing.

Although the Soviets already have superiority in all stages of air defense, they are deploying improved surface-to-air missiles, fighter-interceptors, and are working on antisubmarine and ballistic missile defenses. Finally, they are striving to build the world's finest technological base to support their expanding research and development program, which will provide them with options for the future.

The Chinese Communist efforts to attain an independent strategic force only complicate the problems facing the United States.

The impact on the United States and its overall strategic posture is at least threefold: First is the threat to the US Triad of strategic forces, in their daily posture, from the Soviet ICBMs, SLBMs, and antisubmarine warfare forces. Second, the penetration of defenses becomes increasingly difficult, for both US bombers and missiles. Finally, the enlarging and more complex strategic offensive and defensive system complicates the deterrence task of our strategic forces.

This article has focused on the strategic threat—offensive and defensive—but Soviet developments in tactical air, land, and sea forces are equally imposing. They have built an impressive force covering the full spectrum of warfare. Coupled with emerging Chinese military power, the threat to the United States is ominous and growing.

MULTINEEDS JUSTIFY
MULTIRESponses

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HOSMER. Mr. Speaker, I am often impressed by the pleas of those who consider themselves ecologists, environmentalists, and conservationists for devoting some remaining natural spot to its original pristineness for all time. I am impressed by these pleas because it is also my nature to place a high value on the preservation of as many such locations and values as is possible.

There are many amongst us who view things likewise. There are also many who do not, but their priorities are just as sincerely and honestly arrived at as are those of the most ardent naturalist, even if they place no value at all upon nature as such.

Somewhere in between are probably the vast majority of people who want wild rivers and grand forests, want chemicals, electricity, and pharmaceuticals, want clean air and automobiles at one and the same time, and generally hold that a fairly large amount of compromise with the natural state of things is the inevitable cost that must be paid for the benefits of membership in a modern industrial society. Moreover, it is a premise of our political structure that the majority shall have its way. That is another way of saying that ours is a Government "of the people, by the people and for the people."

Possibly nowhere is this tugging and hauling between the philosophical opposites in our society and the eventual centrist determinations made in between more cleanly visible than in the multiple allocation of water between municipal, industrial, agricultural, fishing, recreation and other possible uses. And, possibly no where than in our arid West has this division been more critical and carefully made. It has enabled man to stay alive, flourish and prosper there. It has also provided him reasonably with the amenities of life and nature.

Because our number of people continue to enlarge, the need to allocate diminishing supplies of water also continues. In California the difficulties involved in this allocation process and the requirement for multipurpose allocation are plainly set forth in the following letter to the editor, dated June 25, written by the president of the California Water Resources Association:

CALIFORNIA WATER
RESOURCES ASSOCIATION,
Glendale, Calif., June 25, 1971.

Letter to the Editor,
San Francisco Chronicle,
San Francisco, Calif.

DEAR SIR: The California Water Resources Association believes that the current move to fence off from development three major river systems in Northern California reflects a general lack of understanding of California's long-range water needs and the tremendous benefits afforded all Californians from multi-purpose water projects. While this Association agrees with the concept that

some rivers, or portions thereof, should be preserved in a free-flowing state, we believe that such designations should be made only after thorough study. We, therefore, oppose Senator Behr's wild rivers bill. We cite the following water facts:

1. Pending state and federal "wild rivers" Legislation would fence off 42 per cent of California's water resources, located in the Eel, Trinity and Klamath River basins. This state cannot afford this luxury since no proven alternative sources of water are available and California's population by 2020 is expected to soar to 45 million persons—it is now 20 million—boosting total statewide water demands from 30 to 40 million acre-feet a year.

2. The 1960 Burns-Porter Act authorizing the State Water Project—approved by the voters—provides for development of North Coast rivers as needed to maintain the yield of the State Water Project and augment the Sacramento-San Joaquin Delta. Sometime in the 1990's, it is now estimated, about 700,000 acre-feet per year of water must be developed to firm up project supplies. Much larger amounts may be needed to maintain the Delta environment.

3. Most of the counties in which these three rivers are located, joined together as the Eel River Water Council, want development of the Eel to control "killer floods" and to meet their own soaring water and recreational needs.

4. The Eel River Water Council, as does CWRA, shuns the "meat-axe" approach of wild river legislation, favoring instead more moderate legislation introduced by Sen. Randolph Collier of Yreka providing for basin-wide studies of multi-purpose benefits accruing from development of some rivers as well as the need for some free-flowing rivers or segments thereof.

5. State projections show that water-oriented recreation in California will increase tenfold by 2020 to a staggering total of 2.5 billion annual visitor days, much of which must be provided by multi-purpose water developments including reservoirs. To fence off 42 per cent of this state's water resources for the benefit of a hardy few at the expense of the millions who enjoy water projects seems unrealistic. Many reservoirs already are enjoying maximum use. Visitor rationing is even practiced at some during holidays. Certainly wild rivers legislation is destructive of broad recreational goals of this state.

Proponents of wild rivers legislation cite recent statements by the director of the State Department of Water Resources that a "breathing spell" in North Coast water planning has been afforded by a moderate slowdown in state population growth. In view of this, certainly the haste of some preservationist-minded people to wall off in perpetuity these waters, before adequate studies are completed, seems quite unnecessary.

Sincerely yours,

F. W. RUSSELL, President.

SUPREME COURT'S SHOCKING
DECISION

HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. THOMPSON of Georgia. Mr. Speaker, freedom of the press is a topic much on our minds these days as a result of the recent Supreme Court decision in the New York Times and Washington Post cases. It has come to my attention

that at least one of the Nation's great newspapers, the Nashville Banner has exercised that freedom by dissenting from the High Court's ruling. Under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the Banner's editorial entitled "Supreme Court's Shocking Decision Heavy Blow to Responsible Free Press":

SUPREME COURT'S SHOCKING DECISION HEAVY
BLOW TO RESPONSIBLE FREE PRESS

It is a shocking ruling the Supreme Court handed down yesterday by a vote of 6 to 3 in the case of the pilfered Pentagon Papers—a formidable blow in terms of injury inflicted to a base point of government responsibility; and an invitation for the swift deterioration of liberty into license where free expression, the press and other media are concerned.

Thoughtful minds will accord gratitude to Chief Justice Warren Burger, and Associate Justices Harry Blackmun and John M. Harlan for putting their country first in the dissent they registered.

The decision may give aid and comfort to those who believe in unfettered license, but in the opinion of this newspaper, sooner or later the Supreme Court and the country, itself, will wake up and find that an almost fatal blow has been dealt to a responsible free press, which has been the principal guardian of all the rights guaranteed under the First Amendment; indeed, under the whole Bill of Rights.

True, all the ramifications of danger were not spelled out, nor precisely defined, in the government's argument for recovery of these documents and against self-assignment by the New York Times, the Washington Post, et al., of the power to declassify and publish. Those who naively contend that anything within reach of prying hands is fair prey for fencing and exposure are splitting hairs and slurring the very image of a responsible press. Newspaperdom, American style, may be enterprising in behalf of scoops—but not, historically, to the point of breaching top secrets in the category of military records and the diplomatic pouch.

Just as historically, the responsible free press has exercised self-discipline; honored confidences, and even in war-time held in contempt such operational misconduct as would have warranted censorship.

Let it be said that the rights of the Fourth Estate are not diminished by exercise of self-restraint dictated by enlightened concern for the national security and welfare. Let it also be said that such rights are not properly in conflict with the basic right of delegated Federal authorities to protect classified, security-related information from promiscuous prying and exposure. Exactly that conflict occurred in this case, precipitated by the individual who—out of Dove-oriented discontent with the war—appropriated the papers in question, and obviously peddled them to the Times.

The documents, note it, had been in the inactive files since 1969 until suddenly they were triggered for an outlet, as if delay of such exposure would imperil the government or somehow all at once trespass on what is called "The people's right to know."

The state of shock into which much of officialdom apparently has gone in the long controversy over a frustrating war—further stunned by self-abuse and accusation—may have dulled the normal powers of perception where principles are concerned. It may even account for the inability of some to distinguish between delegated authority and free-lance pilfering where classified material, up for grabs, is concerned. *What is incredible is that the Supreme Court of the United States cannot make that distinction; and six of its*

members apparently are so infatuated with permissiveness as a way of life contemptuous of authority that they automatically sanction it in such a case as this. In it a "free expression" prerogative is contorted to outweigh and eclipse the premise of government responsibility, in the latter's own internal and external operations respecting security.

The Nashville Banner yields to none in its concern for freedom of the press and freedom of expression. It has led the battle for these at home and in this hemisphere—for it has recognized them as the first line of defense against dictatorship. It would point out, however, that no freedom in this regard is absolute; and intelligent use of freedom is essential to its preservation. Freedom of the press is not total, for it is subject to the laws against libel, obscenity, slander and treason.

There are intelligent and responsible ways to honor freedom of expression—historically the prerogative here; and irresponsible ways to treat it.

The New York Times, screaming thus in court that it had been abused, and its rights impinged—hardly was honoring those rights when, along with and through its Latin American reporter, Herbert Matthews, it used them to initiate and maintain the fiction that Fidel Castro was not a Communist, but was Cuba's reincarnation of Simon Bolivar. Insofar as its influence went in those days, it served as a Newsprint Curtail across the otherwise clear face of fact. Nobody proposed to gag it, though millions must have gagged at its misrepresentations. Notwithstanding which it still regards itself as the bellwether of the flock.

The issue in this case—as it should have been presented, for a factual confrontation in court—was not the merit or demerit of what had been published, but the essential guardianship of privileged information, details of which as now admitted did involve security matters. With this as a precedent, what assured protection is there of government-secret documents?

For the duration of this ruling—and the broad sweep of hazardous premise embraced in it—you can kiss goodbye to valid considerations of security information, privacy, and classified documents. And you can wave farewell to our relations with all other governments who could never trust us again, and which, as David Lawrence reports on the editorial page today, have bitterly protested this breach of confidence.

The nation will live to regret a decision validating an act of recklessness unmatched in U.S. history for grievous consequences. In view of the folly thus compounded, the wonder is that the court did not just order it instantly and unceremoniously after that hearing Saturday, instead of stretching out the suspense for four days.

WELFARE REFORM

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. DENNIS. Mr. Speaker, I have long advocated the wisdom of a trial run—limited in time and space—for the President's new welfare program, before we irrevocably double the welfare rolls and establish the principle of a federally guaranteed annual income, in the mere hope, without knowledge, that this pro-

gram may eventually reduce the welfare burden.

That same position is taken by an editorial in the Chicago Tribune for Sunday, July 11, 1971, which I call to the attention of my colleagues and to that of Members of the other body:

FOR MORE TRIAL, LESS ERROR

Wishful thinking has never cost as much as in the programs voted by a succession of United States Congresses for the elimination of poverty. And now the Senate is about to take up the latest, most ambitious, and probably costliest plan of them all—President Nixon's family assistance program.

The record of past achievement has been less than spectacular. Consider the following bench marks:

In 1928, Herbert Hoover said "we are nearer to the final triumph over poverty than ever before . . . The poorhouse is vanishing from among us."

In 1937, Franklin Roosevelt saw "one-third of a nation ill-housed, ill-clad and ill-nourished." That would have been 42 million people.

In 1960, John F. Kennedy's campaign oratory echoed with concern for the "17 million" Americans who went to bed hungry every night.

In 1964, Lyndon Johnson spoke of the "forgotten fifth" of the country "who have not shared in the abundance." That would have been 38 million people.

During this period the welfare spending of all levels of government has risen about 100-fold, with direct payments running about \$15 billion a year and total welfare-connected spending about \$80 billion. The Nixon program was originally tagged at \$4 billion for the first year. Present estimates are closer to \$10 billion, and liberals denounce it as niggardly.

Sen. Abraham Ribicoff of Connecticut, a 14-karat liberal, says that "the time has come for America to enact a welfare program designed to eliminate poverty in America" in five years. That, of course, is what the sponsors of most of the earlier programs said theirs were designed to do.

The country simply can't afford to let its welfare costs go on expanding as they have, in good times as in bad, with so little to show for the money. They are threatening to bankrupt states and cities and contributing enormously to the federal government's deficits. What reduction there has been in poverty in the last 20 years is attributable far more to the country's unparalleled economic growth than to the welfare programs.

The current issue of U.S. News & World Report raises the question whether poverty is soluble at all. It is, after all, a relative thing. When Russians saw pictures of American poor in the movie version of John Steinbeck's "Grapes of Wrath," the message was utterly lost because the viewers were amazed to see the "poor" wearing shoes and even driving cars. There will always be a "poorest fifth," we are told. Some say the poor are chronically unable to discipline themselves to work, while at the other extreme are those who excuse all of the poor as victims of circumstances who can be put back on their feet with a little help.

We mention all of this not as an excuse to ignore the problem of poverty but rather as a reason to stop trying to enact crash solutions to a problem about which people know so little and disagree so much.

There are many promising aspects to Mr. Nixon's program. By putting the emphasis on families with children, it might break the hereditary cycle of dependence on welfare. By its work incentives, it may help to put more people on their own feet. But compared

with the vast cost of the program [which Congress will push up every time it wants to court the voters], the hopes of achievement are limited and the chances of calling the program off if it fails are next to nil.

Wouldn't it be wiser to stop plunging headlong into vast and uncertain ventures and start trying out these theories in limited localities first, so as to see how they work? The government has done this occasionally in other areas. And we can't think of a more important one than this.

FREEDOM: PRIVILEGE OR OBLIGATION

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. DICKINSON. Mr. Speaker, I have just read an article by Sp4c. John A. Meadows, U.S. Army, entitled "Freedom: Privilege or Obligation." The author, a young serviceman, won a Freedoms Foundation award for this gripping account of how he came to understand the value of freedom and the price it demands.

The article was presented in the July-August 1971 edition of the Exchange magazine on the occasion of Independence Day 1971 lest we forget our obligations to preserve and protect the freedoms still being fought for and paid for in human blood.

I strongly commend the article to your attention:

FREEDOM: PRIVILEGE OR OBLIGATION

(By Sp4 John A. Meadows, USA)

A menagerie of freedom-fighters is found in America today; the young and the old, the educated and the illiterate, the "meant-to-do-well" and the "bent-to-do-hell." I had listened, watched, waited and hoped that some day, I too would have a cause, a knowledgeable idea of what freedom was all about. Finally, although it took a cruelly traumatic incident, I came to know freedom as a lifelong privilege. I now know that in order to preserve and maintain that privilege, a single, self-sacrificing obligation must be made. Herein lies the incident; the unalterable, a revelation man dies to possess: Herein lies freedom!

I had a friend once, not too long ago. I am sure you know the kind. I could tell him a secret and I would know for certain, that no one would ever hear it. It was during our senior year in high school, that my friend was overcome with a surge of patriotism and the "must" to serve our country. I went on to college, and my friend went into the army. I didn't hear from him for a long time, and then one morning, I received a letter in the mail. I tore open the envelope and began to read. I couldn't tell if it was the mud-spattered paper, or the stains my tears were causing, that made it difficult for me to read on. My friend wrote of his fighting for "Freedom's Cause" and of one blood-chilling morning. . . .

"The sprinkle of rain has turned to a downpour, but still we march on. The mud and sweat, the dirt and grime; all have grown to be a part of me. I am trying to write to you a little each day, so you will know I have not forgotten you. As we march on, our feet keep up a steady, mechanical rhythm. When the Lord created this hell hole, He must have

turned His back afterwards, and cursed Himself badly. The swamp makes violent attempts to drag you under, and the steaming jungle makes your blood flow hot. I have watched men die from some inner torment, which eats at their very souls as the days go by. I can only pray that I am not affected the same. I do not know how much more I can endure, but yet I must go on. We must march on now, through a forested ravine, dark and forbidding. A village is somewhere nearby, but no sign of life can be found. The air has become increasingly silent, and if it were not for the gentle breeze shifting the trees, it would be as still as a sleeping babe. You cannot imagine the horror of watching your buddies die before your eyes, with the only medicine available being a comforting word and a hand to hold in the last few minutes before death ascends. My heart nearly dies within me, when I hear the scream of bullets fill the night air, and someone cries out from the front line, "Medic, dear God, dear God, help me . . ." How bright blood is against the night! The only comfort I have, is knowing that in my heart, I know I am doing right. I know that some day, some one will know Freedom for the sacrifice I am making. Friend, I cannot tell whether my eyes are playing tricks on me, or if a nearby bough is blowing in a gentle breeze. God help me; there is no breeze!"

There was another enclosure in the envelope, which I had overlooked at first. It was a written letter from a Red Cross worker who had been with my friend in the hospital, just before he died.

"Since your friend had asked that you be told of his misfortune; though I have tried my best to revive his spirits, I am writing this letter for him. He is incapable of writing, and should not be talking, but he has insisted that I listen, and write. The following are his words:

"Friend, though I will never be able to hear your voice again, nor share a secret with you, I do not want to leave this world without saying good-bye. I may have been afraid of dying some months back, but while passing through a village a few days ago, I came across a small girl, who had been wounded in a bloody battle, and left to die. She had been stripped naked, beaten severely, and pinned to a tree with strips of barbed wire; left as a feast for the animals of the night. As I approached her, she looked up at me with pleading eyes; eyes filled with a plea to be grasped from the clutches of death. I unraveled the barbed wire, and caught the girl as she fell sobbing into my arms. She was with me when that branch began to shift on its own, and I guess by instinct, I fell on her as a protection for what I thought was surely going to happen. I suppose that was when the sniper got me. But during those last few seconds of consciousness, that child spoke these words, which I shall remember for all eternity: 'The birds are back again, and the sun is shining now. You will take your place among the stars in Heaven, for you have given me my freedom. Dear Heavenly Father, be kind to him. Amen.' I must have blacked out then, for when I came to, I was in the hospital. Yes, she talked of freedom, and now I know I have done something to preserve that freedom; I have fulfilled a self-sacrificing obligation, and I have preserved that freedom, to grow and mature like a very small child . . ."

Two weeks after I received the letter, I received a small note from the parents of my friend, giving the time and place of his burial. Yes, he is gone now, buried deep, cold and silent in the earth; but he has left behind a living, breathing, pulsating force, hot and vibrant, which walks the earth which he once trod. I know that force as a cause; a self-sacrificing obligation to preserve a precious life-long privilege: I know it as freedom!

OPPOSITION TO CBS CONTEMPT CITATION

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. CELLER. Mr. Speaker, it is with some reluctance I oppose the contempt resolution against Frank Stanton of CBS.

My reluctance stems not from any doubts I have on the legal issues it raises, but because I am convinced of the sincerity of my good friend, the distinguished chairman of the Interstate and Foreign Commerce Committee, and those committee members who have brought this resolution to the floor.

However, the framers of the first amendment left us no uncertain legacy:

Congress shall make no law abridging the freedom of the press.

As recently as this past June 30, in the celebrated cases of the New York Times and the Washington Post, the Supreme Court concluded its current term with a dramatic reaffirmation of the first amendment protection afforded the writing press in fulfilling its essential role in our democracy.

We are today considering the scope of permissible congressional concern with the exercise of these fundamental rights by the broadcast press. It is well settled that broadcast journalism is entitled to the same first amendment protections afforded the other media. The teachings of the American Broadcasting Co. case of 1954 and the Supreme Court decision in the Joseph Burstyn case of 2 years earlier, were reiterated in 1969 by the U.S. Court of Appeals for the third circuit in Rosenbloom against Metromedia, Inc., a case affirmed by the Supreme Court last June 7.

The Court of Appeals noted that—

[R]adio and television were, of course, unknown media when freedom of the press was written into the Bill of Rights, but no rational distinction can be made between radio and television on the one hand and the press on the other in affording the constitutional protection contemplated by the First Amendment.

As stated by Justice Douglas, concurring in *Superior Films* against Department of Education in 1954:

The First Amendment draws no distinction between the various methods of communicating ideas.

More importantly, we must consider the question before the House against what the Supreme Court termed in its 1964 landmark decision in *New York Times* against Sullivan:

The background of a profound national commitment to the principle that debate on public issues should be uninhibited, robust and wide-open and that it may well include vehement, caustic, and sometimes unpleasantly sharp attacks on Government and public officials.

Again, we have just been reminded by the Supreme Court of the stringent limits of any permissible interference with

the unique role of the press in such debate. Last year we were told by a unanimous Ninth Circuit Court of Appeals, approaching the problem from another perspective in the Caldwell case, that it is not unreasonable "to expect journalists everywhere to temper their reporting when there is a danger they will be required to submit to interrogation" and that the "First Amendment guards against governmental action that induces such self-censorship." This is the very danger the Supreme Court warned us against in the *Times* case of 1964 stating:

The pall of fear and timidity imposed upon those who would give voice to public criticism is an atmosphere in which First Amendment freedoms cannot survive.

To be sure, we all share the grave and well-motivated concern of the Committee on Interstate and Foreign Commerce with the very real dangers of deceptive practices and abuse by the media in the exercise of their rights, but these are hardly new concerns. James Madison addressed himself to these issues nearly 200 years ago. At that time Madison, the father of the first amendment, said:

Some degree of abuse is inseparable from the proper use of every thing; and in no instance is this more true than in that of the press.

All of us in this Chamber are aware of the importance of fair reporting and truthfulness in the presentation of news documentaries but, as the Supreme Court noted in the 1964 *Times* decision:

Authoritative interpretations of the First Amendment guarantees have consistently refused to recognize an exception for any test of truth—whether administered by judges, juries or administrative officials—and especially one that puts the burden of proving truth upon the speaker.

These prohibitions, of course, apply equally to the Congress.

Even were I not convinced that the first amendment precludes the enforcement of this subpoena, I would nonetheless be reluctant to support this resolution in the light of Professor Chafee's admonition that the First Amendment is "much more than an order to Congress not to cross the boundary which marks the extreme limits of lawful suppression. It is also an exhortation and a guide for the action of Congress inside that boundary. It is a declaration on national policy in favor of public discussion of all public questions. Such a declaration should make Congress reluctant and careful in the enactment of all restrictions upon utterance, even though the courts will not refuse to enforce them as unconstitutional."

With this in mind and in light of all the circumstances here, I believe we can effectuate what is a legitimate legislative purpose without forcing a constitutional confrontation. It is my understanding that in opening the special subcommittee hearing of June 24 the distinguished chairman stated that the subcommittee already had sworn testimony and other evidence indicating that CBS engaged in questionable manipulative techniques in producing "The Selling of

the Pentagon." These already available materials supplemented by evidence obtainable from sources other than the broadcast journalists themselves—for example, from persons interviewed and from electronic specialists—could provide the necessary base for the committee to determine whether and what further legislation may be needed to protect against deceptive practices of which the broadcast media may be peculiarly capable because of current technology.

In summary, I feel we do not have the legal authority to compel the production of the desired materials, and in any event, since the committee's needs can be readily met through other sources, we should not insist upon this constitutional confrontation with the news media.

CANNIKIN TEST SHOT

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HOSMER. Mr. Speaker, approximately \$165 million has been expended to prepare for the Cannikin fully contained underground nuclear test scheduled for next October. The conduct of this test is basic to U.S. national defense as witnessed by the following letter under date of July 7 to the chairman of the Joint Committee on Atomic Energy from the Chairman of the Atomic Energy Commission:

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1971.

HON. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: I view with considerable concern the pressures that are being exerted from many quarters to force a cancellation of the proposed CANNIKIN nuclear test on Amchitka. This test must be conducted on a timely basis for many reasons.

The AEC has undertaken since July 1966 to satisfy a formal obligation to furnish the Department of Defense with a nuclear warhead in the megaton range for a special purpose important to national security. The nuclear laboratories have worked constantly on and have been given continuous support in the demanding efforts required in the development of this device. Several nuclear tests have been conducted in the program leading to this test, but they did not have the hardware improvements incorporated in the present design nor were they at the yield level to demonstrate proper final performance. In spite of our great computer capabilities and the significant strides that have been made in our ability to calculate weapon designs, we have experienced significant failures in the past with far less sophisticated weapons. The device to be tested in CANNIKIN is one of the most intricate and complicated configurations ever undertaken in the weapons program and incorporates a design that is much different from weapons now in stockpile.

Nuclear weapons explosives produce energy output and effects in various forms such as thermal radiation, neutrons, fission products, x-rays, gamma rays, and shock waves. In the CANNIKIN experiment, it is vital that these various outputs be measured to be certain

that the constituent parts satisfy the requirements of the device design. This is important to insure the proper performance of the complete weapons system to which it is related. This knowledge is far more important for this weapon in contrast to weapons now in stockpile.

While we are obligated to carry out the CANNIKIN test, it is our sincere hope that in the future international understandings can be reached which will finally make such weapons development unnecessary.

Cordially,

GLENN T. SEABORG,
Chairman.

There is a fiscal year 1972 budget item of about \$19.7 million for the Cannikin test and this includes studies and sampling programs which would be conducted following the test. It should be noted that it would cost over \$20 million should the test be delayed or canceled. This sum, of course, is miniscule in comparison to the cost in diminished national security that such a cancellation or delay would involve.

Notwithstanding a hue and cry has been raised from some quarters against the test and on July 8 a suit was filed in the U.S. District Court for the District of Columbia against the AEC and its Commissioners to declare unlawful and to enjoin carrying out the test. Generally the complaint alleges:

First. In the face of possible serious environmental risk, the AEC has failed to establish a compelling need for the test as required by the National Environmental Policy Act—NEPA—and other Federal laws.

Second. The environmental impact statement is insufficient and defective because it does not sufficiently analyze and appraise the following dangers and hazards:

The triggering of a succession of earthquakes of indeterminate size and intensity;

Tidal waves of unpredictable size and direction;

The direct venting of radioactive materials and gases into the atmosphere;

The direct contamination of the surrounding ocean by radioactive materials;

The release of radioactive materials later by natural seismic activity;

The gradual seepage and migration to the surface of radioactive material;

The destruction by both shock and radiation, of fish and wildlife;

The contamination, to an unknown degree, of fish and wildlife;

The destruction of the value of Amchitka as a natural wildlife refuge; and

Fission products being reconcentrated in the food chain.

Third. There is a substantial probability that radioactive debris from the Cannikin test will travel outside the territorial limits of the United States, thus violating the Nuclear Test Ban Treaty of 1963.

Fourth. The conduct of Cannikin would subject the lives, health and property of a large number of residents and citizens of the State of Alaska and elsewhere to dangers and hazards.

To those of us who have spent many years attempting to strike a fair balance

in the difficult area of assessing the costs and benefits of continuing efforts to keep this country from the uncertain mercies of its enemies, who have dedicated themselves unswervingly to the proposition of protecting health and safety in the conduct of atomic activities from the very inception of this technology, and who have heard many times in the past these same allegations or similar ones made and later determined to be unfounded and specious, the hope arises that in this case the District Court will deliver a timely and unequivocal decision for the Government and the people.

AGRICULTURAL MARKETING AND BARGAINING ACT OF 1971

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. BYRON. Mr. Speaker, recently I cosponsored the Agricultural Marketing and Bargaining Act of 1971 in the House of Representatives. This bill, which was originally introduced by Representative B. F. SISK and is strongly supported by the Farm Bureau, is designed to improve the bargaining position and bargaining power of farmers thus improving the net incomes of farm families. It incorporates recommendations for Federal legislation approved by the official voting delegates of the member State Farm Bureaus at the American Farm Bureau Federation annual meeting in Houston, Tex., in December 1970.

The Agricultural Fair Practices Act of 1967 established standards of fair practices required of handlers in their dealing in agricultural products. However, it did not deal with the problem of the refusal by handlers to do business with an agricultural bargaining association. It did not include an affirmative duty to bargain.

The Agricultural Marketing and Bargaining Act of 1971 fills this gap by establishing a mutual duty to bargain in good faith on the part of processors and associations of producers. It sets up national administrative machinery to delimit clearly those cooperatives to which the statutory duty to bargain extends.

To administer the program, the bill would set up a three-member National Agricultural Bargaining Board in the Department of Agriculture. The Board members would be appointed by the President with the advice and consent of the Senate. Any association of producers could file with the Board a petition for qualification, and the Board could hold a public hearing on the petition.

After an association of producers has been qualified by the Board, the Board would notify all known handlers who purchase the agricultural commodities the association represents. These handlers would then be obligated to bargain with the qualified association.

Bargaining, according to the bill, is the mutual obligation of a handler and

a qualified association to meet at reasonable times and negotiate in good faith with respect to: First, the price, terms of sale, and compensation for commodities produced under contract; second, other contract provisions relative to the commodities that such qualified association represents; and third, the execution of a written contract incorporating any agreement reached if requested by either party.

The bill would permit a qualified bargaining association to enter into contracts with handlers to supply their full agricultural production requirements. The obligation to bargain would extend only to a qualified association representing producers with whom the handler has had a prior course of dealing. Neither party would be required to agree to a proposal or to make a concession.

Handlers would not be allowed to negotiate with other producers while negotiating with a qualified bargaining association able to supply all or a substantial portion of their requirements for the product. The bill would set up a procedure whereby the National Agricultural Bargaining Board could investigate charges that either a handler or a qualified association refuses to bargain.

Current Farm Bureau policy as adopted in the Houston Convention in 1970 states:

There is a need to improve the legal foundation upon which farmers can build their own effective marketing and bargaining programs. Congress should enact legislation to improve the opportunity for farmer controlled marketing organizations to succeed.

I feel that the Agricultural Marketing and Bargaining Act of 1971 accomplishes this policy objective admirably.

ALL THE NEWS THAT FITS

HON. JOHN G. SCHMITZ

OF CALIFORNIA

Monday, July 12, 1971

Mr. SCHMITZ. Mr. Speaker, in June of 1967 the then Secretary of Defense, Robert McNamara, ordered his Office of International Security Affairs to compile a comprehensive study of the ongoing war in Southeast Asia. A copy of this massive 47-volume study, containing material ranging from "Confidential" to "Top Secret" and above, was purloined and given to the New York Times in mid-March. In a fit of irresponsibility of a magnitude unusual even for the Times—not known to be close mouthed with material which could possibly be used to discredit the United States—the paper began publishing a series of articles containing documents straight from the classified study.

When the Times series was cut off by Justice Department action, other newspapers, feeling that the public has a right to know that the Times after all these years had finally "proved" that we had started the war, picked up the ball.

When the Justice Department attempted to enjoin the Washington Post from its participation in the ongoing orgy

of journalistic revelation of stolen top secret material, Judge Gerhard Gesell, best known for his attempt last fall to suppress the publication of a report of the House Committee on Internal Security, came leaping forth expounding on the public's right to know and overturned the Attorney General's restraining order.

All in all there was quite an uproar and, in truth, the seriousness of the violations of necessary security practices cannot be underestimated. However, the general hubbub seemed to concern not so much the violation of national security practices, but rather the substance of the information which was revealed. To anyone who has paid close attention to the goings-on in Southeast Asia there was nothing substantially new revealed in the documents published by the Times.

The Times tried hard to transform various U.S. contingency plans into dark plottings. Fortunately most people realize that plans for military activity, given certain circumstances are, and must be, prepared in advance. At this very moment there are no doubt plans formulated for depositing our nuclear arsenal on the Moscow region in the event of a Soviet attack on the United States. This does not mean, however, that we are going to initiate an attack on Moscow at any predetermined time in the future.

South Vietnamese guerrilla operations which were being carried on prior to our large scale deployment of troops to Vietnam in 1965 were given top billing in the Times story, to the point where one might be led to assume that they were the secret cause of the war. Information concerning these operations was nothing new. In July 1964, Nguyen Cao Ky, then head of the South Vietnamese Air Force, had announced to all the world that for the last 3 years the South Vietnamese had been sending small teams on clandestine missions in an attempt to slow the flow of men and material coming from the North.

There is very little coverage by the Times given to the situation existing in South Vietnam at the time these operations were underway. It should be remembered that since 1961 the Vietcong had been undertaking multibattalion size operations in South Vietnam and through terrorist operations assassinating or abducting close to 1,000 South Vietnamese per month.

During 1964, when the south's guerrilla operations were at their very modest peak, the following incidents are indicative of the situation which compelled South Vietnam to take some action aimed at checking the infiltration from the north. In February of 1964, the Communists initiated a series of bombing attacks in Saigon. In April, the district capital of Kien Long in the southern tip of the Mekong Delta was overrun by Communist forces. In May, the Vietcong sank a U.S. helicopter ship in Saigon harbor. In July, enemy forces overran the Special Forces camp at Poley Krong, partially overran the Special Forces camp at Nam Dong, and were posing an immediate threat to Saigon itself. In November, the enemy mortared the major U.S. air base at Bien Hoa and com-

pletely captured the second largest province in South Vietnam. In December, the 33d South Vietnamese Ranger Battalion and the 4th South Vietnamese Marine Battalion were ambushed and destroyed and the first elements of the North Vietnamese Regular Army, the 95th, 32d, and 101st regiments, were making their appearance in the south to supplement the thousands of troops already infiltrated.

As Senator BARRY GOLDWATER recently pointed out, it was not necessary to use classified material to figure out what was going to happen in Vietnam given the situation described above. The token South Vietnamese guerrilla operations in response to this activity would hardly seem to have been overly aggressive, much less the cause of the war.

If the matter were not so serious, perhaps the best solution to the declassification controversy would be to take the tons and tons of paper on which various contingency plans, threat assessments, and policy studies concerning the Vietnam war are written and dump the entire mass into Haiphong Harbor. By the time North Vietnam is able to clear their major port they will have run out of supplies and the war will be over.

OPERATION CANNIKIN

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mrs. MINK. Mr. Speaker, in a previous statement, in the CONGRESSIONAL RECORD of June 28, 1971, I voiced my opposition to the proposed underground 5 megaton nuclear test called "Operation Cannikin" which is planned by the AEC for this fall in the Aleutian Islands off Alaska, at Amchitka.

Since my June 28, 1971, statement, I read an article which further supports my concern on this urgent issue. The article is taken from the Living Wilderness, and is entitled, "The Nuclear Sword of Damocles" by Lenore Marshall. Since we shall be debating the AEC authorization for fiscal year 1972 this Thursday in the House, I urge my colleagues to read the following article:

THE NUCLEAR SWORD OF DAMOCLES

(By Lenore Marshall)

A short while ago another nuclear accident occurred. An underground weapons test, supposedly self-contained, produced a radioactive cloud that traveled at least 450 miles, with fallout at its site that affected hundreds of people who had to be evacuated and decontaminated, and for whom ultimate damage cannot yet be ascertained.

During the years since Hiroshima—the short years previous to this newest atomic accident (which was the 17th underground test that has leaked, according to Atomic Energy Commission announcements)—we have recognized to our sorrow and terror that our entire planet has joined the wilderness in its struggle for survival; not only the wilderness but the whole world is in peril. Nothing, no matter how remote, is immune. Great tracts of fertile land, plant life and animal life in forests, plains, oceans, rivers, and lakes, have been joined by human life

in the danger of extinction. The greatest threat to the continuance of animal, vegetable, and human existence comes from the nuclear sword of Damocles that hangs over our heads.

By great good luck, despite the minor accidents, there has not yet been a massive release. However, since sources of nuclear contamination are proliferating, the chances of a major disaster are also increasing, such a disaster could devastate a number of states and cause thousands more cases of cancer and genetic defects and deaths. There is a fundamental difference between radioactive pollutants and other pollutants such as DDT, NTA, oil, and automobile exhaust. All the latter are stable compounds, and there are possibilities of eliminating them or of rendering them harmless. But radioactive atoms are deranged atoms whose high-energy emissions from the nucleus cannot be stopped or, presto, made innocent by a lawsuit or a wave of a wand; they taper off at their own rate—240,000 years for radioactive plutonium 239, which happens to be a basic element in both the military and peaceful application of nuclear energy.

Cockroaches are said to withstand the effects of radiation quite nicely. Other animals, wild or otherwise, fare worse.

Since there is no way to turn off radioactivity, nuclear pollution is in a class by itself. Therefore, to whatever extent is possible, we must prevent any more of it from occurring.

We are already the legacy of some earlier activities—radium from uranium mine wastes eroding into the Colorado and into other rivers, plutonium 238 in the atmosphere from a misfired navigational satellite (1964), and fallout from the atmospheric nuclear bomb tests. They are all, of course, still with us. For instance some of the radioactive cesium 137 will still be around 300 years from now and radioactive carbon 14 another 57,000 years. The strontium 90 fallout created by atmospheric tests was enough to work its way into the bones of almost every child tested for it in the Northern Hemisphere, according to Anthony Smith (*The Body*). Since all radiation exposure is assumed to be harmful, whether it comes from bombs, medical X-rays, nuclear power plants, rocks, or the stars, what counts is the amount we accumulate and which we can still limit. The only hopeful thing to be said about this peril is that it is still possible to control it, keeping doses of radiation to safer permissible levels.

The biggest radioactive burial ground in the world lies in Nevada only 75 miles from Las Vegas, and consists of 250 square miles of contaminated desert surface pocketed with deadly plutonium 239. Under the surface, as well, lie hundreds of pools of radioactivity; some radioactive tritium is contained in the waters beneath the surface. This no-man's-land is mentioned in a paragraph within a report of the Atomic Energy Commission to the President's Council on Environmental Quality. If an earthquake or some other disaster, man-made or natural, were to strike this land, there is no knowing how vast would be the damage.

This is only one of many instances of pollutant destruction related to A.E.C. blasts and experiments. There is no way of estimating how much radioactivity is being released to the environment from all sources; however, what is known is that the amount of radioactivity and the damage from it are adding up. Since 1957 the A.E.C. to date has conducted over 200 tests in Nevada, plus two in Mississippi and two in Alaska. During 1970, through October 14, the United States detonated 23 underground bombs, the Russians six. An estimated 33 per cent of the underground explosions vent some radioactivity into the air and, probably, gases

seep to the surface eventually from all of them. Regarding Alaska, an A.E.C. contractor has calculated that the MILROW test in October 1969 could start discharging radioactive hydrogen into the ocean in six years and continue discharging for the subsequent 66 years. In 1966 ecologist G. G. Polykarpov warned that the oceans already have all the radioactivity that they can tolerate and that fish embryos show damage. Nonetheless new underground tests, the largest we have ever held, are being planned for Alaska, and in an active earthquake zone.

From sources other than nuclear bomb tests the danger and the damage proliferate. There are about 20 experimental nuclear power plants in operation in the United States now; the A.E.C. expects to license 450 to 650 more in the next 30 years. Each plant accumulates in one year as much long-lived radioactivity as in several hundred Hiroshima bombs. Construction and active preparations are presently occurring in 28 states and in Puerto Rico. Peaceful "Flowshare" underground bomb tests, proposed by the hundreds, would create contaminated gas, oil, and possibly copper for nationwide distribution. Pilot projects have been blasted in Arizona and Colorado; Wyoming is probably next. Nine "Flowshare" excavation bomb experiments for building canals and harbors have produced contaminants; a recent one produced radioactive air as far from the Nevada test site as Boise, Idaho. Thus the "peaceful atom," a kindly-sounding benefactor, may require a bit more assessment.

Radioactive material is being more and more widely used in industry, raising problems of disposal. In Florida, the country's first commercial nuclear sewage disposal plant is using radioactive cobalt. Storage of radioactive wastes is a mammoth problem. Altogether, there are over 100 million gallons of high-level radioactive waste stored in tanks in South Carolina, Idaho, Washington, and New York states. Storage tanks tend to disintegrate under the intense radioactive bombardment and heat; so far, 60,000 gallons have leaked from such tanks into the ground. The A.E.C. is working on techniques for solidifying the waste, but the process is so expensive that the A.E.C. hopes to dump millions of gallons of unsolidified waste into underground excavations along the Savannah River. At the A.E.C.'s Hanford installation, there are open "dribble trenches" for so-called "low level" wastes. In March 1970, ducks drinking from these trenches were found to be so radioactive that eating them would give a person five times the annual "permissible" dose of radiation. And oysters at the mouth of the Columbia River are re-concentrating radioactive zinc released far upstream at Hanford. In New Mexico, radioactive waste is pumped into deep wells, stored, and allowed to seep into desert soil. Monitoring has sometimes been casual. At one commercial plant in West Valley, New York, after official denials of hazard, a group of citizens found radioactive levels in a creek to be 30,000 to 100,000 times higher than levels permitted by the A.E.C. During a test of the nuclear space rockets in Nevada in 1965, levels of air contamination on U.S. highway 95 between Reno and Las Vegas rose temporarily to 200,000 times their normal level.

When plutonium 239 fails on the test site in Nevada, the land is fenced off and posted. The problem is how to confine that plutonium to that fenced-off place, against wind and oxidation, for the next 240,000 years—when it will no longer be able to hurt us. Near Denver, Colorado, local scientists have proven that significant amounts of plutonium have escaped from the Rocky Flats plant where warheads are manufactured. After denying the possibility, the A.E.C. has confirmed the findings.

A recent medical report in the *Journal of the American Medical Association* states that among the young people of Rongelap Atoll in the Pacific who were accidentally exposed to fallout during the 1954 tests, the majority have developed thyroid abnormalities, many of them malignant.

Today's environmental crisis proves that much modern technology now actually functions to the detriment of society. It has become disoriented from society. Science and scientists are not omniscient; in fact many scientists are attached to special interests in government and industry. As Doctors John W. Gofman and Arthur R. Tamplin say of science and technology: "They offer credibility to the proposed ABM system and thereby offer thinkability to a nuclear war; they create the illusion that if we really get into trouble with our environment, science and technology will be able to rescue us; and they divert the scientific manpower away from more meaningful programs." Thus, within the fact that there are seismic, tidal wave, and radioactive hazards from nuclear weapons-testing underground, there lies the greater danger that weapons-testing is part of a general framework of thinking that war is thinkable.

Doctors Gofman and Tamplin continue: "Science in itself is not bad or good; that is why it has no ethics. Without application, science is meaningless. But most of science in this country is meant to be applied, and hence the government, hand in glove with industry, rules over science by controlling the purse strings. . . . Quite obviously we need a mechanism for effectively criticizing present day science and technology, and for articulating a new set of priorities that would lead science and technology to fulfilling the needs of society. . . . They must offer alternative programs that represent routes to the solution of the needs of society." Doctors Gofman and Tamplin propose an Adversary Center to consist of a group of distinguished scientists who would criticize any new application of science until it has been impartially scrutinized. In terms of the human condition, an Adversary Center would assist technology, and would base its rationale on the continuance of life of the human species. It would take up arms against the concept of the obliteration of man and of his beautiful earth, his wilderness and his cities, and of the civilization he has built.

It is argued that the country's increased need for electrical power necessitates nuclear plants and that defense needs necessitate further weapons development. As for the latter, since we already have means for overkill beyond that of any other country, and since the continuance of the arms race leads to a deadly tit-for-tat psychology that can only end in catastrophe, the sooner a moratorium on development and accumulation of nuclear weapons is called the safer we shall be. If the world aims at universal disarmament, perhaps elephants and seals and eagles and sparrows and pine trees and fish and roses and children will survive. A moratorium on the burgeoning nuclear reactor business must similarly be called.

What are some of the alternatives? Without nuclear energy would there be brownouts? Would a million sparklers around advertisements be cut in half? Would the electric carving knife not cut? The answer is that we can obtain the power we need. The lights will not go out. Even if this were the case, one must ask which is more important: more lights or life itself? Moreover there are safer alternatives to nuclear electricity. There is the further development of fossil fuel, which may be better utilized and made "clean" by means of new processes. There should be investigation of magnetohydrodynamics (MHD) and work on fusion and geothermal energies. Promising

work is being done to develop the use of solar energy; it is said that the sun's heat falling on Death Valley alone could solve a multitude of power needs. Certainly, much electric energy that is wasted today could be conserved.

The public is entitled to demand information from the government and to say, Stop! to nuclear danger until plans are submitted for impartial scrutiny. There are a number of citizen groups which are fighting for safety from nuclear pollution. Two new committees have recently been launched, one to act as a clearing house and action center to bring about safeguards, the other as an information and educational center. They are, respectively, Task Force Against Nuclear Pollution and Citizens Committee for Nuclear Responsibility. They may be reached through Suite 1200, 111 East 58th Street, New York.

The marvel of our mass society, of our intricate civilization, of our establishments and vast impersonal structures, is that the individual can always do something. The individual has always performed miracles, and he still can. He can save his wilderness, he can save animal and vegetable life, he can save himself. He can understand his predicament, and if he has the will to do so he can take steps to save what he loves; one man—one woman—can start to build a bridge whereon others may walk. Will individuals tackle this new proliferating danger before it is too late?

INEQUITY AND UNFAIRNESS IN REVENUE SHARING

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. BOGGS. Mr. Speaker, last year the Federal Government distributed \$55,011,910.37 among 26 States as their rightful share of revenues from Federal lands within their borders.

In Wyoming, Federal lands produced \$50,112,711.23, of which \$18,792,266.11—or 37½ percent—was returned to the State.

No one argues that Wyoming is not entitled to that money, for it is the State government that paves the roads, educates the children, and provides literally hundreds of services which make production on those Federal lands possible.

Last year, Federal lands off the shores of Louisiana produced more than \$237,000,000 in revenues. Louisiana, which provides the services which make offshore production possible, shared not one dime of those revenues.

The inequity and unfairness of this arrangement has been the subject of a recent series of articles and editorials in the New Orleans Times Picayune. I am inserting them in the RECORD and calling them to the attention of my colleagues:

DISCRIMINATION—FEDERAL STYLE, IN REVENUE SHARING

Federal lands in Wyoming in 1970 produced \$50,112,711.23.

The federal government kept \$31,320,444.42 of these revenues and returned \$18,792,266.71 to the State of Wyoming.

Federal lands off the shores of Louisiana

in 1970 produced more than \$237,000,000 in continuing and increasing revenues.

The federal government kept all these revenues, returning nothing to the State of Louisiana.

The return to Wyoming of 37½ per cent of revenues produced from federal lands there, in our opinion, was just. On the other hand, the failure of the federal government to return any part of the revenues it received from federal lands off Louisiana's coast to Louisiana seems to us rank discrimination, patently unjust.

Wyoming deserved every cent that it received from the federal lands revenues. These revenues could not have been produced if that state had not provided hundreds of expensive services for men and women who worked to obtain production. It provided them and their families roads, education, police and fire protection, health and recreational services and hundreds of other governmental necessities.

Why did Louisiana receive nothing from the offshore federal lands? It provided the same expensive services that were provided by Wyoming, perhaps even more, for the thousands of workers who man drilling rigs and oil platforms, crew boats and pipelines and who do countless other things that are necessary to make the offshore federal lands productive.

A much needed act of Congress, approved by the President, could end this inequity. Such legislation has been introduced in the House of Representatives.

New law should treat federal lands off the shores of the 30 coastal states just as existing law treats federal lands within 26 states. All these states, except Alaska, receive a 37½ per cent share of revenues from oil, gas, sulphur, coal, potash, salt and phosphate produced from federal lands or from former public domain lands to which the central government retained mineral rights.

Alaska, with a population of 297,607—compared with Louisiana's 3,564,310—received \$8,652,976.12 as its share of federal lands revenues in 1970. When it became a state Alaska sought and got 90 per cent of the revenues from federal lands in that 49th state. When a transportation controversy is settled, the value of Alaskan oil production will be astronomical, and Alaska's share of federal lands revenues will skyrocket. For the moment, ecologists are delaying production as they debate whether Alaskan oil should be delivered to market by pipeline or by tankers.

Already production of oil, gas and other minerals from the Outer Continental Shelf represents 16 per cent of the total national production. This offshore production is growing, and the Nixon administration has established as national policy acceleration of minerals production from the Gulf of Mexico, the Atlantic and Pacific Oceans and the Bay of Alaska. Knowledgeable oil men predict probability of production from the Great Lakes.

Unless the federal government stops treating coastal states like stepchildren, however, the Nixon Administration may find it difficult to carry through this national policy.

The attorney general of Florida already has raised a warning sign. He has sued the Department of the Interior to prevent drilling for oil and gas in what that department claims as federal lands off the Florida coast. Under existing law, Florida has much to lose and nothing to gain by permitting exploration for and production of minerals off its shores. This exploration and production will add to the expenses of the state without compensating the state for the burden of providing additional governmental services.

Only one member of the Congress, Sen. William Proxmire, Dem., Wis., has written this newspaper that he disagrees with its

position regarding the need for sharing of revenues from all federal lands, inshore and offshore.

"All the people," the distinguished senator insists, own the federal lands off the shores of Washington, of California, of Texas, of Louisiana, of Florida, of Massachusetts, of Maine and of other coastal lands.

"All the people," we remind him, own also the federal lands in Wyoming, in New Mexico, and in Utah; but "all the people" don't make the same contribution to the productivity of those lands that is made by people of Wyoming, New Mexico and Utah. In recognition or their contributions Wyoming in 1970 shared \$18,792,266.71, New Mexico, \$12,964,835.88 and Utah, \$3,409,833.03.

The members of Congress who oppose discrimination and seek equity should move quickly to achieve justice for the coastal states.

SIGNIFICANT SUPPORT FOR SHARING

Welcome support for efforts to obtain equity for coastal states in the sharing of revenues produced by offshore federal lands has come from a knowledgeable quarter.

The American Association of Oilwell Drilling Contractors knows what it takes to explore for and produce petroleum and gas. Employment of a large number of persons is required for these operations.

As the association pointed out in a resolution adopted in San Francisco by its directors, states adjacent to offshore operations must pay the cost of providing many essential and expensive services to these many thousands of employes and their families.

"But," the association very aptly observed, "the states are not receiving any revenues in taxes from minerals produced on offshore federal lands. All revenue from offshore minerals goes to the federal government. This is contrary to the established policy of . . . sharing revenues from federal lands with states where the land is located."

The association urges Congress to "end this grievous inequity by enacting legislation" to share the offshore revenues with coastal states which make possible the offshore production.

The Judiciary Committee of the House has in its files several bills to end this inequity.

Action on this legislation, in our opinion, is long overdue. Louisiana's potent delegation in the Congress, we believe, should move together, toward getting an adequate bill on the floor of the House. There, we are confident, it will receive surprisingly strong support—provided the merits of and need for this legislation are forcefully presented.

STATES GET \$55,000,000 IN U.S. LAND REVENUES

(By Edgar Poe)

WASHINGTON.—A total of \$55,011,910.37 was distributed among 26 states that shared in 1970 calendar year yields from federal lands, the Bureau of Land Management, Department of Interior record shows.

With the exception of Alaska, each state having public lands receives twice a year from the federal government payments of 37.5 per cent of federal revenues collected within that state from mineral leasing bonuses, rental, and royalties.

Alaska, under its Statehood Act, knew all the tricks when it came into the union. Thus Alaska sought and receives 90 per cent of mineral leasing revenues. With more and more development taking place, Alaska's yields are growing each year.

Mineral leasing includes oil, gas, sulphur, coal, potash, sodium and phosphate found on federal lands or on former public domain lands to which the federal government still retains mineral rights.

LOUISIANA SHARE LESS

Because most production from federal lands, to which Louisiana makes substantial contributions, is from offshore fields in the Gulf of Mexico, that state received only \$312,411.51. Louisiana's share of the \$55,011,910.37 total was less than 6 per cent—or exactly .567 per cent.

Louisiana, under existing federal law, got no part of the federal revenue from approximately 340,000,000 barrels of oil produced from outer Continental Shelf fields off its shores. It collected no severance tax on this oil and received no proportion of the royalties and bonuses collected by the federal government. In addition to minerals, the yields in some states include revenues from grazing leases and the sale of timber and other materials.

The allocation to the various states showed that Oregon's yields from the 37.5 per cent sharing formula received \$163,523.62. However, 18 Oregon counties during the same period received more than \$26 million from timber sales on "revested" Oregon and California railroad timberlands. These sales are conducted under a different law from the 37.5 per cent formula.

Federal land receipts division in 1970

Alabama	\$15,814.42
Alaska	8,652,976.12
Arizona	193,803.90
Arkansas	19,533.29
California	3,376,685.63
Colorado	2,806,968.65
Florida	41,664.97
Idaho	297,359.75
Indiana	2.00
Kansas	183,311.61
Louisiana	312,411.51
Michigan	16,860.44
Mississippi	15,544.95
Missouri	4.00
Montana	2,742,397.73
Nebraska	1,530.86
Nevada	456,706.55
New Mexico	12,964,835.88
North Dakota	201,501.57
Oklahoma	170,136.50
Oregon	163,523.62
South Dakota	166,647.84
Utah	3,409,833.03
Washington	10,173.14
Wisconsin	15.70
Wyoming	18,792,266.71
	55,011,910.37

CONTINUED INCREASE

Meantime, records compiled by the Geological Survey, Department of Interior, show that oil and condensate, and gas production from offshore leases continued to increase in 1970, and will show a further rise this year and the years to come, qualified sources in Washington report.

Total offshore (state and federal) production of oil and condensate represented 16 per cent, and gas represented about 15 per cent of the U.S. production last year.

More than 10 per cent of U.S. oil and gas now come from the Outer Continental Shelf. The percentage is expected to increase as a major exploration program off the Atlantic Coast of the U.S., and the Gulf of Alaska is being encouraged by the Nixon Administration in a new five-year, speed-up schedule for leasing on the Outer Continental Shelf.

A total of 398,378,000 barrels of oil from offshore Louisiana was produced in 1970. Of this amount 16 per cent was from the submerged state lands, and 84 per cent was produced on the Outer Continental Shelf.

Offshore Louisiana production last year compared with 365,691,000 barrels produced in 1969, according to the Geological Survey. Offshore Louisiana production was sub-

stantially more than the offshore production of Alaska, California, and Texas combined. The total production for the four states was 575,714,000 barrels with 37 percent coming from state submerged lands and 63 percent from the Outer Continental Shelf of these states.

Offshore Alaska production in 1970 was 70,007,000 barrels, all on "state" lands. One of the biggest oil field discoveries in years was made a few years ago on the so-called North Slope of Alaska. However, production has been stymied because of a major controversy for months involving a proposed pipeline to transport the oil to the U.S. Midwest Offshore production in 1969, all on state-owned lands, totaled 60,887,000 barrels.

California's offshore production last year was 104,383,000 barrels, with 76 percent on state submerged lands and 24 percent on the Outer Continental Shelf. The production in 1970 compared with 96,145,000 barrels in 1969.

Texas' offshore production last year was 3,046,000 barrels, 26 percent on state lands and 74 on federal lands. Texas' offshore production has declined the past three years. Production in 1969 was 3,109,000 barrels, and 3,400,000 barrels in 1968. Last year's Texas submerged land production represented 26 percent from state lands, and 74 percent from OCS.

COAST SHARES URGED IN U.S. OFFSHORE LAND

SAN FRANCISCO.—The American Association of Oilwell Drilling Contractors, through its board of directors, has urged Congress to enact legislation to share federal revenues from off-shore minerals production with the coastal states.

Adoption of such legislation, the association resolution asserts, would end "grievous inequity" which is penalizing states which make costly contributions to the production of oil and gas from offshore federal lands but do not share in fruits of that production.

The association represents drilling contractors throughout the nation. Its vice-presidents come from the Rocky Mountain, Mid-Continent, West Texas-East New Mexico and Northeast Texas-North Louisiana-South Arkansas regions, as well as from coastal areas.

10-TO-1 BOOST

Offshore crude oil production, the association reported, rose at a rate of more than 10 to 1 between 1954 and 1970, and this production now represents approximately one-sixth of the nation's total—and is rising.

Following is a statement issued by H. B. "Hank" Hawkins, president, and Warren L. Baker, executive vice-president of the national organization:

"Recent years have seen the development of extensive oil and gas production located in offshore waters of the United States. Offshore crude oil production has risen from 133,000 barrels per day in 1954 and 823,000 barrels in 1966 to 1,577,000 barrels daily in 1970. Sixteen per cent of all U.S. crude oil production came from offshore in 1970. Similar increases have occurred in offshore natural gas production. Sulphur and salt are other minerals now produced offshore. Waters off the coasts of Louisiana, Texas and California account for all the oil and gas produced offshore today. However, the future may see development of the mineral resources in the other 27 states with shores touching the Atlantic and Pacific Oceans, the Gulf of Mexico and the Great Lakes. The federal government proposes to accelerate the development of offshore oil and gas resources to alleviate prospective shortages and is contemplating an Atlantic Ocean lease sale.

"Development of extensive offshore oil and

gas production has given employment to a large number of persons. Adjacent states find themselves burdened with assuming the costs of providing these persons with educational facilities, of building and maintaining roads, and of providing police, fire, health and other services. But these states are not receiving any revenue or taxes from minerals produced on offshore federal lands. All revenue from offshore minerals goes to the federal government. This is contrary to the established policy of the federal government sharing revenues from federal lands with states where the land is located. The State of Alaska receives 90 per cent of all income from federal lands within its boundaries, while all other states get 37½ per cent of the revenue from federal lands within their boundaries.

"The board of directors of the American Association of Oilwell Drilling Contractors, duly assembled June 22, 1971, in San Francisco, does hereby urge Congress to end this grievous inequity by enacting legislation which would provide for the federal government to share offshore mineral revenues with the respective coastal states on the same basis as it now shares the revenue from federal lands within the borders of a state.

ECOLOGY: PESTICIDE MAKERS' BÊTE NOIRE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. HUNGATE. Mr. Speaker, the following article outlines some of the problems in working out an equitable balance between ecology and pest control: [From the New York Times, July 11, 1971]

ECOLOGY: PESTICIDE MAKERS' BÊTE NOIRE

(By Gerd Wilcke)

PRODUCERS INCREASINGLY QUIT THE BUSINESS

How to kill insects and weeds, satisfy environmentalist and make a dollar—all at the same time—has become a triple headache for an increasing number of pesticide producers.

A lengthening list of chemical companies found a cure by quitting the business.

Most cited economic considerations, but some said privately that they were tired of justifying their efforts to ecological critics, or expressed fear that the proposed Federal Environmental Pesticide Control Act would be too burdensome.

Even among companies that continue making insecticides, herbicides, miticides, fungicides and rodenticides, the feeling prevails that the shape of legislation to eventually come from Washington will strongly influence their research and development effort, which they now fear has reached a plateau.

Their concern is based on the realization that chemical pesticides will be needed until ways are found to control pests biologically. To develop biological controls, however, both will take time and money.

H. L. Straube, a vice president and general manager of the agricultural chemical division of the Stauffer Chemical Company, said last week that he could not believe that the United States could produce enough food without pesticides.

He estimated that the annual losses of crop and livestock to pests approached \$20-billion in this country alone. If pesticides were withdrawn from agricultural production, as many people concerned about ecol-

ogy demand, total output of crops and livestock would be reduced by 30 per cent.

Elimination of pesticides, he asserted, would also increase the price of farm products by 50 per cent to 75 per cent.

What are companies spending on pesticides research and development?

A survey conducted a few months ago by the National Agricultural Chemical Association among companies that account for 81 per cent of total pesticide sales shows that they increased their spending from \$52.4-million in 1967 to \$69.9-million in 1970. Outlays this year, it is estimated, will reach \$71.6-million.

During the 1967-70 span, expenditures for research and development rose by 33 per cent, while sales moved up only 13 per cent, from \$639-million in 1967 to \$722-million last year.

There are other figures underlining the concern of pesticide makers.

During the same 3-year period, expenditures on regulatory maintenance, involving safety and environmental testing, rose from \$7-million to \$16-million, a jump of 129 per cent.

The companies also estimated that the cost of discovering a new pesticide rose from \$3.4-million to \$5.5-million.

By the same token, the time spent from discovery to the point where a product was marketable rose from 60 months to 77 months. This was accompanied by a reduction in the number of research, and an increase in the number of cancellations or suspension of pesticide registrations, from 25 in 1967 to 123 last year.

Although the survey did not cover companies that quit the pesticide business, testimony before the House Agricultural Committee last March brought out that their numbers are increasing.

R. E. Naegele, manager of the agricultural department of the Dow Chemical Company, identified some of them. His list included Olin, Hooker Chemical, Allied Chemical, International Mineral and Chemicals, Standard Oil of New Jersey and American Oil.

At the same time Mr. Naegele said companies such as Chemagro, Shell, Monsanto, Velsicol and Dow had cut back significantly on the people they employed and the money they were able to spend.

Asked by a committee member—the hearings were in connection with the new Pesticide Control Act—whether Dow had brought any new pesticides on the market during the past five years that had become winners, Mr. Naegele said that Dow had had none.

He added that Dow had developed several products, "but they certainly have not been successful because they cannot get the labels [approval by regulatory agencies to market the products] as yet."

Mr. Naegele said that getting approval was one of the chief causes for the slowdown in market introductions of new pesticides. In addition, he said, there has been a "tremendous increase in requests for information to prove, reprove or substantiate things people have known for 10 or 20 years."

Several other companies voiced similar complaints in explaining why they quit the pesticide business.

One company spokesman commented: "The government agencies have been rather ambiguous as far as data goes. We have been in a situation where we were asked for information. When we came up with it, the rules of the game had changed. We feel now there are other areas where we can put our money with a better opportunity for a profit."

A spokesman for the Esso Chemical Company, a unit of Standard New Jersey, said the company had phased out pesticides early this year.

"We were on an exploratory research pro-

gram," the spokesman said, "but we left it because investments in other areas promised better business."

Still another company, the Olin Corporation, dropped the manufacture of DDT a year ago.

"We closed down," a spokesman said, "because we had a policy not only to conform with present environmental standards, but also [with] those we believed would be in effect in 1974. Continued production of DDT at our Huntsville, Ala., plant, was inconsistent with this policy."

Speaking from the other side of the fence, Mr. Straube of Stauffer, a company whose sales of proprietary products have resulted in marked profit improvements, said that companies that are going to make money on pesticides are those with strong research and development efforts.

In the case of his company, Mr. Straube said, the big success was in herbicides. He noted in this context that the market for weed killers had increased from sales (at the grower level) of less than \$300 million in 1966 to more than \$500-million last year.

THE LOCKHEED LOAN

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DRINAN. Mr. Speaker, I include in the RECORD for the attention of my colleagues a clear and direct editorial printed on July 8, 1971, in the resourceful daily in my congressional district, Leominster Enterprise.

This editorial makes it very clear that Congress, by rejecting the proposed loan to the Lockheed Aircraft Corp., would strengthen the free enterprise system.

The editorial follows:

THE LOCKHEED LOAN

In theory, the Nixon administration espouses the virtues of capitalism. In practice, however, it descends to state intervention in the free enterprise system, making it both less free and less enterprising.

President Nixon proposes that the federal government guarantee a loan to the Lockheed Aircraft Corp. for a quarter of a billion dollars.

Lockheed is in financial trouble for two reasons. First, it voluntarily accepted a military contract for the C5A supercargo plane which has cost more to construct than originally planned. Second, it freely undertook to buy jet engines from Rolls-Royce, which went bankrupt.

Rolls offered the engines at a lower cost than American competitors because the British Labor-Socialist regime underwrote a low-interest loan. The Nixon loan guarantee results from the fact that private lending institutions considered Lockheed too risky.

Ironically, one of the biggest opponents of the Lockheed loan is Sen. William Proxmire, D-Wis., who calls it "welfare legislation." Knowing Proxmire's voting record, we would think he would support the loan since he normally favors "welfare legislation." Perhaps the reason he takes exception to the Lockheed loan is that the aircraft corporation is located outside Wisconsin.

In any case, Proxmire's economic arguments are sound, whatever his motives. His position is that Lockheed failed because of bad business judgment and that the loan would reward economic inefficiency at the expense of competitors and taxpayers. His argument is strengthened by the fact that,

according to Deputy Defense Secretary David Packard, the Lockheed loan "is not primarily a defense question." As a former defense contractor, he should know.

While Lockheed might lose business without the loan, competitors will gain, thereby rewarding their efficiency. By rejecting the loan, Congress would strengthen the free enterprise system which is the basis of a strong national defense.

ADMINISTRATION PROPOSES TAX RELIEF FOR BUSINESS AND CORPORATIONS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, the administration is repeatedly indicating its lack of concern over the unemployment problems and the tax burdens of our Nation's citizens while, at the same time, making concessions to corporations and big businesses.

The reaction of the public to the administrations recent proposed change in tax regulations is well expressed in correspondence I received recently from Mr. "J" V. Robinson which I include in the RECORD and which I commend to the attention of my colleagues. I am in full agreement with the views expressed by Mr. Robinson:

PLEASANT HILL, CALIF.,

June 22, 1971.

CONGRESSMAN JEROME R. WALDIE,
Civic Center,
Concord, Calif.

DEAR MR. WALDIE: The enclosed article from the June 20 Oakland Tribune brought with it a tremendous letdown.

How is it that industry ALWAYS gets a break on taxes, but not Old John Q. Public? Those poverty-stricken banks and oil companies certainly need a break!

Does the Congress and Senate represent big business or the people?

If you let the President and his mercenary cronies get away with this sort of thing, I think it is time to go to an independent party, as it appears our representatives are out for the money—not for the people.

Or, maybe the voters should get a lobbyist to represent them, since we don't seem to get it otherwise.

How about giving the taxpayers a break—not the ones who don't need it?

Sincerely yours,

"J" V. ROBINSON.

MORE GENEROUS TAX RULES SEEN

(By Lee M. Cohn)

WASHINGTON.—The Treasury plans to make new tax depreciation rules on business even more generous than was contemplated originally.

Officials said the tax-cutting rules probably will cover foreign branches of U.S. companies which initially were to be excluded as well as firms operating in this country.

Among those in line to benefit from the expected change, the sources said, are U.S. banks, oil companies and mining firms with branches abroad.

Their tax savings—and the revenue loss to the Treasury—may approach \$100 million a year, according to tentative estimates. This would be on top of the \$3 billion business tax reduction estimated for the original plan.

The Treasury intends to broaden the rules to include foreign branches despite legal challenges to the whole idea of cutting business taxes by liberalizing depreciation deductions.

President Nixon announced the plan in January to shorten the periods for writing off—deducting from taxable income—the costs of machinery and equipment. He ordered new regulations permitting companies to shorten depreciation periods under the old rules by 20 per cent.

By allowing bigger deductions in the early years of a machine's use, fast depreciation defers taxes. In practice, unless a company stops buying machinery and equipment, the deferral becomes a permanent tax reduction.

Critics are challenging the depreciation order on both economic and legal grounds. They question the impact of the tax reduction in spurring the economy, and contend that Nixon exceeded his authority in ordering the new regulations without congressional action.

Although Nixon implied initially that the order was final, and retroactive to Jan. 1, the Internal Revenue Service held hearings last month on the "proposed" regulations.

The final revised regulations are scheduled for issuance later this month.

Officials said they are confident the regulations will survive expected court challenges, and predicted attempts to block them in Congress will fail.

Nevertheless, there are indications that some companies may continue to base their spending plans on the old, less liberal depreciation rules until the issue is settled finally.

AMCHITKA BLAST

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. BEGICH. Mr. Speaker, the Atomic Energy Commission is presently continuing its plans to set off the largest underground atomic explosion ever set off by the United States on Amchitka Island, Alaska.

In May of this year I testified before the Atomic Energy Commission hearings in Anchorage and at that time raised several questions concerning the advisability of conducting such tests. I had hoped that before the commission continued with its plans to conduct this test it would have carefully examined the consequences of such action.

Many people in Alaska have expressed their genuine and deep concern about this important matter. There are too, many non-Alaskans who have the same serious reservations about the planned test and they have filed suit in Federal court to block the nuclear blast.

Among the people in Alaska who expressed their concern is the Alaska Nurses Association. At the 1971 biennial convention of the Alaska Nurses Association held in Juneau, the house of delegates passed a resolution expressing their opposition to the Amchitka blast. The president of the Alaska Nurses Association, Mrs. Ruth Benson, has sent me a copy of that resolution and I would like my colleagues in the House of Representatives to see concern for this matter:

RESOLUTION BY ALASKA NURSES ASSOCIATION REGARDING THE AMCHITKA BLAST

Whereas there is uncertainty about the results of the Amchitka blast on the containers of poisonous gas; and

Whereas the absolute uncertainty as to the total effects of the Amchitka blast should prohibit any consideration of it; therefore

Be it resolved that the Alaska Nurses Association write to President Nixon, Governor Egan, and Alaska's Congressional delegation, strongly objecting to the Amchitka blast.

Approved by House of Delegates, Alaska Nurses Association, 17th Convention—3rd Biennial, June 10, 1971.

POW FAMILIES PLEAD WITH PRESIDENT NOT TO GO BACK ON HIS WORD

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. LEGGETT. Mr. speaker, President Nixon has said on several occasions in the course of the past few months that we would remain in Vietnam as long as there were American prisoners there. Secretary Laird and Secretary Rogers have added to this, in explicit and unequivocal terms, that we would get out if we could recover the prisoners.

Now the other side has offered to give the prisoners back in return for our withdrawal. It has offered to settle this question independently of any other question. But to all outward appearances, the administration regards the offer not as an opportunity but as an embarrassment.

Two days ago Families for Immediate Release, an association of family members of American prisoners of war and missing in action, hand-delivered a letter to President Nixon. They said:

We are writing to express our hope that the new peace proposal made by the National Liberation Front will not be rejected because of considerations unrelated to the safety of our withdrawing troops and the recovery of our prisoners of war . . . We feel our government's obligation to the American prisoners now should take precedence over its obligation to the Government of South Vietnam. . . . It would be heartbreaking for us if we were to think that it lay within your power to bring the prisoners home together with the troops, but that you were not using this power. . . . We fear that we will spend years chasing the light at the end of the tunnel which will always remain just around the next bend, while for our men in the prison camps, one by one, the light will go out forever.

I insert the full text of their letter at this point in the RECORD:

JULY 8, 1971.

HON. RICHARD M. NIXON,
President of the United States,
The Summer White House,
San Clemente, Calif.

DEAR MR. PRESIDENT: We are immediate family members of American military men who are prisoners of war or missing in action in Indochina. We are writing to express our hope that the new peace proposal made by the National Liberation Front will not be rejected because of the considerations un-

related to the safety of our withdrawing troops and the recovery of our prisoners of war.

We understand your concern for the future of South Vietnam. But we have given that country more than fifty thousand American lives. We have given it more than \$150 billion dollars and more than seventeen years of training, climaxed by your Vietnamization program. And our men have given it months and years of their lives wasted in prison camps. Surely, this is enough! If the Government of South Vietnam is still unready to defend itself, we wonder if it will ever be ready. We fear that we will spend years chasing the light at the end of the tunnel which will always remain just around the next bend, while for our men in the prison camps, one by one, the light will go out forever.

We feel our Government's obligation to the American prisoners now should take precedence over its obligation to the Government of South Vietnam. We heard and applauded the statements by Secretary Laird and Secretary Rogers that we would leave Vietnam if we could secure the release of the prisoners. Now we plead with you not to go back on your word.

Some of us are wives or parents of men missing in Laos, and we know the new proposal makes no provision for our men. We feel that any settlement of the war must provide for the return of all prisoners held in Laos. But we urge you not to waste time by insisting that the North Vietnamese accept responsibility for these men, since it appears they will never do so. Rather, we urge you to make a separate but simultaneous agreement with the Pathet Lao, if they insist upon it. The fate of our men is more important than the diplomatic niceties that would be sacrificed by our talking with the Pathet Lao.

It seems to us that we now have a way to bring our men home without trusting the other side: They have said they will begin to release the prisoners as soon as we set a date for complete withdrawal and begin the troop withdrawals leading up to that date. If we do this, we can immediately see if the other side is living up to its side of the bargain; if it does not proceed to release the prisoners, the agreement would be canceled.

You are withdrawing troops in any case, but now they are coming home while the prisoners remain behind. It would be heartbreaking for us if we were to think that it lay within your power to bring the prisoners home together with the troops, but that you were not using this power.

THE LATE HONORABLE THOMAS E. MARTIN

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 6, 1971

Mr. ROONEY of New York. Mr. Speaker, recently I was saddened to learn of the passing of the Honorable Thomas E. Martin who for almost a quarter of a century represented the people of Iowa here in the Capitol, first in the House of Representatives and then in the other body.

I knew Tom for many of the years that he served here and it was indeed a pleasure to be associated with such a very fine gentleman. Tom had a long and honorable career in public service in Iowa before he came to the House as the repre-

sentative of Iowa's First Congressional District. We all missed his graciousness and warmth when he was elected to the other body in 1954 and again on his retirement from the Senate in 1961. To his wife and family I extend my deepest sympathy.

EDITORIAL COMMENT ON A VISIT
TO THE WHITE HOUSE

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. HALL. Mr. Speaker, recently, Mr. Don C. Dailey, vice president of the Springfield Broadcasting Co., Inc., in Springfield, Mo., and his wife and family, also of Springfield, attended the National Association of Broadcasters board of directors meeting held on June 20 through 25 here in Washington, D.C.

During their weeklong stay, the Dailey family had the pleasure of touring the Capitol Building, the White House, and the Norfolk Naval Station.

One of the biggest highlights of Mr. Dailey's visit to the Nation's Capital was the White House reception and conference with President Nixon which was given for the board of directors of the NAB.

I was most pleased when I recently received a copy of an editorial which was broadcast last July 7 over KGBX radio of Springfield, Mo., by Mr. Dailey commenting on his eventful visit with the President during the reception.

Mr. Speaker, I submit Mr. Dailey's complimentary editorial of his visit in the RECORD:

EDITORIAL COMMENT BY DON C. DAILEY

Two weeks ago today it was our pleasure to attend a White House reception given for the board of directors of the National Association of Broadcasters by President Nixon.

A million and a half Americans visit the White House every year, but not to see the President. So, naturally, we looked forward with much anticipation, to the reception. Since our board of directors consists of only forty broadcasters, we knew it would be possible for each of us to have some time in personal conversation with the President. We were not disappointed. President Nixon remembered his trips to Springfield. He said he would never forget the wonderful crowd at the Ozark Empire Fairgrounds when he was campaigning in 1968. The President was right on target with many of his comments on the broadcasting industry and praised radio and TV for the continuing service we provide. He even noted the differences his administration has had with the networks. Even with those differences, he wanted the network executives among us to know that he thought all three networks had done a splendid job on a recent very important news story. Before we hardly had time to think what that story might be he said, "Every network did a beautiful job covering my daughter's wedding . . . and believe me . . . I checked all three!" The White House kitchen staff, long famous for good food, certainly lived up to its reputation too, but our twelve year old son, who thinks every meal begins and ends with hamburger, was crushed when I told him there was no ground beef on the table.

Our reception with the President was held in the Blue Room, the room customarily reserved for diplomatic receptions. Every room of the White House holds reminders of our past and memories of the Presidents and their families who have lived there since 1800. We were impressed by the President's vigor and good spirits. Fortunately the Chief Executive does not always face world-shaking decisions. His day to day duties, however, increase every year, and would try most men to the limit. Even in John Adams time the presidency brought the comment from Adams, "A peck of trouble in a large bundle of papers, often handwriting almost illegible comes every day . . . thousands of sea letters . . . and commissions and patents to sign . . . there is no pleasure." Obviously today much paper work is delegated. Gone are the days when Cleveland could write many of his letters and speeches by hand or when McKinley and his staff of only a dozen could cope with all of the business. President Wilson could pick up a letter and answer it on his own typewriter. As the problems of our country have grown and become more complex through two world wars and a great depression, the presidential staff has come to include secretaries, consultants, and aides at the White House plus a building full of economic technical and other advisory groups in the Executive Office Building next door. One of the President's aides told us that the 21 telephone operators at the White House receive over 5,000 calls a day!

All of this made us wonder at this man Nixon . . . or any man who aspires to become President of the United States. Two weeks ago today, the White House was a serene setting in a city that seldom knows serenity. As I gazed out the front portico of the White House and thought of the thousands who had crossed that threshold representing practically every country on earth, I couldn't help but be awed by the decisions that had been made there. Woodrow Wilson once said, "The President is at liberty to be as big a man as he can. His capacity will set the limit." We are proud that Richard Nixon's capacity seems to be limitless even in these days that test us all.

CONGRESSIONAL DISTRICTING
HEARINGS SCHEDULED

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. CELLER. Mr. Speaker, over the past 20 years I have sponsored legislation to regulate congressional redistricting. The legislation sought to achieve substantial population equality and also was designed to restrict gerrymandering by requiring compactness and contiguity. These efforts to establish fair and equitable guidelines, regrettably, did not result in public law.

In the absence of Federal guidelines, the courts have been called upon to establish redistricting standards on a case-by-case basis. Although court rulings do furnish guidelines, it is the nature of the subject that each redistricting plan must ultimately be judged on the basis of its particular facts.

A new factor is emerging that threatens to make the process of redistricting more difficult and uncertain. It involves the reluctance or inability of State legislatures to fulfill their redistricting re-

sponsibilities in adequate time to assure the orderly operation of primary and general elections. Today, there is an imminent prospect of complex and lengthy redistricting litigation recurring in our courts this year and in 1972.

Mr. Speaker, the courts, the State legislatures and, above all, the electorate are entitled to a declaration of congressional policy on redistricting.

Accordingly, Subcommittee No. 5 of the Committee on the Judiciary has scheduled public hearings on H.R. 8953, and a number of related measures, to prescribe standards for congressional redistricting. The bills are concerned with compactness, contiguity, and gerrymandering, as well as population equality. Their central purpose is to provide Federal standards to govern the establishment of districts for the election of Representatives in Congress.

The hearings will begin on Wednesday, July 21, at 10 a.m., in Room 2226, Rayburn House Office Building.

STATION KGFJ ATTACKS DRUG
ABUSE

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, one of the most important breakthroughs of late in our fight against the drug problem, is our effort to curtail the heretofore uncontrolled manufacture of pills. I am pleased that the House Select Committee on Crime of which I am a member was the first to bring this problem to the attention of the Nation.

Radio KGFJ in Los Angeles has joined this effort by presenting a series of editorials on this subject. I applaud KGFJ for their public service and their fine presentations which I would include in the RECORD:

RE: PILLS

We constantly talk of the incredible and frightening amount of dangerous and illegal pills which are fed into the bloodstreams of our citizens, and particularly our young. KGFJ notes with some interest that law enforcement and other agencies have had some success at least in reasonable control of the sale of marijuana especially in the last few years. But the battle to control the spread of pills, though at points untiring and diligent, is being lost, and chiefly because that battle is being fought on the wrong grounds. The vast quantity of pills being consumed today, can only be produced by a small number of easily indefinable sources, large pharmaceutical companies. It is not reasonable to ask that these companies not produce pills, even though many wrongfully find their way into the bloodstreams of people, especially young people, because pills do have their legitimate medical value. But KGFJ feels that it is reasonable to ask that pharmaceutical companies, be made responsible for at least checking very carefully, where large quantities of their pills go. The roots of the sale of illegal pills in our community begin when legally manufactured drugs are not handled properly. The pill problem must be dealt with at that base level, or else we deal in futility.

DRUGS IN THE COMMUNITY

This is part 1 of a KGFJ editorial series: The use of drugs by young people in our community has now reached epidemic proportions. Here are some things those of you who trip may need to hear. Red devils cause about 450 fatalities in Los Angeles every year. Did you know that 20% of youths who shoot may develop a blood vessel disease that is fatal in about 30% of the cases? And those are just the ones that are detected. Did you know that many of the drugs on the street scene today are made by amateurs who don't know what the heck they are doing? There is some stuff out there which can cause damage to the blood vessels in your brain, and which can cause some nice things like bleeding from the rectum. A trip . . . beautiful, right? Drugs are one of the worst kinds of hang-ups, and all black people need, or any people for that matter is another hang-up. The young brothers and sisters who will be leaders in our future must be clear-brained, strong people with the kind of stamina which is necessary to the pursuit of important goals. You can never help your people if your mind and body are sodden with junk. Remember this . . . if you can't say no to the pusher, you sound like a fool yelling "freedom" to the man.

This is the second part of a KGFJ editorial series:

The wide-spread use of drugs by the young cannot be blamed entirely on the young. Drugs and pills have to come from somewhere. There is, by almost any measure, fantastic over-production. There is simply much, much more on the market than is needed for medical purposes. In light of this, it could almost be said that the real pushers are the pharmaceutical manufacturers and distributors. Some interesting questions. Why don't Congress and the State Legislature pass laws banning, at least, the mail order sale of dangerous and hallucogenic drugs? Should the pharmaceutical "establishment" be required to pay a portion of the tremendous costs of criminal court procedures, and of rehabilitation for youthful addicts? Shouldn't the manufacturer and distributor be required to check, much more carefully, the destinations of their shipments? And where in the world is the State pharmaceutical board, which is supposed to offer regulation of the "legal" drug traffic? A final thought from KGFJ . . . If our community and our society becomes more drug-ridden, how much sense does it make to continue fighting bigotry, hunger and smog? This has been part two of a KGFJ editorial on drugs in the community.

ROOTS OF THE DOPE PROBLEM

KGFJ shares the concern of the community over the rising epidemic of dope usage among our young people. KGFJ will therefore concentrate a major effort towards effective action to solve this pressing problem. With these intentions, KGFJ realizes however, that we are not a police force or a detective agency. We don't have enforcement powers. We are not the district attorney or attorney-general. We do not have prosecution powers. We also realize that our youth will not automatically stop the habit because KGFJ points out the evils of the habit. KGFJ does have the power to investigate the facts and inform the people of the facts. That we can and will do. We are beginning with certain basic questions. What is the power of the State pharmaceutical board? Are these powers being used effectively to curb illegal use of drugs? Do we have a way to trace drug shipments through invoice number or other effective method? What is the route of travel from the pharmaceutical company to our kids? Can police intelligence be more effectively used to bust the dope racket? These questions and others will be probed and acted upon by KGFJ. We

are now launching an all out effort to get some answers. Once the basic questions are answered they must be used as a source of improvement and change. KGFJ will spare no image and grant no immunities in the next few months as we seek the answers so gravely needed to stop the destruction of our young people.

DRUG COMPLIANCE CONTROL

KGFJ has been engaged in an in-depth probe of the root factors that contribute to our massive drug problem. We have learned that the pursuit of facts about drug traffic can be as easy as statistics you will accept and as hard as crucial facts you truly need to know. That means that as long as an interested party is satisfied to accept an endless stream of statistics everyone is willing to feed out more than enough of them. Anyone who is willing to accept intricate details of arrest procedure and enforcement programs, more than enough are available. These are certainly valuable areas of knowledge. But there is a need also to know about compliance control of the manufacture and distribution of drugs. When efforts are extended in this vital area of compliance things become difficult. Facts and figures in this vital area are hard to come by. In fact, it is abundantly clear to KGFJ that agencies that deal directly with the narcotics problem are reluctant to discuss their compliance policies and procedures. KGFJ had searched relentlessly for several weeks now to answer some of the vital questions at his level of the drug problem. To date, our effort has produced little in the form of meaningful information. We continue in our search for meaningful answers to effective areas of concern so crucial to winning our community war against dope.

PILL CONTROL QUOTAS

Amphetamines, or pills as they are commonly called, are the major drug menace to our community. This is because of the relatively cheap purchase price of pills. KGFJ has considered the war against pills the major priority in any war against dope in our community for some time now. We are therefore alarmed to learn that some 8 billion pills are manufactured yearly in this country. That is 40 pills for every man, woman and child in America. Professional estimates project that legitimate medical need for pills is far less than 50% of the total. Control of the manufacture of 8 billion pills a year is largely in the hands of four companies in New York. A major victory toward controlling this grave national crisis could be won by effectively controlling the manufacturing quota of these four companies. These major companies argue that the problem is caused by "clandestine" illegal operators and not by legitimate companies. However reliable FBI figures reveal that 80% of amphetamines seized are manufactured legally. Control would seem simple, but it is not, because of the strong drug lobby. The Pharmaceutical Manufacturers Assn., has a Washington staff of 70 people, and a budget of \$3.6 million. The health and well-being of thousands of young people is at stake here, and the private privileges of the drug companies should not be allowed to freely pave the road to destruction.

MAYOR'S CITIZENS NARCOTICS COMMITTEE REPORT

Mayor Sam Yorty formed the Citizen's Narcotics Committee in January of 1969. As part of its assignment to recommend means of effectively attacking the illegal use and distribution of drugs. The major recommendation was formation of a Citizen's Watchdog Committee to monitor all phases of antinarcotics law enforcement. The committee criticized the courts for laxity in sentencing, and generally assumed a "crime

and punishment" posture. KGFJ notes with grave concern that nothing was mentioned about forcing drug companies to curtail their production of amphetamines or pills. At stake in the over-production of drugs by legitimate drug companies, is the health and well-being of thousands of potential young addicts, many of them high school students. KGFJ has been constant in its insistence that pills are the major drug menace in our community. Fair and effective control of the over-production of pills is a law enforcement problem too. KGFJ recommends to the mayors committee that it amend its area of study to include recommendations as to how we may effectively, as citizens, deal with the manufacture of 40 pills for every man, woman and child in America. Many of these pills are used right here in Los Angeles.

FINAL ON DOPE

KGFJ has editorialized several times on the problem of narcotics, and the devastating effect it has in our community, especially on our youth. We're pleased that many other Los Angeles radio and television stations and newspapers have now seen fit to join in the fight.

These are our main conclusions:

1. That pills are the main problem in our community.
2. That most pills, far more than are needed medically, in fact are manufactured by the major pharmaceutical firms, legally.
3. That no truly effective program for policing the production and distribution of pills is presently in practice.

Our recommendation:

That parents, concerned citizens, community, religious and civic organizations write letters, send telegrams, or make phone calls to elected officials, urging them to do all they can to get the State pharmaceutical board off its collective seat, and onto the job of fulfilling its responsibilities to the citizens of this community, this city, and this State. It seems obvious to KGFJ, that unless something of this scope is done, not only will the problem of narcotics not be eradicated, it will, in fact, continue to worsen.

CONSUMERS AND NATURAL GAS

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. MURPHY of New York. Mr. Speaker, the American consumer is the chief victim of the shortage in natural gas supply, a shortage which already has resulted in many transmission and distribution companies being forced to refuse additional service, because they cannot contract for or be certain of sufficient supplies.

The latest example was reported last week by the Oil Daily, which said that the waiting list for natural gas service in Chicago contains 16,550 applications.

That is the situation in just one of our great cities, and the problem is truly national in scope. All over the country Americans use natural gas on a vast scale—22 trillion feet of it last year. This convenient, economical, and clean-burning fuel now accounts for one-third of all U.S. energy consumption. And demand continues to rise.

It is not only that gas distributing companies are having to put applicants

for service on a waiting list. Major interstate pipeline customers virtually ruled out new customer attachments last winter. Electric power generating plants fired by gas are threatened this summer by their fuel supply situation. The Federal Power Commission announced last April that, in order to deal with gas shortages expected next winter pipeline companies will be required to curtail sales to industrial consumers so that storage fields can be filled with gas for home heating and other domestic use.

These are consequences that vitally affect the well-being of the people of the Nation. Unless a remedy is found—and soon—we face a crisis of the utmost gravity.

The remedy lies in the discovery of additional gas reserves. But unfortunately, the growing demand for gas has been accompanied by a drastic slowdown in the search for new reserves.

Mr. Speaker, on last January 29, I introduced H.R. 2513, a bill designed as an important first step toward attacking the basic cause of this slowdown by providing an incentive for gas producers to step up their efforts to bring in new reserves.

My bill, which I am pleased to say is cosponsored by a large number of my colleagues, is not a decontrol bill. It would make sales contracts between gas producers and interstate pipeline companies valid and binding once they are approved by the Federal Power Commission. That sounds simple, but the incredible fact is that such contracts do not now possess these basic qualities.

At present, the producer cannot know how much he will be paid for his gas, how long he will be paid a set price, how much gas he must deliver, or how long he must continue to make deliveries. He does not know how long he will receive a price which has been set by the Federal Power Commission before the Commission changes it.

Under such circumstances, the producer's incentive to search for new supplies of gas is inevitably reduced—and the consumers suffer.

H.R. 2513 would remove some of the uncertainties, without removing the Federal Power Commission's power to control natural gas prices at the wellhead.

Under the provisions of my bill, sales contracts between producers and pipelines would still have to be submitted to the Federal Power Commission, as they are now. The Commission could then either approve the contract, or approve it subject to conditions stipulated by the Commission, or disapprove it.

The overall effect would be simply to establish solid ground upon which controls can be formulated and upon which plans can be made for finding new supplies of natural gas sufficient to meet the anticipated demand.

Mr. Speaker, the metropolitan area I represent is, of course, a consumer, not a producer, of natural gas. Unless the supply shortage problem is solved, my consumer-constituents will suffer extreme hardship. So while the problem is national in scope, as I have said, it is to me also a pressing local problem.

My bill will not bring an end to the

gas supply shortage in the immediate future, for it takes time to find and develop new gas reserves. But its enactment by Congress will represent significant first step toward solution by bringing reason and responsibility to the regulation of gas sales contracts. That step needs to be taken now.

I include as part of my remarks the item from the Oil Daily, to which I referred earlier, describing the waiting list for gas service in Chicago:

PEOPLES' WAITING LIST STILL GROWS

CHICAGO.—The Peoples Gas Light and Coke Co. reported that its waiting list for natural gas service in Chicago had mounted to 16,550 applications as of June 30, the one-year anniversary of controls being placed on new attachments.

This backlog, the utility said, represents an annual quantity of gas equivalent to that required to heat 287,300 average-sized, six-room homes.

The waiting list is a result of restrictions instituted by the company last July 1 when the city's strict new air pollution ordinances went into effect. The ordinances prompted a sharp increase in demand for clean-burning natural gas at a time when a nation-wide shortage was already becoming apparent.

THE LOCKHEED LOAN GUARANTEE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. FRENZEL. Mr. Speaker, last Thursday the members of the Banking and Currency Committee met in executive "closed session" to review a staff report on the question of the Lockheed loan guarantee. The staff report was described by the chairman as a "detailed critical look at the proposal we have been asked to consider."

Unfortunately the staff report contained so much biased editorial comment and was so slanted that it is difficult for a committee member like myself to review the issue confronting the committee on its merits.

Further, I am concerned about asking witnesses to testify pro and con in good faith before a committee which has been preconditioned by an obvious staff effort to discredit the proposal in question, and by an executive committee session called on short notice for the purpose of reviewing the staff report.

I know that every member of the committee is aware of the importance of the Lockheed matter. The implications of broad policy and precedent demand a careful and dispassionate search for and presentation of the facts. The prejudgments and bias of the staff report have only made the search for fact more difficult.

Personally I do not believe it is the obligation of Government to be an insurer of last resort for any businesses, and I, therefore, tend to lean negatively on the proposal.

Nevertheless, I am withholding final judgment until after the hearings and regret the committee staff could not have done so also.

I am also concerned about an appar-

ent breach of House and committee rules in that no vote was taken by the committee prior to the executive session to declare it closed. I believe such practice is contrary to the Reorganization Act of 1970, the House Rules and the committee's own rules. I regularly vote against any closed meetings because I believe them to be inconsistent with responsible government, except where there are obvious security needs. Therefore I especially disapprove of closed meetings called according to the whim of the committee chairman.

This doubly distasteful process—the prejudiced staff report prepared without the knowledge of at least some committee members, including myself, and the committee's executive session—are perfect examples of why the public frequently indicates a lack of confidence in its elected officials. When one considers the fact that the hearings have been unduly delayed already, the whole mess constitutes a very disappointing and clumsy prelude to the House's consideration of a most important matter.

NO TIME FOR CROWDING

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DICKINSON. Mr. Speaker, the Christian Science Monitor of July 9 contains an excellent editorial concerning Hanoi's latest offer on the prisoner of war issue in Vietnam.

The editorial cogently deals with the dilemma facing President Nixon. The Christian Science Monitor suggests that Hanoi is doing its best to exploit the very difficult position the President is in, but even though this is the case, the President is quite right in sounding interested and in exploring for all it is worth every offer for an honorable and quicker way out of the war.

The desire for a quick end to the war is enormous and on the basis of American domestic political considerations alone, an acceptance of Hanoi's proposal would be a very popular decision. However, the acceptance of Hanoi's proposal includes many risks—high risks—that must be carefully evaluated in terms of foreign policy. That is precisely why the President dispatched Dr. Henry Kissinger to Vietnam to study the situation.

As the editorial points out, we must wait until these studies are concluded and reported to the President before we try to push him into a decision. If factors point to an honorable and a quicker way to get out of the war, the President will act accordingly.

The text of the editorial follows:

NO TIME FOR CROWDING

Hanoi is doing its best to exploit the very difficult position President Nixon is in on the peace and prisoners issue over Vietnam, but Mr. Nixon is quite right in sounding interested and in exploring for all it is worth what just possibly could be an honorable and quicker way out of the war.

The difficult position is one of those familiar hammer and anvil things. The anvil is

the bone-tiredness of the United States and its people about the war. The popular urge to a quick end is enormous. No man in responsible position in Washington could do anything under these circumstances except be receptive to anything which looks even superficially like a peace offer.

The hammer is the offer from Hanoi to hand back the prisoners in return for a complete American withdrawal from Vietnam—this year.

Nothing is said in this offer about the other of the two conditions which American diplomacy has consistently demanded in return for an American withdrawal. It has consistently wanted its prisoners home and a withdrawal of North Vietnam troops from South Vietnam to be phased with the withdrawal of American troops from South Vietnam.

What Hanoi is saying is that it will be delighted to hand back the prisoners in return for the American withdrawal if Washington will simply forget about the North Vietnamese soldiers which probably by now make up a majority of the forces fighting against Saigon.

In effect, this is a proposal that Washington gamble on the armed forces of South Vietnam being able to survive without any American help at all after the end of this year against both the Viet Cong and North Vietnam.

What would the risks be?

They would probably be very high. At least, it has been a Washington calculation for some time that the armed forces of South Vietnam would not be ready to take care of themselves before June, 1972, at the earliest. The ARVN training program and the American troop withdrawal program have both been geared to a June, 1972, deadline. So what Hanoi is really doing is using the prisoners as bait for a six-month speedup in the American withdrawal program.

If Mr. Nixon could afford the luxury of deciding whether to accept the offer on the basis of American domestic political considerations alone he would grab at it. To end the fighting, get the troops home, and hand over the fate of Saigon to the Saigonese themselves—would greatly ease his home problems. He would have everything to gain—immediately—and nothing to lose.

But what would be the condition in South Vietnam six months or a year later? Would there be a composition of sorts between the Saigon regime and Hanoi? Would President Thieu be forced out of power and be replaced by others in favor of a settlement? And would the composition or settlement soon begin to look like a "coalition" of the various political forces in Vietnam, with the Communists gaining their political beachhead?

That, presumably, is precisely what Henry Kissinger has been exploring for Mr. Nixon.

Mr. Kissinger has done some highly competent exploring of Vietnam conditions before. We can assume that Mr. Nixon will take as favorable a view of the Hanoi offer as Mr. Kissinger's advice will permit.

Unless or until we learn what Mr. Kissinger concludes from his studies the rest of us can hope, but should not push. Mr. Nixon will go as fast and far toward peace as he dares. Crowding him right now should not and probably would not make any difference.

CONGRESS SHOULD DROP CONTEMPT PROCEEDINGS AGAINST STANTON

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, I received a most persuasive letter from a knowl-

edgeable member of the working press, constructively arguing against the proposal to cite Mr. Frank Stanton, of CBS, for contempt of Congress.

I agree with the reasoned views presented and urge my colleagues to carefully peruse the arguments contained in his letter, a copy of which I include with my remarks:

CALIFORNIA FREEDOM OF INFORMATION COMMITTEE

HON. JEROME R. WALDIE,
House Office Building,
Washington, D.C.

DEAR SIR: I would very much appreciate it if you would convey the following message concerning the C.B.S.-Frank Stanton matter to as many of the Members of the House of Representatives as you can.

My name is Mr. Richard H. Fogel.

I have been actively engaged in the newspaper field as a writer, reporter and editor for more than 25 years. What I have to offer is a personal view and not necessarily that of the Oakland Tribune where I am employed as Assistant Managing Editor.

At present I am a Member at Large of the "National Freedom of Information Committee" of Sigma Delta Chi and Chairman of Media Representatives for the Joint Committee of Bench, Bar and Press in California. I have also been a member of the Advisory Council to California Assembly's State Information Policy Committee, Chairman of the California Freedom of Information Committee, and Chairman of the Associated Press News Executives' Council at California and Nevada.

In each of these capacities I have had to give considerable study and attention to the inter-relationships of Government and the press and the manner in which the free press works through the American Democratic System for the good of the people.

For such benefit as my experience might be worth, I would like to offer some comments regarding Dr. Frank Stanton. In doing so, I respectfully yet strongly urge all House Members to look deeply into the issues so they can fully perceive what's at stake.

First, it is my observation our Democracy functions best when the press and elected representatives work jointly to see that the people are well informed about contemporary events and their significance.

It is in my opinion, the proper function of Congress to investigate how information flows to the public. After all, news is the life blood that feeds the mental processes of our society.

Perhaps, though, one needs experience in the news field to clearly know there is a line beyond which efforts to improve access to news information can unwittingly have a contrary effect.

This situation is reached when an investigator goes back past the point of dissemination and attempts to dissect as if in post-mortem the particular handling of a particular news gathering effort.

The result—when threat of punishment faces the Editor—is debilitating, destructive and intimidating to all the media.

It can, in fact, destroy the right to edit, and the right to edit is what I feel Dr. Stanton is defending.

It isn't that the media is out of reach and shouldn't have to stand on the record of what's published or broadcast. They should and Dr. Stanton does.

It's that the above described investigative approach withers free and diverse expression. It imposes an unsuitable censorship, and an unnerving prior restraint.

In short, it interferes with honest judgment and inhibits the flow of information.

I urge you:

Do what you can to improve public access to news information.

Judge the press on performance as compared with discernible facts.

Don't shut off or constrict the life blood of our society.

And listen, if you will, to this caution from Thomas Jefferson:

"Man may be governed by reason and truth. Our first object would therefore be to leave open to him all the avenues to truth and the most effectual hitherto found is the Freedom of the Press."

Sincerely,

RICHARD H. FOGEL.

M. P. DOMINGOS III: OUTSTANDING PATRIOT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. PATTEN. Mr. Speaker, Mr. M. P. Domingos III, of Milltown, N.J., an outstanding patriot, recently gave a very moving speech to a group of Vietnam veterans from Walter Reed and Valley Forge Army Hospitals.

Unfortunately, his speech did not receive the press coverage it deserved, so I have inserted it in the CONGRESSIONAL RECORD with the hope that readers of the RECORD will give careful thought to what Mr. Domingos said on that day to amputee veterans.

How wrong, unfair, and even tragic it is for newspapers, and radio and television stations to fail to give speeches like his the same coverage that the protesters get. I strongly believe it is the duty of the communications media to publish all sides of a controversy—and then have their readers, listeners, and viewers decide which side is right. But to only show one side of a question is a disservice to freedom itself. So I salute Mr. Domingos, an outstanding patriot.

The speech follows:

SPEECH GIVEN BY M. P. DOMINGOS III, TO A GROUP OF VIETNAM VETERANS FROM WALTER REED AND VALLEY FORGE ARMY HOSPITALS ON APRIL 30, 1971, AT THE GREENBRIER RESTAURANT, NORTH BRUNSWICK, N.J.

I find it very disturbing that there are those in America who would seek to "lump together", polarize, prejudice and automatically slot we Vietnam Veterans as being either for or against the war; as being pot-heads or racists; as being flag-wavers or super-patriots, as assassins or what have you. These attempts are evident to me just by reading the newspaper, observing some of the mass media coverage, or watching some of the so-called "talk" shows displaying the "typical Vietnam Veteran".

We are veterans of a war which I feel at the present time no man can accurately predict what the last entry in the log will be. Only time will tell how this one will be recorded in history. I do not, however, consider myself, nor do I feel that most Vietnam Veterans consider themselves, as being represented by the vocal few who in all encompassing terms purport to represent the many. Just as there are complexities of the war, there are complexities amongst the veterans of that war.

My experience has shown that most of you will do as I have done. You come back, get patched up as best you can, go on home to your families, friends, and loved ones and get on with the business of putting your lives back together. Most of you will do this

quietly and unobtrusively with a little hell-raising and party-going thrown in. I might add at this point that you are going to find it increasingly more difficult to get on with this business of putting your lives back together because of economic conditions, high unemployment, and public opinion in general.

I would suggest to you today that before we get on with our lives that perhaps now is the time for a few more voices to be heard. Now is the time because I view the current trend of "lumping together", polarizing, and prejudging, if allowed to continue, to be detrimental to the Vietnam Veteran over the long haul.

I firmly contend that each man must stand for what he believes—and I defend that right—but no matter what those beliefs, the fact remains that he has served. Most of us here today will carry proof of that service with us for the rest of our lives.

I have my own thoughts about my service. I feel that I served with dignity, and as long as there is a breath left in me I will defend my right, your right, and the right of Vietnam Veterans to be Veterans with that same dignity.

So I say to those here today and, in fact, to all the American people—do not group, polarize, or prejudice us. Each of us have our own thoughts and views and if asked will express them; but give us that right and above all let us maintain our dignity.

I have not attempted to speak for any of you men here today—to do so would be wrong. These have been my thoughts and my opinions.

Let me end with a thought which has stayed with me since my days at Walter Reed. I do not remember where I first read or heard it but it is called simply—

A PRAYER

O' Lord lest I go my complacent way
Please help me to remember
That somewhere out there a man
Died for me today.

As long as there be war
I must ask and answer
Am I worth dying for?

THREATENED STEEL STRIKE COULD HAVE BEEN PREVENTED

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. MADDEN. Mr. Speaker, negotiations between the United Steelworkers of America and the steel management have been continuing for over a week here in Washington and reports indicate that the steel management makes every effort to play down the number of inexcusable increases in steel prices over the last couple of years. The executive department has made no effort whatsoever to curtail these prices or to take steps to persuade the steel monopoly from feeding the fires of inflation by the several recent steel price increases.

It was only a year ago last December that both Houses of Congress, by a substantial majority, gave President Nixon complete authority to freeze prices and wages but after over 18 months have passed the inflation-curbing legislation remains in the White House files without any affirmative action.

I am including with my remarks a

news item which only recently was in the Hammond, Ind., Times informing the public of a 6¼-percent increase in price in the cost of steel. These price raises have indirectly affected the high cost of living for millions throughout the country when they buy homes, automobiles, refrigerators, working utensils, et cetera.

CALUMET STEEL PLANTS JOIN PRICE HIKE

YOUNGSTOWN, OHIO.—Youngstown Sheet and Tube, and Bethlehem Steel Co. have followed the industry's giant by hiking hot and cold-rolled and galvanized steel prices \$8.50 to \$13 per ton.

U.S. Steel, the nation's largest producer, announced Wednesday it was increasing its prices 6¼ per cent. Bethlehem is the nation's second largest steel producer.

Inland Steel, the country's sixth largest producer, and Kaiser Steel, the 10th, went along with the hike late Friday, bringing the total to seven companies who have increased prices.

Arco, Jones and Laughlin, and Republic had made their announcements earlier.

The increases are scheduled to take effect in June and July.

Hot and cold-rolled and galvanized steel are extensively used in cars and home appliances. They account for about one-third of all American steel shipments, about 31 million out of 93 million tons.

President Nixon was reported to have expressed disappointment with the latest price hikes. The White House had applied pressure to get a proposed 12 per cent increase by Bethlehem in the price of construction steels rolled back to 6.8 per cent last January.

Many major industrial users of steel said they had not decided whether prices of their products would be increased.

Youngstown said the new prices will be effective June 16 on carbon and high strength hot-rolled steel bands, increased \$8.50 per ton.

Hot-rolled sheets will be boosted \$9 per ton; hot-rolled strip will be increased \$9 per ton. Galvanized sheets are being raised \$13 per ton.

But cold-rolled sheets, Youngstown said, are being increased \$12 per ton on July 1.

A national steel industry publication has said that in helping their customers hedge against a steelworkers' strike this summer, U.S. Mills are running at or near record rates.

It is estimated that raw steel output in the week ended May 8 was 2,943 net tons, down slightly from the all-time weekly record of 2,960 million net tons made the preceding week.

A PATRIOTIC ADDRESS BY MARGUERITE E. PERRY

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, a very stirring speech was delivered by Mrs. Marguerite E. Perry during her tenure as State Americanization Chairman of the Cabrillo Civic Clubs, Inc., of California entitled "Our Flag; An Eyewitness of History."

I was very moved by Mrs. Perry's patriotic address and tribute to our Nation's flag and I would like her speech included in the RECORD so that others may also be privileged to know it.

The speech follows:

OUR FLAG—THE EYEWITNESS OF HISTORY

I am your Flag. In the year 1777 I became the official Flag of the United States of America. I have witnessed many changes during our history and what a shocking document it is. For the growing up of a nation is as painful as the maturity of youth. Let us picture our "Fore-fathers" and the Pioneers of yester-year who with untold fortitude and sheer determination hewed out an existence, suffering hardships and self denials. The graduate climb to education, for those who dared to teach. The wheels of Progress are turning, the invention of machinery, making life easier and crops plentiful. The locomotive is here, also known as the "Iron Horse", its magnitude of power played an important part in the development of our Nation's History. Not only shortening the distance from city to farm, but around the world. The "Horse and buggy" are now extinct. The automobile has taken its place. Progress is on its way. The destruction of natural resources and the beauty of Nature, replaced by steel and cement. The "Jet Age" is here, bringing us closer to nations abroad, time barrier and distance no problem. The assassination of a President and one that might have been. Our people of today, forgetting their moral standards of decency and respect. There are those that "slither" among us, poisoning the minds of young and old, selling the seed of destruction that reduces the brain, leaving a shell of hollow heads. There are those that denounce their country and those that live a life of laziness, squalidness and destruction of unknown terms. The nations that turn against us, when we are the ones they beg for "help" no matter what the need may be and their retaliation is not in the category of Thankfulness. Why must there be chaos on both sides of the water? When the elements of nature can cause destruction beyond all imagination? Floods, fire, famine, earthquakes, cyclones, sickness and disease which no man has control over? Yet the drums still beat.

We are now in the crisis of all times as a Democratic Government. We are in the progress of electing a new President. Will he be one that will live up to his promises, obligations he owes to his Country and his People? Will he replenish our Treasury? Will he curtail the public debt? Will he keep our money at home? Will he see that foreign countries pay their debt? Will he see that Welfare no longer exists, only to those in dire need, and the beating of the drums be silenced forever? Or is it just another "Changing of the Guards?" One that will be numb with power to "wallow" in the "Blood Money" from the sacrifice of these human lives and the squeezing of man's livelihood in this mad hysteria in Governmental power? Do not think I am condemning this country. It is the land of my Birth. I too have inherited these shocking and unsavory episodes and fought for survival. I have been trampled, burned, torn to shreds, spat upon and cursed. But I am not alone, for besides me flies the flag with the insignia of the Bear, it too has fought for supremacy and on February 3rd in the year 1911 the Pioneers' dream came true, for on that day it became the official flag of the Great State of California. These are the pitfalls, tragedies and bitter sacrifices we must face in the growing up of a Nation. This is America. We are all Americans, whether Native born or by Adoption. This is still the "Greatest Nation" in all the World. We will never relinquish our "Unity," our "Heritage" nor our "Freedom." We shall regain our dignity and respect and excel in the eyes of the World. For I am the "Stars and Stripes," the "Symbol" of which we live by and should be as "Sacred" to you as the "Prayer Book" or the "Rosary" you hold in your hands on Sunday. For this is the "United States of America" the Country to which we

all belong. It is my "Fervent Prayer" That the animosities of man and all nations be swept away; that Peace, Freedom and Friendship prevail before the end of time. For I am your FLAG, the Eyewitness of History.

THE DULLES-EISENHOWER RULES

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. ROBISON of New York. Mr. Speaker, in one of those ironic twists of history which so often impose themselves upon the affairs of men, many politicians and commentators, once scornful, are now looking back at the Eisenhower years with respect and fondness. In retrospect, the firm, but cautious foreign policy directed by President Eisenhower looks very sound indeed—particularly when compared to our Nation's subsequent course of action in Southeast Asia.

In my mind, the present Nixon doctrine is—at least in part—an attempt to reassert the essential validity of the Eisenhower policies. It is an attempt to strike a reasonable balance between attempting to do too much and too little. It is an attempt to maintain a credible presence in the world without assuming a policeman's role.

This is an effort well worth our support; and I hope that Congress encourages the administration to continue its reassessment of our foreign commitments and responsibilities. In this connection, the July 6 editorial of the Christian Science Monitor may prove to be of interest to my colleagues. The editorial emphasizes the cautious realism which ruled our foreign policy under President Eisenhower; and it indicates that we can learn much by recalling those days which, though fraught with danger, avoided despair.

The full text of the editorial follows:

THE DULLES-EISENHOWER RULES

When all the meanings of all the words in the Pentagon papers are added up and put together and analyzed and squeezed down for what is most important we think we have a pretty good idea where it will all come out.

We think it will mean that back in the days of Dwight D. Eisenhower and John Foster Dulles the United States had a pretty sound set of operating principles for American foreign policy which their successors could, to their advantage, have honored more than they did.

Mr. Dulles was great on high-flown rhetoric and thus earned for himself the title of "brinksman." He even invented "brinksmanship" by the claim that he found it necessary to walk up close to the "brink of war." Yet the truth of the matter is that Mr. Dulles's actual operating policies, as distinct from his rhetorical policies, when tempered by Eisenhower caution were conservative and restrained.

In the Dulles speeches which did not make headlines, and in his private conversations and in his actual management of American foreign policy he worked out for President Eisenhower a set of rules under which he would approve or disapprove of an American commitment to friendly factions in countries under real or presumed danger of internal or external aggression.

He was willing to give economic and military aid and even, if necessary, send American troops provided that:

1. The government in the country involved requested aid.

2. The government requesting aid was in effective control of the bulk of the country.

3. The government was backed by a majority of the population, and

4. Government and people were ready, willing, and able to fight effectively in their own defense.

Under this formula all of Western Europe, much of the Mediterranean, most of Latin America, South Korea, Japan, Oceania, and Southeast Asia were kept out of the hands of adventurers and adventurous elements unfriendly to the United States and its allies. Egypt was a loss against the plusses.

Even more important, so long as the Eisenhower-Dulles formula was observed, the United States did not get into any difficulty too big for it to handle. To oversimplify, President Eisenhower believed in intervention—when the odds were on his side. Playing it cautiously paid off. He never got himself dangerously overextended.

Intervention in Vietnam was not measured by the old Eisenhower-Dulles rules. Had they been applied, there never would have been an American commitment there at all.

In the beginning there was never even a request for American troops. President Diem had to be maneuvered into asking for them. It was his fatal misfortune that he did let himself get talked into asking for them.

At no time was the regime in Saigon in substantial control of the bulk of the country. There is no convincing evidence that it has enjoyed the solid support of a majority of the people. And the evidence is still all too painful that government and people have yet to acquire the will and capacity to fight their own battles.

The Eisenhower-Dulles formula would have justified intervention in Korea. It would not have justified the massive intervention in Vietnam which came during the Kennedy-Johnson era. Every rule in their formula was ignored by the commitment to Vietnam.

The chances are that when the Vietnam affair is really over and the books are closed, as they are bound to be one of these days soon, someone will remember it all as an example—of how safer the old formula really was.

TRIBUTE TO DOROTHY ANDREWS KABIS

HON. PIERRE S. (PETE) DU PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DU PONT. Mr. Speaker, on Thursday, July 8, in Odessa, the State of Delaware paid its final tribute to Dorothy Andrews Kabis, Treasurer of the United States, who died July 3, 1971.

I include my remarks upon that occasion in the CONGRESSIONAL RECORD:

REMARKS OF MR. DU PONT

I know that all of us here today feel very deep regret at the death of Dottie Kabis, for we have all known her not only as a great personal friend but as Delaware's leading lady in public life. She participated in public service from Odessa to Washington, with a list of positions and honors that could fill a book. Her activities spanned the St. Paul's Methodist Church, the Central Grange, the National Federation of Republican Women, the Daughters of the American Revolution,

and eventually the United States Treasury, which she served as the 33rd Treasurer of the United States.

Such great involvement naturally leaves an enormous vacuum which is as great as her circle of friends and generous commitments—a great vacuum indeed which will be especially felt here in Odessa—in the Church, the Women's Club, and the DAR, to mention a few.

The task of eulogizing such a person who had such broad influence in the community, the State and the Nation becomes most difficult. A few well chosen phrases can hardly convey the essence of her active life, but perhaps in perspective we can reflect on the types of things Dottie stood for.

I think above all she was a patriot. Webster defines a patriot as one who loves her country and zealously supports its authority and interests. Although a term traditionally applied to those men who fight wars for the preservation of Democracy, I think it particularly fitting for Dottie. Her energies were tirelessly devoted to the service of the community whether that community be Odessa, Delaware or the Nation itself. Her tasks were not limited to what most of us think is patriotism. Her brand of patriotism was a commitment of self. She worked with the Grange, with election reform in Odessa, the Republican Party, and finally the Treasury of the United States. She worked zealously in various capacities in the highest spirit of citizen participation. This is not the simple flag waving patriotism, but it is the kind of active patriotism which is the legacy of this nation, and the backbone of democracy.

Her unswerving devotion to service to the community and the Nation came at a time when cynicism and detachment were in vogue, but she responded to the detached doubters with enthusiastic participation. As government became a questionable service in the eyes of the cynics, Dottie increased her involvement in public service, and by the time of her unfortunate death, she served a community that reached from Odessa to Washington.

The State of Delaware, which has long prided itself in its contribution to the Nation now can look on Dottie as among the great representatives of the State. I think that this greatness can be attributed to a patriotic devotion and sense of community that knew only the bounds of time.

To call Dottie a great patriot is hardly enough, but this is the essence of her energy and devotion—she was never one who knew the confines of a precise definition. On December 7, 1787 Delaware became the state that started our nation. Dottie Kabis carried on in the patriotic tradition that made Delaware first. By her efforts, she helped keep Delaware first. To have done that is to have done a great deal.

NIXON'S WARNING TO UNITED STATES: NEGATIVISM NO HELP

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. CHAMBERLAIN. Mr. Speaker, on July 3 in a simple, impressive ceremony broadcast nationwide from the National Archives Building, the American Revolution Bicentennial Era was launched. In his remarks President Nixon chose to stress a theme which has in recent years received all too little attention; namely, "What's Right With America." He said:

To look at America with clear eyes today is to see every reason for pride and little for shame, great cause for gratitude and little for regret, strong grounds for hope and none for despair. The crucial challenge now is to hold the high ground of confidence, courage, and faith that is rightly ours and to avoid the quicksand of fear and doubt.

As I fully concur with the President's timely statement I was particularly pleased to note that the Detroit News in its editorial of Thursday, July 8, 1971, "Negativism No Help" has responded to and elaborated upon the President's theme which I commend to the attention of my colleagues:

**NIXON'S WARNING TO UNITED STATES:
NEGATIVISM NO HELP**

America has been the world's greatest power for such a long time that it's hard for American citizens to imagine being anything less. So when the President warns that our nation, like ancient Greece and Rome, may decay and vanish, most of us regard his rhetoric as somewhat overdrawn.

We look about us. Where are the crumbling pillars he describes?

In the first place, civilizations don't crumble rapidly before the eyes. The decay occurs slowly, almost imperceptibly, until finally one realizes, upon looking back to a former time, how vastly things have changed.

In the second place, President Nixon was speaking in figurative terms. Thus, when a citizen examines the moral fiber of the country, as compared with that of 25 years ago, he realizes something has changed for the worse in the national character.

We've acquired a false, morbid and pervasive sense of guilt. We've carried self-criticism and the practice of national muckraking to pathological extremes. We're getting so we don't like ourself.

The nation has come to this sad state of affairs by many paths. In trying to rear a generation free of hardship, it has reared a generation insatiable in its demands and savage in its disparagement of this country. The news media, in their search for the story of impact, have exaggerated social ills and made the system into a villain. Politicians, instead of rallying the country's moral resources, have played to the gallery.

As a nation, we need to look in the mirror and tell ourself occasionally that we like what we see. President Nixon did just that when he observed:

"We have been in four wars in this century and four times young Americans have gone abroad. We have done so without any idea of conquest or domination. We have lost hundreds of thousands of lives and we have not gotten a thing out of any of it, and we have helped each of our enemies, after each of the wars, get on his feet again."

So, the President is asking, what are we so ashamed of? What other nation has more deserved the position of preeminence held by this one? Why should the problems of the moment obscure the good that we have done and are doing?

The United States, by the way, is not merely engaged in a contest with its own former image. This is a much more competitive world than it was 25 years ago, when the United States was the mightiest military power and possessed the only strong economy among the major powers.

Today, Russia rivals our military power. Our economic leadership is challenged by the Soviets, by Red China, by Western Europe and the Common Market and by that Pacific giant, Japan, which has already surpassed the United States in the production of steel.

If America loses its confidence and stumbles, there are now many others who will help it fall and who will eagerly fill the gap of leadership.

So the President was not engaging in melodramatic rhetoric. He was issuing a coldly realistic warning against the persistence of a national attitude that can make the United States a second-rate and dwindling power.

**VIETNAMESE OPINION POLL CALLS
THIEU A QUISLING**

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. LEGGETT. Mr. Speaker, in light of our country's massive involvement in the Vietnam war, it is amazing how little we have studied Vietnamese public opinion. Until very recently, I do not think there was a single Vietnamese opinion poll that was publicly available. But now Time magazine has performed a public service by releasing such a poll in its July 12 issue.

It seems that three conclusions can be drawn from this poll:

First. The negative impressions Vietnamese have of the American presence relate to a degrading and undermining of their basic cultures and society. In contrast, their positive impressions center around relatively unimportant—to a Vietnamese—items such as building roads and fighting Communism.

Second. A majority of the Vietnamese people either have no explanation for the American presence, or feel we are there because of unworthy motives.

Third, and most important. A large majority believe that the Thieu Government is American controlled. To appreciate the significance of this finding, we must remember that the greatest—perhaps the only—source of national pride to a Vietnamese is his country's 2,000-year history of fighting off invasions by major powers. Vietnamese folklore and history is permeated with heroic and ultimately successful struggles to rid their country of the Chinese, and more recently the French and the Japanese. The greatest public virtue a Vietnamese can have is a record of nationalism, of independence from all foreign control. The greatest public fault a Vietnamese can have—far greater than corruption, wife-beating, or dope pushing—is to be considered an agent of a foreign power.

This is the fault General Thieu has in spades.

I insert the article containing the poll, from Time magazine of July 12, 1971, in the RECORD at this point.

[From Time magazine, July 12, 1971]

THE UNITED STATES AS SCAFFOLD

Long before the Viet Nam papers were liberated from the Pentagon's files, Americans had endlessly debated the question of why the U.S. ever got into the war. The official rationale was, and remains, that the South Vietnamese need and want U.S. help to maintain their independence. In fact, the feelings of the Vietnamese people were rarely considered by U.S. policymakers. Recently, a more or less formal poll was taken among the South Vietnamese to find out what, in their view, the U.S. has been up to. The answers, gathered by U.S.-trained poll takers in five areas from Qui Nhon on the central coast to

Can Tho in the Mekong Delta, range from balanced to bizarre.

CHOOSING NOT TO WIN

In Saigon, 30% of those questioned said the U.S. was in Viet Nam to stop Communism. But 44% could not—or would not—offer any explanation for the massive U.S. presence. A sizable minority of 17% said the Americans were there primarily to test their new weapons or to make money for munitions manufacturers. Nobody suggested, however, as do some New Leftists in the U.S., that Washington plunged so deeply into the war to exploit the oil that has recently been discovered off the shores of South Viet Nam. A majority said that the U.S. could have won the war but chose not to do so for its own perverse and selfish reasons.

What good has the U.S. done for Viet Nam? Almost three-fourths of those questioned in Can Tho cited the fight against Communism and the roads and bridges that the U.S. has built. But 12% could think of nothing specific, and 14% insisted that the U.S. has done no good at all. When the same group was asked what were the worst things Americans had done, 78% cited the corruption of Vietnamese youth, women, customs and traditions, the use of Vietnamese officials as "henchmen," the undermining of the country's politics and economy, and the disregard of its national sovereignty, dignity, life and property. The remaining 22% had "no opinion." Perhaps the most savage view of the U.S. impact recently appeared in the opposition newspaper *Hoa Binh*, which printed a cartoon showing Lyndon Johnson and Richard Nixon literally raping the country.

A large majority—ranging from 71% in Can Tho to 83% in Nha Trang—thought the U.S. controlled the Saigon government. The general attitude was summarized by another opposition newspaper, *Cong Luan*, in an editorial on the presidential elections scheduled for October: "As to what candidate has the greatest chance for success, all Vietnamese agree with the Vice President [Nguyen Cao Ky] that the most trustworthy prophet is none other than [U.S. Ambassador] Ellsworth Bunker." Translation: Bunker knows because Bunker decides. A cartoon in Saigon's *Tin Sang* daily summarizes a widespread feeling; it shows Ambassador Bunker, called "the Father of the Country," rocking a cradle labeled "Viet Nam."

Most of those polled felt that U.S. citizens in Viet Nam tended to be honest, courteous and industrious, with the exception of construction workers. Many praised U.S. military men for their hard work and sincerity. But servicemen were also criticized as "drunks, haughty, licentious men who wore ridiculous clothes and seemed indifferent to accidents for which they were responsible."

JUST DEMONSTRATORS

To explore these attitudes more deeply, TIME's Saigon Bureau Chief Jonathan Larsen in recent weeks interviewed a number of well-educated South Vietnamese. The interviews demonstrated beyond a doubt that even the most sophisticated Vietnamese blame the U.S. for a wide range of war-induced problems, from economic crises to political corruption. Items:

A newspaper editor:

"At first, the Vietnamese thought the Americans were very generous, with idealism to fight Communism. But after years of seeing you behave in bars, driving recklessly and insulting our people, we know that we were wrong to put you so high. You put a woman too high, and then you marry her and realize you were deceived. So it is with you and us. You had no time to show your culture, your education, your civilization. You were too busy fighting the war. The French had time. They showed us their music, their schools, their culture. If our

people could see you in the States, they would have a far better impression. But here they see G.I.s running over innocent people and fleeing the scene of the accident.

"You thought that you were superior and did not want to ask our advice. You didn't know how to approach the Vietnamese. What you needed was a Dale Carnegie course in how to get along with the Vietnamese. Take the title 'advisers,' which you have given yourselves. To us, an adviser should be someone who is superior in every way, who can give you advice on all subjects, on life, on love. You are really just 'demonstrators.' You show us how to shoot the M-16 and fly the F-5, and we need you for that. But you are not 'advisers.' You thought that by giving us an easy life, a television, a washing machine, a car, that we could fight Communism better. That is not true. You must have discipline, you must make sacrifices to fight Communism. We have become 'bourgeois,' although we were not born to be bourgeois."

An opposition deputy in the lower house: "The people in the country believe that you are here to sell weapons because the U.S. is run by the manufacturers of big weapons. The American policy is to make small countries dependent on the Americans. How can the people believe that the Americans are here, as Mr. Nixon says, so that the people can choose their own fate and their own leaders, when the U.S. Government so openly supports President Thieu?"

A textile manufacturer: "When we were in bad straits in 1965, the Americans came here to rescue the Vietnamese, so the majority of the people thought the Americans came here to defend them. But as the war wore on, they realized, no, the Americans came here to help themselves. The people feel perhaps you do not want to end the war."

A civil engineer: "Americans came like firemen to extinguish the fire, but they haven't done the job, and now they are going home. It's unbelievable. Fine, we will put out the fire ourselves, but you have taken the water, the pump and the ladder with you. Once we knew how to put out these fires with bucket brigades, but now we are used to your technology, and you are taking it away. Many people believe things were better in 1961 than they are today. There were no motorcycles then, few radios. Now the people are making more money and there is more democracy, but the morality of the society is declining sharply. Our spiritualism has given way to materialism."

A college professor: "The Vietnamese can win the victory, but first we must stop the 'graspers.' To stop this corruption, we need the CIO, the FBI and the CID [the Army's Criminal Investigation Division]. Everything in Viet Nam is planned by the Americans, including who sits in the palace. If the Americans don't want Nguyen Van Thieu for President, he will leave—it is as simple as that. If they want to stop the corruption and the grasping, they can do it."

It is distressing but hardly surprising that so many Vietnamese see the Americans as scapegoats for almost everything that is wrong with their country today. Many of the accusations are not only untrue but cruel. The idea that the U.S. would pour \$125 billion and 45,000 lives into the country with the idea of "undermining" it is absurd; yet some Vietnamese insist that such is the case. Illogically, many are convinced that the U.S. is supporting Thieu and at the same time trying to weaken the Thieu government.

According to a nationwide poll, 66% of the Vietnamese people are aware of the U.S. troop withdrawal. Of these, 56% approve of the U.S. departure—possibly because they feel spurned—and do not appear to be overly concerned about the consequences. While 21% of this group think the position of the North Vietnamese will be strengthened, 38%

foresee only a short-term problem that the South Vietnamese can handle. A scant 15%, however, believe that ARVN is strong enough to maintain control without any hitches.

TROUBLE WITH STOP IS START

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. STEED. Mr. Speaker, the article that follows, written by Mr. Dave Wilson of Shawnee, Okla., appeared in the Sunday Escort supplement of the Shawnee News-Star, June 27, 1971.

It brings an approach worth reading, calling for commonsense and optimism in international relations.

I include the article:

TROUBLE WITH STOP IS START (By Dave Wilson)

Sickened at seeing and hearing big shots strumming away on the hackneyed 'STOP' theme, why shouldn't a cowhand blow his top? Teddy Roosevelt blew his in a constructive way and remember, Teddy sat the same stock-saddle and rode the same range for many, many years as did this cowhand. The truth of the matter is that the human who sits the saddle doesn't necessarily have an idle mind. In fact the lonesome range is a good place to paint pictures in the mind, talking to one's self. Nor do such pictures need be day dreams nor idle fancy. Remember Buddha sat in the shade of a tree—Christ and Moses went to the top of a mountain in order to communicate with themselves!

When Teddy Roosevelt sat in a different saddle in a White House he didn't START hammering on STOP. He STARTED, period! Started new and constructive movements, that is. Isn't this the only way progress has even been made Never in all history have STOP campaigns accomplished anything!

So, in good conscience, I'm STARTING blowing-off against the STOPpers! There is entirely too much anti-this and anti-that and not enough for-this and for-that. ANTI is a backing-away-from a problem—FOR is facing it head-on and tying into it, seeking the solution.

In the June issue of Look we are confronted with two dazzling articles by illustrious members of our plush-bottom-Congress-sitters, blowing off steam in a Dump Nixon Campaign and a general revamping of both political parties: End the war—get-the-boys-home—pull in our horns—get-busy-with-our-own-knitting is the general theme.

Fine, super-fine! But completely overlooked is the fact that we still face Communism, home or abroad! The war in question is not a Southeast-Asian-War! Its undertones are the conflicting ideologies of Communism and Capitalism or Free Enterprise. Until these opposing forces are reconciled there can be no peace at home or abroad—there can be no Peace on Earth!

Instead of STOP-this and STOP-that why don't someone on one side or the other START something NEW and constructive? Isn't it time to take stock of the situation and admit that we are in an impasse—a world stalemate? Communism can't win—Capitalism can't win: The destruction of either means the destruction of both, in fact it means the destruction of Life on earth! What is the alternative? Does it take a golden-voiced Senator, a Quiz Kid, a Genius or

a Superman to see that there MUST be compromise—a blending?

Nor does it take a bushel of brains on either side to realize that neither system has attained ultimate perfection; both are in the process of painfully trying to evolve toward a higher plane. Then why for the sake of Communism/Capitalism, the sake of Life on earth and for God's sake why, why, why not pull down the bars of nationalism, put our eggs into the same basket and all START pulling together in a common effort to protect those precious eggs instead of throwing lead at them! The eggs are Earth and Life itself. The species of animal called MAN is the only being on earth that can protect those eggs. Nations are but communities of men.

Is this idea fantastic? Not if we examine it with the sense of a horse instead of Greek Ego reddened eyes and selfish motives.

Sure it is stupendous but isn't it better to attempt something big rather than steep in the stupid stupor where we now find ourselves bubbling in the caldron of despair?

Sure it calls for big thinking—bold action! A revamping of not only all political structures but of the economic, religious and social structures as well. But after all, what is Life on earth and human purpose unless it is to work toward a higher and better plane of existence? Isn't that what every ideology is striving for? Then why not strive together and act like the image we are supposed to be!

Let it be admitted at the outset that the gold/silver/material wealth incentive of Greed/Ego must be supplanted with an incentive of service. Rubles, dollars, franks, pounds, marks, etc., must be supplanted by Certificates representing Man-Hour Energy. Material things are not intrinsic wealth. LIFE is the only real wealth on this earth. Man has the ability to START Life on a new road that leads upward toward the goal all nations aspire to. Has he the will to sensibly use his talents instead of slumping into the tragic state of irresponsibility of the present trend?

As the song so aptly puts it let's, "Take a look at ourselves and maybe we will look at others differently." May I list a few of the antis? For instance, we are familiar with Anti: Nixon, War, Republican, Democrat, Establishment, Law-and-Order, Communism, Christian, Jew—on and on and on, the list is endless. We have reached the point where it is entirely feasible to ante an anti without seeking Auntie's advice, or Uncle's either for that matter!

The pitiful part of it all is the fact that every Anti believes that by forcefully crushing what he don't like will solve the problem. It isn't that simple—"One convinced against his will is of the same opinion still!" There is NO solution except that of Negotiation/Compromise. Horsensense says that it must be done, not MY way but OUR way!

There is but one group of beings called Human, there is but one Life, one World. We have the feeble embryonic nucleus of an organization called the United Nations. Why not START with this nucleus by beginning NOW to lay brick by brick toward a One World concept of government in which political expediency will be nonexistent—where selfishness/greed/ego will be unknown?

Just because the chips are down is no sign that this is man's darkest hour. It can well be his brightest!

May future ages, thumbing the pages of history say, "Here is where we derive all of our inspiration—where man STARTED building a better way of Life, a better world. From the foresight of man, gripped in the throes of his supreme trial, came the inspiration to build toward that perfection that can only be imagined but never attained! There will always be something to live for!"

NATIONAL ENERGY POLICY—
PART V

HON. R. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. COUGHLIN. Mr. Speaker, on July 1 I inserted into the RECORD a bibliography of some of the latest publications concerned all or in part with the creation of a national energy policy. I did so with the thought in mind that such a list would encourage those in the executive and legislative branches of Government to establish a national energy policy without delay. That list clearly indicates the need for action, not more delay in the form of another report. We have the information to begin, so let us begin.

I find I have just been sent by the Tennessee Valley Authority a list of recent publications concerned with a national energy policy, and I would like to include it as well in the RECORD as part of the growing bibliography of material on the subject.

The list of TVA publications follows:
STUDIES AND REPORTS SPONSORED BY TENNESSEE VALLEY AUTHORITY OF RELEVANCE TO A NATIONAL ENERGY POLICY

1. "Environmental Statement—Watts Bar Nuclear Plant, Units 1 and 2", (May 1971)
2. "Environmental Statement—Policies Relating to Sources of Coal Used by Tennessee Valley Authority for Electric Power Generation", (March 1971)
3. "Effects of Heated Discharges: The TVA Experience", (September 1969)
4. "Environmental Protection—TVA Experience", (December 1970)
5. "Full-Scale Study of Plume Rise at Large Coal-Fired Electric Generating Stations", (July 1968)
6. "Adherence of Sulfur Dioxide Concentrations in the Vicinity of a Steam Plant to Plume Dispersion Models", (August 1967)
7. "Plume Rise Estimates for Electric Generating Stations", (March 1970)
8. "Environmental Quality Protection—Large Steam-Electric Power Stations", (August 1970)
9. "TVA Air Quality Management Program", (August 1969)
10. "Air Pollution: The Control of SO₂ from Power Stacks", (1967)
11. "Experience with Electrostatic Fly-Ash Collection Equipment Serving Steam-Electric Generating Plants", (November 1967)
12. "Sulfur Oxide Removal from Power Plant Stack Gas—Sorption by Limestone or Lime-Dry Process Conceptual Design and Cost Study", (1968)
13. "Full Scale Study of Dispersion of Stack Gases—A Summary Report", (August 1964)
14. "Sulfur Oxide Removal from Power Plant Stack Gas—Use of Limestone in Wet-Scrubbing Process (Conceptual Design and Cost Study Series—Study No. 2)", (1969)
15. "Sulfur Oxide Removal from Power Plant Stack Gas—Ammonia Scrubbing—Production of Ammonium Sulfate and Use as an Intermediate in Phosphate Fertilizer Manufacture (Conceptual Design and Cost Study Series—Study No. 3)", (1970)
16. "Sulfur Oxide Removal from Power Plant Stack Gas—Investigation of the Reactivities of Limestone to Remove Sulfur Dioxide from Flue Gas", (1971)

EXTENSIONS OF REMARKS

17. "Full Scale Study of Plume Rise at Large Electric Generating Stations", (September 1968)

18. "Report on Full-Scale Study of Inversion Breakup at Large Power Plants", (March 1970)

19. "Comparison of Coal-Fired and Nuclear Power Plants for the TVA System", (June 1966)

INDIANS AND ALCATRAZ

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, an editorial concerning the Government's policy toward Alcatraz Island appeared recently in the Lafayette Sun, published in my district, and I believe it is important that it be brought to the attention of this body.

It is a valuable point of view because of the knowledge the proximity of Alcatraz Island affords that newspaper.

I share the views of the editors. It is cynical that in an attempt to justify its treatment of the Indians on that island, the Government has proposed a plan, which it hoped would capture the imagination of the people in their current concern over "environmental protection" but which is in reality unfeasible and unrealistic.

The article follows:

"WILDERNESS" CANNOT BE MADE TO ORDER
Now that the Indians are off Alcatraz the United States government has plans to convert "The Rock" into a national wilderness area.

The Indians of course trekked to the hills north of Orinda in Tilden Regional Park and encamped to the dismay of the federal bureaucracy which ousted them Thursday.

With some apparent effort to make eviction of the few Indians remaining on Alcatraz more palatable to Indian sympathizers, Washington officials announced "plans" to convert Alcatraz into a "National Wilderness Area" so all could enjoy the island in San Francisco Bay.

It was strange that the Washington officials offered no specific proposals for Alcatraz after it was abandoned as a prison and during the 19 months the Indians occupied it. While the Indians capitalized on our national guilt complex about Indian affairs, the U.S. government offered little. Presumably, the officials hoped the situation would just go away. But it (and the Indians) didn't, so we now have this public relations type proposal.

On the proviso that the government officials really meant it when they announced plans for conversion of Alcatraz to a wilderness area. And wonder even more whether they realize what it would cost—or even care.

To carry out this idea, every brick and block of concrete, every strip of paving would have to be removed and every vestige of human occupation would have to be eliminated. This might cost a few score million dollars at standard government operating procedure.

Then they'd have an island with nothing there but the rubble that contractors left behind.

Presumably the next step would be importations of hundreds of bargeloads of sub-soil

and then top-soil and the government could drop a few dozen more millions on that.

The "wilderness" would be rather barren at that point—so the next stage would be purchasing of thousands of trees to plant in the expensive soil.

Then the trees would be planted and Alcatraz might after some generations qualify as a "wilderness area."

Of course, early pictures of pre-prison Alcatraz show the island to be a dome of wild grass. It's impossible to imagine the government would be satisfied to restore it to that condition—or that any one would care to see it if it were.

Virtually any conservationist would confirm that a wilderness area is created to protect a wilderness that already exists—not to create one where it does not exist.

The idea of instant wilderness is more like instant Orwell. It is gross and cynical in concept. Even worse, it demonstrates again a federal proclivity for coming up with instant solutions that accomplish little other than further reduction of citizens' respect for bureaucratic ability to conduct this country's affairs.

FREEDOM OF SPEECH AND PRESS

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. McCLOSKEY. Mr. Speaker, last week, the House voted against seeking the truth about Laos from the Pentagon.

Today, we are asked to hold a news broadcaster in contempt for refusal to produce unused film gathered in making a 1-hour documentary about the Pentagon.

It is almost inconceivable to me that the House should require more of a private citizen than we would require from the Government.

The Constitution guarantees freedom of speech and press.

To force the production of writings or films compiled in preparing a final work-product, written or filmed, cannot help but inhibit free speech and press. It is particularly important, in these days of an ever-more-dominant Government, an ever-more-secretive Government, that the press and news media be free to criticize and comment without fear. The whole purpose of the free press language of the Constitution was to permit free criticism and comment about the Government. It was the Government whose powers the framers of the Constitution wished to limit, not those who speak adversely to the Government.

We are charged by the Constitution to "provide for the common defense, declare war, and fund the standing army."

Yet, we are not told—and we do not dare to ask—about secret combat operations in a country with which we are not at war, an operation which has cost billions of dollars and thousands of casualties, most of them civilian. Yet for a broadcaster who puts the Pentagon in an embarrassing light, we insist on the production of his unused film.

It appears to me, Mr. Speaker, we demean the House of Representatives by this sort of comparative vigilance.

JOBS, THE REAL CRISIS

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. THOMPSON of New Jersey. Mr. Speaker, Mr. Keith Bose recently wrote an article that appeared in the Washington Post of June 6 outlining the plight in which many highly trained professional workers find themselves. Mr. Bose, author of the book "Aviation Electronics" was dismissed from his job as a technical writer a year ago. At age 49 he has been unemployed for 8 of the past 12 months.

In his fruitless quest for work, Mr. Bose gradually reached the conclusion that jobs for which he, and thousands like him, are qualified simply do not exist. In a letter to the Washington Post, Mr. Frank V. Cantwell advances a partial explanation of the reasons why our economic system is experiencing difficulty creating jobs for Mr. Bose and others like him. I commend Mr. Cantwell's explanation to the House:

[From the Washington Post, June 30, 1971]

"JOBS, THE REAL CRISIS"

As one who has spent the greater part of his life in the study of employment and the labor force, I was both interested and touched by the article entitled "Jobs, the Real Crisis" written by Keith W. Bose which appeared in Outlook for Sunday, June 6. In a work-oriented economy such as ours the temporary loss of a job is a tragedy; the disappearance of an entire line of work for which one is trained can mean the end of a work-life. It is the cold realization of the latter that chills Mr. Bose and many like him who have spent their working lives in the production of military goods and now view a future holding a steady downward decline in demand for their services. I must agree with his conclusion that "we have contrived a socio-economic system which denies the vast bulk of society the right to perform economically useful services" although I believe "vast bulk" is going much too far.

The simple fact is that the production of military goods is not an economically productive activity. The \$2 million tank is not productive; the \$2 million machine tool is. The tank produces no goods or services leading to the accumulation of capital. The machine tool can perform an almost endless variety of tasks in shaping tools to produce serviceable goods; it is a machine that can reproduce itself to supply still more goods-producing machine tools.

Contrast the labor spent upon fifty tons of metal to convert it into a tank with labor employed upon a similar amount of metal skillfully forged, treated, and machined into generators, turbines, planes, drills, or grinding machines, each with a value greatly enhanced over the original value of the raw metal, and each, in turn, ready to perform additional work that will add value to raw or semi-finished materials, and in the process provide well-paid jobs. For over a quarter of a century we have spent a great deal of our manpower and materials turning out goods which have no essential value in capital formation, and which cannot translate themselves into tools for the further production of valuable goods.

In The Wealth of Nations, in a chapter entitled "Of the Accumulation of Capital, or of Productive and Unproductive Labor," Adam Smith had this to say of a British experience two centuries ago that parallels

our own: "In the course of the four French Wars (1688, 1702, 1742, and 1756) the nation has contracted more than a hundred and forty five millions of debt, over and above all the other extraordinary annual expense which they occasioned, so that the whole cannot be computed at less than two hundred millions. So great a share of the annual produce of the land and labour of the country has, since the revolution, been employed upon different occasions, in maintaining an extraordinary number of unproductive hands. But had not those wars given this particular direction to so large a capital, the greater part of it would naturally have been employed in maintaining productive hands, whose labor would have replaced, with a profit, the whole value of their consumption. The value of the annual produce of the land and labour of the country would have been considerably increased by it every year, and every year's increase would have augmented still more that of the following year. More houses would have been built, more lands would have been improved, and those which had been improved before would have been better cultivated, more manufactures would have been established, and those which had been established before would have been more extended; and to what height the real wealth and revenue of the country might, by this time, have been raised, it is not perhaps very easy even to imagine."

FRANK V. CANTWELL.

POSTSCRIPT TO THE SST

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. OBEY. Mr. Speaker, while we have been told that the Concorde caused minimal sonic boom damage while operating along its 800-mile flight test corridor down the west coast of Scotland, England and Wales, it apparently was not minimal enough to satisfy insurance underwriters.

A resident of Warwickshire has informed the Times of London that renewal forms for his auto and house insurance policies now exclude loss or damage due to "pressure waves caused by sonic or supersonic aircraft," and that he does not like the prospect on top of his tax burden for a supersonic transport "I shall never use and probably never even see."

I include his letter, which appeared in the Times of July 5:

SONIC BOOM INSURANCE

(From Mr. James Anderson)

Sir, In recent weeks I have received a renewal form for my car insurance and another for my house. Both of these had added endorsements to the effect that they would no longer cover loss or damage due to "pressure waves caused by sonic or supersonic aircraft".

This obviously arises from the existence of supersonic planes. In the course of a long correspondence with the various ministries responsible for the Concorde, under a succession of Governments, I was never able to get a clear statement about compensation in the event of such damage; suggestions for a scheme like the wartime bomb damage one were consistently ignored.

Since, by the time the Concorde flies in

service, I shall have, in common with most taxpayers, have contributed at least £30 towards a plane I shall never use and probably never even see, it seems rather hard that I may have to pay, myself, for any further damage it may do to my few remaining assets. What is a poor man to do?

LEWISTOWN CENTENNIAL CELEBRATION DRAWS PEOPLE OF VARIED INTERESTS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. HUNGATE. Mr. Speaker, Lewistown, Mo., has just completed the celebration of its centennial. It was a festive occasion marked by parades, contests, and a general expression of pride in this accomplishment. The following is an account of this occasion carried by the La Belle Star:

LEWISTOWN CENTENNIAL CELEBRATION DRAWS PEOPLE OF VARIED INTERESTS

The roar of the Air Force jets, the backfire of antique autos and the clip-clop of horses hooves on pavement, all combined to make the Lewistown Centennial parade one of the outstanding features of the 3-day centennial celebration, last weekend.

An estimated crowd of 3,000 to 4,000 persons lined the parade route to view the hour long historic event which was held Saturday morning. There were 71 units in the parade which included 200 horses, according to parade chairman, Bill Porter.

RESULTS OF FRIDAY CONTESTS

Activities marking the town's 100th birthday began Friday morning with a watermelon eating contest. Mr. and Mrs. Elmer Williams acted as judges for the event.

At the sound of Lloyd Graves' bugle, the kids were off . . . faces were buried in the melon with seeds rolling out both sides of their mouths. Dorothy Anderson of La Belle, daughter of Charles Anderson, was the first to consume her melon and walked off with the \$5 prize. Jim Smith and Pat Trimble came in second and third, and all three winners were interviewed by Kirk McCallister for KGRC radio. McCallister acted as master of ceremonies.

The second event of the morning was the pie eating contest (Incidentally the kids thought it was very bad planning on the part of the committee to have the pie and melon eating contests so close together.) Bob Minor was judge and again Mr. Graves sounded the bugle and the kids were immediately face deep in chocolate cream pie. Carley Gelsendorfer of Lewistown came in first. Jim Kerr of Keosauqua, Iowa, was second, and Kirk Van Meter of Farmington, Iowa, placed third.

In the baking contest, Mrs. Pauletta Nichols walked away with the engraved wall plaques for both her angel food cake and white bread. Mrs. Velma Porter won first for her cherry pie. Ann Kempe was chairman of the event with Mrs. Christina Jones of Moberly acting as the contest judge.

Kirk McCallister rounded up the youngsters for the three legged sack race and Jackie Steinbeck and Eston Ellison of Lewistown won the blue ribbon.

The winning team in the horseshoe pitching contest was Randy Pardon and Gary Sharpe. Both received engraved trophies.

One of the more exciting contests was the

greased pig event. Two pens, two pigs—one small and one large, two lines of boys—one small boys and one large—and Kirk McCallister acting as referee and emcee, made for an interesting contest. Benny and Skip Lay were in charge of the contest, with Farrell Van Meter assisting them. The prizes were to have been the pigs, but exhausted pigs are not too desirable, so Lyle Shutts, who donated the pigs, awarded each of the winners \$10. The winners were Dennis Van Meter and Jeff Whan, both of Lewistown.

John Sharpe and a crew from REA set the pole for the greased pole contest. Earl Walker was judge and Earl Kempe was pole greaser. The pole was so well greased that no boy was able to hardly get off the ground. At this point Mr. McCallister, the emcee, took things in hand and hoisted Steve McKenzie up the pole, and declared him the winner—claiming that the rules said nothing about manpower as a device. Steve was awarded the \$5 and the blue ribbon.

Mel Elza acted as master of ceremonies for the frog jump contest. Bill Zuspahn's frog, Champ, won top honors, and Bill collected a total cash prize of \$16, \$11 from Radio Station KGRC, contest sponsor, and \$5 from the Centennial committee. Second place, a tackle box and \$4 went to Shirley Dagg, also of Lewistown. Third place was won by a frog called Blue Lips, entered by Jim Zuspahn. Jim collected \$3 and a badminton set. Michelle Merrell of Quincy had the 4th place winner and received a hot-dog warmer and \$2.

The frog jumping contest had several out-of-state entries, a few even flown in from California, according to reports. There were many enthusiastic contestants, who stamped their feet and yelled at their entries to encourage them to jump their best.

The last contest Friday was the raw egg toss. The line of contestants was long as the partners played pitch and catch with their eggs. Jane Bowden was judge and proclaimed Harold Schnitzer and his daughter Sonja the winners. The Schnitzers are Lewistown residents. Each was awarded an engraved china egg.

Friday activities also featured an ice cream social at 5 p.m., in the park, and a softball game between the Ozark Nationals team of La Grange and Milt's Buds of Hannibal at 7:30. Prior to the ice cream social, Barbara Bledsoe, Miss Lewis County 1971, and Senator Norman Merrell presided at the cutting of the Lewistown Centennial Birthday cake.

TWELVE PARADE WINNERS

There were 12 categories of winners in the parade. Winners of each division received \$10 and a ribbon. Category winners were:

1. Youth floats, Youth Group of Lewistown. Six entries.
2. Business floats, Lewis County REA. Ten entries.
3. Church floats, Lewistown Baptist Church.
4. Club floats, We Moderns Club.
5. Town floats, City of LaGrange.
6. Saddle clubs, LaBelle Rodeo Rough Riders Club.
7. Bands, Palmyra Junior High School Band.
8. Drill teams, Columbian Drill Team, Quincy, Ill.
9. Motorized ensembles, NEMO Shrine Club Tin Lizzies.
10. Horse drawn vehicles, Wilmothville Wagonmasters.
11. Special category, Tom Grim Float.

Judges Mrs. Albert Haehne, Mrs. Virginia Bross and Mrs. May Courtright of Palmyra selected Mrs. Lewis Fleak of Edina as winner of the oldest dress contest, and Mrs. Mildred Bailey of Lewistown was winner of the best reproduced costume of the period, 100 years ago. Mrs. Dorothy Handy of Lewistown presented the ladies with engraved lovingcups.

A feature Saturday afternoon was the third annual Lewistown NTPA sanctioned tractor pull, in which \$1300 was awarded to contest winners in six classes. A fish fry and street dance were evening attractions.

SUNDAY ART SHOW

The Centennial Art Show was held in the Lewistown school Sunday afternoon with Mrs. Virginia Terpening in charge, and also judge of the entries. Mrs. Lyle Shutts assisted Mrs. Terpening in receiving and displaying the entries. Unable to be present Sunday afternoon was Mrs. Donna Smith, whose plan it was that the centennial should have an art contest.

A large crowd was on hand to view the 112 entries of all mediums of art.

Nancy M. Jones of LaPlata won the first blue ribbon and \$25 in the student class for her painting of oil and tempa. Size of the painting was 28x34 inches.

Mrs. Nancy Leeser Ellison of LaGrange won the first blue ribbon and \$25 in the adult class for her acrylic painting entitled "Faces."

In the student class white honorable mention ribbons were awarded to Kathy Drawe of LaGrange for her mixed medium of glass; Debbie Scoggin of Steffenville for her acrylic painting, and Lonna Wiseman of Ewing for her acrylic painting. Two white honorable mention ribbons were awarded to Mrs. A. G. Rimer of Edina for her pastel painting, and Mrs. Margaret O'Neal of Plymouth, Ill., for her pastel painting entitled "Oregon Seascapes." Sister Mary Allene Wiskirchen of Mountain Home, Idaho, had an unusual entry, a silver, hand hammered, chalice that won an honorable mention ribbon.

Mrs. C. W. Martin of Canton had a selection of her paintings on exhibit. Among the paintings, Charles Rendlen of Hannibal had on display was one of his favorites entitled the "Wheel Wrights." Mrs. Terpening displayed several of her paintings including the "Ten Commandments" (to express by hands) and "Ballgame" (symbols, actions, sounds) which has been on national exhibit.

Mrs. Margaret O'Neal of Plymouth, Ill., had a display and offered for sale her barn-shingle paintings. She was at work during the contest and show, painting at the request of her customers.

The rain Sunday dampened enthusiasm for the celebration somewhat, but the pony pull scheduled for 2 p.m., went on almost on schedule—in the rain. Centennial church services were at 11 a.m.

There were numerous other exhibits of antiques and period articles used by rural and town folk 100 years ago. And local farm implement dealers took advantage of the occasion to display the latest in 20th century farm implements.

REMARKS BY CONGRESSMAN HUNGATE

Lewistown was laid out July 1, 1871—a hundred years ago—by a devoted gathering of city fathers, including Caleb M. Pomeroy, David Rodifer, W. C. Zimmerman, J. P. Mitchell, and Thomas W. Ammerman. The plat was surveyed by Charles Peter and the first buildings erected by William Fible, who constructed both a general store and a family residence, soon afterward, a blacksmith shop, a boarding house, and two groceries came into being in 1872, a union church was built by the Baptists, Christians and Southern Methodists. A daily hack line was established between the railroad station and Monticello, the county seat. By the turn of the century, the town had the services of a second church, a public grade school and a private school, two banks, a creamery, a flour mill, opera house, two hotels, a newspaper, and about twenty other business places. The population at that time was about 500.

Proximity to St. Louis and Quincy and Springfield, Illinois, rendered Lewistown a

prosperous farm area for many years, until the cause of agriculture fell upon hard times. Economic reforms of the 1930's were beneficial to many farmers hereabouts, and serious attempts were made to induce the appearance of manufacturing concerns. Failure to transform the village into the "Pittsburgh of the west" did not, however, discourage the local population, and while many communities of similar size were folding up, Lewistown was holding fast.

Significantly, the current population figure reveals an increase of 35.5 percent over that of 1960. (From 454 to 615.) The town prevails, and so do its traditions.

It is always a pleasure to return from the turmoil of Washington to the peaceful surroundings of rural Missouri, where the spirit of the people is truly reflective of Missouri itself.

There is a quality and convenience of living to be found in our small communities that would astonish those who have spent all their lives in large cities.

I think we need to make a far greater effort than we have ever made before to instill in our young people a love of the outdoors and a sense of responsibility for the preservation of our God-given natural resources. As Missouri becomes more urbanized, it is essential that we should see that our young people do not go through their formative years without becoming familiar with our lakes and rivers and woodlands and our magnificent farms. It is your responsibility and mine to see that our kids don't grow up without knowing a mallard from a bluejay, a jackrabbit from a gopher or a hawk from a hand saw.

I take great pleasure in extending congratulations on the occasion of the 100th anniversary of the founding of Lewistown.

HOUSE RESOLUTION 319

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. JACOBS. Mr. Speaker, the following is the language of House Resolution 319, which I introduced on March 17, 1971. I was hoping it might catch the attention of the administration:

H. Res. 319

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madam Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on September 17, 1970, that the policy of her government is "In case the United States Government declares it will withdraw from South Vietnam all its troops and those of the other foreign countries in the United States camp, and the parties will engage at once in discussion:

"The question of ensuring safety for the total withdrawal from South Vietnam of United States troops and those of the other foreign countries in the United States camp.

"The question of releasing captured military men."

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from Vietnam within sixty days following the signing of the agreement: Provided, That

the agreement shall contain guarantee by the Democratic Republic of Vietnam and the National Liberation Front of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

COLLEGE TOWNS FACE 18-YEAR-OLD VOTE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. MICHEL. Mr. Speaker, earlier this year when we debated in the House the merits of the 18-year-old vote I raised some very serious questions about what this would mean for small college towns across the country with large student populations.

Well, these towns are now face to face with this problem, and court action to determine where students will be allowed to register and vote has been initiated in a number of States.

Many small college town residents are worried—and rightfully so—about the future of their communities, and about the possibility that their local government might be voted, by college students, into the hands of transients who pay little or no taxes and have no long-term interest in the area.

Mr. Speaker, this is not primarily a local problem—it is a national one which we have created, and I believe we are going to have to start thinking about our responsibility for finding a solution to it.

I am sure my colleagues will be interested in reading the following article from yesterday's New York Times outlining the dilemma these college communities are in. The Times refers to it as the "College Town Puzzle: 18-Year-Old Vote."

[From the New York Times, July 12, 1971]

COLLEGE TOWN PUZZLE: 18-YEAR-OLD VOTE

(By Wayne King)

Ratification of the constitutional amendment granting the vote in all elections to 18-year-olds has fueled a complex and perhaps even more controversial issue in college towns across the country: Where will the newly enfranchised students be allowed to register and vote?

At stake are more than two million votes—the estimated number that would be cast by newly enfranchised college students now living and attending school outside their hometowns. Still others over 21 and in college would also be affected by any changes in the present system.

The question of where these students will be allowed to register and vote has generated court tests in at least 11 states and proposals for new, unified registration projects by several United States Senators. The issue, like the 18-year-old vote itself, is expected by some to reach the Supreme Court and perhaps also to require new state-level legislation for resolution.

11.3 MILLION NEW VOTERS

The issue, which has been simmering in college and university areas for decades, has taken on far greater dimension because of the 11.3 million potential new voters between 18 and 21 created by the 26th Amendment recently ratified by the states.

The clash now is essentially at the local level, in the hands of voting officials who are being asked to rule on a growing number of requests from students who want to register where they go to school.

Those who argue that students should be allowed to register in their college area maintain that failure to do so would effectively disfranchise the new voters since they would have to either travel some distance to register and vote at their parents' homes—considered their place of residence by most registrars—or rely on absentee ballots, a process that is made difficult for students under some state laws and that produces notoriously few votes elsewhere.

Opponents say that students outnumber townspeople in many areas and that to allow them to vote in college towns would effectively turn local government over to voters who pay little or no taxes and, since they are essentially transients, have no long-term interest in the area.

Surrounding these central issues are a number of others, among them the fears of office holders in college towns that they will be turned out of office by a tide of new liberal voters and the complaint of students that although they bring revenues into an area through the dollars they spend, they have no say in fiscal matters or in selecting the government under which they must live.

At present, largely because of past laws and practices, students for the most part are not being allowed to register where they attend school, except in cases in which they declare firm intention to remain there or can provide evidence of permanent residence, such as paying local taxes or holding a driver's license with a local address.

Resistance to change is strong. In New York Governor Rockefeller last week quietly signed a bill that would make it impossible for all but a few students—those who could prove permanent residence—to register where they go to school. The bill strengthened guidelines established by previous practice, in effect tightening student registration.

Among the arguments used to pass the bill, sponsored by upstate Republicans, was that in at least two towns, New Paltz and Alfred, college students outnumbered residents and could effectively take over town government if allowed to vote there.

In New Haven, the American Civil Liberties Union and the Yale Legal Service Agency are planning a suit in Federal Court to challenge the state residency requirements as applied to students. With Yale, South Connecticut State College and the University of New Haven all in New Haven, the campaign for student voting rights could have considerable impact.

The suit will challenge the constitutionality of the state's six-month residency requirement and local election officials' interpretation of what constitutes residency, now taken to exclude almost all students.

At Princeton, N.J., election officials have refused to register university students on the ground that they are transients, and several students and a lawyer, Joel Sterns, are preparing a state test of the interpretation. Mr. Sterns, who hopes to present his case to the Appellate Division of the Superior Court in New Jersey in early September, admits he is facing "an uphill battle against 50 years of state legal precedent."

In Massachusetts, students could control at least seven communities if allowed to vote where they attend school. Older citizens in Amherst are especially concerned since students at the University of Massachusetts could outvote permanent residents by nearly two to one.

Students represent between 25 and 50 per cent of the potential voters in Bridgewater, Cambridge, North Dartmouth, North Easton, Norton and Williamstown.

In 17 localities, students make up more than 10 per cent of the total of potential voters.

Massachusetts state law has no specific provision dealing with student voters and the Attorney General, Robert Quinn, has been asked to rule on residency requirements for students.

Meanwhile, the Brookline town clerk, Thomas Larkin, who is chairman of the legislative committee of the Massachusetts Town Clerk Association, said problems of residency were "cropping up everywhere in the commonwealth," particularly in Brookline, Cambridge and Boston.

For some people, the prospect of a concentrated student vote is ominous. In Illinois, State Representative Charles Clabaugh, Republican from Urbana, tried unsuccessfully to get passed a bill specifying that any university-owned housing could not be considered a domicile for voting purposes. Mr. Clabaugh's district encompasses Champaign-Urbana, home of the University of Illinois.

"I tremble to think what will happen in Champaign," he said, noting that about 16,000 votes are normally cast there, the same as the number of students who live in the city. The same situation exists in Urbana, he said.

"There isn't any question that votes of most persons 18 to 20 years old will be Democratic," he said. "The students are for give-away government, and they have no interest in cost. They haven't got down to electing one of their own yet in Illinois, but they invariably follow someone they think is anti-community."

Such fears of an avalanche of new young voters may well prove unfounded. In the Chicago election district, for example, which embraces the city and four suburbs, only about 18,000 of an estimated 250,000 possible new voters 18 through 20 have registered so far, although many more are expected before the March, 1972, primary.

In Gainesville, Fla., home of the University of Florida, the City Council approved an ordinance declaring that only students whose parents resided in Alachua County, in which Gainesville is situated, could vote in city elections.

Previously students over 21 at the university were allowed to vote in local elections even though they had no intention of making their permanent residence in the county.

Even so, a mobile registration unit, brought to the university in April at the urging of student leaders who forecast 10,000 to 15,000 new registrations, signed up only 1,400.

Student registration at Gainesville has stopped, pending "clarification" of the council action by city, county and state legal authorities.

In California, which will have the greatest number of potential new, young voters in 1972, more than 2.5 million, the newly elected Attorney General, Evelle J. Younger, a Republican, has ruled that the newly enfranchised must vote in the precinct of their parents in general, unless the young voter is married. Several legal challenges of the ruling are in process.

The new voters in California, as in most other areas, are mostly registering Democratic, with the totals in the state's most populous counties going 59 per cent Democratic, 21 per cent Republican, 14.3 per cent declining to state, and a smattering of others.

The confusion over student voting has generated other attempts at the state level to clarify the issue. In Minnesota, for instance, a conservative state senator introduced an unsuccessful measure that would in effect have barred students from voting at their colleges.

The measure was assailed by Lieut. Gov. Rudolph G. Perpich, a Democratic-Farmer-Laborite, who said that requiring students to vote at their former homes was "grossly un-

fair to those rural areas without colleges to inflate census figures."

"It would swell the voting population in noncollege towns without a corresponding increase in the town's census figures," Mr. Perpich said. He noted that census figures were used to determine how much state revenue a local government would receive and how many legislators the area would be allowed.

Several Democratic Senators have offered or are considering plans to allow students to register and vote in Federal elections where they go to school, but leaving registration for local elections up to local officials.

The drawback to such plans is in their application. This disadvantage drew some strong arguments in many legislatures for adopting the amendment allowing 18-year-olds to vote in all elections, not just Federal ones, as ordered by the Supreme Court.

One such plan, being offered for the second time by Senators Daniel K. Inouye of Hawaii and Fred R. Harris of Oklahoma, would provide for registration by roving registrars at all residences. The voter would be allowed to cast his ballot for President even though he was unregistered, with the vote to be sequestered and validated later.

Senator Alan Cranston of California has introduced a bill that would allow on-campus registration in Federal elections for most students. As in the Inouye-Harris plan, local registration for local elections would remain up to local officials.

Senator Edward M. Kennedy of Massachusetts may also have a bill drafted by the end of the month that would provide for registration at Social Security offices, the Postal Service, or some other established name-keeping Federal agency.

McCAFFREY ON THE PENTAGON PAPERS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, there has been much discussion on the exposure of the Pentagon papers and the contents revealed in them. An overriding question, however, is whether or not the people have a right to know, and is that right greater than the importance of maintaining the secrecy of a document indiscriminately marked classified.

Commentator Joseph McCaffrey in a broadcast over WMAL-TV in Washington raised this question and came to the same conclusion as did Dr. Ellsberg, the New York Times, and myself. I would like to include his commentary in the RECORD and commend its contents to this body.

The commentary follows:

COMMENTARY OF JOSEPH McCAFFREY

It is interesting that in a free country, dedicated to the people, by the people and for the people there are those who defend the theory of General Maxwell Taylor that the people should only be told just what those in charge think we should be told. And there are as many, perhaps more, have a deep reverence for the rubber stamps which label government papers "secret," "top secret," and on up to "don't even read this, its dynamite."

What is involved in the case of the purloined papers, it seems to me, is the reckless use of the rubber stamps during the Administration of Lyndon Johnson, and now backed and endorsed by the Nixon Administration.

The stamps seem to have been used to keep information, not from the enemy, but from the American people, and, perhaps worse, from an unsuspecting Congress.

The use of the stamp seems to have been prostituted.

Take a look at the Associated Press file tonight. It carries an 840 word story in which Analyst William Ryan compares the so called White Book on the war issued by Hanoi with the New York Times series on the Secret Study of our involvement. Ryan says this shows that Hanoi may have known more about United States plans in Indo China than the people of America. The Hanoi document describes the now reported 1964 high level American conference that discussed bombing North Vietnam.

Senator Ernest Hollings says tonight, "I think that the bureaucratic determination to hide the truth through classifying embarrassing documents as a secret must be halted. A free press is our best guarantee against bureaucracy trying to bury its mistakes." The use of classifying so that the enemy will not receive aid and comfort is standard operating procedure. The use of classifying as a device to cover fumbles and bumbles is a different thing . . . entirely.

In the current legal fight over the documents on Vietnam, there is one issue facing both the government and its people: should the people be told about how we fumbled, bumbled and bulled our way into the debacle of Vietnam?

It might be well for the reputation of some Americans that this not be revealed. But we cannot use the top secret rubber stamp to cover up official incompetence and duplicity.

Nebraska's Senator Carl Curtis is probably one of the most cautious men in the United States Senate. Yet Senator Curtis has a feel for what makes the system work: an informed public. So the Senator says, "Let's get all those papers out so that all of us can read them and find out the background of this endless war." Senator George McGovern says we probably owe Senator Barry Goldwater an apology for the way he was treated in the 1964 campaign. One thing about Senator Goldwater, he was honest.

One wonders if this has now become so rare a political commodity that we will now build shrines to the few men who can qualify as honest.

And have we learned our lesson about being the quote moral leader unquote of the world?

We agreed to prevent elections in North and South Vietnam for fear Ho Chi Minh would win. One can now wonder if things would be any worse for Vietnam had Ho won; would there be as much destruction, would there have been as many dead? One can wonder. It is about time that we were allowed to read our own history.

We shouldn't be advised as a well know retired general told us on television the other night that we should just be told what those in charge think we should be told, and little more.

One wonders what a really great military man like George Catlett Marshall would have thought about that approach to what we think of as a people's government. And if we really want to speculate, we can wonder what Thomas Jefferson would have thought of the establishment which, even now after the fact, seeks to keep the American people from learning how they ended up in a war which has cost them 55,000 young American lives, plus billions and billions of dollars.

PRIDE VERSUS PRISONERS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. LEGGETT. Mr. Speaker, a column in the New York Times of July 7 recounts the dismal story of two American citizens who have spent 19 years in a Chinese Communist jail because their Government did not care enough about them to secure their release.

These two men were accused of spying; I have no way of judging the validity of the charge. The important thing is that we could have secured their release in 1957 if we had agreed to allow American newsmen to visit China. But John Foster Dulles, a man of magnificent courage with other men's lives, refused.

It appears that we could obtain the release of these men at any time, simply by admitting their guilt as we did in the Pueblo case. But vain and foolish pride keep us from doing so.

I hope this policy will be changed. And I hope we are not now creating a policy that will doom hundreds of Americans to spend the rest of their lives in Vietnamese jails. President Nixon has long had the power to secure the release of the Americans held in Chinese hands. During the past week, an opportunity has arisen for him to secure the freedom of the Americans held in Vietnamese hands. I urge him to avail himself of both opportunities.

I am inserting the article entitled "Will Jack Make His 25th Reunion?" by Jerome Alan Cohen, from the New York Times of July 7, 1971, in the RECORD at this point:

WILL JACK MAKE HIS 25TH REUNION?

(By Jerome Alan Cohen)

NEW HAVEN.—The class of 1951 has just held its twentieth reunion at Yale but Jack Downey wasn't there. Jack and an assistant, Richard Fecteau, have been in prison in China since Nov. 29, 1952.

In late 1954 the Supreme People's Court in Peking announced that the two Americans had been convicted of espionage for secretly air-dropping supplies and agents into China as part of a C.I.A. effort to foment rebellion. Four of the Chinese agents were executed. Downey was sentenced to life, and Fecteau got twenty years.

The U.S. called the convictions "a most flagrant violation of justice" based upon "trumped-up charges." The men, it was said, were actually "civilians employed by the Department of the Army," who had never invaded China's airspace but had been lost on a routine flight from Korea to Japan.

Sino-American negotiations in 1955 led to the release of most other Americans held in China. Early in 1957 China offered to release Downey and Fecteau if the U.S. would allow American newsmen to visit China. Secretary Dulles refused to approve the arrangement because it would constitute yielding to Chinese "blackmail."

Since then, for almost fifteen years, the U.S. has quietly sought the release of Downey and Fecteau. But it has never admitted the truth of China's assertions. Yet many members of the class of '51 recall the day, several months before graduation, when a representative of the then newly formed C.I.A.

visited New Haven to recruit Yale seniors who were concerned about what the Korean conflict held in store for them. The man was very vague about the kind of work the recruits would enter. Finally he indicated, "purely as a hypothetical," that "the agency" might want to organize resistance in China. Jack Downey and some others ended up doing exactly what the "hypothetical" mission called for.

None of this is news to China, of course. In this country our Government's persistent denials have occasionally been challenged by scholars and journalists. Yet the U.S. has thus far refused to repudiate Mr. Dulles' posturing about international law.

Perhaps one can understand the reluctance to confess error in the case of Fecteau, who is scheduled for release in little more than a year. But Downey is serving a life sentence. The suicide last year of Hugh Redmond, another American serving a life term for espionage in China, should remind us that even the bravest souls can endure only so much.

We should not assume that China is insensitive to either political or humanitarian considerations in this last case of Americans detained since the 1950's. Shortly after Redmond's death, Peking released the elderly Bishop James Walsh before his sentence had run its course. But Peking remains sensitive about American attacks that slander the administration of justice in China as uncivilized and deny China the same right to self-defense that other states enjoy.

Now that table tennis has introduced "people to people" diplomacy, the prospects for Downey's release may well brighten if the U.S. will admit that it violated China's territorial integrity during a bygone wartime era, apologize for having done so and recognize China's sovereign right to punish offenses against its security.

If the U.S. opposes making individuals the pawns of power politics, it should abandon its preoccupation with "face," as it did in the much more ambiguous case of the Pueblo, and set the record straight. Otherwise Jack Downey may not make our twenty-fifth reunion.

ECONOMIC UNPOPULARITY

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DUNCAN. Mr. Speaker, I place in the RECORD an interesting editorial statement from the Knoxville, Tenn., Journal of July 10:

ECONOMIC UNPOPULARITY

According to the latest poll by Louis Harris, whose column appears in The Knoxville Journal, President Nixon's overall popularity has risen significantly in recent weeks, but his rating on economic issues is decidedly unfavorable.

In the context of election year rhetoric it probably matters little that this country is experiencing some rare circumstances that would challenge any president's ability to "manage" the economy. (In truth, presidential policy is only one among many factors involved.)

Although there has been scant public examination of the transition, America currently is experiencing one of the most dramatic economic readjustments in its history. And considering the magnitude of these separate events, we probably are fortunate that the situation is not worse.

The surface aspects—high unemployment and continued inflation—are generally

known. But contributing to both of these indicators are some less apparent factors.

(1) Work Force—The steady withdrawal of American troops from South Vietnam will mean by as early as the end of 1971 that an additional half million young men will have been dumped into the job market in a three-year period. These men were not in the nation's work force when Nixon took office. In addition, the waning of the Vietnam war has caused reductions in defense procurements and a corresponding decline in employment in munitions and related industries. Also the reduction in draft calls has caused additional numbers of young men to refrain from entering graduate school to avoid the draft.

These shifts in priorities, combined with the general decline in war-related military procurement, have resulted in the loss of jobs, including many in scientific and other professional fields.

In short, the decline of the war has caused great increases in the number of persons seeking jobs.

(2) Shifting Priorities—Furor over the war and the so-called "military-industrial complex" has contributed to a reduction in federal outlays for development and purchasing of military equipment and weapons systems. Congressional rejection of the supersonic transport program and reduction in space spending have brought disaster to the aerospace industry.

Emergence of the age of environmental quality has affected the production expenses and expansion plans of major industries. Firms with limited capital and pollution problems have been forced to curtail establishment of new plants or expansion of existing ones in order to divert funds to pollution abatement systems.

(3) Squeeze on Private Enterprise—From escalating company contributions to Social Security to a tremendous added burden of government-required reporting private enterprise today faces more restrictions on its activities and more federal red tape than ever before. New activism on the part of such agencies as the Federal Trade Commission and the onslaught of consumerism have produced headaches and expenses previously unknown. The Mine Safety Act and now the more inclusive Occupational Health and Safety Act have burdened virtually all businesses and industries with tremendous records keeping and compliance requirements. In some cases, such as small coal mining operations, these safety regulations have forced firms out of business.

(4) Increasing Tax Burden—Although the income tax surcharge has expired, state and local taxation placed on individuals and businesses has mushroomed in recent years, further increasing the cost of doing business and further reducing the amount of money consumers have to spend.

These are by no means all of the factors that contribute to the nation's present economic situation. However, they do illustrate the sweeping changes that have occurred over the past couple of years, changes which produce and require dramatic adjustments.

Things may sort themselves out. If they do not, everyone in elected office, from the President on down, stands to suffer political damage.

A PRIVATE CITIZEN'S VIEW ON VIETNAM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. BOB WILSON. Mr. Speaker, on my recent inspection tour of Vietnam for

the Armed Services Committee I had the pleasure of meeting Mr. and Mrs. Donovan Yeuell who, as concerned citizens, were spending several weeks in Southeast Asia to see the situation there firsthand. Both were impressed by the impact of our effort in Vietnam. Upon their return from Southeast Asia in March, Mr. Yeuell prepared an interesting analysis, which I am entering in the RECORD today.

While Mr. Yeuell occupies no official position with our Government, his distinguished career in both a military and civilian capacity has qualified him as a responsible spokesman for a point of view which needs to be expressed. Mr. Yeuell graduated from the United States Military Academy and served as an artillery officer for 20 years until he retired in 1960 as the result of wounds which he had received in Germany during World War II. As a member of the 29th Infantry Division and a participant in the Normandy invasion, he received the Silver Star and the Distinguished Service Cross.

His academic career culminated in a master's degree from Georgetown University in international relations. His thesis dealt with military assistance. He later served on the staffs of Generals Eisenhower, Bradley and Taylor in Washington and attended the Army War College. Presently he is an aerospace engineering manager and on the advisory staff of the American Security Council.

The son and daughter of Mr. and Mrs. Yeuell are presently attending respectively Stanford and the University of California at Santa Barbara.

It was after Mr. Yeuell had spent some time in Southeast Asia, that he became impressed by the United States' effort to the extent that he cabled his wife to join him in Saigon. His essay, "Vietnam: The Americans Stand Down," is appropriately subtitled "Reflections of a Traveler." It is both admirable and important at times like these for citizens such as Donovan Yeuell to come forth and speak their views.

VIETNAM: THE AMERICANS STAND DOWN—REFLECTIONS OF A TRAVELER

(By Donovan P. Yeuell, Jr.)

ONE MAN'S TRIP

The President of our country has told us the war was winding down and I wanted to see this happen. The bulk of the reports fed to all Americans by the great neurotic ganglia—the self-righteous "media"—supported a view that Mr. Nixon had led to us. So I went to Viet Nam to learn as much as I could of the American role in that controversial aspect of the U.S. foreign policy and military involvement.

What with cries across our land pleading, "Peace Now," I wanted to learn for myself what was happening out there. My experience was a liberal education that runs counter to the currents of the dominant propaganda fed us by the press. I wonder how much we have stopped thinking for ourselves? It is all flashed before every man's and woman's eyes, dinned into our country's ears and hammered into our minds by the media. The main criers of doom are not people who know much, rather those who feel—the radicals, revolutionaries, and fuzzy-minded liberals. And incessantly we are told by the uncensored, arrogant press, especially the big three TV networks, that the war is bad, evil, immoral, and

the U.S. is waging it badly, evilly, immorally. By way of a different viewpoint, I shall try to highlight some three weeks just spent in the troubled land of South Viet Nam.

From my first-hand view, the U.S. is succeeding remarkably well in doing what it set out to do. If we are falling, this is more at home than in Southeast Asia itself. Our troops' morale is OK, notwithstanding the terrible handicaps of being unsure whether their own country is behind them. They fight well. Never better troopers and junior leaders, according to the senior commanders.

Those Americans out there are hungry for interest in and approval of what they are trying to do on their country's behalf. Whether the war is right or wrong, they are working for you and me, and they seemed almost overjoyed to see someone from home. It was saddening to see how the bad "image" reflected here at home is taken personally by so many of those Americans, who are after all our representatives in Viet Nam. Wherever I could I tried to cheer them up. They seemed glad to have a visitor with no axe to grind.

I am not a journalist, just a citizen involved in America. As an old campaigner and world traveler, I got around. And, I found that the armed forces and other U.S. agencies there wanted me, or you, to get around and see. The people and things I saw and heard bear little resemblance to what is fed to us at home by our press. The status of the war is that we are rapidly turning over both military and political responsibility to the South Vietnamese. Our forces are "standing down" at a deliberately accelerated pace, and doing so in good order.

In June 1969, our troop strength was 549,000. At the end of June 1971, the figure is well under 230,000. This amounts to beating President Nixon's announced schedule by more than 20,000. Today the U.S. Army as a fighting force in Viet Nam is merely a token force—15%—may be just 10% of our previous fighting power is all that is left. Of the peak U.S. combat strength in 1968, some 85% of the U.S. land combat forces have departed the country. These are facts, not moralizings or speculations. Just as the RVN progress, the V.C. terror, and the NVA losses are facts. Why then do the "Media" persist in putting down the U.S. effort? What has caused the press to nourish failure, to discredit our interest and deride our contribution?

I came home, slept on what I had seen and heard, and now conclude that the credibility in question is that of the "media." We have done a good job, all things considered, in Viet Nam. It occurred to me that some Americans might like to read that for a change; read it in the words of somebody who has no national status, no stake in the war, or any aspect of the conditions reported on. My only interest is to get closer to the truth.

I have no time to placate those who would term me brainwashed. This is my personal account—one man's impression that the United States is doing the job it set out to do in Viet Nam. If I am a biased witness, it is not as one against my country's acts of faith. I am a plain citizen who wants America to do the right thing and who deplors its errors as earnestly (if not as loudly) as anyone in the Eldridge Cleaver—Jane Fonda—Dr. Spock community. Parenthetically, I am a former regular Army officer, a product of the U.S. Military Academy, a genesis of which I am proud. While this makes me a prime suspect for partiality in some eyes, it does equip me with experience and standards that have made me a very stern critic of the services; and I still can be when they deserve it. With that perspective, here goes. Having just observed the rapid stand-down in Viet Nam, I found myself at a loss to understand what the April protests of "no more war!" were all about in the U.S.

The most powerful impression I got is the extent of the massive "Stand-down," the withdrawal of our forces. The armed forces of the Republic of Viet Nam and the remarkable territorial forces for local defense at every village and hamlet combined to convince me the RVN is ready to stand almost alone. As to our forces, they'll all be out soon that the "Peace Now" crowd will soon need another cause to lament.

It is clear that, on balance, we have trained them well, helped to ingrain in them the pride of self-achievement. (A precedent is in the ROK (Republic of Korea) forces which we trained to first-rate troop from nothing 20 years ago.) Granting a long and rocky road still ahead, I think there's a better than 50-50-chance that the RVN will survive and develop into a viable country—unless the People's Republic of China decides to move in—and they will take the risks that go with any democratic form of self-rule. The sample I took of the people in South Viet Nam is that they prefer our example.

With due regard to many difficulties, say, racial and narcotic, the morale, discipline, and attitude, the senior officers with whom I spoke were of unanimous opinion: that the troops were OK. The U.S. has never had "better young soldiers and junior leaders" than in the U.S. Army—so said the senior commanders, all of whom are now seeing their 3rd or 4th war in 30 years. Seasoned Generals: Davison, Weyand, Sutherland, Brown, Hill all testified that most Americans in South Viet Nam perform excellently. These young Americans do not reflect the bad name given them by their detractors. While the credit is theirs, it is shared by their generals and colonels whose sustained belief in the youth of their country has been verified with rare exceptions throughout these long years. As generals are little without effective troops, soldiers cannot be made into good forces without sound generals.

THE WAR IN PERSPECTIVE

Let me return to the broader view of America in that Asian conflict. Handing over the problem to the Vietnamese—as well as cutting back in Korea, Thailand, Japan, Okinawa, and the Philippines—is in keeping with the Nixon Doctrine of "burden sharing". The Americans "in country," as they say out there, are ready for it and they generally feel the South Vietnamese are ready to assume it.

I had not been to Southeast Asia for ten years. In those days we had only small advisory groups out there trying to keep any and all the countries of Indochina from going Communist. This chiefly by lots of material aid and free advice. Year by year, we found it took more than money and material support. It took a moral commitment. The tensions mounted as the brush fire spread. In 1964 Congress ratified President Johnson's recognition of the moral involvement, by passing the Tonkin Resolution.

We all have endured the national agony over Viet Nam since that time. Some of our anxiety has been real, some of it the result of misinformation and exploitive demagoguery. Yet as I take in the daily fare of the American press and television, I often wonder whose national program and armed forces are being reported on? Well saturated with the death-wish gestalt of the vocal minority with the support of the megalomaniac press, I had almost come to believe the cries against our Viet Nam effort. "Surely, that is some other nation being talked about, not ours". I was as bewildered as the next man, so I went almost as a stranger, to see if I could learn what was happening.

By chopper, that strange new workhorse, I looked at the ancient land, the beautyladen and strife-torn countryside, and dropped in to observe the likable, beleaguered natives in

dozens of villages. My overriding impression was that here is a people carrying on the business of living with good heart under adversity that might have crushed lesser folk. They don't like war any better than the next fellow. But they are mature enough to recognize that if they want to survive, free, they may have to fight for it. It wasn't our tutoring that taught them this simple lesson; they figured it out for themselves.

On a hundred helicopter hops. I visited U.S. combat units, sank into the fire bases, felt the pulse of our men in uniform. I thought on the long, puzzling, painful course of the war where, now, the once-faint glimmer of a self-governing society seemed somehow to be getting brighter.

I was briefed and I asked questions. From private to general, clerk to ambassador; no door was closed. I learned much.

Yet the familiar doubts kept haunting. What on earth had brought us here, anyway? How did this become our cause? Was this where we had really meant to call "enough"! to communist takeovers? Did our national security depend on it? Why here instead of Cuba, Chile, Nigeria? Why, come to think of it, Korea, Berlin?

They say we can't be the world's policemen and I suppose not. But, who else is there to lend a hand? Freedom's camp is short of volunteers. Still, did it make sense, or did it just happen that we chose to stand here and fight for and with a strange people struggling for self-determination? As a practical matter, it may have been the last place in Asia where a stand could be taken. Why Asia? Nobody believed Pearl Harbor until it happened.

Look at it any way you will, the plain fact about Viet Nam is that we are there. It was a winding trail that got us there, but we traveled the road with our eyes open. We are party to a treaty called SEATO, solemnly joined on the premise that an attack on one member is an attack on all. There are those who feel we have met the Treaty obligations, that the time is at hand to get out. While we are still there, we are getting out fast, maybe too fast.

Another plain fact is that this strange war has wrung us out. They say it has polarized our nation. Most surely, it has confused us deeply. We have had our fill of it. Yet, I came away convinced that if we fall in Viet Nam the failure will have happened at home, not in that far off land.

The troops call their withdrawal "standing down." "Winding down the war" is our show-biz name for it at home. But how do you "wind down" a moral commitment? How do we split after 15 or so years of pitching the principles of democracy, the dignity of the individual, the challenge of self-government?

THE AMERICAN DREAM—CURSE OR BEACON?

We did, after all, start this whole self-determination trend, some 200 years ago. It was our revolution which set the fires of freedom burning. It was our example to which the Declaration of Independence spoke, "When, in the course of human events—it becomes necessary to assume—the separate and equal station to which the laws of Nature and Nature's God entitle them. . . ." The other revolutions have been pretty shabby imitations.

Such language may seem mere rhetoric to an American. We take it for granted. But for most of the world, this is still inflammatory stuff, dreams looking to become reality. Prophetically, the writers of that propaganda tract in 1776 intended it for all men, everywhere.

A bunch of damned evangelists. And we are stuck with it, by definition as Americans. Freedom. Not just to wallow; rather to rise above nature's challenges, hopefully to prosper in the process. To err, to experiment, to forgive and try again. To grow, fulfill, enrich

our souls as well as our coffers. Are these not the ideas our commitment to freedom boils down to? Our own experiment has succeeded so well we could not turn it off if we wanted to. When our example has infected others, there is no good way to turn our backs on the contagion. We may be disengaging irreversibly from Viet Nam. But we shall not, cannot, long be deaf to the next cry for help. From some quarter, some time soon, we again will go to the rescue of another, young or old, battler for freedom. How we respond will be a measure of our durability as a self-governing nation. The chances are that if we don't believe in our own credo to fight for it, wherever it is threatened, it's not in the cards that America shall long survive.

Our country, built on success in limited warfare, has a strange hang-up about "limited war" somewhere else. The options—peaceable acquiescence or the risk of nuclear weapons—hold so little appeal that limited warfare seems here to stay. Unless, of course, we have already, unwittingly, capitulated to some new tyranny that yet eludes detection.

Obviously, Viet Nam, like Korea, is a long way from home. And these are America's first experience at fighting Communist "proxy" wars, the protracted conflict of Mao Tse Tung. Perhaps we may be getting accustomed to it; I expect we had better get used to it, for it will not go away.

OUR FIGHTING ROLE DECLINES

Contrary to the assertion of some, Viet Nam has not been a conflict looking only for a military solution. (Is any war purely military?) From the start, the U.S. objective has been to bring political stability, economic viability, and a degree of security from terror that together would let the people of the new RVN be able to stand on their feet.

Our purposes have been to help South Viet Nam attain: Self-Government, Self-Development, Self-Defense.

This is a tall order to fill all at the same time. To my mind the RVN are well on the way to these goals. No one could ask for more than getting a new country off to a good start, and I think we can soon begin to measure success in positive terms. As to the fighting, this is fast becoming the RVN's war, their problem.

The net result of Vietnamization, which had to be conditioned by a success in the pacification program, is deemed promising enough for us to withdraw. The South Vietnamese are getting better at self-defense and self-government and so are needing us less.

We are indeed "winding down the war". We are so little left in the fighting that the protestors need a new song.

As to timing, the present rate and plan of withdrawal seem to me on the dangerous edge of optimum. To do it more rapidly than we are would cost the U.S. more time, money, and blood.

The U.S. goal in Southeast Asia, simply stated, was and remains: To prevent the success of a national liberation movement; i.e., a Communist takeover in any other country in Asia. Meanwhile, we should assist, where it makes sense, in helping the new democracies lay the ground work for a viable economic and political system. So far, this goal has been met. And our specific job in Viet Nam is almost done.

SOME PROSPECTS

The die is cast. We are leaving the South Vietnamese to fend for themselves. The question whether or not we have prepared them for survival against hostile neighbors alternatively supported by the Soviets and Red Chinese—only time will tell. The road ahead for them is still rough. The national elections in October will generate turbulence, and already there is an appreciable rise in the level

of hostilities by the V.C. and NVA—the terrorist pressure to convince the people that America is fleeing in defeat and without us the Saigon Government cannot defend them. But, being aware of such rumors as a list of 2.5 million South Vietnamese to be eliminated when the communists take over, and having learned much about self-defense, the free republic is not likely to opt for the competition offered from the north. The RVN is indeed fledgling. With no military tradition and no experience in self-government, it has come a long way. And, with whatever mistakes we have made, if this experiment in helping a new country finds its way to living under democratic principles should work, it is we, the United States of America, who permitted it. I think that given the odds against them, what the people of the RVN have done themselves, with our help, is little short of miraculous.

As to the "widening of the war" in Cambodia last year, and there again and in Laos, currently, this is nonsense, whether innocent or pernicious. The war had never been narrowed except by our armchair strategists. If anybody widened anything it was the other side with its very effective supply system giving it a marvelous advantage to infiltrate all along the border. An 800 mile sanctuary is just about ideal. The Ho Chi Minh trail had long since "widened" the war. In my opinion the excursions into Cambodia and Laos will prove to have been essential to breaking up the enemy's free hand at continuing his war until we and the RVN quit from exhaustion. And that would indeed be tragic waste. In Laos and Cambodia, the current operations are very significant, for they are the crucial military test of Vietnamization. Results so far indicate that the ARVN can now act in its country's defense with minimal U.S. support. These have been their shows, and they have done well. We have bet our money and taken our chances. The odds are good that it will prove worth the agony it has caused in America.

The prospects for a formal "peace" in Indo China—the whole peninsula—seem murky. At least 15-20 years off. The Chinese Communists and North Viet Nam will find a dozen other ways to be-devil not only South Viet Nam, but Laos, Cambodia, and Thailand as well. I would count the odds for survival as free countries much higher if all these peoples could band together, pooling their aggregate resources against intrusion from the North—be it by North Viet Nam, China, or Burma. Perhaps this unity will come about. The main point is that freedom has a better chance of making it out there in all of Indo China than if we had not stood up for it.

Periodically, somebody makes noises about the RVN giving out what they've been getting. I for one advocated that the South Vietnamese turn the tables and attack the North as long as 10 years ago at a conference in Manila. They weren't ready then, and I doubt that we'd have let them loose. But when we are no longer playing Big Brother, who's to say what they might do to repay 17 years of V.C. terror?

While they are solving their problem, I hope America can tidy up our urban guerrilla warfare and our spiritual malaise. Perhaps they, our Vietnamese pupils, will teach us again that freedom is not free. And that the price of liberty is eternal vigilance.

Many people I spoke with in South Viet Nam seem to feel the press has turned into flagrant license its uncensored freedom and its logistics support (e.g., helicopter transport and subsistence furnished in almost every corner of the war outside Saigon). But there's no turning back from the official decision made early in the war to give the press every break. This has been done from the start, yet the majority of reporters—remarkably young and inexperienced for the

most part—turned on their own government and fellow Americans in Viet Nam who were doing the job their country had asked of them. But the righteousness of the press these days is not restricted to Viet Nam, so I'll refrain from confronting a dragon that big.

American atrocities? My Lai was a sickening aberration, and it was handled ineptly by the Army. By not following the normal investigative procedures and taking appropriate action "in country", the Army faced odds that one day a journalist would find it a juicy piece of scandal. So the revelation by Mr. Hersch should have been no surprise. What is nauseating is the manner in which the American press escalated this disgusting episode—pale by comparison with counterparts in most other wars, and nothing alongside Viet Cong terrorism—into a two-year side show. When a pathetic creature like Wm. A. Calley is made by the media the best known man in the U.S. Armed Forces, what is left to hold in esteem? It will be a long while 'til credibility of the press can again be taken seriously, and that's a pity for a democratic republic.

A dozen other topics come to mind for a complete assessment of the RVN: corruption, frankly admitted as part of the life style in many Asian countries; the use of dope by our armed forces, a problem being worked on very hard; the convulsions likely to hit the economy once we have gone. And so on. Then there remains the odd reluctance of the U.S. to declare a state of war, surely an irritant in the protest outcry. But I have covered enough to support one man's conclusion.

This much seems clear, even to a three-weeks-on-the-spot "expert." The South Vietnamese have let something take root that looks, feels, smells like self-government. They seem to hanker for it and are willing to give it a try—all by themselves. They could have opted for the competition years ago. But they took to the idea that we stood by their sides for. And they have suffered terrible punishment in the process. They shouldered awesome challenges, to hang on long enough to try their hand at some brand of democracy; even though the first decade of their experience has shown it would not be easy or safe, they appear to have the timbre to stick with it.

In retrospect, has Viet Nam been worth the expenditure of American lives and material wealth? Does it justify the trauma to our national unity and our values? Is this off-beat corner of the world worth turning father against son, expedience against principle, society against itself? Only history can say.

We have made mistakes, and so have they. But we have almost gotten to the point we went out there to attain. We have helped them learn better to help themselves survive in a hostile world. My guess, all things considered, is that they are going to make it. They like the taste of freedom, with all its burdens. Some day, Viet Nam may be one of our finer chapters.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

U.S.A. AND THE SOVIET MYTH

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. BRAY. Mr. Speaker, I am happy to commend to the attention of my colleagues the following brief excerpts from chapter No. 3 of "U.S.A. and the Soviet Myth," by Dr. Lev E. Dobriansky of Georgetown University:

Regardless of transient and momentary fluctuations in the behavior of the Kremlin, it can be reasonably argued that from the viewpoint of history alone the Cold War is here to stay so long as the Russian colossus continues to breathe and unless a hot war, for one reason or another, should break out. Paradoxical as it may appear to some, the three exhibitions were a cold war instrument in application and their emphasis on Russian longing for peace was by no means the first of its kind in the long history of Russian empire-building . . .

The Russian problem is one that was born, cultivated, and shaped in a definite historical and cultural environment. It is assuredly not a problem that suddenly emerged, as many in this country suppose, in 1947, with the spurious origination of the Cold War. Indeed, the problem and the cold war activity which it intrinsically engenders did not first come into existence in 1917, with the ascent of the Russian Bolsheviks. They are only creatures of the problem . . .

Those whose thinking is dominated by this view will quickly point to Russians who are highly cultured and of fine breed. The defendant of this superficial view will say, "You can't look upon these Russians as being barbaric and predatory. We should expand our cultural exchange programs in order to understand the Russians better and thus avoid a terrible world holocaust."

Admittedly, the elements of this sentimental view are true, but they are misplaced. It is astounding how many of us live by short memories and, as a result, become susceptible to all sorts of passing fancies. Have we forgotten so soon that back in the twenties and thirties there were also cultured and warmly human Germans and Japanese? . . .

In comparison with other free nations, including England, the U.S. seems to unduly restrict the current struggle within the narrow limits of this ideologic doctrine. When we adopt this view, our approach becomes excessively rationalist and quite misleading. It is one which tends to shut off centuries of history and national experience . . .

What, then, is the nature of the Russian problem? As is necessary for the solution of all problems, the first step is to define the problem. And this foremost of problems today may be satisfactorily defined as follows: rooted in five centuries of development, the Russian problem is an institutional nexus between external imperialist, colonial predation and internal totalitarian coercion . . .

Neil S. Brown, observed this when he remarked, "A strange superstition prevails

among the Russians, that they are destined to conquer the world, and the prayers of the priests in the church are mingled with requests to hasten and consummate this 'divine mission,' while appeals to the soldiery founded on this idea of fatality and its glorious rewards are seldom made in vain." Regardless of the ideologic guise under which it has operated—today, Communism; yesterday, Orthodoxy and Pan-Slavism—this concentric growth has brought about the subjugation of good parts of Europe and Asia . . .

Fatuous talk for over a decade about "de-stalinization," "liberalization," and "capitalist innovations in the USSR" was a response to superficial fluctuations and changes that in no way altered the Russian problem and the main structure. In all essential respects, it can rightly be held that from 1957 to 1967 there was never any real de-stalinization, if the word means a radical departure from the established course of the USSR under Russian control.

In point of fact, this psycho-cultural analysis by de Custine is indispensable to the competent knowledge of anyone dealing with Russia. It should be donated as a charitable present to our Cyrus Eatons, Ellenders and others who, if they would pause to think, could benefit from the classic. Senator Ellender of Louisiana thinks the USSR is made up of "Russian peoples" who, as though no alternatives existed, "are living better today than they have ever lived before." . . .

Contrary to false popular impressions, direct Russian military aggression has always been secondary and subsidiary. It has been in the field of what is known today as "cold war activity" that Russia has always relied for its primary weapons to achieve predatory conquest. And such activity embraces subversion, infiltration, divide and conquer maneuvers, friendship societies, ideologic diversion, pretenses at peace promotion, diplomatic blackmail and several other deceptive devices. In our technological age, this would also include nuclear blackmail; and to say all this doesn't mean that Moscow would exclude a first nuclear strike attempt if it felt the joy of military, technologic superiority and capability. . . .

He was the first to put into successful practice what Lenin, almost four hundred years later, codified as "neither peace nor war" or what Secretary Dulles regularly called "indirect aggression." Ivan sponsored a competing native candidate for the throne of Kazan as early as 1519 and, through him, succeeded in weakening the Khanate to such an extent that by 1552 Muscovite troops had only to move in. The policy of the Kremlin toward Nasser and his Pan-Arab plan was not much different. . . .

Looking at the scope and character of the problem, it obviously is not the challenge of mythologic Communism; it is the despotic challenge of traditional Russian institutions. In the period covered above, other ideologies prevailed as both instruments and smoke screens for totalitarian Russian expansion. Self-legitimizing Communist doctrine does not differ in this respect from the Petrine doctrine and Pan-Slavism of the past. . . .

Those who would seek to impute any anti-Russian bias to this realistic interpretation either do not understand the reasoning involved or are quick to shield their own biases. It is often intellectually sickening to hear that we cannot face up to the bold and stubborn facts because it would be construed as anti-Russian, i.e., against the Russian people. The forceful truth is that along

with other peoples and nations, the Russian people have long been oppressed by the internal component of the institutional nexus in this Russian problem. . . .

LEGISLATING FOR THE CONSUMER REVOLUTION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mrs. ABZUG. Mr. Speaker, the Subcommittee on Legislation and Military Operations of the Committee on Government Operations is presently considering legislation which would establish an agency or bureau which would serve as an advocate for the consumer and the public before administrative agencies. Many of our existing "regulatory" agencies have degenerated into little more than spokesmen for the very industries they are supposed to be controlling, and it is a credit to Mr. HOLIFIELD, the chairman of the subcommittee, that he is directing his attention to the interests of the consumer, the individual who has no expensive corporate lawyers to lobby for him.

As a cosponsor of H.R. 14, introduced by my colleague from New York (Mr. ROSENTHAL), I recently had the privilege of presenting my views to the subcommittee, and I include them at this point:

HON. BELLA S. ABZUG; TESTIMONY SUBMITTED TO THE LEGISLATION AND MILITARY OPERATIONS SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mrs. ABZUG. Mr. Chairman, I am grateful for the opportunity to offer my views on a number of legislative proposals, including H.R. 14, H.R. 15, H.R. 16 and 3809, which would create some form of independent consumer advocate.

The consumer movement, once dominated by housewives protesting skyrocketing food prices, has grown out of its infancy. Today a sophisticated and intelligent movement of professionals less preoccupied with talk than with action, is focusing on the practicalities, the governmental procedures, the funding and the institutional changes believed necessary to insure the maximum protection of the consumer. Congress has been the locus of much of this recent consumer activity. Bills pending before a number of Congressional committees would, if passed, grant the consumer significant new legal rights extending far beyond existing law and would establish new private and public remedies and procedures for providing expanded and invigorated consumer protection.

I think it is important to keep in mind the genesis of the legislative proposals before us. This legislation was not born out of a vacuum, but out of the groundswell of public unrest and dissatisfaction with the captivity of some of our federal regulatory agencies. Virtually the entire nation has come to realize that something has gone awry with the regulatory institutions which are supposedly vested with the power and responsibility for protecting the consumer against the abuses of the marketplace. Chief Justice Burger articulated this disillusionment well when, as a member of the Court of Appeals for the District of Columbia, he established the principle that public representatives have a right to participate in F.C.C. decisions concerning renewals of broadcasting licenses:

"The theory that the Commission can

always effectively represent the listener interests . . . without the aid and the participation of legitimate representatives fulfilling the role of private attorneys-general is one of those assumptions we collectively try to work with so long as they are reasonably adequate. When it becomes clear, as it does to us now, that it is no longer a valid assumption which stands up under the realities of actual experience, neither we nor the Commission can continue to rely upon it."

In short, a crisis of confidence in government has been prompted by the propensity of the regulators to fall under the domination of the regulated. In reviewing the various proposals for a consumer advocate agency, this subcommittee should consider this most fundamental aspect of the regulatory agencies' malaise. Two of the questions which I believe you should ask are, what new directions which reform should take? And what new and innovative kinds of institutional arrangements will best assure a lasting foundation for sound and effective regulation in the public interest.

At the heart of any legislative proposal aimed at reforming the regulatory system there must be measures designed to assure that the interests of the public will be directly represented in the administrative process. The public cannot hope to compete effectively in regulatory controversies without having its own representation to counter the high-priced lawyers retained by regulated industries. No agency can make objective determinations as to what is in the public interest unless it has had the opportunity to hear and fully consider the points of view of all affected groups and individuals.

The legislative proposals before this subcommittee support the theory that the public interest can best be represented in regulatory proceedings through the creation of a new federal agency, specifically mandated to provide representation for public interests in matters being considered before other agencies.

The bill introduced by my distinguished colleague from New York, Mr. Rosenthal, would grant statutory recognition and authority to the Office of Consumer Affairs which presently exists in the Executive Office of the President under an executive order. Such statutory recognition, while not granting the office any specific new powers, is nevertheless needed to enhance the prestige and responsibility of a potentially important instrument of consumer protection. Of far greater importance are the provisions of the bill which would create an independent consumer advocate who could intervene in regulatory proceedings on behalf of the public. The advocate agency would be under the control of a single administrator, a commendable arrangement in light of the many problems inherent in our multi-member, multi-agency structure, not the least of which is agency subservience to industry interests. The advocate agency would provide for representation either by appearing in proceedings as a party, or by providing attorneys from its own staff as counsel to public groups and organizations, or by appointing counsel from outside its staff to represent such entities. The advocate agency's clearest advantage over the alternative approach of appointing public representatives in agency proceedings would be with respect to staff expertise. Presumably, the agency's staff would include full-time attorneys who would specialize in particular areas of consumer protection and regulation, and would therefore be in a far better position to accumulate expertise and experience than attorneys appointed on an *ad hoc* basis.

After careful examination of H.R. 14 and similar proposals, I have found several disadvantages in them regarding the accountability of such an agency to the public.

The overriding danger implicit in an advocate agency is that of dependence. A separate advocate agency would probably be more independent from individual regulatory agencies and their industries than would the bureaus within the regulatory agencies themselves; but even if this new agency is independent of the existing ones, if the agency administrator is appointed by the President, the agency will almost surely turn out to be a paper tiger. Its capacity to criticize virorously the practices and policies of other federal agencies which are, of course, components of a President's administration, would be fatally impaired. It would be caught in its own crossfire of pressures, for no President will permit one appointee to publicly criticize other officials and institutions whose performance directly reflects upon the White House.

The recent contrast between the F.T.C. and that of the White House Office for Consumer Affairs provides an instructive lesson in the possible independence and responsiveness of such a political appointment. The quality of the President's first appointment to head the Office of Consumer Affairs reflected his lack of personal enthusiasm for the cause of consumer protection; after an embarrassing withdrawal of his original nomination, the President reconsidered the degree of his commitment to consumerism and appointed Mrs. Virginia Knauer. He continued to emphasize his new-found support of consumer protection in the appointment of Mr. Miles Kirkpatrick, a former chief of the A.B.A. Antitrust Division, to the Chairmanship of the F.T.C.

Mrs. Knauer, who serves at the pleasure of the Chief Executive, has apparently succumbed to industry pressure on a variety of crucial issues; Mr. Kirkpatrick, who cannot be fired, has taken increasingly vigorous stands on a wide range of consumer issues and has publicly opposed the Administration on several key legislative matters, most recently the Ash Commission's recommendations.

I would urge the committee to consider two ways in which this problem of agency dependence upon the White House might be remedied: for one thing, the administrator of the advocate agency could have a fixed tenure, coincident with that of the President—I note parenthetically my regret that Mr. Rosenthal's bill does not provide for this; second, the agency might be placed under the control of institutions other than the White House—it might, for example, be operated under a board of directors appointed jointly by the Congress, the President and the Chief Justice.

Finally, it goes without saying that the method of financing the operations of such an advocate agency could have a substantial impact on its independence. The matter of financing is one which readily lends itself to innovative experimentation. A congressionally funded agency would have to submit its budget to the Office of Management and Budget for approval, an action which could conceivably compromise its independence. I would recommend that the legislation provide the agency with an alternate source of funding, possibly by assessment from regulated industries or money from a special or trust fund.

A number of other workable alternatives, all of which show considerable promise in terms of providing active public interest representation in regulatory agency proceedings, should be given thoughtful consideration by this subcommittee. Mr. Erlenborn's bill, H.R. 3809, would establish within the F.T.C. a Bureau of Consumer Protection to carry on consumer protection and advocacy functions. While the F.T.C. has shown an amazing capacity for rejuvenation in recent months, as it carefully tests the statutory limits of its authority, one wonders whether the bureaucratic inertia of many years of in-

competent and uninspired leadership will not prove too much of a handicap to overcome. Senator Kennedy's proposed "Public Counsel Corporation," while deficient in having the board of directors appointed by the President, would pursue consumer protection on an attorney-client basis. Senator Hart's "Independent Consumer Council" would be managed by a board of directors free from the limitations of presidential appointment. A further approach to public interest representation would see the federal government underwrite the cost of public interest advocacy by private attorneys on a case-by-case adjudication basis, just as the courts do with respect to criminal defendants who cannot afford counsel.

In reaching a final determination regarding the best proposal for an independent, aggressive and responsive consumer advocate, I trust that this committee will bear one additional point in mind: Meaningful public participation in agency decision-making depends upon public knowledge of the facts and the issues involved. Congress passed the Freedom of Information Act several years ago in an effort to bring this principle to fruition. While that Act placed upon the government the burden of justification for the withholding of documents, I believe that executive cooperation regarding disclosure has been the exception rather than the rule. Any legislation which emerges from this subcommittee will be inadequate if it does not reaffirm the right of individuals to have access to federal documents in consumer protection matters.

Careful review of the operations of the regulatory system leads one to the inescapable conclusion that a serious crisis exists there. Many people are fed up with the federal regulatory agencies because of the dishearteningly frequent examples of agency bureaucrats who are overly differential to the corporate interests they are supposed to control, who have denied citizens access to and participation in their proceedings and who have zealously guarded from public disclosure information vital to the economic interest of consumers or to the health and safety of all Americans. Congress is now faced with the task of assuring broader citizen participation in agency decision-making. It is our responsibility to provide a sound mechanism for the adequate representation of non-industry public interests in the administrative process. The restoration of public confidence in this area is essential, and legislation such as that which is now before you can be an important first step on that path.

RESOLUTIONS IN FAVOR OF ACCELERATED PUBLIC WORKS BILL

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. BEGICH. Mr. Speaker, something very sad happened to the United States last week when President Nixon vetoed the accelerated public works bill.

It is sad in that 5.8 percent of the Nation is unemployed and the President snuffed out their chances for jobs by simply vetoing the bill. In doing so, he has succeeded in not only hurting the unemployed but the general public as well. The bill would have created jobs whose end products would serve to benefit us all. Jobs to improve sewage systems, to build roads, bridges, schools—the list goes on and on.

My own State of Alaska has a par-

ticular interest in the bill—unemployment hovers around 19 percent and the figure is rising. The number of unemployed has gone up 31 percent since last year and new jobs are not being created at a fast enough rate to cope with the level of unemployment.

There is so much that could have been done in Alaska through utilization of the accelerated public works bill. Like many other parts of the Nation, there are roads to be built, schools waiting to be created, and special projects that need the help of willing hands. But Alaska cannot implement these projects by itself and so they will continue to wait on the drawing boards and in file cabinets around the State.

A resolution has been adopted by the Fairbanks City Council, a city with unemployment reaching 13.9 percent, to override this veto. As is consistent with the Alaskan spirit, the people are fighting back. And I intend to fight with them.

The following is the resolution adopted by the Fairbanks City Council and I feel that it merits your consideration:

A RESOLUTION REQUESTING THAT THE UNITED STATES CONGRESS PASS THE ACCELERATED PUBLIC WORKS BILL OVER THE PRESIDENT'S VETO

Whereas, the Congress of the United States has passed an Accelerated Public Works Bill; and

Whereas, the President of the United States has vetoed said Accelerated Public Works Bill; and

Whereas, passage of the Accelerated Public Works Bill is urgently needed to fulfill the policy of full employment previously endorsed by the President of the United States; and

Whereas, disastrous unemployment conditions exist in many parts of the United States but particularly in the City of Fairbanks and other parts of Alaska because of the Federal Land Freeze imposed on Alaska, the withholding of permission to construct the pipe line to carry oil from the North Slope of Alaska to Valdez, and the delay in passage of legislation before the United States Congress concerning Alaskan native claims; and

Whereas, the City of Fairbanks is currently embarked on an extensive program of sewer and water extensions to alleviate conditions threatening the health and welfare of the citizens of this community as well as the ecology of the local community and is seeking federal aid for these projects; and

Whereas, passage of the Accelerated Public Works Bill would give additional aid, and lend impetus, to this ambitious program; and

Whereas, many other communities in the State of Alaska are faced with similar problems in extending services to growing populations and to persons of Alaskan native groups in and around said communities who are always first to suffer from unemployment; and

Whereas, the economy of the State of Alaska is vitally important to the State of Washington because of the important transportation and supply interests of the State of Washington.

Now, therefore, be it resolved by the City Council of the City of Fairbanks, Alaska, as follows:

Section 1. That the United States Senate and The United States House of Representatives be respectfully requested and encouraged to pass the Accelerated Public Works Bill over the veto of the President of the United States.

Section 2. That copies of this resolution be dispatched with all possible speed to the President of the United States Senate, the Speaker of the United States House of Representatives, and to every member of the delegations from the state of Alaska and from the State of Washington to the United States Congress.

Passed and approved this first day of July, 1971.

PENNSYLVANIA COLLEGE OF PODIATRIC MEDICINE HONORS CONGRESSMAN DANIEL J. FLOOD

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. EILBERG. Mr. Speaker, it was my pleasure earlier this year to attend the fifth graduation ceremonies of the Pennsylvania College of Podiatric Medicine in Philadelphia and to receive, along with our distinguished colleague from Pennsylvania, DANIEL J. FLOOD, the honorary degree of doctor of humane letters.

The Pennsylvania College of Podiatric Medicine is one of five such colleges in the United States that trains specialists in foot care. The college, which accepted its first class on September 23, 1963, was founded by a small group of interested podiatrists who recognized the need for such a school in the Delaware Valley area. The college is chartered by the Commonwealth of Pennsylvania and the program is fully approved by the department of public instruction of the bureau of higher education. All the requirements and regulations of the Pennsylvania State Board of Podiatry Examiners and the Council on Education of the American Podiatry Association have been met. The degree of doctor of podiatric medicine is offered to those who complete the 4-year course offered by the school.

After holding classes for almost 2 years in leased facilities, the college moved in June 1965 to its present quarters in the Society Hill section of Philadelphia. Because of expanding student enrollment, faculty and teaching programs, the board of trustees has planned a new classroom building and other related facilities scheduled for completion in September 1972. These will be the most modern and fully equipped educational facilities in the world dedicated to the training of podiatrists.

I am especially proud of the expansion and achievements of the college because of my interest and close involvement with it since my days as majority leader of the Pennsylvania State Legislature. It was at that time that Harold Salkind, present vice chairman of the board of trustees, interested me in the college and I became responsible for the first State aid, \$60,000, to the then brandnew school. It is through this relationship with the State, a strong relationship with the Federal Government, and the tireless efforts of the many dedicated people involved that the college has grown to be such a success and mainstay of American podiatric education. It has been my pleasure to serve on the board of trustees for the past several years and it is be-

cause of my close attachment to the college that I was especially proud to receive the honorary degree.

One of the men who is responsible for the advancements in our health care system and especially the podiatric profession is Chairman DANIEL J. FLOOD of the Appropriations Subcommittee for the Departments of Labor and Health, Education, and Welfare. Throughout his years in Congress and his devoted service to the State of Pennsylvania, DANIEL FLOOD has worked for the progress of modern medical care and the advancement of American medical education. It is for this reason that the Pennsylvania College of Podiatric Medicine chose to confer on him the honorary degree of doctor of humane letters and to have him present the principal address at the recent graduation exercises. I found my colleague's remarks at that time most enlightening and inspiring and a true reflection of his devotion to the betterment of human life and the valuable work taken on by the medical men of today. I enter Chairman FLOOD's remarks in the RECORD at this point:

REMARKS BY THE HONORABLE DANIEL J. FLOOD

In the first book of Kings in the Hebrew Bible there is a reference to Asa, King of Judah, which, in the midst of relating all his acts, adds simply, "But in his old age he was diseased in his feet". This brief notice is expanded by a later Chronicler (II Chronicles 16:12, 13) to the effect that "his disease became severe; yet even in his disease he did not seek help from the Lord, but sought help from physicians". The Chronicler concludes tersely, "and Asa slept with his fathers . . .".

I suspect that a modern-day Asa might be moved to seek help—and find it—from the Lord and from the physicians, particularly those who like yourselves are especially qualified to treat "diseases, injuries, deformities, and other conditions of the foot," with happier results than those described in the Old Testament narrative. Concern with the care of the foot goes back to the most ancient times, but podiatry as a fully recognized and professionally established Branch of Medical science is a relatively recent phenomenon in history.

Since the founding of the American School of Chiropraxy in 1911, great advances have been made in podiatry, as you who are gathered here today are well aware. The struggle for the rightful role of podiatric medicine has been largely won, yet whole new areas have opened up, creating more complex problems and opportunities.

It is a great privilege and pleasure for me to be with you here today on this occasion, to salute those of you who are graduating from this college—one of five accredited colleges of podiatric medicine in this nation, and to receive the degree of doctor of humane letters.

It is a truism of the moment—but no less true for that—to observe that we in America are in the midst of a veritable revolution in medical care, involving cumulative technological change and a rising level of social and political expectation. The scope of medical services is expanding daily in response to the demands of all our people for more and better medical care. At the same time, we continue to confront what has become almost a cliché: the perennial shortage of physicians, a matter of increasing concern at every level of society, and of government as well.

In this situation, podiatrists are able to make distinctive contributions, reflecting the knowledge, skills, and services which belong to their specialized area. In an age of expanding demand for the services of pri-

mary care physicians, other health care providers have become increasingly important in the overall health care system. Among these—dentists, pharmacists, optometrists—podiatrists are far from the least. The facilities, faculties, and licensing procedures of podiatric medicine cannot be discounted in seeking new ways to provide more adequate health care to all Americans.

Podiatry is facing in the days ahead an unprecedented involvement in providing for national health manpower and in health care delivery, including improved geographical and demographical distribution of podiatric services. The pressures of individual medical practice and large-scale health care systems alike are shaping the course of the future, a future in which podiatric medicine can be of immense help through its specialized knowledge and techniques.

Podiatrists share with primary care physicians the legal and effective right to make independent medical judgments and a scope of medical practice which, taken together, will prove a source of strength and leadership in American medicine and, indeed, in our society as a whole.

"One foot", wrote the poet, Herbert, "is better than two crutches". In a more romantic vein, Goethe commended "a pretty foot (as) one of the greatest gifts of nature".

Our proverbial folk-wisdom, with its metaphors of "standing on our own two feet" for boldly speaking the truth, recognizes the immense importance of the feet, their health, and condition, to the general physical and psychological well-being of man and his ability to live vigorously and well. Since man first stood erect on his two feet and walked out of the darkness toward the light, the foot has been a kind of symbol of humanity—"foot-sore" and weary at times, clothed at other times by poetic imagination with winged sandals.

In any case, it has become increasingly clear that men are whole persons, and that he who ministers to any special organ or function must be able to understand something of the whole man. Podiatric medicine, in this sense, has come of age, and will, I believe, contribute immeasurably to the general health of our people in tomorrow's world.

For you who are graduating today, for your families, loved ones, and friends, for your teachers and counsellors, this will remain a proud, memorable moment. You enter upon your profession in troubled times for America and for the world, times of challenging difficulty and, often, of frustration, yet, also, times of unparalleled opportunity for progress and service.

If I may leave with you one thought, adequate in its depth and simplicity to the living of life each day, it is the prayer of Reinhold Niebuhr, a prayer appropriate to guide every man in his distinctive calling, be it medical or political, "God grant me the courage to change the things that can be changed; and the serenity to accept the things that cannot be changed; and the wisdom to know one from the other".

WHICH CHINA AT THE U.N.?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. CRANE. Mr. Speaker, although the aggressive policies of the Communist Chinese remain unchanged, there are many in our own country who now advocate an altered policy with regard to

the question of Communist China's admission to the United Nations.

The United Nations Charter declares that nations in the organization are "to practice tolerance and live together in peace with one another as good neighbors."

Communist China, rather than being a good neighbor, has invaded Korea, Tibet, and India. It has spread violence and terror throughout Southeast Asia, and has materially aided the North Vietnamese and the Vietcong in carrying on an aggressive war. Communist China was declared an aggressor by the United Nations itself in Korea, and its policies have not changed in the succeeding years.

The Ambassador to the United Nations from the Republic of China, Mr. Liu Chieh, recently pointed out that—

Of the 23 nations that make up the continent of Asia, 16 are embroiled in some kind of war, rebellion or civil strife—much of it instigated or supported by Peking. These countries are home to 1.8 billion people, over half of the world's 3.5 billion population.

The Chinese Communists, it must be remembered, seek to foment world revolution. Their goal and that of the United Nations remains diametrically opposed. To those in the United States who have replaced wishful thinking for realistic considerations concerning Communist China, the Ambassador from the Republic of China has important words. He states that this school of thought "falls to understand the tremendous importance of the Maoist ideology as a determinant of behavior. The Chinese Communists, it should never be forgotten, take their ideology seriously. They are out not merely to gain China's seat in the United Nations. They intend to remake the United Nations in their own image."

Those who seek to destroy the United Nations by admitting to it that nation which at this point in history is most at variance with its concepts of world peace through law should consider the facts more carefully before they come to a mistaken conclusion.

I would like to share with my colleagues some remarks of Mr. Liu Chieh, the Ambassador to the United Nations from the Republic of China, as they appeared in the New York Times of July 8, 1971. I insert this statement in the Record at this point:

WHICH CHINA AT THE U.N.?

(By Liu Chieh)

Such a regime [as that in Peking] is clearly un-Chinese in character and un-Chinese in purpose. How can such a regime represent the great Chinese people in the United Nations? How can such a regime speak in the name of the Chinese people and give expression to their true interests and aspirations.

The United Nations was founded "to save succeeding generations from the scourge of war, which twice in our generation has brought untold sorrow to mankind." Another principle of the charter is summed up in the Preamble—"to practice tolerance and live together in peace with one another as good neighbors."

The Chinese Communist regime negates these basic principles. It promotes violence and war. It makes a fetish of force. It foments armed insurrection in neighboring countries. It is a past master in the art of

political subversion. It is the world's greatest theoretician and practitioner of guerrilla warfare and undertakes to train, equip, finance and direct "people's war" on a global basis.

Let me call your attention to the fact that of the 23 nations that make up the continent of Asia, 16 are embroiled in some kind of war, rebellion or civil strife—much of it instigated or supported by Peking. These countries are home to 1.8 billion people, over half of the world's 3.5 billion population.

In Hanoi, Peking is pressing for a military victory, regardless of the consequences for the people of both Vietnams. Chinese military aid is going to Communist troops in Vietnam, as well as to Laos and Cambodia.

In North Korea, Peking has patched up its differences with Pyongyang, and has enabled Kim Il Sung to be more militant toward South Korea.

Fortunately, however, China has been represented in the United Nations by a government which can truly articulate the wishes and aspirations, woes and fears of the Chinese people. The notion of expelling the Republic of China in order to make room for the Communist regime in Peking is not only repugnant to all fair-minded people but also to all those who have the true interest of the United Nations at heart.

It is sad to observe that there are today those who do not hesitate to throw vital principles of the charter overboard in order to accommodate the Chinese Communists. Appeasement is in the air. Expediency rather than principle seems to be the primary preoccupation of publicists.

As you know, there is a school of thought in the United States which discounts the threat posed by the Chinese Communists. They attribute Peking's outrageous and beastly behavior to the American policy of trying to isolate the regime from the rest of the world.

This, it seems to me, is wishful thinking. It fails to understand the tremendous importance of the Maoist ideology as a determinant of behavior. The Chinese Communists, it should never be forgotten, take their ideology seriously. They are out not merely to gain China's seat in the United Nations. They intend to remake the United Nations in their own image.

A MASSACHUSETTS RESOLUTION SEEKING TO NAME A NUCLEAR SUBMARINE FOR LATE HON. WILLIAM H. BATES

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. CONTE. Mr. Speaker, I would like to draw the attention of this body today to a resolution adopted June 22, 1971, by the Massachusetts House of Representatives memorializing the Secretary of the Navy to name a nuclear submarine in the memory of Congressman William H. Bates.

As a longtime friend and admirer of the late Congressman Bates, I commend the Massachusetts House for this action and I add my voice in support of this very well-deserved honor for a man who was a truly outstanding public servant.

Everyone who was in the Congress, during the 20 years Bill Bates served, knows that he was a conscientious representative of his people, a talented

July 13, 1971

leader, and a lawmaker and friend of the highest order.

His long and distinguished service on the House Armed Services Committee and the Joint Commission on Atomic Energy more than earned him the recognition and honor that would come from having a nuclear submarine named after him.

I would hope that everyone in this body who was privileged to know and work with such a great man would join with the Massachusetts House and myself in urging this honor for the late William H. Bates.

At this time, Mr. Speaker, I submit a copy of the resolution, signed by Massachusetts Secretary of State John F. X. Davoren, to be included in the RECORD:

RESOLUTIONS MEMORIALIZING THE SECRETARY OF THE NAVY TO NAME A NUCLEAR SUBMARINE IN MEMORY OF CONGRESSMAN WILLIAM H. BATES

Whereas, Congressman William H. Bates of Salem, Massachusetts, Representative in Congress, 81st to 91st, died June 22, 1969; and

Whereas, Congressman Bates was educated at Salem High School, Worcester Academy, Brown University and Harvard Graduate School of Business Administration; and

Whereas, He rose from rank of Apprentice Seaman to rank of Captain in the United States Navy; and

Whereas, At the time of his death, he was a ranking member of the House Armed Services Committee and the second ranking minority member of the Joint Commission on Atomic Energy; and

Whereas, He served his country with honor, distinction and dedication in World War II and while a member of Congress; therefore be it

Resolved, That the Massachusetts House of Representatives respectfully urges the Secretary of the Navy to name a Nuclear Submarine in memory of Congressman William H. Bates; and be it further

Resolved, That a copy of these resolutions be forwarded by the Secretary of the Commonwealth to the President of the United States, the Secretary of the Navy, the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

House of Representatives, adopted, June 22, 1971.

WALLACE C. MILLS,
Clerk.

A true copy.
Attest:

JOHN F. X. DAVOREN,
Secretary of the Commonwealth.

BUFFALO'S MAYOR TELLS WHY VETO SHOULD BE OVERRIDDEN

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DULSKI. Mr. Speaker, President Nixon's veto of the accelerated public works program is a deep disappointment to those of us who sponsored and fought for this program.

This is a national program, but its value is best appreciated when you look at it from the local level. It is the local needs which are basic. Collectively across the country they merited the support of the administration.

The accelerated public works program is urgently needed in my home city of Buffalo, N.Y. What it would mean to Buffalo is well documented in a letter I have received from our mayor, the Hon. Frank A. Sedita.

I hope sincerely that the Senate, which must act first, will vote to override the President's veto. If it does, then we in the House will have our chance and I feel certain we have the House votes to override.

Mr. Speaker, as part of my remarks, I include the letter I have received from Mayor Sedita:

CITY OF BUFFALO,
OFFICE OF THE MAYOR,
July 7, 1971.

HON. THADDEUS DULSKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: As you know, President Nixon last week vetoed a \$5.5 billion plan for an accelerated public works program. This stroke of the pen constituted another in the long and ever-growing list of lost economic assistance which the working people of the Buffalo area greatly need.

The \$5.5 billion public works bill is a basic type of pump-priming, similar to legislation which helped us get back on our feet during the Great Depression. This bill contains desperately-needed funds for Erie County and the President's veto kills hopes for the jobs and projects that would have been created in our area.

I urgently request your support of this program and vote to override the President's veto. I make this request because since 1969 unemployment in Buffalo has increased over 100%, from 3% to over 7.2%. In 1969, some 20,000 people in Buffalo were out of work. Now that number is over 42,000.

Since 1968, a total of 36 heretofore solid businesses have either closed or undergone massive cutbacks in the Buffalo area. These reductions alone have put approximately 6,000 wage earners out on the street. Other large industries have been either cutting back or laying off workers. Just a few days ago, only weeks from a possible steel strike, when stockpiling orders should be at their highest, Republic Steel laid off 2,400 men for a week because of low orders. The impending steel situation, with or without a strike, will bring our area to a job and fiscal crisis.

The U.S. closed its books \$23 billion in the red because the economy did not generate enough revenue and other nations, in effect, have devaluated the U.S. dollar. The balance of payments has shown a two-months deficit for the first time in 21 years, wiping out the gains of the first quarter. In light of these facts, the President has refused to institute wage and price controls and continues to persist in vetoing vital job-producing legislation.

In 1969, the President vetoed a similar bill to create jobs. His reason then was that the legislation was unnecessary to get the economy moving. After three years, the local economy continues its decline with no end in sight. Unemployment increases, inflation continues, and workers earn less income. As income falls, federal and state tax revenues fall and, consequently, aid to local government has declined. As state and federal aid to local governments declines, a greater burden is placed on the already overburdened local property tax.

With little or no money for education and with no jobs available, real economic hardships are created and an inevitable increase in the welfare rolls takes place.

Let's all work together to use tax funds constructively and give people jobs that enable them to be self-supporting and concurrently provide badly needed public works for the cities, towns and villages of our area.

I ask you, therefore, to speak out for the \$5.5 billion public works bill. We desperately need jobs to get the country moving again. I ask you to vote and to urge all of your colleagues to vote to override President Nixon's veto of the \$5.5 billion public works bill.

Sincerely,
FRANK A. SEDITA,
Mayor.

THE SELLING OF THE PENTAGON

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. NELSEN. Mr. Speaker, it is with some reluctance, I admit, that I have supported the Committee on Interstate and Foreign Commerce in recommending that Dr. Frank Stanton and the Columbia Broadcasting System be cited for contempt of Congress. While I am not an attorney in the Constitutional sense or otherwise, I would very jealously protect the rights guaranteed by the First Amendment of our Constitution. Being a conservative by nature, it would be my natural tendency to do so. At the same time, I recognize the importance of guaranteeing to the public free access to a true presentation of the news.

It possibly is unfortunate that the documentary involved in this issue happens to be "The Selling of the Pentagon." I certainly do not think that the point which CBS was presenting in that documentary should enter this argument. We are only concerned that in the production of any news story or documentary producers and editors show and tell it as it is without resorting to the kind of film editing and manipulation which distort interviews and result in deception bordering on fraud in violation of a public trust.

I am sure that it goes against the grain of common decency and reporting integrity that one who is interviewed should find that his answers to one question appear in the final production as answers to an entirely different question or that statements in a speech are reassembled to give an impression that was never intended in the first place. Such practices do not constitute a proper recognition of a public trust which follows from the granting of a lucrative and exclusive right to use the airwaves for broadcasting purposes.

The action taken by the committee has given rise to some important and conflicting issues as to just what is involved in this action.

First, in the first place it is alleged that the committee's action is in violation of the first amendment rights of CBS as a communications media to freedom of expression without restraint. CBS has raised this issue stating that it as a broadcasting media has equal rights under the first amendment with publishers of newspapers. While the guarantees of freedom of expression as set forth in the first amendment are indeed broad and to be much respected, it is doubtful that broadcast media rights in this respect can be judged to be equal to those

who disseminate news and opinion by the printed word.

The power and responsibility of the Congress to regulate the use of the airwaves has been recognized going back to the passage of the original Radio Act in 1927. Numerous court cases interpreting the Federal Communications Commission Act of 1934 recognize the power of the Congress under the Constitution to require licenses for the use of the airwaves and the right of the Congress through the FCC to regulate these licensees both in the technical sense and in the subjective sense. For instance, it has been held by the Federal courts that the first amendment does not bestow or recognize any constitutional right to disseminate false or misleading advertisements. The U.S. Supreme Court itself in an opinion handed down this year has stated that there is no right in the first amendment to a defense against dissemination of falsehoods.

Second. It is said in defense of CBS that to require the turning over of the outtakes from "The Selling of the Pentagon" documentary would be contrary to a Supreme Court ruling which held that a news reporter's notes may not be subpoenaed since these notes are privileged matter. This ruling of the Supreme Court in the Caldwell case has been much watered down, and when the issue came to the Court, the question of the reporter producing his notes was no longer in question. Furthermore, the ruling of the Court in the Caldwell case has not been recognized in three lower court opinions which will be reviewed by the Supreme Court in its October term this fall. Actually, CBS in the brief filed with the committee did not cite any court opinion equating film outtakes with the personal notes of a reporter.

Third. What we are concerned with here is the falsification or manipulation of news and the responsibility of the licensed broadcasting media to present a factual report of news events to the listening and viewing public. The right of free speech and press, as set forth in the first amendment, is what is known as a derivative right. It emanates from the people whose fundamental rights are recognized. The protection does not originate in the disseminator of the news but rather originates in the rights of the people to a free press. This right of the people by its nature implies a right to a true presentation of the news. This point is particularly important with respect to the television media because the filmed account of an event purports to be an actual recording of that event as it took place. To have this recording distorted through manipulation by means of film editing violates the rights of the people to that extent. If, as the courts have recognized, the Congress has the authority under the Constitution to regulate the broadcast media, then it becomes the responsibility of the Congress to the listening and viewing public to insure that the dissemination of news and events is not subject to manipulation without notice.

Fourth. Television as a means of news reporting and formulation of public opinion is very powerful. In response to a

public opinion poll reported in Broadcasting magazine last November, 60 percent of those responding indicated that they rely on television as a primary source of news. This, in addition to the limited access to the airwaves, places a particular responsibility on television broadcasters to recognize that they operate under a peculiar public trust. They are responsible to the public whom they are licensed to serve, and the Congress as elected representatives of the people has both the right and the authority to enforce this trust. As Abraham Lincoln stated:

He who molds public sentiment goes much deeper than he who pronounces the decisions. He makes those decisions possible or impossible.

This indicates the extent to which the television media is in a position to eventually shape that government which emanates from public opinion.

Fifth. It has been stated that the FCC, the agency created by the Congress to exercise its regulatory functions over the broadcast industry, did not find evidence of deceptive practices in the production of the CBS documentary. Recognizing this fact, it should be pointed out that the Commission's action was contrary to the recommendations of its own staff. The recommendation of the Broadcast Bureau of FCC stated in part:

The staff believes, however, that the evidence available in the present case is extrinsic, and so strongly indicates a deliberate intention to distort as to require inquiry of the licensee.

In the interest of fair play and honesty in the presentation of news to the public, the recommendation of the committee should be approved.

As Chairman STAGGERS stated at one point in committee:

If we have reached a time in our nation's history when propaganda techniques and electronic manipulations may be practiced on the American public over their own airwaves, and the Congress is foreclosed from even inquiring into such practices, the age of "Big Brothers" has arrived.

We are an elective body; we are direct representatives of the people. Television networks have not yet been clothed with such authority, though there are arguments in their statements filed with the committee that suggest at least one may wish indirectly to so clothe itself. I, for one, consider that in supporting the committee in its action I am acting in and for the public interest. The people have not delegated their representative authority to so act to an entity in the regulated broadcasting industry. And, we as Members of Congress, as well as the people, would be stripped of power were it to be otherwise. What is claimed here is simply:

The right of Congress to investigate, and to compel the production of information, as inherent in its authority to legislate;

The right of this committee to conduct an investigation of the regulated television industry;

The right of Congress to regulate broadcasting so as to prohibit deception to the public;

The right of Congress and its Members

as representatives of the people to act in the public interest to insure that the public is not deceived; and

The committee's right to act as an investigatory arm of the Congress to insure the preservation of freedom of the press free from distortion and deception.

BILL RUCKELSHAUS OF EPA

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. BRAY. Mr. Speaker, when the President named Bill Ruckelshaus to head EPA he made one of the most significant and vital appointments of his entire administration. The following article from the July 1971 issue of Signature magazine is quite aptly titled—"Nixon's Breath of Fresh Air":

NIXON'S BREATH OF FRESH AIR

(By Nick Thimmesch)

There's no escape from the environmental crisis upon us. We breathe bad air. Our water is still generally drinkable, but many fish which swim in our water sources are no longer edible. We are constructing monuments of solid waste that may dwarf the pyramids of ancient Egypt. The question is no longer whether we, as a nation, must clean up the mess but when, in what way, how fast, and with what chance of success.

President Nixon, the Democratic candidates who want to run against him, congressmen of both parties, right-wingers, left-wingers, oldsters and youngsters—everybody wants something done about the environment—today. Right now the buck stops—to paraphrase Harry Truman—at one, single, mortal man, William Doyle Ruckelshaus, 38, an Ivy Leaguer out of downhome Indiana, whose responsibilities as administrator of the newborn Environmental Protection Agency are formidable enough to give him cabinet status. Armed with some brand new laws and a batch of old ones, including the Refuse Act of 1899, Ruckelshaus has power which he would like to unleash like a thunderbolt from Zeus—but can't. Because our industrial engine, the world's mightiest, and our lifestyle and economic habits are in relentless motion, diverting them toward a better environment can be accomplished only by a long, painful process of law and persuasion.

By now almost everyone has heard that we have 108 million cars, buses and trucks on the road. That a million smokestacks are spewing pollution into the atmosphere. That vast amounts of solid and liquid wastes are pouring into U.S. streams, lakes and coastal waters. That while the average family has prospered it has graduated from one trash can to an average of eight.

And suddenly there was "Earth Day" (which made great television) giving millions a chance to enjoy a litter outing, and the commercials sang, "What can one man do, my friend?"

Ruckelshaus—perhaps that one man—senses that the national mood on pollution is as overwhelming as the national mood after the attack on Pearl Harbor. But the pollution war requires long-range planning.

"When I'm pressed," says Ruckelshaus, "I tell people we haven't reached perfection in six months. We can't let people say if there's no visible progress so far, the commitment's gone. What's gone is the carnival atmosphere of the environment issue. Now we're in another phase: we exert constant pressure and remain patient. Now we're trying to get pol-

luters up to a minimum level of compliance."

This down-to-earth administrator was born in Indianapolis, the son of a prominent lawyer and the grandson of a Republican county chairman. He was given a traditional Roman Catholic education until his arrival at Princeton, from which he graduated cum laude in 1957. He received his law degree from Harvard in 1960.

Tall, good-natured, and athletic (even his horned rimmed glasses make him look like Clark Kent about to unpeel his coat and shirt and soar up—up—and—away as Superman), Ruckelshaus was an instant wow on entering politics. He was elected to the Indiana House of Representatives in 1966 and became the first freshman legislator to be elected majority leader. In 1968, he ran against handsome, charismatic Democratic Senator Birch Bayh but was beaten, in a setback, by 63,000 votes.

In 1969, Attorney General John Mitchell was shopping around for Republican talent to staff his Justice Department. Aware of Ruckelshaus' record as a good trooper in the G.O.P., Mitchell signed him on as head of his civil division. Ruckelshaus starred there and developed a reputation as a liberal among law-and-order advocates, pushing for greater tolerance for the growing legion of demonstrators coming to Washington to protest President Nixon's Far East policies.

A hearty fellow with a smile that promises one day to reach ear to ear, Bill Ruckelshaus fielded the worst obscenities that college students had to offer, laughed them off, and went on to defend the Nixon administration with the confidence that perhaps only a large man measuring six feet, four inches and weighing 195 pounds can muster. If students don't make sense to him, he doesn't give an inch. "Some young people want to be in the decision-making process, and that's good," he says, "but once the decision is made, they don't want to be part of it. That's not good."

When President Nixon created EPA on December 2, 1970, he in effect merged 15 environmental units from the Departments of Interior, Agriculture, and Health, Education and Welfare. Since then Ruckelshaus has established 10 regional offices and EPA now has 6,300 employees. In its first six months, it has operated on a budget of \$1.3 billion a year; its next budget will be almost double.

Like many a general in a long-haul war, Ruckelshaus has launched several spectacular first-strikes, mostly to let people know that he means business. He had scarcely been confirmed by the Senate when he appeared at the Annual Congress of Cities and cut loose at Detroit, Cleveland and Atlanta with an ultimatum to stop polluting their waters. Those cities have Democratic mayors and one, Cleveland's Carl Stokes, cried politics. When some of the mayors retorted that the Federal Government hadn't provided enough funding for raising water standards Ruckelshaus told them the money would become available (\$6 billion in the next three years) but that they would have to press local and state governments for matching funds.

His next strike was against Union Carbide Corporation's Parkersburg-Marletta plant, whose smokesstack emissions of sulfur oxides weren't reduced 40 percent by October 1970 as pledged, and thus constituted an "imminent health hazard from a single source." Union Carbide got the message. Today it is complying with Ruckelshaus' clean-up order.

When the Reserve Mining Company in Minnesota, accused of dumping remnants of iron oxide into Lake Superior, asked for more hearings and extensions, an exasperated Ruckelshaus finally gave them 180 days to come up with a plan or go to court. In-

deed, a listing of Ruckelshaus' actions, since he took office last December 2, amounts to a battle record almost as solid as that of Patton in his drive across Europe in 1944.

He let states know it would be undesirable for their regulatory boards to include representatives of pollution sources. He enjoined the Justice Department to prohibit Jones & Laughlin Steel Corporation from discharging chemicals into the Cuyahoga River at Cleveland; asked for a study of the Trans-Alaska pipeline before it was scheduled to get underway; sued a half-dozen companies on various pollution charges, and also served notice on two Massachusetts companies for possible violation of federal water-quality standards.

Getting municipal sewage systems up to federal standards is a tougher go, and involves the cumbersome injunction process in the courts—a process that carries the threat of packing mayors and city councilmen off to jail for contempt of court. It has occurred to Ruckelshaus that this could cause deafening applause from some local citizenries for other reasons—thus producing a mild form of noise pollution.

Penalties for violations of the Clean Air Law are fines up to \$25,000 and one year in jail for the first offense and up to \$50,000 and two years in jail for the second. Industry and local governments have already been mildly stung, but the telling blows will be delivered, Ruckelshaus believes, when it becomes possible to advise the states they have nine months to produce plans enforcing federal clean-air standards.

Ruckelshaus prefers the tedious but more certain approach of enforcing the Clean Air Law through state action to the more dramatic tactic of "going after industries one-by-one, and letting some of them wait 15 years for you to catch them." He also feels the war's first success will come with a campaign to clean the water, simply because many states have been engaged in that effort for 10 years. By invoking the Refuse Act of 1899 Ruckelshaus can require an estimated 40,000 industries not using municipal waste treatment systems to apply for a five-year permit detailing the nature of the waste each individual firm will dump into a stream. EPA and the Army Corps of Engineers will then decide whether the applicant's proposal meets water-quality standards. If it doesn't, the applicant will be given a cleanup schedule and a dumping permit subject to annual review.

When it comes to the overwhelming problem of solid wastes, EPA has another battle plan, "Mission 5,000," a project to eliminate 5,000 acridly smelly dumps by June, 1972. EPA offers technical assistance, with demonstration projects in recycling, but makes it clear that closing of the dumps "must be accomplished at the local level." The manner in which taxpayers are resisting bonding programs, and granting the finicky nature of zoning boards, building solid waste disposal facilities to replace the dumps might be a slow process.

Aware as he is that the anti-pollution war is going to be a long one, Ruckelshaus realizes that he has to ride hard, keep the troops fired up and give everyone the impression that he is attacking on all fronts at once. He's on the lecture circuit constantly and lets fly with the rhetoric. When he socked it to Detroit, Cleveland and Atlanta, he declared: "The actions I have taken today and similar actions I will take in the future may shock some. They may anger others. In my opinion it is far better that we shock and anger today than that our children inherit an unlivable world tomorrow."

He put the knock on the adulation of science when he spoke to the National Press Club in Washington: "We must move out of the shadow of the Victorian illusion that blind faith in science and technology will

every day and in every way make us better and better. We must add affection and care to our view of nature."

Academicians have of late been a gloomy lot, so when Ruckelshaus spoke to the American Academy of Political and Social Science he told them so: "Our society badly needs some successes. Across the land the prophets of doom trumpet our failures. This blare and the truthful ring of its notes has sapped our confidence in ourselves, our institutions and our country. One significant success and the sound of defeat will be replaced by the charge to join in the new revolution."

To warn Americans that they are not the only offenders against the environment Ruckelshaus, visiting Ohio State University for Earth Day, 1971, reminded his audience that pollution doesn't belong to the U.S. alone. Rome's ancient statuary is "being eaten away every day by an acid smog more disastrous than all the armies of Gaul. The fabled Rhine, celebrated by Byron as the 'valley of sweet waters,' is now the waste removal system for the industries of the Ruhr."

Talking to people is easier than endless listening, but Ruckelshaus was the audience for an enormous amount of gab during his tour of EPA's 10 regional offices this spring. One of his best visits was to Chicago, headquarters of EPA's Great Lakes region, where he kept up a jammed two-day schedule. In the public meetings and at the press conference, Ruckelshaus was often pressed to answer first how he expected Chicago to enforce its own ordinance on discharge of waste from boats when the new federal regulation was less strict. He replied with the same answer he gave Mayor Richard J. Daley in a private meeting: by applying for a waiver from Washington, Chicago could enforce the federal regulation without exposing itself to suits for violations of the local ordinance.

Angry environmentalists demanded to know why Ruckelshaus didn't file suits (as the City of Chicago has) against huge industries whose fouled air drifts across the Indiana state line into south Chicago. The reply from the man who had notably locked horns with a dozen industries: "You can't go after pollution on an *ad hoc* basis. We've got to get the states to enforce standards for all polluters, not take them on one-by-one."

Citing the case of Union Carbide and others, Ruckelshaus explains that it's one thing to prove "imminent health hazard from a single source," but another when it comes to the scores of industries bordering Lake Michigan in northwest Indiana along the Chicago line. Which one can be cited as a "single source?" The answer is elusive, but the pollution continues, and that's why Ruckelshaus wants an action taken against the State of Indiana if all the air isn't cleaned up.

In his private meetings with local environment officials Ruckelshaus heard all manner of talk about how painful it is to work with the federal bureaucracy and within congressional legislation. One Illinois official launched into a long complaint about how the feds should consult with the locals before publishing new regulations. Controlling his displeasure, Ruckelshaus made his point, "We can talk this thing to death," he said. "The man who takes responsibility has to be aware of the facts *before* he issues the regulations. If he has to change the regulations after they're issued, because he didn't know the facts, he really looks foolish."

He keeps such sessions from becoming dreary by prescribing regular doses of humor. To the official who dolefully ticked off Indiana's problems and muttered: "Let's have a moment of silence for Indiana," Ruckelshaus shot back: "That sums up the whole program."

Ruckelshaus' sweeping inspections of his regional offices, many of them made by Air

Force jet, not only boost EPA employees' morale and leave a wake of environmental go-go publicity, but enrich Ruckelshaus with the boon of first-hand knowledge. "If you don't go out and meet with the staffers," he says, "you won't know their frustration. These sessions give them a chance to unburden themselves to a federal official, and that's good. One guy told me that he had been through five governmental reorganizations in the last five years—he was glad to see a real administrator in the flesh."

Not all good natured go-getter. Ruckelshaus has faced tragedy. It visited him when his first wife died in giving birth to their twin girls. Eighteen months later, he and his father were on a fishing trip in Upper Peninsula, Michigan. While Bill was ashore, his father's duck boat capsized about 200 yards out. His father, whom Bill was especially close to, was wearing high wading boots, which quickly filled with water, dragging him down and drowning him in the depths of Lake Michigan.

Bill's second wife, Jill Elizabeth Strickland, is gregarious, athletic, and has an M.A. in education from Harvard. She can beat Bill any day of the week in golf, and at five feet, nine inches doesn't let him overpower her in tennis, either. Besides Bill's twin girls, now 10, they have three children of their own—Jennifer, 6, William, 5, and Robin, 2.

If he had time, Ruckelshaus would spend his weekends working in his flower garden, fishing, or playing tennis and golf. But lacking that precious time he can only indulge himself in moments with the sports page. Jill sets a good environmental example by buying all their beverages in returnable bottles.

The EPA administrator shows his stuff by using a government car that burns compressed natural gas (CNG)—the same fuel used in home cooking. CNG fueled cars show an 82 percent reduction in hydrocarbon emissions from gasoline fueled cars (by 1969 standards), and 87 percent reduction in carbon monoxide. The Federal Government now operates about 1,000 CNG vehicles, mostly as a symbolic action in the campaign against pollution. Ruckelshaus says he doesn't mind the slower-acceleration characteristics of CNG cars but empathizes with his driver "who is afraid he might suddenly become airborne if the tanks blow up."

"We can't take everything too seriously in our work," Ruckelshaus says of EPA's mission, "or we'll fall apart or become cynical." This attitude prevails at EPA's administrative headquarters, where the heady atmosphere at Ruckelshaus' "Madhouse" and the "Madhouse Annex" is likened to the early Peace Corps days. It is Bill's luck to have the youngest staff, prettiest girls and the liveliest agency in the Administration.

He's going to need all that and more. Ahead is the decision he must make in January 1972 about allowing the automobile companies an extra year beyond 1974 to meet antipollution standards in their new cars. The political crunch will be on in 1972, with environmentalist Edmund Muskie, the Senator in search of a nomination, breathing all varieties of air down the Administration's neck. With Ruckelshaus responsible for attacking air and water pollution, pesticides and radiation problems, and now noise pollution, his head is probably swimming with the terminology of ecology, dozens of standards, and that nostalgic Refuse Act of 1899.

It all might drive Ruckelshaus to pound his huge fist on the wall as he has done in anger a few score times or to throw back his Clark Kent head and laugh the laugh that comes from the Irish Doyle side of the family. Still, the name of our federal warrior against pollution may well become a household word and perhaps a hallmark in our national destiny.

CONGRESSIONAL HOT LINE

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. SPRINGER. Mr. Speaker, the Library of Congress now has something it has needed for years. That "something" actually is a "someone"—Maggie Kellogg—and her congressional hot line.

As my colleagues know, the Library of Congress long has been one of our most favored institutions. The Library, and particularly its Congressional Research Service, performs all kinds of valuable services for Members of the House and Senate. It provides us with analytical reports on legislative proposals. It undertakes legal research, analyzing and summarizing court decisions, both Federal and State, bearing on legislation before Congress. It helps Members and staff with complicated research projects. It prepares synopses of all public bills and resolutions introduced in Congress. These are only a few of the Library's functions. Rumor hath it that, on occasion, it even writes Members' speeches.

For many years, however, something had been lacking at the Library. That was a mechanism for answering, on the spur of the moment, those innumerable questions of fact that daily confront us in our constituents' correspondence, during committee and in floor debate. Oh, when in years past we would pose these questions to the Library, we would get the answers all right, but too often the replies came in too late for the use intended.

That communications gap was closed when the Library a few years ago set up a hot line to expedite its answers to congressional queries. The hot line has its own staff of three persons, based in the congressional reading room, and operating from morning until well into the night under the direction of Mrs. Margaret M. Kellogg, better known to many of us as Maggie.

I am especially proud of Maggie because she grew up in the 22d Congressional District town of Toledo, Ill., where her father, Dr. L. E. Massie, is a prominent physician. She is a graduate of the University of Illinois as is her husband, Philip Kellogg, now an assistant U.S. attorney for the District of Columbia. He also is a product of the 22d District, having lived in St. Joseph, in my home county of Champaign. His father, King Kellogg, was a professor of music at the University of Illinois.

So my colleagues will know the wonderful job that Maggie and her associates are doing for them at the Library of Congress. I include here an article by Scripps-Howard staff writer Wauhilla La Hay that appeared in the July 12, 1971, issue of the Washington Daily News:

JUST ASK—MRS. KELLOGG HAS THE ANSWERS
(By Wauhilla La Hay)

"Where can I write Ralph Nader?" "What's Daniel Ellsberg's middle initial?" "Who

pushed Gretel in the oven in the story of Hansel and Gretel?"

Those are samples of the hundreds of questions that confront Margaret M. Kellogg each week. A diminutive, short-haired brunette with bright blue eyes and a big smile, she is chief of the Library of Congress's hot line.

The hot line is an extension of the Congressional Research Service for the use of members of the Senate, the House, their immediate families and their staffs.

If, for example, a Senator engaged in floor debate, wants to make a point and has an apt quotation to underline it, but for the life of him can't remember who said it, he rushes out to the cloakroom, calls the Library of Congress and gets a hot line operator.

"Just a minute, sir," says Mrs. Kellogg or one of her assistants, and in nothing flat the Senator learns who authored the quotation he wants to use.

Mrs. Kellogg and her staff (three regulars and additional manpower when things get hectic) are literally surrounded by reference books. But equally important is their knowledge of current news.

QUICKIES

A fairly common occurrence is to get a call from a Senator or Representative who is in a tearing hurry. "This is Senator So-and-so. I'm having lunch in 10 minutes with a constituent of mine and I can't remember a darn thing about him! Would you be good enough to read me his 'Who's Who' listing?"

Mrs. Kellogg says her job sounds tough, but really isn't:

"We don't field questions, we answer them and answer them the day they're asked. There's a certain weight behind a statement that begins 'The Library of Congress says. . . .'"

Sometimes the research gets pretty complicated, as happened about the phrase "silent majority."

"We had a lot of calls about that phrase," she said. "So many that I really had to do research in depth on it. Everytime I'd get an answer, darned if I wouldn't find another. Eventually, I think I got it answered for once and for all."

Mrs. Kellogg laughed: "Guess where I found the first use of that phrase—in an 1895 copy of Harper's Magazine. No, it wasn't in a political article. It was a study on burial customs."

The hot line started in January, 1967, on a small scale. It kept growing and two years later, Mrs. Kellogg was appointed chief of the service. It keeps right on growing.

Lester S. Jayson, Director of the Congressional Research Service, is proud of it. He says: "Our calls in a peak period average about 1,500 a day and at least 50 of the daily inquiries go to Margaret and her assistants."

"The young ladies must be knowledgeable, politic, polite, knowing, agreeable, alert. Margaret is all of those and, of course, she has her masters degree in library science."

Her B.A. in English was earned at the University of Illinois where she met her husband, Philip Kellogg, now an Assistant U.S. Attorney here. They moved to Chapel Hill, N.C., while he attended law school, and she worked in the University of North Carolina Library.

"I realized very quickly that I couldn't go any place in library work without a masters degree, so I got it," she explained.

TOUGHIES

Some questions, she admits, have stumped her. One was: "What's the plural of curds and whey?" After some delving, she found it was simply, curds and wheys.

"What color were Gen. George S. Patton's eyes?" drove her up the wall.

"I checked and rechecked," she said. "In every picture of him, his eyes were hidden

by his hat. I found a 1942 Time cover of him, but his helmet shaded his eyes. Eventually I learned they were sort of grey-blue. An artist friend of a Senator wanted that answer."

The Pentagon Papers caused a flood of questions. Any lunar flight brings hundreds more. Acronyms are a daily battle. Now hot line is getting many queries about the lead-poisoning of children and the life and times of the gypsy moth.

"If anything makes the newspaper headlines, we know we're going to get questions about it," said Mrs. Kellogg. "So we read all the daily papers every day. We have to know the who, what, why, when and where of everything."

She looked at the revolving stands of hundreds of books around her and said: "Well if the answer isn't in one of these books, don't worry. We'll find it. After all, the Library of Congress is a pretty big place. And every department helps."

Well, we asked, where DO you write to Ralph Nader?

"Try Washington, D.C.," she said. "He'll get it"

TESTIMONY BEFORE THE HOUSE
AGRICULTURE COMMITTEE BY
ROBERT M. HENDRIX AND JAMES
R. McKNIGHT

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. JONES of Tennessee. Mr. Speaker, the House Committee on Agriculture is presently conducting hearings on proposed farm credit legislation. Today, two of my constituents from the Eighth Congressional District of Tennessee testified before the committee. Mr. Robert M. Hendrix, a resident of Dyersburg, made a statement as chairman of the National Advisory Committee of the Production Credit Association, and Mr. James R. McKnight, of Humboldt, testified as a director of the Dyersburg Production Credit Association.

Because I feel that their testimony should be brought to the attention of the whole body, I include their statements at this point in the RECORD:

TESTIMONY BEFORE THE HOUSE AGRICULTURE
COMMITTEE BY ROBERT M. HENDRIX, JULY
13, 1971

Mr. Chairman, I am Robert M. Hendrix of Dyersburg, Tennessee. I farm 1200 acres of land growing cotton, corn, lima beans, greens, spinach, milo, and hay. I have a 300 cow herd of black angus brood cows. I have been a member of the Production Credit Association of Dyersburg, Tennessee for 15 years. I have been a director and on the executive committee 10 years. I am presently vice president of the Association and a member of the Land Bank. I am chairman of the National Advisory Committee of PCA representing 523,000 borrower owners of 442 PCA's through which 8% billion dollars of production credit was obtained by American farmers and ranchers last year. PCA's being credit cooperatives have pioneered in many respects and provided credit and services in response to their members needs. Some of these include line of credit financing, budgeting, finance planning, electronic farm record keeping, loan sharing and loan participation planning. Broader authorities and flexibility requested in this bill will permit PCA's to continue to adapt their credit serv-

ices to agricultural producers in a rapidly changing environment.

Some examples of how PCA's could provide better credit services under this act are participation with country banks in loans, financing farm related businesses such as customs operators, leasing of larger equipment that is not feasible for farmers to own outright, financially related services such as estate planning and so on.

Mr. Chairman, the farmer members of PCA's are proud of the services which their association has performed in the past. We are mindful of the challenges and changes that lie ahead, and through enactment of this legislation we believe our PCA's will be in a far better position to adapt to meet our needs.

Mr. Chairman, I have a personal concern in this farm credit legislation. My grandparents were pioneer settlers, clearing land for farming. My father was a farmer, and I have a 17 year old son who I hope will carry the Hendrix name into agriculture, but with the average age of farmers nationwide today being 55, and the fact that about the only way a young man can get into farming today is to marry into or inherit a farming operation, I believe that this legislation as proposed will make it easier for young men, who have a desire, but do not have the resources to farm, to get into farming in the future.

I would like to quote from a clipping from yesterday's local paper. "Our agriculture department predicts that by 1980, 95,000 big farms will be producing more than half of this nation's food and fiber. The study further showed that the total number of farms in this country is likely to drop from 2.9 million this year to about 1.9 million in 1980—or a decline of 50%."

Mr. Chairman, I believe the family type farm will always have a place in agriculture. The innovations of this type farming has given us many of the modern machines and techniques that we now use in our farming operations. The right to make decisions for oneself in planning and carrying out ones farming operation as he sees best has been the carrying out of the American democratic process at its best. I believe passage of this legislation will help preserve this "Great American Heritage, the Family Farm." enrich our rural communities, economically and spiritually, and bless our nation in the years to come. Thank you.

STATEMENT OF JAMES R. McKNIGHT BEFORE
THE AGRICULTURE COMMITTEE OF THE HOUSE
OF REPRESENTATIVES, UNITED STATES CON-
GRESS, JULY 13, 1971

Mr. Chairman, Members of the Committee: My name is James R. McKnight. I am a farmer from Humboldt, Gibson County, Tennessee. I am appearing here today, not as an expert on legislative matters, but as a farmer who has used the credit services of various organizations within the Farm Credit System in building up a farming operation over the years.

My brother and I presently operate a family farm of approximately 2,000 acres of which we own approximately 1,400 acres and rent 600 acres. In addition to growing cotton, soybeans, corn, small grains, and pasture, we have a dairy herd of some 250 cows. Our ancestors moved to western Tennessee from Ohio shortly after the Civil War. Our ancestors, including our father, were sharecroppers. Through hard work, reasonable management, and the availability of credit, not only directly to us but to our supply cooperative, the Gibson Farmers Cooperative, we have been able to move from a sharecropping operation into one of ownership.

As a farmer I have felt that it is necessary that I be involved in farm-related organizations, not only to serve my own personal benefit but to assist my fellow farmers. At

the present time I belong to the Associated Milk Producers, Gibson Farmers Cooperative, Dyersburg Production Credit Association, Tennessee Farm Bureau, and a local dairy herd improvement association. I am president of the Gibson Farmers Cooperative, which is our local supply cooperative, and am a director on the board of the Dyersburg Production Credit Association.

I am here today to express some of my opinions relative to H.R. 7138 (Farm Credit Act of 1971). It is my basic belief that the Bill is presently, and will continue to be in the future, important and desirable to the dirt farmers of west Tennessee and the nation. I am optimistic over the provisions of the Bill relating to the operations and flexibility of the Bank for Cooperatives system. I am aware of the increase in needs of our cooperatives in the area of financial assistance and service as presently being provided for by the various banks for cooperatives. Our own supply cooperative has for some time been a borrower-stockholder in the Louisville Bank for Cooperatives and has enjoyed a fine working relationship with this bank.

There are two areas in the Bill as it relates to the cooperative banking system which I feel merit individual attention today. The first is the area relating to the authority of the Banks for Cooperatives to increase the ratio of authorized debenture sales to net worth from the present eight to one (8/1) limitation to twenty to one (20/1) as is the case with the Federal Intermediate Credit Bank branch of the Farm Credit System. I and many of the farmers with whom I come in contact are of the opinion that the cooperative banking system has established itself as a responsible lender of moneys to our cooperatives and should be permitted the ratio increase.

Secondly, the most important area of the Bill, in my opinion, relates to the relaxing of the eligibility requirement that at least 90 percent of the voting media of a cooperative must be in the control of farmers (producers). The Bill would change this to allow a district bank for cooperatives to determine what percentage it feels should be in the hands of member farmers, but in no case allow the percentage to be below 66% percent. As a director of a cooperative, I am aware of the problems which arise when farmer members die and their stock is tied up in their estate, farmer members move to the city, or retire from active farming operations. Many of these former members have substantial investments in their cooperative even though they are no longer actively engaged in farming. Why should the right to vote be taken from these men in order for a cooperative to be eligible to borrow from a Bank for Cooperatives? In my local supply cooperative we have taken away voting rights of many former members who were the backbone of our cooperative for years until they either retired or for one reason or another were unable to continue their farming operation. Even today, when our cooperative seeks additional capital through the sale of stock or debenture bonds, these men (former members) are willing to invest their capital, even though they do not have a voice in our cooperative. These men have been the backbone of the cooperative in its growth through the years, and yet we deny them a reasonable voice in the current management of our cooperative. If the present bill is adopted, we will be in a position to review our own organizational structure and perhaps provide that, in the future, former members who are retiring or leaving their farming operation for one reason or another may continue to vote and be a factor in the cooperative and yet allow our cooperative to be eligible to borrow from the Bank for Cooperatives.

In concluding my remarks, I'd like to make

a few observations not only as a farmer—a cooperative member—but also as a consumer. As you are aware, more and more of your colleagues are less and less concerned with agriculture. It appears today that people are more concerned with the purchasing power of their dollar and in "consumerism" than they are with agriculture and with farmers' problems. If H.R. 7138 is passed, the average family farmer will be better served and in turn will be in position to better serve others, such as consumers. Every consumer in the United States, and even beyond, will benefit from this Bill. It will enable a family farmer to continue to produce food at a very reasonable price and to continue to expand his operation with enough flexibility in his credit sources so as to provide the foods needed by the consumers and at these same reasonable prices.

As an operator of a family-sized farming operation, it is my opinion that the Farm Credit System over the years has aided and assisted not only me, but other farmers as well in the establishment and growth of our farms. In order for this same Farm Credit System to continue to assist me and other farmers, it must be forward-looking in foreseeing our problems and credit needs in the future. I believe that H.R. 7138 is a giant step forward in providing the mechanics for coping with the future needs of family-sized farming operations such as mine.

THE RIGHT TO DIE PEACEFULLY

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WYMAN. Mr. Speaker, in these times of often confusing court decisions it is nice to hear of one that makes sense. Such a one is that of Judge David Popper in the Miami, Fla., Circuit Court who held that an elderly lady could not be forced to undergo a certain operation her doctor said was necessary to keep her alive. She did not want the operation and begged her family not to force it on her.

While she passed away within a relatively brief time as a result of not having the operation, this was her wish, and as her daughter said "she went peacefully." Surely such is one of the inherent rights of all mortals in possession of their faculties—the right to die peacefully.

The following United Press International account of this incident appeared in the Manchester Union Leader, N.H., of July 5, 1971:

JUDGE'S ORDER LETS WOMAN DIE PEACEFULLY

MIAMI.—An elderly Cuban woman who begged her family not to "torture me any more" with further surgery died "peacefully, with no pain at all" Saturday with her daughter holding her hand.

Circuit Court Judge David Popper had ruled Friday that 72-year-old Mrs. Carmen Martinez could not be forced to undergo the transfusions and removal of her spleen, which her doctor said was necessary to keep her alive. The judge said Dr. Rolando Lopez had to do his best to keep her out of pain and alive, but did not have to perform any operations that would cause her pain.

As Lopez had predicted, she died less than 24 hours after the order was issued. He had sought the court's guidance to determine if he could be prosecuted for obeying Mrs. Martinez' wishes to stop the operation, in effect helping her die.

"We are all very thankful to the hospital, Dr. Lopez and Judge Popper," said Mrs. Maria Elena Bernal, Mrs. Martinez' daughter.

"I was there, holding her hand until the last minute," said Mrs. Bernal. "She went peacefully, with no pain at all. It was just how she said she wanted it."

Mrs. Martinez, suffering from a terminal blood ailment called hemolytic anemia, would have needed "cut down" transfusions requiring the opening of veins, and the removal of her spleen, to stay alive. Lopez said the operations would not have been painful, but Mrs. Martinez begged her family "don't torture me any more."

She had been a patient at Palm Springs General Hospital in Hialeah since May 8. She died at 1:20 p.m. Saturday.

STARTLING IDEA: HOUSE CALLS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. ROSENTHAL. Mr. Speaker, I recently held a day of public hearings in my district on the subject of health care delivery. One of the most prevalent complaints I heard from people concerned the disappearance of the house calls by doctors.

The physicians responded that they could treat their patients better in their offices than in a person's home, that house calls were very time consuming and thereby denied medical attention to others who could be seen in the office while the doctor was on the road, and, the doctors added, most persons are not too ill to go see their doctor.

One physician told me of an apocryphal encounter between a doctor and a plumber late one night when a pipe burst at the doctor's home. After the repairs were finished, the plumber presented his bill and the doctor, turning pale, exclaimed, "\$200, that's outrageous. I'm a doctor and I only charge \$20 for a house-call." And the plumber calmly replied, "Yes, I know. I used to charge \$20 for house calls, too, when I was a doctor."

House calls by doctors may not be a thing of the past after all, however. It is making a popular and apparently successful revival in Los Angeles, according to a report in the National Observer. Because of the high interest shown by the public in this subject, I am inserting in the RECORD the article by Roy H. Coperud in the July 5, 1971, issue of the National Observer, headlined "Startling Idea: House Calls." It follows:

STARTLING IDEA: HOUSE CALLS

(By Roy H. Coperud)

It was 10:45 p.m. and Kim Dishaw, needed a doctor. A visitor at the home of Mrs. Judy Prince here, Kim was far from home in Sauk Rapids, Minn., and from her own doctor, Mrs. Prince called her own physician.

He didn't come, but another physician appeared at the door within 15 minutes of her call. He found Kim acutely ill with tonsillitis, administered penicillin, and advised the girl to delay her return home for a day.

Clara Hartley called for medical help one Sunday morning for her grandmother, Ella Hartley, 77. A doctor arrived in about 30 minutes and administered an injection that relieved the woman's asthmatic attack.

Mrs. Nell Patton lay dying of illness the other night. Her daughter-in-law, Mrs. Shirley Patton, telephoned for a physician to assist the older woman in her final moments. "The doctor was here within half an hour," Mrs. Patton says. "He was very efficient and couldn't have been nicer. It's marvelous—just like having the old-fashioned house calls again."

Here in Los Angeles, more and more people are having house calls again—but not quite the old-fashioned kind, which have disappeared in many places.

Doctors in the area may subscribe to a fast-growing plan that guarantees visits to their patients' homes at any time between 6 p.m. and 6 a.m., and 24 hours a day on week ends and holidays. Response to calls is speeded by having a doctor and some medical equipment aboard a cruising van. Demand is growing so rapidly that the service soon will be offered 24 hours a day.

Known as "Physicians on Call," the service is offered by an organization called Health Systems, Inc., which began by providing doctors to staff emergency rooms in hospitals. Health Systems is a wholly owned subsidiary now of Extencicare, Inc., of Louisville, Ky.

Since the house-call program began to come to public notice, Dr. Gary London, president of Health Systems, says he has had inquiries from doctors in a number of other cities, among them Atlanta, Toledo, San Francisco, Newark, and Boston, who are interested in setting up similar services.

Actually, similar services are offered also in Brooklyn by a newer company, Health Delivery Systems, which expanded in June to Philadelphia and is moving into the Boston, Baltimore, and Washington, D.C. areas. It operates in New York as the Doctors' Association and elsewhere as the Doctors' Team.

This company is headed by Dr. David Scheinman of New York. It doesn't have any cruising medical vans as yet, but it does offer 24-hour, seven-day house-call service on behalf of subscribing doctors. Eventually, spokesmen say that doctors' Team plans to offer to make a doctor's hospital rounds and his calls at nursing homes.

In Los Angeles, Dr. London says the physician on Call system works this way:

A subscribing doctor pays a fee of \$100 a month to Health Systems. Calls to him during the night and on week ends and holidays are transferred by an answering service to Health Systems. If a house call is deemed necessary, instructions are radioed to a cruising Volkswagen van with some medical equipment aboard and manned by a driver-attendant and a Health Systems doctor.

If the medical van, which is cruising constantly during the night hours, is too far from a patient's home, another doctor in Health Systems' pool who lives nearby is dispatched in his own car, but eventually plans call for fielding other vans. Dr. London says that five vans should be enough to serve a city of this size and that interest in the program is growing at such a rate that Health Systems soon will have them.

The charge to the patient for such a house call is \$20, which is paid to the patient's personal doctor. Fees for office visits to doctors in the Los Angeles area now range between \$8 and \$15. A visit to a hospital emergency room or outpatient clinic can run from \$12 to \$44.

The house-call service has been operating in a limited way for about six years. But it has just started expanding. Dr. London wasn't satisfied with the way it worked until recently, and resisted much growth while it was being refined.

MEDICAL SOCIETY APPROVAL

When Dr. London submitted the house-call service to the Los Angeles County Medical Association for approval, the question was raised as to whether it is proper for a

physician to sign over responsibility for his patients on this basis to a doctor who is a stranger to him.

The ethics board of the association decided, says Martin Baker, executive director of the association, that this was indeed appropriate, and that the service offered would be both highly desirable and necessary.

If a doctor simply wants a night off to go to the theater or attend a ball game, he can obtain the service for a fee of \$1 an hour, without subscribing on a regular basis.

Where does Health Systems get doctors who are willing to put in hours riding around in a van or manning a telephone at its offices? A few years ago, they were mostly young hospital residents who were glad to pick up some extra money.

Now that residents are better paid, they are not so freely available. But there are other sources. Some are military doctors who moonlight with permission of their commanding officers. Others are doctors on their way into or out of military service. Still others are semiretired doctors.

A doctor in Health Systems' pool usually works about one night a week. For this, he earns about \$200, although the amount depends on the number of calls he makes. The work is considered much less taxing than a doctor's ordinary day.

All told, the service has made about 20,000 house calls and given 100,000 telephone consultations. The number of house calls runs to 10 or 12 a day. There are now more than 100 subscribers, including some large clinics with numerous doctors, and Health Systems has a pool of 30 doctors to man its answering facilities.

Do patients mind being seen by someone other than their own doctor? Dr. London reports that most say they are pleased just to be able to get any doctor during odd hours. Most subscribing doctors send letters to their patients explaining the arrangement.

OTHER SERVICES OFFERED

In Los Angeles, Dr. London's Health Systems has been providing a number of other medical services for years. Besides furnishing doctors to staff hospital emergency rooms, the concern also provides physicians to staff industrial and private emergency clinics and to give physical examinations for insurance companies. It also functions as a doctors' employment service.

But providing house-call service is perhaps its most unusual activity. Generally, most doctors shun house calls these days because they say if a patient really is ill, he—and the doctor—should go to a hospital. Fast ambulance service is almost universally available to bring patients in.

Too, medicine has become so complex that doctors say they can't carry with them all the diagnostic tools and equipment needed for the best, most effective care. And where doctors are in short supply, they dislike making house calls during office hours because it means fewer patients are seen, and they hate house calls at night because it is physically taxing.

Most doctors view house calls as necessary only for one type of patient: those who are bedfast and need checkups but not hospital care.

Nevertheless, some doctors still do make house calls, especially pediatricians. Others make arrangements to take turns making such calls in behalf of each other. And, of course, many medical societies try to provide emergency house-call service.

Imprecise or not, demand for house calls lingers, whether for patients' ego, convenience, or comfort.

House calls were an accepted part of medical practice a generation ago. It is so difficult to get a physician to come out now that it has become a subject of occasionally bitter humor—except for a growing number of Los Angeles residents.

THE CHALLENGES TO PRIVATE INDUSTRY POSED BY THE OCCUPATIONAL HEALTH AND SAFETY ACT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. STEIGER of Wisconsin. Mr. Speaker, the development of a workable and effective occupational health and safety program will be successful only through the full cooperation of private industry, and nongovernmental safety and health oriented organizations. The following article, by Howard Pyle, president of the National Safety Council, summarizes the successes and failures of past voluntary safety and health efforts. Mr. Pyle then goes on to explain the present role of the private sector in promoting occupational health and safety. He notes that it is among the small businesses that the greatest effort will have to be made to maintain health and safety protection. The second article explains what the small company is confronted with in providing health and safety for its employees, and how such a program can be a complement to, rather than competitive with, industry's goals of production, efficiency and profit.

The articles follow:

ROLE OF THE PRIVATE SAFETY SECTOR

(By Howard Pyle, President, National Safety Council)

The elimination of accidents and health hazards is vital to employees, the public interest, and to the business community. Accidents and occupational injuries produce not only an economic and social loss, but impair individual and group productivity, cause inefficiency, and retard the advancement of standards of living. In principle, the voluntary safety movement, dedicated to the prevention of accidents, is American in concept, and its strength has long rested in the voluntary participation and active support of all who are in a position to achieve optimum safety performance.

The voluntary safety movement in America has proved itself. Since its beginning in 1912, the number of lives that would otherwise have been lost because of accidents approaches 1.5 million.

Now what has happened in the intervening years in occupational safety? Between 1912 and 1970, the accidental work death rate was reduced 67 per cent while the gross national product was increasing nine-fold. So, one might ask, why an Occupational Safety and Health Act? The answer involves a combination of factors.

First, the proponents of an increased federal presence in occupational safety and health were motivated by the fact that thousands of employees did not have the protection of an organized state occupational safety and health program that was equal to the need.

Secondly, the decade of the 60's shows a flattening out of the progress patterns of previous decades. Particularly disturbing was the fact that there was actually a slight worsening of safety performance in many industries.

Thirdly, it has been estimated that there may be as many as three million businesses throughout the country employing 500 or less people where much more needs to be done to maintain adequate safety and health protection.

Many of those comprising the private safety community testified before various congressional committees with respect to the then proposed Occupational Safety and Health Act. Such testimony provided significant direction to assist the Congress in producing legislation that would most effectively supplement that which was currently being done.

In principle, the quickest way to summarize the National Safety Council's basic philosophy with respect to safety legislation is to refer to one of the closing paragraphs of our testimony, which stated:

"In all candor . . . there is no real substitute for the effectiveness of the voluntary safety movement for those who participate. Unfortunately, not all participate."

The record shows that where there has been realistic safety programming, injury frequency rates have averaged more than 70 per cent lower than national rates, and severity rates more than 40 per cent lower. These are the kinds of results that can be achieved.

At best, neither traffic safety, nor occupational safety, nor product safety, nor any other kind of safety is going to be handed to us by legislative enactment or administrative decree. Still, government can bring about changes in these areas of need that would be slow and difficult, if not impossible, by the forces of the voluntary safety movement alone, or by persuasion alone—especially in the areas of research and development.

It would be a serious mistake to assume that there has to be an either/or relationship between voluntary safety efforts and federal presence. Each must be recognized for what it can do and for what it cannot do.

We must recognize that even those now achieving exemplary safety performance probably have not achieved full compliance with all of the standards that have been promulgated by the Secretary of Labor. Still, it is not likely that federally enforced regulations, as now authorized, will significantly improve the injury experience of those who now have effective safety and health programs. In general, these devotees of safety go far beyond that which is enforceable. While recognizing the value of standards, there is much more involved in successful safety programming than simply complying with a set of standards.

At best, occupational safety and health standards promulgated by government can only cover those things that are enforceable—namely some control of the physical conditions and the environment. Enforceable standards do not relate to the man in the man-machine-environment system. Standards simply do not cover certain criteria so necessary to successful programs—such as supervisory training, selection of personnel, job instruction training, analysis or design of work procedures, nor can standards relate to attitudes, morale, and teamwork.

On the other hand, enforced regulations will move the laggards from little or no safety to some safety, but not to optimal safety. So the new Occupational Safety and Health Act will move occupational safety and health ahead for those who know little, care little, or do little in the safety and health arena.

What then is the role of the professional societies, associations, and the National Safety Council in the light of the Occupational Safety and Health Act?

It is to intensify all efforts to provide the expertise that will assist in achieving the purpose of the law—better occupational safety and health performance.

There are three major areas where the private safety community can significantly contribute to achieving the purpose of the act. The areas of concern are: the development of meaningful standards; the development and implementation of education and training programs; the development of compre-

hensive data on accident/injuries and on the requirements for occupational safety and health research with particular emphasis on the health side.

The federal establishment, by its own admission, does not now possess the manpower and facilities required for the development of standards for all industries, the training and education that is necessary to achieve a better safety performance, and the establishment of requirements for safety and health research. The repository of a great deal of today's potential in these areas lies within the professional societies and associations, the National Safety Council, and in the private sector.

Even though the initial set of standards promulgated by the Secretary of Labor consisted of some 400 pages of fine print, this still does not nearly cover all of the workplace exposures to injuries and illnesses that now confront employees. Herein lies the principal opportunity for the private safety community.

In the next two years the voluntary safety movement, the professional societies and associations, the standards producing organizations, and industry in general will have an opportunity to develop whatever standards may be needed under the act. If the standards developed by these groups can become national consensus standards within that time period, the results can be highly beneficial. In effect, the private sector will be helping to determine the rules by which it will be governed under the act as well as helping to keep the administration of the act on the right course.

In the area of education and training, significant input for the development of curricula for the education and training of safety professionals and para-safety professionals must come from those who possess such knowledge and technical capabilities. Again, a major role for the private safety community.

Where the need for research is the most urgent, the private safety community possesses extensive knowledge with respect to the problems that remain unsolved, particularly where occupational health is concerned. The statute places special emphasis on the long-term effects of the work environment on the employee's health. The existing state of the art is not adequate to meet these challenges now. This places the private safety community in a position to assist in upgrading the current state of the art by describing the requirements for additional research to mitigate, or eliminate, existing and potential health and safety hazards.

Now is the time for the safety and health movement to take full advantage of the many resources that are now available through the non-governmental safety and health oriented organizations. To meet growing needs the societies and associations involved can be relied on to continue to improve on their capacities to assist those who are working for optimal performance. In the process business management can and hopefully will provide valuable assistance to these professional agencies by making their technical specialists available in advisory roles. In this way the business community's three prime concerns . . . cost, performance, and time . . . will be assured the consideration they must have in the development of fully effective safety and health programs.

In conclusion, much of the private sector has provided exemplary leadership and performance with respect to occupational safety and health since the very beginning of the organized safety movement. Obviously, many have done exceptionally well without a federal presence. Unfortunately, many have not.

It is a certainty that those who have contributed so much to the voluntary safety movement will continue to demonstrate the independent initiative that has characterized the highly productive pioneering that has

been done in behalf of occupational safety and health.

In looking toward the future, neither the private sector, nor the professional societies or associations, nor the National Safety Council can afford to limit occupational safety and health outputs only to the requirements and needs prescribed by the federal establishment. We must continue to exceed the requirements of federal regulation if we are to achieve optimum safety performance in the workplace.

PROGRAMING SAFETY

Federal law now demands management action to protect the safety and health of employees in almost every business, large and small.

For most large corporations, this places few new burdens upon management. What the law now demands, these companies have long been doing, voluntarily.

Many smaller companies have done less about safety. They have allowed very real handicaps (lack of expertise in accident prevention, multiple pressures on over-worked managers, limited capital, etc.) to block the development of effective safety programs.

The new Occupational Safety and Health Act removed safety from the category of the desirable but postponable options. Action now is a legal imperative.

Compliance with the law need not, in the long run, be a hardship to the small company. It can, on the contrary, be a step forward to greater productivity and profit.

Herewith is a step-by-step process by which the small company, lacking the services of a full-time safety professional, can plan, develop, and implement a safety program that will comply with the law and, what is far more important, serve the best interest of the company and its employees.

STEP ONE:

Setting policy

Sixty-five years ago, Judge Elbert Gary issued a three-sentence statement that is a landmark in the literature of occupational safety:

"The United States Steel Corporation expects its subsidiary companies to make every effort practicable to prevent injury to its employees. Expenditures necessary for such purposes will be authorized. Nothing which will add to the protection of the workmen should be neglected."

This statement sets the basic corporate policy toward safety, assigns responsibility to the heads of subsidiary companies, requires budgetary support, and demands continuing activity.

Every company should have, in writing, its own basic safety policy. It should be issued by top management, which alone is in a position to implement a safety program and which bears the ultimate responsibility for all accident prevention work.

Most policy statements will be longer than Judge Gary's, but they should be as brief as is consistent with clarity. The statement should declare management's commitment to the provision of safe work and a safe workplace. It should state, in general terms, the responsibility of various echelons of management, supervision, and employees.

Two things the statement of policy should not be: a detailed rule book or a sermon.

A round-up of company policy statements is contained in Management Policies on Occupational Safety* (Data Sheet 585), published by the National Safety Council. A study of these statements will give the smaller company management useful clues for the construction of its own policy statement.

The statement should be given broad distribution to all executives, supervisors, and employees. Provision should be made for its distribution to personnel who join the company after the policy's adoption.

Once adopted, the statement of policy must

be lived up to scrupulously. Any retreat in practice from the fine words of the statement will be taken by employees as evidence that management's will is not where its mouth is.

STEP TWO:

Organizing for accident prevention

Many varied steps must be planned, executed, and checked on if the safety policy is to be translated into a program that actually prevents work injuries. There is hardly a function of industrial life that is not involved in safety in some way.

It follows from these facts that responsibility for accident prevention rests directly on line management at all levels, from the chief executive officer to the humblest first-line supervisor.

Large concerns usually employ safety professionals and frequently establish safety departments. These professionals and departments, however, are almost always staff, not line. They exist to provide specialized services to make line management's safety efforts more productive.

The small concern usually must do without a full-time safety professional. Such concerns will need to provide an alternative means of obtaining safety services.

Field engineers of compensation and fire insurance carriers are often very helpful, particularly in spotting major hazards and suggesting remedies. Safety consultants are available on a fee basis, and they may provide valuable assistance to concerns that cannot afford full-time professionals (for a discussion on the use of safety consultants, see the January 1971 NSNews).

Membership in the National Safety Council and in state and local safety organizations makes available at minimal cost a host of services and materials to support both occupational and off-the-job safety efforts.

NSC's services include publications ranging from the highly technical to the elementary and motivational types. They also include training courses and training materials. NSC Congresses and conferences cover all areas of occupational health and safety in their discussions and papers.

Whatever sources of services are used, some person in management should be assigned the over-all coordinating function for the safety program. This coordinator should be either a highly placed executive or a staff person reporting directly to such a highly placed executive.

In a small concern, this executive might well be the president. In a larger firm, he might be the chief operating executive.

The point is to involve top management in safety decision-making and to demonstrate to supervision and employees that top management is truly concerned with accident prevention.

The coordinating function involves a variety of actions—establishment of work rules and practices, indoctrination and training of management and supervision, procurement and dissemination of materials, safety inspections, record keeping, direction of safety committees, etc.

However, the coordinating function cannot replace the efforts of line management and supervision.

The Occupational Safety and Health Act requires the provision of safe employment and a safe place of employment. Clearly, these two goals can be achieved only by the exercise of forceful and intelligent leadership at all levels of management.

This leadership for safety is not something separate from the other leadership functions of management. Efficiency, productivity, and safety are not competitive but interacting drives.

Plant, equipment, processes, and work methods are precisely those things that management exists to control. The training, indoctrination, direction, and disciplining of

employees are at the heart of the management role.

Line management must be given the physical means, the know-how, and the motive to do the safety leadership job.

Physical means include: a well-built, well-designed work place, with adequate space, light, ventilation, fire protection, and exits; machinery, materials, and processes as intrinsically safe as possible and well guarded when safety cannot be built in; personal protective equipment (goggles, safety shoes, respirators, etc.) for use when hazards cannot be designed out or completely guarded; post-accident aids, such as fire fighting, medical, first aid, and rescue equipment. Not least among the physical means are dollars—the budgeting of reasonable expenditures for safety and loss control.

Know-how can be supplied to management through outside courses, in-plant courses, technical publications, lectures, conferences, and congresses, and the advice of consultants and suppliers.

Motivation of management can be supplied only by top management. All echelons of management and supervision must be made to feel that top management is truly interested in safety and will reward good safety performance. Pious platitudes will not accomplish this. Middle and lower management learns what the front office wants from the steady flow of rewards, praise, rebukes, and decisions on the deployment of dollars and manpower that issue from top management. Some companies are making their position clear to managers by charging accident costs to units.

A definite role should be assigned to individuals and units whose work cuts across departmental lines. Engineering, maintenance, housekeeping, purchasing, training, medical, personnel, and security managers are conspicuous examples of executives whose support must be enlisted in the safety effort.

Safety committees have been found useful in many companies. These committees are found in several different forms, such as:

Top management committees, composed of department heads and specialists;

Supervisors' committees, composed of all or some unit heads;

Employees' committees with appointed or elected members chosen to give representation to various units in the work force—membership is usually rotated to broaden participation;

Labor-management committees to bring together key management and union people.

The form the committee or committees will take in a particular concern will depend upon many factors. In any case, committees should be seen as auxiliaries to, not substitutes for, management leadership of the safety program.

STEP THREE:

Achieving and maintaining safe working conditions

It is more effective to build safety into a work place than to add it after the place exists. If new space is to be built or old space is to be substantially remodelled, management has a great opportunity to advance safety through intelligent planning. The Life Safety Code of the National Fire Protection Association contains a wealth of material to guide planners to build for maximum safety from losses in fires and other disasters.

Ventilation and lighting should be considered carefully, bearing in mind the use to which the space will be put. Plumbing and electrical codes are available (and law in many communities).

Wide layout of both the interior and the grounds of the plant will minimize hazards and promote the free flow of personnel, materials, and products.

Process and machinery should be reviewed to determine if they are introducing unneces-

sary hazards and whether they can be isolated or guarded to minimize necessary exposures.

In all this planning, the interests of safety and of efficiency go hand-in-hand. What promotes one almost always promotes the other.

Whether or not it is possible to build safety into a work place, the task of keeping it safe is a continuing one calling for conscientious inspection, maintenance, housekeeping, and improvement.

Primary responsibility for an area will rest with the manager or supervisor in charge. But he will need the supportive efforts of the safety coordinator, maintenance and housekeeping crews, security personnel, the engineering staff, and so on.

Some hazards call for inspection with sophisticated instruments—noise, toxic materials, and flammable gases and vapors are examples.

But other hazards can be spotted by simple visual checks—for example, bad flooring, defective stairs, litter, slipping hazards, blocked aisles, and removed guards.

Maintenance men, watchmen, etc., can be very useful informal inspectors if they know their comments are welcomed and appreciated.

Changes in processes and machinery should be made with attention to their effect upon safety. New materials may introduce new toxic and flammability problems. New processes may alter the traffic flow through the plant of personnel and material, and they may also introduce new noise and guarding problems. A good rule of thumb is to insist that safety, not increased hazard, be a by-product of every major change in the work place.

STEP FOUR:

Safety training

Though outside organizations provide a variety of safety training, most such training is done in the plant by plant personnel. Some in-plant training is systematic and structured—NSC's Key Man Training Program is an example. But most in-plant training is informal and closely job-related.

Employee training should begin the first day on the job. Whether or not a formal class for new employees is held, each new worker should be told the general safety rules of the plant and the specific safety requirements of his own task. It is not enough to tell him—foremen must check up to be sure safety instruction is understood and followed.

STEP FIVE

Keeping and using accident records

The Occupational Safety and Health Act requires all employers to maintain records of all injuries causing death, lost time, or transfer, and those that require medical attention. Summaries of these cases must be posted where employees can read them. Selected firms, chosen to form a sample, will be required to report these summaries to the U.S. Labor Department.

Safety-minded concerns have for many years kept accident records for their own use and to provide general work-injury data on an industry and national basis. American National Standard Z-16.1 is an established system for reporting work injuries, and it has been widely used on a voluntary basis, notably by those reporting to NSC and the U.S. Labor Department. It counts only injuries that result in death, permanent impairment, or lost time.

Other systems stress costs and causes of accidents—some cover incidents that do not produce injury.

The federal system is now required, but many employers may find it useful to use other systems as well.

Accident records carefully kept provide useful indications of progress and shortcomings to guide those who direct the company's safety program. Use of the Z-16.1 sys-

tem permits ready comparison of the concern's record with the record of its industry.

However, in small plants, the number of lost-time cases may be too small to permit useful comparisons. Some system counting more minor cases is more revealing and helpful for such concerns.

STEP SIX:

Providing medical and first aid service

Few small concerns can employ a full-time physician. Many cannot employ even a full-time nurse. But some arrangement must be made to provide medical and first-aid service. Various methods of arranging for part-time services of physicians are used.

Unfortunately, such arrangements usually limit the physician's role to the handling of emergency cases and, in some cases, pre-employment physical examinations.

Medical participation in the prevention of injuries is most desirable. The medical professional, who is also knowledgeable of industrial life and plant conditions, can be a valuable resource to management in evaluating health hazards in the workplace.

The need for examinations, both pre-employment and in-service is becoming more and more obvious. Such examinations not only offer protection against unwarranted compensation claims, but also (and this is even more important) guide decisions on placement and protective measures in ways that prevent injuries or keep them minor.

In this preventive field, the work of industrial hygienists as consultants can be most useful.

In the absence of full-time doctors and nurses the need for trained first aid personnel is magnified. Such organizations as the American Red Cross offer courses in first aid, and selected employees should be encouraged to take them.

A first aid program calls for proper equipment and organization to assure that aid can be given promptly (and intelligently) in emergency situations. Definite understandings of the responsibility and limitations of first aid personnel should be worked out in consultation with a physician.

STEP SEVEN:

Motivating the employees

All technical and scientific means to prevent work injuries will fail unless rank-and-file employees are persuaded to cooperate in the program.

This fact does not diminish management's responsibility; on the contrary, it increases it. Management can sometimes hire specialists to solve technical problems. But no one except management can lead people.

Leadership in safety involves several issues:

Employees must be informed of safety rules and safe work practices;

Employees must be given clear and simple reasons for these rules and practices, with emphasis upon the employees' self-interest in adherence to them;

Executives and supervisors should set an example by faithful observance of the rules and practices;

Supervision should follow up instruction by frequent contacts with employees and, through persuasion and discipline, insist upon employee observance;

Safety should be made lively and interesting through the use of posters, pamphlets, demonstrations, films, exhibits, etc. NSC, insurance companies, and safety equipment suppliers are good sources for ready-made materials in great variety;

A number of companies use various types of incentive programs and contests to stimulate and hold safety interest. Outings, awards in cash or merchandise, plaques and banners, and recognition of individuals and units are examples of devices used to provide extra incentives;

To encourage the use of personal protective equipment, management should make

good equipment easily available in as much variety as possible. Allowing the employee choice in matters of taste and comfort will increase acceptance of the equipment.

There is no set pattern as to whom should pay for this equipment. Sometimes the company pays; sometimes the employee does; sometimes they share the cost. Clear instruction should be given on the value and the proper use of the equipment.

TO SUM UP . . .

Federal law now demands that even the smallest concern embark on a safety program.

Responsibility for this program lies with top management.

Every echelon of the work force is directly involved in the safety effort.

Safety efforts, properly carried out, are supportive of productivity, efficiency, and profit.

The small concern can find great help in planning and executing its program from safety organizations and other outside agencies.

A CHURCH ERRS IN POLITICS

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. FULTON of Pennsylvania. Mr. Speaker, it is with growing concern that I have noted the increasing tendency on the part of our U.S. churches, and this includes most denominations, to project their organization, their clergy and their membership—too often without notice—into complex international political problems of the day. I wish to call to the attention of the Members of the House an article entitled "A Church Errs in Politics" which appeared in the Baltimore Sun of June 27, 1971, by the nationally known columnist Mr. James J. Kilpatrick.

Being a Presbyterian myself, I am particularly disturbed that the Presbyterian Church should be placed on record as having cast its 15,000 shares of Gulf Oil Corp. stock at the recent corporate stockholders' annual meeting, for the election to the board of directors of this major U.S. corporation, Angela Davis, a self-avowed Communist, and two Communist-supported African guerrilla leaders. Certainly our Presbyterian Church members oppose this action by an overwhelming majority. As far as I am concerned, I received no such notice as a member, and no officer of any Presbyterian congregation to my knowledge, was given adequate knowledge or notice.

Surely the responsible leaders of the Presbyterian Church cannot sincerely believe that such an outrageous action is the proper exercise of the stewardship of the Presbyterian Church in the management of the contributions of its members for religious purposes. In so casting the votes of the shares owned by the Presbyterian Church, this body of the church, or its officers, cast the votes of these God-fearing and loyal members against, and I repeat against fellow God-fearing honorable candidates for director—most or all of whom are Christians. Instead the votes were cast for known and self-avowed atheists, to be directors,

to govern the policies of this fine U.S. corporation during the current year, whose moral precepts and beliefs are exactly contrary to the principles and adopted laws and tenets governing the Presbyterian Church. No wonder all over the United States, Presbyterian congregations, their officers, and members are raising strong protest. No wonder contributors falter and contributions and even church membership in many areas declines.

I wish at some point the churches would begin to pay attention to church business and getting us all to heaven instead of getting us to the position of, if not building violent revolution, at least supporting it.

There are peaceful means, but they take time. If we will simply have patience these problems can be worked out.

The wars of this world, in my opinion, are so often caused by noble people who want instant solutions.

A CHURCH ERRS IN POLITICS

(By James J. Kilpatrick)

More than 180 years have passed since Edmund Burke put the final touches on his "Reflections on the Revolution in France." Burke was prompted to his labors by a sermon delivered in London by a political theologian of his time. What would Burke say of certain Presbyterians in America today?

One advances on the topic with some trepidation. In all matters of faith, morals and doctrine, the Presbyterian view is surely the business of Presbyterians only. But I remark the fearful upheaval that shook my own Episcopal Church a few years ago when our own leaders began playing footsie with black extortioners, and I note the formal expressions of outrage by Presbyterian congregations in Tacoma and Anchorage three weeks ago; and I judge these matters of some public interest.

Burke's point, in his denunciation of Dr. Roger Price, was that "politics and the pulpit are terms that have little agreement." It is a point that merits renewed consideration in our own time.

April 27 of this year, the Gulf Oil Corporation held its annual meeting in Atlanta. I missed the story. It wasn't until this week, when a copy of Gulf's annual report turned up in the grist, that I learned of the remarkable effort undertaken by the United Presbyterian Church, through its Southern Africa Task Force, to paddle a boat in political waters.

The United Presbyterian Church through its Commission on Ecumenical Missions and Relations, holds some 15,000 shares of Gulf. On April 27, church spokesmen appeared at the company's annual meeting in support of four propositions they had managed to get on the agenda and they voted their stock in behalf of six candidates whom they nominated for the board of directors.

The four propositions were directed against Gulf's investment in the Portuguese provinces of Angola and Mozambique. The Presbyterian candidates for the board are of special interest. They included, among others, Agostinho Neto, Amílcar Cabral, and Angela Davis.

Neto is leader of the Popular Liberation Movement for Angola (MPLA). Cabral is spokesman for the Party of Independence for Guinea. Miss Davis, a self-avowed Communist, is the black activist now under indictment in California for complicity in murder. (In passing, it should be noted that the resolutions of protest in Tacoma and Anchorage were provoked by the denominational contribution of \$10,000 to Angela Davis' defense fund, out of the church's special Emergency Fund for Legal Aid.)

In addition to supporting Neto, Cabral and Miss Davis for election to Gulf's board of directors, the Presbyterian group also proposed a study committee that would include a representative of the Mozambique Liberation Front known as Frelimo. The four church-sponsored resolutions were defeated overwhelmingly. Their six candidates got nowhere: Miss Davis polled 15,489 votes.

Persons who have visited Gulf's Cabinda operation in Angola know at first hand the immense benefits that have accrued to the African natives there. The company's enlightened and humane program, in terms of jobs, income, medical care and education, needs no defense. The Portuguese provinces are wholly multi-racial—in effect, non-racial. There is nothing of apartheid to be seen.

More to the point, by climbing into a political bed with the MPLA and Frelimo, these Presbyterian innocents lend the reputation and respectability of their great denomination to terrorist gangs that are trained, armed and equipped by the Communists. What has this to do with the church? Let me go back to Burke.

"The cause of civil liberty and civil government," he wrote, "gains as little as that of religion by this confusion of duties. Those who quit their proper character, to assume what does not belong to them, are, for the greater part, ignorant both of the character they leave, and of the character they assume. Wholly unacquainted with the world in which they are so fond of meddling and inexperienced in all its affairs, they have in excess of politics but the passions they excite. Surely the church is a place where one day's truce ought to be allowed to the dissensions and animosities of mankind."

James J. Kilpatrick's subsequent letter to the editors of the newspapers which published the article, making a minor correction of fact on procedure is below. This does not change the fact of the vote of the shares of the Presbyterian Church, which Mr. Kilpatrick and I both question.

LETTER TO EDITORS

(By James J. Kilpatrick)

SIR: In a recent column, I dealt critically with what seemed to me the political activism of the United Presbyterian Church in opposing the investment of Gulf Oil Corp. in Portuguese Africa. Through its Commission on Ecumenical Missions and Relations, and more particularly through its task force on Southern Africa, the Presbyterian Church took part in Gulf's Annual Meeting in Atlanta, and there argued for certain resolutions and supported certain candidates for election to Gulf's board of directors.

I erred in one particular. I wrote that Presbyterian spokesmen voted their stock in behalf of 6 candidates "whom they nominated" for the board. I identified these 3 candidates as Angela Davis, Agostinho Neto and Amílcar Cabral. I now am advised that while the Presbyterian group supported these candidates after they had been nominated from the floor by others, and cast their voting shares for them, they did not in fact make the nominations. They were prepared to offer in nomination the names of 6 outstanding Presbyterians as an expression of protest and dissent, but decided against this.

Minutes of the Annual Meeting show that Miss Davis was nominated by David Nolan, holding the proxy of Martin Levy. Mr. Neto was nominated by Barbara Barnes, holding the proxy of Nancy Freehafer. Mr. Cabral was nominated by Richard Leonard, bearing the proxy of William Waterman, Jr. So far as I know, none of these persons is identified with the Presbyterian group.

I regret the error of fact, and stand on the main thrust of my column.

JAMES J. KILPATRICK.

CHILDHOOD LEAD POISONING—A
NATIONWIDE EPIDEMIC

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. RYAN. Mr. Speaker, a silent epidemic is sweeping across the face of our Nation's cities, afflicting thousands of small children. Its toll is taken by means of blindness, cerebral palsy, kidney impairment, brain damage, and death. This epidemic is lead-based paint poisoning.

This disease poisons some 400,000 children annually. It is estimated that 16,000 of these youngsters require treatment. Three thousand, two hundred incur moderate to severe brain damage, and 800 are so severely brain damaged that they require care for the rest of their lives.

For another 200 children there is no future at all—not even the vegetable-like existences of an institution for the hopelessly brain damaged. These 200 children will die.

Childhood lead poisoning is not the exclusive blight of New York City. Nor is it even confined just to the cities of the Northeast. It is a national problem.

Unfortunately, many cities do not have programs to screen young children for lead-based paint poisoning. Many of these cities—such as Milwaukee—have pegged much of their planning to eradicate this disease on the prospect of support from the Federal Government, support which will not be forthcoming unless the Congress recognizes the total inadequacy of the administration's belated request for a mere \$2 million to fund the Lead-Based Paint Poisoning Prevention Act, Public Law 91-695.

John Owen, executive producer in charge of public affairs for Milwaukee public television channels 10 and 36, has authored a column, which appeared in the Milwaukee Journal of July 8, detailing the inexcusable apathy of the administration in dealing with this totally preventable disease. I commend this article to the attention of my colleagues: [From the Milwaukee Journal, July 8, 1971]

OUR APATHY OVER LEAD POISONING IS
SHAMEFUL AND INEXCUSABLE

It is easy to share the cynicism of the disaffected when you examine carefully how the governmental process really works—or put more aptly, doesn't work. Well meaning legislation passed by Congress becomes little more than empty promises unless the president and his department heads are willing to fund the new programs.

A case in point is the unfortunate history of the recently passed lead poisoning bill.

On Jan. 14, President Nixon signed Public Law 91-695, the "Lead Based Paint Poisoning Prevention Act" legislation representing what many hoped would mark the beginning of a national commitment to eradicate a disease that affects untold thousands of poor children.

New federal studies have documented the effects of automobile exhausts on inner city children, but this bill was designed to deal solely with the lead poisoning caused by the ingestion of peeling paint and plaster from deteriorating houses in the slums of our cities.

TWO-YEAR EFFORT FINALLY REWARDED

Passage of the bill climaxed a two year effort by a handful of concerned congressmen led by Rep. William Ryan of New York and Sen. Edward Kennedy of Massachusetts. The bill authorized the Department of Health, Education and Welfare to spend more than \$30 million over a two year period to underwrite the basic provisions of the act: Importantly, to assist local communities in the development of comprehensive screening and treatment programs.

But none of the money has actually been appropriated by HEW for fiscal 1971, despite repeated requests for funding from Ryan, Kennedy and others. HEW has said it will budget \$2 million in 1972 for lead poisoning, but that is less than it costs New York City alone to finance its existing program, and \$28 million less than the \$30 million originally authorized.

HAD EXPECTED FEDERAL FUNDS

It is especially disheartening when you realize that cities like Milwaukee, without screening programs, have pegged much of their planning on the prospect of support from the federal government. An HEW official admits they have already received requests for lead poisoning grants totaling well over \$50 million.

Meanwhile, the dangerous summer months are upon us when more than 90% of the lead poisoning takes place. Two hundred children between 1 and 6 will die from lead poisoning, more than 400,000 will suffer lead poisoning or be on the verge of it, and at least 6,000 to 8,000 children will become mentally retarded from what experts call a totally preventable disease.

Even those statistics don't tell the whole story. We have no way of determining how many educational failures in our schools can be explained partially by deficiencies caused by lead poisoning.

MORE PREVALENT THAN POLIO WAS

Journalist Jack Newfield reported recently that "expert testimony presented in congressional hearings has indicated that lead paint poisoning is more prevalent than the polio problem before the advent of the Salk vaccine and that it leaves more children permanently impaired than did German measles prior to the extensive measles vaccination."

No wonder the poor, who have exclusive rights to lead poisoning, aren't very excited about the environmentalists' concern with saving the bald eagle. Lead poisoning should be a major environmental issue, but it isn't.

Ecologist Dr. Rene Dubos puts it more forcefully: "If we do not act on this problem, then I believe that our society is intellectually and morally dishonest in talking about improving social conditions. If we, with all our technological means, are not willing to make the effort to eliminate lead poisoning, then our society deserves all the disasters that have been forecast for it."

ADVERTISING OF ALCOHOLIC
BEVERAGES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. WALDIE. Mr. Speaker, I am introducing a bill today which prohibits the broadcasting of any advertising of alcoholic beverages because I feel the enactment of such legislation will be a deterrent to alcoholism in the country.

Statistics show more clearly each year that alcoholism is increasing, and I am

convinced that the barring of advertising of alcoholic beverages on radio and TV will be a step in the right direction—certainly insofar as the influencing of children through these media is concerned. We always have the hope that it is not too late to help adult alcoholics through rehabilitation programs; however, it is also important that we prevent such habits from forming, and the enactment of this bill will, I feel, preclude in many instances the desire of children to experience what advertisements of alcoholic beverages can so glowingly describe.

HOW WILL LOCKHEED GET FROM
103 TO OVER 400?

SPEECH OF

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1971

Mr. MOORHEAD. Mr. Speaker, I have here in my hand a document that has been consistently and illegally withheld from the Congress. This document, bearing an illegitimate security classification, is a study made in May 1970 by the Office of Systems Analysis in the Office of the Secretary of Defense which concludes that Lockheed has to sell at least 390 L-1011's before they can break even on the program—not 195-205 as Lockheed is currently telling the Congress. This, I must emphasize, is twice as many planes as Lockheed is estimating. In addition, the DOD study estimates that if Lockheed sells as many as 252 planes they will still lose \$535 million—more than twice the net worth of the corporation. At the present time Lockheed is claiming 103 firm orders, yet after analysis of Lockheed's agreements with the airlines these turn out to be very tentative orders. They are not firm at all.

The gut question is, of course, how does Lockheed get to over 400 from 103?

Considering the market, the dismal profit, credit, and the overcapacity prospects of the airlines and the added cost of the L-1011 after the Rolls-Royce affair and the substantial delay in the program—the chances of selling over 400 planes or even approaching a viable program have become as effervescent as the clouds over Burbank.

Where does this Lockheed break-even estimate stand in the series of illegitimate estimates that they have used to consistently mislead the Congress on such programs as the C-5A, the SRAM, and the Cheyenne helicopter? Their flag of credibility has been swept away revealing the naked truth.

The risk the Government runs in losing its nearly \$300 million turns in large part on how well the L-1011 will sell and, in particular, the prospects for achieving its break-even point in L-1011 sales. There is great risk that even with the guarantee that Lockheed will be forced into bankruptcy, and that the Government will have to attempt to redeem its guarantee. The apparent security pro-

vided by the present bailout bill falls far short of giving the Government the protection that appears on the surface.

In other words, with nearly \$300 million of the taxpayers' money at stake in this decision, the administration has been withholding its independent analysis of the break-even point while relying on Lockheed's own forecasts. Break-even points estimated by Lockheed itself for the L-1011 have ranged from 184 to 350—depending on the audience and the circumstances. This should be repugnant to the Congress.

Is the administration dealing in good faith with the Congress on this matter?

The Pentagon as partner in this enterprise, is guilty of withholding vital information from the Congress for over 14 months.

For over 8 months—since I first became informed that this important study had been made—I have attempted to obtain the document and have been refused. As recently as last month, Secretary Packard refused to make the study available to the Senate Banking Committee. During the hearings Packard did allude to the study and admitted to a break-even point at somewhere in excess of 300 planes. While not being precise, his figures were at least 50 percent higher than those given out by Lockheed and its friends within the Treasury Department.

Now it comes to light why Secretary Packard was somewhat vague. Somewhere in excess of 300 turns out to be 390—almost 400 planes and 100 percent more than Lockheed and the Treasury Department have stated. It must be remembered that this analysis was performed by the Department of Defense over a year ago. In the interim, with the Rolls Royce bankruptcy and with program stretchout costs are bound to have increased and the break-even point pushed even higher—well over 400 planes.

Lockheed has complained that the study is an approximation and that it is over a year old. In that respect, they are correct. It appears that we must have a new and current appraisal before we are asked to decide on the matter. If the break-even point has crept up to well over 400 planes as I suspect it has, then we in Congress ought to avoid backing this loan to Lockheed because the corporation does not stand a snowball's chance in hell of selling four to five hundred L-1011's.

In this regard consider the following facts that are the result of some excellent research done by the House Banking and Currency Committee staff:

THE MARKET FOR WIDE-BODIED JETS

Lockheed's estimate for the L-1011 DC-10 market for the 10-year period is nearly 62 percent greater than the CAB's or that of a joint DOT-FAA report.

American Airlines, one of the largest customers, has an estimate nearly as conservative as the CAB's. The Lockheed forecast is 56 percent higher. A discrepancy of 500 aircraft—less than the total divergence of the various estimates—implies a gross revenue discrepancy on the order of \$10 billion. Yet it is on such forecasts as these that the cal-

culations of the Government's risk has been based.

AIRLINE PROFIT AND FINANCIAL POSITION

The Air Transport Association of America forecast a 1971 pre-tax loss of \$192 million for the 12 major airlines based on certain optimistic goals, which, if not attained the deficit could be much higher. They are forecasting a \$279 million pre-tax loss in 1972. This dismal earnings picture adversely affects the airlines ability to borrow. This, of course, will make it extremely difficult for the airlines to arrange necessary financing for the acquisition of additional aircraft for the next several years. And it is during this period—by 1974—that the earnings of Lockheed are presumed to be enough to repay at least the Government-guaranteed portion of the loan and—by 1976—that Lockheed estimates that it will break even on the L-1011.

EXCESS CAPACITY

In reply to a committee inquiry, American Airlines said:

The present delivery schedule for B-747's, DC-10's and L-1011's to U.S. Carriers . . . was in large measure established between three and four years ago and was based on traffic projections which were more optimistic than those currently being made. Unless there is a significant increase in domestic traffic over that currently projected, there will be a need for a postponement of aircraft deliveries . . . American has amended its agreement with McDonnell-Douglas by rescheduling the first fifteen of its option aircraft to later delivery positions and by cancelling the remaining ten of its options.

The CAB reported that similar action has been taken by other major domestic airlines:

Eastern ordered four 747's but decided to sell them to TWA on delivery.

National Airlines will not exercise six of eight DC-10 options.

United Airlines will defer delivery of six 747's originally scheduled for this year. Two will be delivered next year and four in 1973. In addition, United has canceled eight of the 30 firm purchase orders it has for DC-10's and has failed to exercise 15 of the 30 DC-10 options.

Including American Airlines, this adds up to cancellation of 12 of 34 firm purchase orders and the expiration of 31 of 63 options for wide-bodied jets.

As a result of narrow overoptimistic projections, Boeing 747's were making transcontinental flights last winter with as few as 12 people aboard a plane with a capacity of well over 300, and Trans-Atlantic flights being made with as few as 36 people aboard.

WHERE IS BREAK EVEN?

A recent Joint Department of Transportation—NASA report stated:

The economic situation of the airlines and the existing over capacity in passenger seats make it questionable whether any of these programs (wide-bodied tri-jets) will break-even for some time to come.

When it launched its L-1011 program, Lockheed reportedly estimated "break-even" at between 250 to 300 aircraft.

However, when McDonnell-Douglas got the jump on them in sales Lockheed arbitrarily cut the price of the planes thus pushing the break-even point up to 350.

According to the staff study, Lockheed

later reduced the break-even figure to 220 after it announced it was seeking a Government loan guarantee.

According to Secretary Connally, Lockheed will not break even at 220 aircraft.

Apparently Lockheed had still another break-even estimate for the consortium of 24 banks.

A confidential memorandum dated February 10, 1970, from Gunther E. A. Fritze, Assistant Vice President of the First National Bank of Boston (one of the 24 lending institutions), to William H. Raye, Jr., a senior Vice President in the bank, reads in part:

The company's L-1011 airbus program seems to be on schedule. Sales so far are 107 first buy and 74 second buy, totaling 181, with a breakeven of 184 (a figure never publicly announced by Lockheed). Additional sales have recently been somewhat of a disappointment since the airlines are not too eager nor are they in a position to make additional purchase agreements at this time.

First National of Boston apparently became less confident of Lockheed's projections the following month. In another memorandum, dated March 24, 1970, from Fritze to Raye, it is asserted:

If Congressional action is favorable, the company would still not be out of the woods.

This scenario of deception and obfuscation hardly generates the kind of confidence that the Congress needs in order to risk nearly \$300 million of the taxpayers' money.

There is one further point I would like to make regarding the DOD Systems Analysis Study. Before the Senate Banking Committee, Daniel Haughton, chairman of the board of Lockheed, claimed complete innocence of the impending bankruptcy of Rolls-Royce, the builder of the engines for the L-1011. According to Mr. Haughton the bankruptcy of Rolls-Royce in December 1970 caught him completely by surprise—he had received no prior warning, claiming that their collapse is the only reason Lockheed is asking help from the Government.

However, 9 months before the bankruptcy, the systems analysis study ominously warned that:

Rolls Royce might experience an overrun of about \$500 million—on a \$924 million contract for 351 ship sets.

That is over 100-percent overrun—which is a whopper when the Government is not paying for it.

The study's covering memorandum clearly indicated that systems analysis people had detailed discussions with Lockheed's L-1011 program managers." Therefore, Lockheed was forewarned and may have been able to take some remedial action at that time. The president of a large aerospace corporation told me and a congressional committee that if top Lockheed management did not know about the Rolls-Royce financial situation long before the bankruptcy, a number of top people should have been fired on the spot. It is the responsibility of a prime contractor to have a good and current fix on the condition of its subcontractors. This is either a case of lack of candor or gross mismanagement.

Just another point in this sordid affair.

Attached is a copy of the systems analysis study.

At this point I would also like to include in the RECORD some extraneous material. For over 2 months now the Banking and Currency Committee staff has been studying the issues involved in the Lockheed affair. The resulting study is well-documented and is the best analysis to date and should be made available to every Member of Congress. I am including only the summary and the appendixes of that study:

CIVIL AERONAUTICS BOARD REPORTS TO CONGRESS, FISCAL YEAR 1970
SUMMARY

Lockheed Aircraft Corporation is facing a crisis so severe as to threaten its survival. Like a number of other large firms, it is finding difficulty in coping with the combination of the recession, inflation and structural shifts in demand for military and other goods and services. It is feared that bankruptcy or reorganization of such corporations will create additional unemployment, impose financial losses on stockholders and creditors, and have general adverse economic effects ranging from lower business confidence to additional pressures on the international value of the dollar.

The specific problems of Lockheed derive from a series of major overruns and disastrous losses on military projects and the abrupt abrogation of its vital contract with Rolls-Royce for production of the huge RB-211 engine for Lockheed's Trijet aircraft, the L-1011. Being already deeply in debt, these events have forced Lockheed to the verge of corporate collapse.

A complex tentative new plan has been drawn up by Lockheed, its airline customers, the British Government and Rolls-Royce, and the consortium of banks that has already loaned \$400 million to the corporation. Among the key features of this tentative agreement are provision for the airline customers to advance another \$100 million to Lockheed, for the banks to provide an additional \$250 million line of credit, and for the government to guarantee the repayment of that principal amount and the interest on it.

H.R. 8432 authorizes the Secretary of the Treasury to provide such a guarantee and the Administration is supporting passage of the bill.

This report addresses a number of key questions: Who wants the guarantee and why? What are the possible costs to the government of providing the guarantee? Is it possible to predict such costs with any confidence? On the other hand, what are the possible disadvantages to the nation of not providing the guarantee? And, finally, questions of alternatives and general policy are addressed.

It appears clear that it is basically the British Government that is insisting on the guarantee. The arguments the banks present for the guarantee are not altogether persuasive. Looking at the technical and legal terms of the tentative agreement with the government and the conditions in H.R. 8432, the banks and their stockholders appear to be worse off with the guarantee than without it. The airlines, although not insisting on the guarantee, are supporting it. After analyzing the available record, it appears that the ultimate rationale for insisting on the guarantee is the belief that once the government has committed itself to support Lockheed and the L-1011 program, it will be impossible for the government to resist the pressures to provide additional support as it may become necessary to make the program work.

There is substantial risk of default—otherwise there would be no need for the guarantee. According to Secretary Connally, the

new loan, under the guarantee, will provide only \$100 million margin over Lockheed's peak cash requirement. Inadequate sales of the L-1011, failure to keep corporate costs under strict control, or insufficient new defense contracts could wipe out that margin, which is equal only to about two weeks' expenditures by Lockheed.

The prospects for adequate L-1011 sales are marginal and uncertain.

Aerospace companies typically find keeping costs under control difficult. Lockheed's union agreements come up for renegotiation in July. An increase of only about 5 percent in the earnings of its present employees would wipe out the entire \$100 million margin.

Without special favorable treatment by the Government, the prospect of Lockheed's obtaining enough new defense contracts are poor. Lockheed's forecast defense revenues include estimates of over \$1.5 billion in entirely new defense business and the Administration believes the estimates may be high by 30 percent.

There is no reliable way to judge the risk to the government. In recent years Lockheed has repeatedly changed its forecasts and has repeatedly failed to achieve forecast results. Forecasts by government and industrial experts differ by up to 75 percent in estimating the market for wide-bodied jets during the '70's.

Break-even levels predicted by Lockheed itself for the L-1011 have ranged from 184 to 350. Other manufacturers have had similar problems. Early estimates of the break-even level have typically been overly optimistic.

Further, all of the forecasts for every aspect of aviation are made especially uncertain and probably have an upward bias because of recent developments in air travel markets. Total air travel, having risen at an annual rate of about 15 percent a year through most of the '60's, has been essentially stable in the last two years. When and whether it will recover anything like its earlier growth rate is highly problematical.

Thus, despite its best estimates, there are great risks that Lockheed will be forced to default, and that the government will therefore have to try to redeem its guarantee. In that event, the government's total exposure will probably be close to \$300 million.

At the same time the apparent security provided by H.R. 8432 falls far short of giving the government the protection that appears on the surface. The validity of the statutory protections is in doubt and the agreement with the banks is apparently only tentative.

The government has more at stake than \$300 million. Since the success of the Lockheed loan depends upon new military contracts, the Government will obviously be under enormous pressure, should the need arise, to provide Lockheed with contracts under highly preferential treatment, which will both raise the cost to the government and discriminate against Lockheed's competitors.

The subsidized support of the L-1011 will reduce the prospects of profitable operation by Boeing and especially by McDonnell-Douglas. If the market for transport aircraft is not large enough for all the present manufacturers without subsidization, then support of the L-1011 program may not only set a precedent for, but may contribute to, demands for future subsidization of the other aircraft manufacturers.

The proposed guarantee is only one of a series of government aids to Lockheed. In addition to covering overruns on the C-5A at a cost to the government estimated to be in excess of \$2 billion, the government has provided other assistance since the first of 1971, which, together with the loan guarantee, could amount to a total cost of as much as \$3 billion.

If the costs and risks of providing the guarantee are substantial, what are those of not providing it? What are the risks for

Lockheed? For its employees? For Lockheed's subcontractors and customers? For defense?

Although the basic problem facing Lockheed and the aerospace industry runs much deeper than the simple question of financial guarantees, if the guarantee is not forthcoming, it seems clear that any of the partners in the L-1011 program—the British, the banks, or the airlines—could force Lockheed into reorganization. However, all of them have major motives for not exercising that option even if the government withholds its guarantee. For the banks to do so would jeopardize the \$400 million they have already advanced to Lockheed and some indeterminate large number of millions of dollars the same institutions have loaned to Lockheed subcontractors and to its airline clients. Similarly, should the British Government persist in its present abrogation of the Lockheed-Rolls-Royce contract, it would force a significant loss of jobs in Rolls-Royce (with no obvious immediate alternatives) and would shatter not only the confidence essential for maintaining a position in the world aircraft industry but would disrupt its only consistently good performer in the whole aircraft area. At the same time, the Rolls-Royce engine is reputed to be an extremely good one with enough growth potential to promise the British a long-term opportunity to remain a factor in the world aircraft industry.

The airline contractors, particularly TWA, Eastern and Delta, would collectively lose about \$250 million themselves should they force the termination of the program.

Consequently, the threat, especially by the British and the banks, to force the demise of the L-1011 may be based either on a belief that the L-1011 is not as good as the advocates of the loan guarantee say it is, that there is some information available to them that has not been put into the public record by them, or, alternatively, that they are essentially playing a game of chicken with the taxpayers and will continue the program with or without the guarantee.

If the U.S. guarantee is not provided, the British or the banks, or conceivably the airlines, could force Lockheed into a reorganization. Should Lockheed be forced into reorganization, its stockholders would almost certainly lose the full value of their present investment, but that is an essential part of the private enterprise system; and whereas stockholders now stand to take a substantial loss, they have had an opportunity in the past 20 years to make capital gains of as much as seven times their original investment. The banks, the subcontractors and the unsecured creditors holding \$125 million in subordinate debentures would all stand to suffer losses.

On the other hand, in reorganization the profitable programs, and particularly the defense programs, would presumably continue. The defense programs currently under contract would, according to Deputy Secretary of Defense Packard, continue without serious disruption.

Employment is of course one of the key problems. If the L-1011 program is not good enough to survive corporate reorganization, then the loss of the 16,000 jobs presently held in Lockheed and its subcontractors by individuals working on that program seems virtually certain. But in terms of the major labor markets involved, the loss of those jobs, even if there were no offsetting changes, would add less than 4/10 of 1 percent to the unemployment rate in the affected labor market areas.

More important, if the L-1011 program were terminated, airline customers would shift, at least in large part, to the DC-10, and the engines for the DC-10 are built not in Britain but by General Electric in the United States, so that for every DC-10 purchase to replace a cancelled out L-1011, several hundred man years of additional em-

ployment opportunities would be created in the United States. The major unemployment impact would be felt in Britain, and, on balance, the cancellation of the L-1011 program might actually stimulate employment in the United States.

Thus, it appears that the risks and costs to the government of guaranteeing the Lockheed loan are substantial. While the risks and costs of not doing so are by no means negligible, they are far less than the proponents of the guarantee have suggested and indeed the direct employment consequences for American labor may be favorable.

It is important to realize that if the United States Government withholds the guarantee and, if subsequently, Lockheed is forced into reorganization, then it will not be the government that has forced Lockheed into reorganization. It will be the banks or the British by defaulting on the RB.211 contract. Conceivably, it might be the airlines deciding that the L-1011 is not good enough to justify the risks involved in staying with the program. Further, the loan guarantee itself may not be adequate to sustain Lockheed.

There are a number of alternatives available to the government for protecting the people involved and a number of alternatives available to Lockheed. For example, for the same size guarantee the government could underwrite a \$20,000 loan to each of the present employees of the Lockheed California company. It could underwrite \$250 million worth of housing loans, probably creating more jobs and directly contributing to the amelioration of the housing shortage. Further, recently enacted and proposed legislation offer opportunities for direct aid to displaced workers. The Emergency Employment Act and the vetoed Employment Manpower Act of 1970 and the Accelerated Public Works Program all are designed for this purpose.

In addition, Lockheed has the option of petitioning for a Federal reorganization to keep its vital operations functioning or of selling off one of its subsidiaries or one of its component corporations. Although these latter alternatives obviously are not certain to be successful, they may justify serious exploration.

The basic issue raised by the proposed guarantee is its effect on the private enterprise system and economic efficiency. Indemnifying management and lenders from the consequences of their own miscalculations is fundamentally inconsistent with the private enterprise economy. The failure of business enterprises is essential to increasing productivity and a rising standard of living. And, if it becomes established practice for the government to salvage big business whenever it gets into financial difficulty, both the dynamism of the economy and the prospects of small business will be jeopardized.

In the present conditions of rapid and disruptive change, the basic touchstone of Federal policy should be whether it increases flexibility in the economy or contributes to further rigidity. The Emergency Loan Guarantee Act of 1971 reduces flexibility.

Finally, there is the question of priorities. Inter-city transportation and especially aviation have been heavily subsidized for the past 25 years. It may be time not to continue the subsidization of aviation but to encourage the shift of resources into other areas so as to achieve both a better balanced transportation system and to permit the support of badly needed social and economic programs.

The proposed legislation provides no way of supporting public services or facilities, loans to small business or to public bodies.

The bill provides no guarantee of repayment to the three U.S. airlines who will have committed over \$300 million to the L-1011 program. This is one-fourth to one-

third of the airlines total equity, while the banks' exposure is a minimal fraction of their equity.

FINANCIAL INSTITUTIONS EXTENDING LINES OF CREDIT AND IDENTITY OF PERSONS NEGOTIATING LOANS

\$400 Million Unsecured Revolving Term Credit, Dated as of May 1, 1969.
24 Banks Participating.

While Lockheed management was fully informed, the officers primarily concerned with negotiations were: Frank L. Frain, Vice President and Treasurer; Roy A. Anderson, Assistant Treasurer; W. Neal Brown, Assistant Treasurer.

Name of bank and negotiating officer(s)	Percent of participation	Amount of commitment
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Bank of America National Trust and Savings Association; Ronald G. Ross, vice president; Deen M. Schneidewind, vice president; John D. Cawley, assistant vice president	7.50	\$30,000,000
The Bank of California National Association; Edward B. Linsley, senior vice president; L. Donald Damato, vice president; Hubert G. Stokely, vice president	1.25	5,000,000
Bankers Trust Co.; Fred J. Leary, Jr., senior vice president; Kennedy Randall, Jr., first vice president	7.50	30,000,000
The Chase Manhattan Bank, N.A.; James P. Mitchell, vice president; Harry E. Colwell III, second vice president	7.50	30,000,000
Chemical Bank; Howard W. McCall, Jr., president; R. K. LeBlond, II, executive vice president; Robert Van Buren, senior vice president; David Eyles, assistant vice president	5.00	20,000,000
The Citizens & Southern National Bank; Herbert J. Dickson, executive vice president; Bryce H. Newman, vice president	.50	2,000,000
Continental Illinois National Bank & Trust Co. of Chicago; Robert C. Suhr, senior vice president; James P. Johnson, vice president; Gerald K. Bergman, vice president; George F. Kernan, vice president	5.75	23,000,000
Crocker-Citizens National Bank; W. O. Lindstrom, senior vice president; E. Gilbert Ellenberger, vice president	3.75	15,000,000
The First National Bank of Atlanta; Jack A. Dempsey, vice president; Oliver G. Erwin, assistant vice president	.50	2,000,000
The First National Bank of Boston; William H. Raye, Jr., senior vice president; W. Latimer Gray, Jr., vice president	3.75	15,000,000
The First National Bank of Chicago; Milton C. Haase, vice president; Ziad H. Idibiy, assistant cashier; Richard L. Thomas	3.75	15,000,000
First National City Bank; Roy H. Dickerson, senior vice president; William W. R. Mapel, vice president; Frederick W. Bradley, Jr., vice president; Robert T. Jacobs, assistant vice president	7.50	30,000,000
The Fulton National Bank of Atlanta; Jack Burton, vice president	.25	1,000,000
Girard Trust Bank; Geoffrey D. Finley, vice president; James F. Feeney, Jr., vice president	2.00	8,000,000
Irving Trust Co.; William F. Klausung, vice president; Thomas G. Patton, assistant vice president	3.75	15,000,000
Manufacturers Hanover Trust Co.; John F. McGillicuddy, senior vice president; Charles E. Woodruff, executive vice president; Gerard J. Cramer, vice president	7.50	30,000,000
Mellon National Bank & Trust Co.; Ralph B. Gilpatrick, Jr., vice president	5.75	23,000,000
Morgan Guaranty Trust Co. of New York; DeWitt Peterkin, Jr., executive vice president; S. Phelps Montgomery, vice president; Allan F. Munro, Assistant vice president	7.50	30,000,000
The Pacific National Bank of Seattle; Paul W. Kitto, president	.25	1,000,000
The Philadelphia National Bank; Chester I. Warren, Jr., vice president; James A. Bennett, assistant vice president	2.00	8,000,000

Name of bank and negotiating officer(s)	Percent of participation	Amount of commitment
Security Pacific National Bank; William E. Siegel, vice chairman of the board; Norman R. Rehm, senior vice president	7.50	\$30,000,000
Trust Co. of Georgia; John S. Evans, senior vice president; Edward P. Gould, group vice president	.50	2,000,000
United California Bank; W. E. Palmer, executive vice president; Raymond E. Rowton, vice president	5.00	20,000,000
Wells Fargo Bank, N.A.; John R. Breeden, executive vice president; William G. Brock, vice president	3.75	15,000,000
Total	100.00	400,000,000

¹ Subsequently merged—new name: Pacific National Bank of Washington; Paul W. Kitto, executive vice president.

COLLATERAL PLEDGED UPON EXECUTION OF SUPPLEMENTAL AGREEMENT—AS OF SEPTEMBER 10, 1970, TO SECURE \$400 MILLION REVOLVING TERM CREDIT

STOCK OF LOCKHEED PROPERTIES, INC.
Lockheed Properties, Inc. is a California corporation on August 24, 1970, having an authorized capital stock comprising 1½ million shares, of par value of \$1 each, only 1 million shares of which are outstanding, all of which are owned by Lockheed Aircraft Corporation, Lockheed Properties, Inc. owns the following parcels of real property, all of which were owned by Lockheed Aircraft Corporation prior to their acquisition by Lockheed Properties, Inc. and all of which are unimproved and unused except for a small portion of the Potrero Test Site:

- Location and Area**
- Harris County, Texas, in Sarah Deel League—approx. 22 miles from Houston, Texas: Approximately 50 contiguous acres.
 - Harris County, Texas, in David Harris League—approx. 22 miles from Houston, Texas: Approximately 500 contiguous acres.
 - West Windsor Township, Mercer County, New Jersey—approx. 3 miles from Princeton, New Jersey: Approximately 210 contiguous acres.
 - Palmdale, California: Approximately 437 contiguous acres.
 - Palmdale, California: Approximately 252 contiguous acres.
 - Palmdale, California: Approximately 49 acres.
 - Palmdale, California: Approximately 144 contiguous acres.
 - The Potrero Test Site in Riverside County—approx. 5 miles south of Beaumont, California: Approximately 9,108 contiguous acres.
 - The Santa Cruz Test Site in Santa Cruz County—approx. 14 miles north of the City of Santa Cruz and 3 miles east of the Pacific Ocean: Approximately 3,000 contiguous acres.

STOCK OF LOCKHEED AIR TERMINAL, INC.
Lockheed Air Terminal, Inc. is a Delaware corporation with an authorized capital of 25,000 shares, of par value of \$1 each, only 16,000 of which are outstanding, and all of which are owned by Lockheed Aircraft Corporation.

COLLATERAL PLEDGED UPON EXECUTION OF SECOND SUPPLEMENTAL AGREEMENT—AS OF APRIL 26, 1971 TO SECURE \$400 MILLION REVOLVING TERM CREDIT

STOCK OF LOCKHEED SHIPBUILDING AND CONSTRUCTION COMPANY
Lockheed Shipbuilding and Construction Company, a Nevada corporation, with an authorized capital stock of 10,000 shares of par value of \$250 each, only 9,844 of which are

outstanding and all of which are owned by Lockheed Aircraft Corporation.

STOCK OF LOCKHEED ELECTRONICS COMPANY, INC.

Lockheed Electronics Company, Inc. is a Delaware corporation having an authorized capital stock of 2,000,000 of par value of \$1 each, only 1,000,000 of which are outstanding and all of which are owned by Lockheed Aircraft Corporation.

LOCKHEED PROPERTIES, INC.

The following additional improved properties, owned by Lockheed Aircraft Corporation, were conveyed to Lockheed Properties, Inc.:

Location	Plant designation	Description
Burbank, Calif.	B-5	Approximately 351,000 square feet of building improvements on leased land.
Do	B-6	Approximately 1,378,000 square feet of building improvements on approximately 69 acres of land owned in fee.
Do	C-1	Approximately 265,000 square feet of building improvements on leased land.
Do	A-1	Approximately 1,826,000 square feet of building improvements on west side of Hollywood Way on approximately 35.5 acres of land owned in fee.
Rye Canyon (Valencia, Calif.), approximately 26 miles from Burbank, Calif.	Plant 2	Approximately 394,000 square feet of building improvements on 200 acres of land owned in fee.
Palmdale, Calif., approximately 55 miles from Burbank, Calif.	Plant 10	Approximately 1,200,000 square feet of building improvements on approximately 287 acres of land owned in fee.
Rye Canyon, approximately 26 miles from Burbank, Calif., near Valencia, Calif.		Approximately 311 contiguous acres owned in fee.

SUMMARY OF CONDITIONS AND TERMS OF \$400 MILLION REVOLVING TERM CREDIT DATED AS OF MAY 1, 1969, AS AMENDED

Maintain minimum net current assets of \$125,000,000 plus 60% of long term portion of borrowing.

Maint in consolidated net worth with the following minimums:

- (i) For 1969, \$300,000,000.
- (ii) for 1970, \$320,000,000.
- (iii) for 1971 thru April 18, \$340,000,000.
- (iv) From and after April 19, 1971, \$225,000,000.

Furnish financial statements.

Consolidated liability for money borrowed not to exceed \$100 million excluding indebtedness owing:

- (i) Under this Agreement.
- (ii) On subordinated indebtedness.
- (iii) Obligations in connection with the purchase of Government property.

Will not redeem any 4 1/4% Subordinated Convertible Debentures.

Contains restrictions upon consolidation, merger and the sale of a substantial portion of assets.

Company shall not assume, guarantee, become contingently liable, etc., except:

- (i) Items for deposit or collection.
- (ii) Obligations of consolidated subsidiaries.
- (iii) Obligations of corporations which will be merged, etc.

(iv) Customer obligations incurred in connection with the sale or lease of any product.

(v) Obligations related to assistance to suppliers or subcontractors.

Annual rental obligation not to exceed \$20,000,000 with exclusion of:

(i) Leases of computers and related equipment.

(ii) Leases from Government.

Consolidated indebtedness not to exceed \$1,300,000,000. Indebtedness includes contingent liability from customer financing but excludes:

(i) Subordinated indebtedness.

(ii) Obligations with respect to the purchase of Government property.

(iii) Borrowings outside the United States, per 9(d) (iii).

(iv) Annual rental obligations.

(v) Obligations to Rolls-Royce for the purchase of propulsion systems.

Permitted borrowings are not to be secured by mortgage, pledge or lien on property owned on December 31, 1968.

A new agreement providing for a total credit of \$650,000,000 shall be entered into on or before September 30, 1971 or such later date as shall be determined by the controlling banks.

Provided for the execution of a Security and Pledge Agreement and pledge of collateral.

(Following is a copy of the Credit Agreement which is the same for each participating bank except for amount. The Supplemental Agreement and Second Supplemental Agreement are also included.)

THE NAMES OF THE BANKS COMMITTED TO LEND LOCKHEED FUNDS UNDER THE PROPOSED FEDERAL LOAN GUARANTEE

LOCKHEED BANK CREDIT—PROPOSED FEDERAL LOAN GUARANTEE

Lockheed has no formal commitments from banks to provide funds under the proposed Federal Loan Guarantee. Lockheed anticipates the 24 participating banks under the \$400 Million Revolving Term Credit now outstanding will provide the additional funds in proportion to their present participations.

SALES AND FINANCING OF THE L-1011

A. Names of Purchasers

B. Quantity Actually Under Contract

Airline	Quantity
TWA	33
Eastern	37
Delta	18
Air Canada	10
Air Jamaica	1
Haas-Turner ¹	2
PSA	2
Total	103

¹ Haas-Turner is comprised of the following: State Mutual Life Assurance Company of America, American General Insurance Company, Mr. George C. Haas, Jr., Mr. Robert L. Turner.

C. Quantity Under Option: 75, for a quantity of 178 when the 103 firms are added.

D. Amount Paid by Purchasers to Lockheed (Downpayment, Progress Payments, etc.)

The deposits by airlines for the L-1011 are as follows:

Paid to LAC	\$245,127,900
Paid to Rolls-Royce ¹	17,467,674
Total	262,595,574

¹ Includes spare engines; see the attached, "L-1011 Summary of Airline Deposits" for details.

E. Lockheed is not privy to the details of airline equipment financing. This information would have to come from the individual airlines.

F.—DATE(S) OPTION MUST BE EXERCISED

Quantity	Airline	Date
11	TWA	June 30, 1972.
6	Eastern	Sept. 30, 1972.
7	do	Dec. 31, 1972.
6	Delta	Oct. 31, 1971.
5	Air Canada	June 1, 1971.
4	do	Jan. 31, 1972.
1	Air Jamaica	June 15, 1971, or Jan. 1, 1972 (depending on delivery schedule Air Jamaica chooses).
3	L-1011 Oreg. Ltd.	Oct. 30, 1971.
1	PSA	May 31, 1971.
2	do	May 31, 1972.
29	Air Holdings	Contract being renegotiated.

¹ The second buys of Air Canada and Air Jamaica, until they become firm buys, are technically in the air holdings count, making the air holdings count 39.

Supplier inventories are estimated at \$315 million as of March 28, 1971. Information on source of financing for supplier inventories is not available to Lockheed Aircraft Corporation.

The following applicable to Lockheed owned inventories:

Actual at March 28, 1971:

L-1011 gross inventory balance ¹	\$797
Financing sources:	
Advance payments from customers	245
Deferred supplier payments ²	15
Total	260
Bank loans and Lockheed Aircraft Corp. ³	537
Total	797

¹ Does not include general and administrative expenses of \$87 million which were written off as period costs.

² Certain suppliers have agreed to be reimbursed on the basis of airplane deliveries.

³ It is not possible to state specifically that portion of L-1011 inventory financing provided from bank loans (currently at \$400 million) and that portion provided from Lockheed internal sources (retained earnings, long term debentures and short term payables). Bank loans and Lockheed internal sources together have provided financing for losses on major DoD programs, the L-1011 program and other working capital requirements.

ANTICIPATED SOURCES OF FINANCING FOR BALANCE OF L-1011 PROGRAM, LOCKHEED-OWNED INVENTORIES

[Data is based on currently projected program costs]

[Dollars in millions]

Projected inventory balance at year end ¹	Advance payments from airlines	Deferred suppliers payments	Bank loans ²	Lockheed ³
1971	\$1,030	\$321	\$26	\$510
1972	1,225	442	60	550
1973	1,113	395	60	495
1974	916	297	77	370
1975	504	113	70	201
1976	141	22		119
1977				

¹ Excludes general and administrative expenses which are written off as period costs.

² The full amount of bank loans is shown in order to identify that amount of bank financing required during the time period of the L-1011 program. However, bank loans and Lockheed internal sources have together provided financing for losses of major DoD programs, the L-1011 program and other working capital requirements.

³ Lockheed internal sources include retained earnings, long-term debentures and short-term payables.

Note: The above does not include expenditures for L-1011 facilities and general and administrative expenses, which are also financed by Lockheed internal sources.

LOCKHEED AIRCRAFT CORP.—ESTIMATED SOURCE AND APPLICATION OF FUNDS STATEMENT FOR CORPORATION FOR 6-MONTH PERIODS UNTIL BREAKEVEN POINT IS REACHED

SOURCE AND DISPOSITION OF CONSOLIDATED WORKING CAPITAL: FINANCIAL FORECAST MAY 1971

[In millions of dollars]

	1971				1972			1973 year	1974 year	1975 year
	January- June	July- September	October- December	Year	January- June	July- December	Year			
Source of working capital:										
Earnings.....	10.9	2.5	1.5	14.9	7.7	8.6	16.3	17.6	27.1	41.1
Depreciation and amortization.....	39.3	15.6	15.2	61.1	28.5	27.4	55.9	51.4	48.3	47.7
Amortization of debenture expense.....	.1			.1	.1		.1	.1	.1	.1
Borrowings.....	50.0	25.0	85.0	160.0	15.0	50.0	65.0			
Long-term note/B-1 facility.....			27.0	27.0						
Reduction in customer notes receivables.....									2.5	9.5
Book value of fixed assets sold.....	3.6			3.6	.8		.8	2.7	.6	.6
Total.....	94.9	43.1	128.7	266.7	52.1	86.0	138.1	71.8	78.6	99.0
Disposition of working capital:										
Fixed asset additions.....	16.9	8.5	37.1	62.5	13.8	17.6	31.4	39.1	39.9	39.9
Reduction in 4½ percent debentures.....			1.9	1.9		1.9	1.9	1.8	1.9	1.9
Reduction in borrowings.....					25.0		25.0	55.0	125.0	250.0
Reduction in long-term note/B-1 facility.....					.9	1.3	2.2	1.8	1.8	1.8
Reduction in C-5A liability.....									10.0	10.0
Increase in customer notes receivables.....								35.0	42.5	34.5
Increase (decrease) in other assets.....	.8	.1	(2.9)	(2.0)	.2	.9	1.1	2.7	2.2	2.0
Total.....	17.7	8.6	36.1	62.4	39.9	21.7	61.6	135.4	223.3	340.1
Increase (decrease) in working capital.....	77.2	34.5	92.6	204.3	12.2	64.3	76.5	(63.6)	(144.7)	(241.1)
Working capital at beginning of period.....	468.5	545.7	580.2	468.5	672.8	635.0	672.8	749.3	685.7	541.0
Working capital at end of period.....	545.7	580.2	672.8	672.8	685.0	749.3	749.3	685.7	541.0	299.9

Corporation forecasts are constructed on an annual basis for periods beyond the 2d year.
Forecast projections are not available beyond a 5-year period.

The L-1011 breakeven point occurs after 1975.

LOCKHEED AIRCRAFT CORP.—ANNUAL PROJECTED FINANCIAL STATEMENTS UNTIL BREAKEVEN POINT IS REACHED

CONSOLIDATED EARNINGS: FINANCIAL FORECAST MAY 1971

[In millions of dollars]

	1971				1972			1973 year	1974 year	1975 year
	January- June	July- September	October- December	Year	January- June	July- December	Year			
Sales:										
U.S. Government.....	1,808.3	461.9	467.6	2,737.8	1,012.8	812.5	1,825.3	1,351.3	1,512.7	1,510.6
Foreign governments.....	51.1	9.2	27.6	87.9	87.6	94.5	182.1	162.1	124.5	109.5
Commercial.....	65.9	38.0	47.5	151.4	302.3	273.5	575.8	983.9	1,234.0	1,483.7
Total.....	1,925.3	509.1	542.7	2,977.1	1,402.7	1,180.5	2,583.2	2,497.3	2,871.2	3,103.8
Cost of sales.....	1,895.4	496.8	531.2	2,923.4	1,368.8	1,139.3	2,508.1	2,416.1	2,776.4	2,996.6
Operating profit:										
U.S. Government.....	37.1	18.1	17.1	72.3	39.7	39.4	79.1	74.0	88.7	87.4
Foreign governments.....	5.8	1.2	3.4	10.4	10.5	11.1	21.6	22.7	16.1	19.5
Commercial.....	(13.0)	(7.0)	(9.0)	(29.0)	(16.3)	(9.3)	(25.6)	(15.5)	(10.0)	.2
Total.....	29.9	12.3	11.5	53.7	33.9	41.2	75.1	81.2	94.8	107.2
Other income (deductions).....	(8.6)	(7.4)	(8.5)	(24.5)	(19.1)	(24.3)	(43.4)	(47.0)	(42.6)	(27.8)
Earnings before Federal income tax.....	21.3	4.9	3.0	29.2	14.8	16.9	31.7	34.2	52.2	79.4
Provision for Federal income tax.....	10.4	2.4	1.5	14.3	7.1	8.3	15.4	16.6	25.1	38.3
Earnings.....	10.9	2.5	1.5	14.9	7.7	8.6	16.3	17.6	27.1	41.1

Note: Corporation forecasts are constructed on an annual basis for periods beyond the 2d year. Forecast projections are not available beyond a 5-year period. The L-1011 breakeven point occurs after 1975.

LOCKHEED AIRCRAFT CORP. BALANCE SHEET: FINANCIAL FORECAST MAY 1971

[In millions of dollars]

	1971			1972				
	June 27	Sept. 26	Dec. 26	June 26	Dec. 31	Dec. 30, 1973	Dec. 29, 1974	Dec. 28, 1975
Assets:								
Current assets:								
Cash and short term securities.....	124.0	51.5	50.5	48.5	51.6	52.8	49.1	51.6
Accounts receivable—net:								
U.S. Government.....	193.6	150.7	127.0	172.2	119.4	114.4	117.2	107.6
Other.....	31.7	31.3	35.8	38.0	34.9	34.9	34.9	38.9
Inventories—Net (Note 1).....	725.8	817.7	882.5	883.0	932.8	874.3	782.6	541.8
Prepaid expenses.....	25.8	36.7	28.4	32.9	32.3	36.3	33.6	30.3
Total current assets.....	1,100.9	1,087.9	1,124.2	1,129.6	1,171.0	1,112.7	1,017.4	770.2
Fixed assets—Net (Note 2).....	328.1	321.2	343.1	327.6	317.8	302.8	293.8	285.3
Customers' notes receivable.....						35.0	75.0	100.0
Other assets.....	6.3	6.2	3.3	3.4	4.3	6.9	9.0	11.0
Total assets.....	1,435.3	1,415.3	1,470.6	1,460.6	1,493.1	1,457.4	1,395.2	1,166.5
Liabilities and stockholders' equity:								
Current liabilities:								
Accounts payable.....	241.8	221.8	195.4	191.0	173.9	167.7	190.1	185.6
Federal income tax.....								9.6
Deferred Federal income tax.....	45.6	43.8	45.3	52.1	59.6	75.3	99.8	90.2
Retirement plan contribution.....	71.0	50.8	66.7	56.1	66.7	62.9	62.1	58.4
Salaries and wages.....	87.0	81.6	80.9	73.2	68.8	66.0	64.7	66.9
Other liabilities.....	109.8	109.7	63.1	72.2	52.7	55.1	59.7	59.6
Total current liabilities.....	555.2	507.7	451.4	444.6	421.7	427.0	476.4	470.3
Borrowings.....	400.0	425.0	510.0	500.0	550.0	495.0	370.0	120.0
Notes payable—Plant B-1.....			27.0	26.1	24.8	23.0	21.2	19.4
C-5A liability.....	100.0	100.0	100.0	100.0	100.0	100.0	90.0	80.0
Debentures.....	134.4	134.4	132.5	132.5	103.6	128.8	126.9	125.0
Stockholders' equity.....	245.7	248.2	249.7	257.4	266.0	283.6	310.7	351.8
Total liabilities and stockholders' equity.....	1,435.3	1,415.3	1,470.6	1,460.6	1,493.1	1,457.4	1,395.2	1,166.5
Stockholders' equity comprised of:								
Capital stock.....	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4
Additional capital.....	79.0	79.0	79.0	79.0	79.0	79.0	79.0	79.0
Retained earnings.....	155.3	157.8	159.3	167.0	175.6	193.2	220.3	261.4
Note 1:								
Progress payments.....	217.5	228.8	219.3	174.1	179.7	249.4	243.8	253.4
Commercial deposits.....	289.9	350.6	402.3	457.5	501.8	402.1	309.1	116.4
Note 2. Accumulated depreciation and amortization.....	347.3	362.7	378.3	405.6	432.8	476.7	523.0	568.1

A LIST OF LOCKHEED'S UNENCUMBERED ASSETS AND ENCUMBERED ASSETS AND THE MARKET VALUE OF THESE ASSETS

SCHEDULE A.—SUMMARY COMPANY OWNED FIXED ASSETS

[Dollars in thousands]

Description	Land			Land improvements			Building and building fixtures			Machinery and equipment			Totals	
	Cost	Book value	Current value	Cost	Book value	Current value	Cost	Book value	Insurable value	Cost	Book value	Insurable value	Cost	Book value
Assets pledged on Sept. 10, 1970.....	\$11,691	\$11,514	\$11,854	\$1,800	\$460	\$2,450	\$9,461	\$3,698	\$15,400	\$7,106	\$1,857	\$7,315	\$30,058	\$17,529
Assets pledged on Apr. 26, 1971.....	7,983	7,814	38,167	7,368	3,857	8,435	91,217	49,330	128,035	72,495	31,414	99,056	179,063	92,415
Assets to be pledged to U.S. Government—C-5A settlement.....	1,072	1,072	2,028	679	448	985	20,425	16,698	21,088	46,602	20,322	50,879	68,778	38,540
Leasehold improvements and additions to Government property.....				7,360	2,829	7,800	51,388	19,882	59,249	1,446	224	1,604	60,194	22,935
Balance of assets.....	3,851	3,700	38,656	7,973	3,898	10,060	67,590	41,938	243,476	111,422	252,479	322,890	160,958	
Total.....	24,597	24,100	190,705	25,180	11,492	21,930	240,081	131,546	324,863	371,125	165,239	411,333	660,983	332,377

Note: Cost and book value as of Mar. 28, 1971: Insurable value for building and building fixtures and machinery and equipment are supplied by the American Appraisal Co. Insurance reports dated Sept. 30, 1970, in accordance with corporate contract.

SCHEDULE B.—LOCKHEED AIRCRAFT CORP. FIXED ASSETS PLEDGED TO BANKS ON SEPT. 10, 1970

[Dollars in thousands]

Description	Land			Land improvements			Building and building fixtures			Machinery and equipment			Totals	
	Cost	Book value	Current value	Cost	Book value	Current value	Cost	Book value	Insurable value	Cost	Book value	Insurable value	Cost	Book value
1. Lockheed Properties, Inc.:														
Unused land:														
Houston, 50 acres.....	\$825	\$825	\$2,500										\$825	\$825
Houston, 500 acres.....	2,249	2,249	5,000										2,249	2,249
Princeton, 210 acres.....	749	749	3,150										749	749
Palmdale, 876 acres.....	2,356	2,356	17,520										2,356	2,356
Potrero, 9,108 acres.....	1,902	1,902	9,108	\$443	\$110	\$650	\$1,045	\$283	\$1,018				3,390	2,295
Santa Cruz, 2,960 acres.....	296	296	296										296	296
Totals.....	8,377	8,377	37,574	443	110	650	1,045	283	1,018				9,865	8,770
2. Lockheed Air Terminal, Inc.:														
Totals pledged.....	3,314	3,137	74,280	1,357	350	1,800	8,416	3,415	14,382	\$7,106	\$1,857	\$7,315	20,193	8,759
Totals pledged.....	11,691	11,514	111,854	1,800	460	2,450	9,461	3,698	15,400	7,106	1,857	7,315	30,058	17,529

Note: Cost and book value as of Mar. 28, 1971.

SCHEDULE C—LOCKHEED AIRCRAFT CORPORATION: FIXED ASSETS PLEDGED TO BANKS ON APR. 26, 1971

[Dollars in thousands]

Table with columns: Description, Land (Cost, Book value, Current value), Land improvements (Cost, Book value, Current value), Building and building fixtures (Cost, Book value, Insurable value), Machinery and equipment (Cost, Book value, Insurable value), Totals (Cost, Book value). Rows include Lockheed Properties, Inc. (Unused Land, California Co. Facilities), Lockheed Shipbuilding and Construction Co., Lockheed Electronics Co., Inc., and Fixed Assets to be Pledged to U.S. Government for C-5A Settlement.

1 Leased.

Note: Cost and book value as of Mar. 28, 1971.

SCHEDULE D.—LOCKHEED AIRCRAFT CORP.: LEASEHOLD IMPROVEMENTS AND ADDITIONS TO GOVERNMENT PROPERTY

[Dollars in thousands]

Table with columns: Description, Land (Cost, Book value, Current value), Land improvements (Cost, Book value, Current value), Building and building fixtures (Cost, Book value, Insurable value), Machinery and equipment (Cost, Book value, Insurable value), Totals (Cost, Book value). Rows include Lockheed Missiles & Space Co., Lockheed Propulsion Co., Lockheed-California Co., Lockheed-Georgia Co., Lockheed Aircraft Service Co., Lockheed Aircraft International Inc., Lockheed Petroleum Services Ltd., and Lockheed Aircraft Corp.

Note: Cost and book value as of Mar. 28, 1971.

SCHEDULE E.—LOCKHEED AIRCRAFT CORP.: BALANCE OF FIXED ASSETS

[Dollars in thousands]

Table with columns: Description, Land (Cost, Book value, Current value), Land improvements (Cost, Book value, Current value), Building and building fixtures (Cost, Book value, Insurable value), Machinery and equipment (Cost, Book value, Insurable value), Totals (Cost, Book value). Rows list assets for Lockheed Missiles & Space Co., Lockheed Propulsion Co., Lockheed-California Co., Lockheed-Georgia Co., Lockheed Aircraft Service Co., Lockheed Aircraft International, Inc., Lockheed Petroleum Services, Inc., and Lockheed Aircraft Corp.

1 Leased.

Note: Cost and book value as of Mar. 28, 1971.

CONFIDENTIAL: SUMMARY OF TERMS OF PROPOSED BANK LOAN TO LOCKHEED AIRCRAFT CORPORATION

The following outlines, in summary form, the basic terms of a \$650,000,000 bank loan proposed to be made to Lockheed Aircraft Corporation by the Banks listed in Schedule A, subject to the passage by Congress of the "Emergency Loan Guarantee Act of 1971" or similar legislation.

It is proposed that up to \$250,000,000 of such bank loan will be guaranteed by the United States Government (acting through the Secretary of the Treasury, the "Secretary"). All payments made to or applied by the Banks on the bank loan (other than payments of interest made prior to a default) will be used first to satisfy the portion of the bank loan guaranteed by the Government and no payments will be used or applied to satisfy any portion of the \$400,000,000 of the bank loan until the guarantee has been satisfied and discharged in full.

I. AMOUNT OF LOAN

Up to \$650,000,000.

\$400,000,000 will be advanced under the loan agreement upon its execution and will be used to refund and extend the maturity of \$400,000,000 of outstanding loans by the same banks which by their terms become due in 1971.

Not exceeding an additional \$250,000,000 will be advanced to Lockheed from time to time as required for the L-1011 transport program under a "takedown" formula to be set forth in the bank loan agreement. No "takedown" will be permitted without the prior consent of the Secretary. All, or such portion of this \$250,000,000 as may be "taken down", will be covered by the Government guarantee.

II. LOAN TERM

Four years from the date of the loan agreement; extendable at the request of the Government for periods, but in no event beyond such period as may be permitted by such enabling legislation as Congress may pass.

III. INTEREST AND GUARANTEE FEES

The interest rate and the commitment fee are to be agreed upon by the Banks and Lockheed, subject to approval of the Secretary. The guarantee fee shall be prescribed by the Secretary.

IV. COLLATERAL

The \$650,000,000 bank loan is to be secured by a single collateral pool to be approved by the Secretary. The pool will include, among other property, all the collateral presently securing the outstanding bank loan which will be refunded and extended.

The collateral pool will also equally and rateably secure Lockheed's 4.50% Debentures due May 1, 1976 (\$10,072,000.00 presently outstanding). This is required by the terms of the Indenture under which the Debentures were issued.

This pool will be collateral for the payment and satisfaction first of the portion of the bank loan guaranteed by the Government. The bank loan agreement will contain appropriate undertakings by the Banks to insure the Government that the amount of the Government guarantee will be reduced by an amount equal to the value of such portion, if any, of the collateral as might be applied to satisfy the line of the Debentures. After satisfaction of the Government guarantee the collateral will be available for the payment of the unguaranteed portion of the loan and the Debentures.

V. GUARANTEE

The Government will guarantee payment of the principal of and interest on such portion of the \$250,000,000 referred to above as may be "taken down" under the bank loan agreement.

The guarantee or the bank loan agreement

will provide, among other things, that, without the consent of the Secretary, until the guarantee has been satisfied and discharged:

(1) No modification of the bank loan agreement (or related papers) may be made.

(2) No collateral may be released.

(3) No additional borrowings may be made by Lockheed unless subordinated (to the satisfaction of the Secretary) to the bank loans. This is not to prevent Lockheed from receiving advance or progress payments under existing or future Government contracts or from other customers.

(4) Lockheed may not change the nature of its present business or enter into any new major projects; provided that this will not prevent Lockheed, without such consent, entering into any contract or project for the Department of Defense or other Governmental Department or Agency.

(5) Lockheed may not merge or consolidate with any other entity or, except in the ordinary course of its business, encumber, sell or dispose of any of its assets.

(6) Lockheed may not pay any dividends on its capital stock.

The guarantee will also provide that Lockheed shall afford the Government the right and opportunity to inspect and copy all accounts, books, records, memoranda correspondence, and other documents of Lockheed which may bear upon (i) the ability of Lockheed to repay the bank loan within the time fixed therefore, (ii) the interests of the United States in Lockheed's property and (iii) the assurance that there is reasonable protection to the United States.

VI. CONDITIONS PRECEDENT

Neither the bank loan agreement nor the guarantee will be executed until the Secretary is satisfied, among other things, that

(1) An appropriate contract has been entered into between Rolls Royce (1971) Limited and the Government of the United Kingdom covering the funding of the RB.211 propulsion system development and production program and written assurance has been received from the Government of the United Kingdom that adequate funding has been provided reasonably to enable Rolls Royce (1971) Limited to carry out the RB.211 program.

(2) An appropriate purchase agreement between Lockheed and Rolls Royce (1971) Limited for RB.211 propulsion systems is in effect.

(3) Appropriate agreements have been entered into by Lockheed with its present air-

line customers to absorb an appropriate price increase for L-1011 Tri-Star transports, to continue with the L-1011 program and to provide an additional \$100,000,000 of advance payments on L-1011 transports which certain airline customers have agreed to purchase.

Consummation of the bank loan and the guarantee will, of course, be subject to passage by Congress of legislation authorizing the guarantee in terms not inconsistent with the foregoing and to appropriate bank loan, collateral, guarantee, and related agreements (in form and substance satisfactory to all parties) being prepared and executed.

By JOHN B. CONNALLY,
Department of the Treasury.
D. J. HAUGHTON,
Lockheed Aircraft Corp.

Bankers Trust Company, Agent for the Banks listed in Schedule A.

Bank of America National Trust and Savings Association, Agent for the Banks listed in Schedule A.

JUNE 4, 1971.

SCHEDULE A

Bank of America National Trust and Savings Association.

Bankers Trust Company.

The Chase Manhattan Bank (National Association).

First National City Bank.

Manufacturers Hanover Trust Company.

Morgan Guaranty Trust Company of New York.

Security Pacific National Bank.

Continental Illinois National Bank and Trust Company of Chicago.

Mellon National Bank and Trust Company.

Chemical Bank.

United California Bank.

Crocker-Citizens National Bank.

The First National Bank of Boston.

The First National Bank of Chicago.

Irving Trust Company.

Wells Fargo Bank National Association.

Girard Trust Bank.

Philadelphia National Bank.

The Bank of California National Association.

The Citizens and Southern National Bank.

The First National Bank of Atlanta.

Trust Company of Georgia.

The Fulton National Bank of Atlanta.

The Pacific National Bank of Washington.

LOCKHEED AIRCRAFT CORP., SUMMARY FINANCIAL FORECAST MAY 1971

[Dollars in millions]

	Sales	Earnings	Borrowings	End of period	
				Cash and securities	Stockholders' equity
1971:					
January-June.....	\$1,925.3	\$10.9	\$400.0	\$124.0	\$245.7
July-September.....	509.1	2.5	425.0	51.5	248.2
October-December.....	542.7	1.5	510.0	50.5	249.7
July-December.....	1,051.8	4.0			
Year.....	2,977.1	14.9			
1972:					
January-March.....			525.0	50.9	
April-June.....			500.0	48.5	257.4
January-June.....	1,402.7	7.7			
July-September.....			540.0	48.0	
October-December.....			550.0	51.6	266.0
July-December.....	1,180.5	8.6			
Year.....	2,583.2	16.3			
1973:					
January-June.....			530.0	48.7	
July-December.....			495.0	52.8	283.6
Year.....	2,497.3	17.6			
1974: Year.....	2,871.2	27.1	370.0	49.1	310.7
1975: Year.....	3,103.8	41.1	120.0	51.6	351.8

LOCKHEED AIRCRAFT CORPORATION MAJOR PREMISES FOR THE YEARS 1971-1975 FINANCIAL FORECAST 5-71

1970 RESULTS

Tentative results from 1970 operations reflect an after-tax loss of \$86.3 million. This varies from previously stated \$80.3 million primarily due to the decision not to reflect a 1970 investment tax credit of \$6.7 million.

(Dollars in millions)

Company	1971	1972	1973	1974	1975	Total
CALAC	\$542	\$919	\$1,198	\$1,534	\$1,723	\$5,916
LMSC	673	681	612	699	721	3,386
GELAC	1,431	662	323	262	223	2,901
LSCC	126	69	59	66	69	389
LEC	108	110	121	131	145	615
LAS	81	98	117	123	130	549
LPC	22	40	32	35	35	164
LAI	80	90	191	145	97	603
LAT	19	19	20	21	23	102
LPS	1	6	20	29	46	102
All other ¹	(106)	(111)	(196)	(174)	(108)	(695)
Total	2,977	2,583	2,497	2,871	3,104	14,032

¹ Includes intercompany eliminations of \$678 million for the 5 years.

MAJOR PREMISES FINANCIAL FORECAST MAY 1971

There follows by company the major program premises underlying the forecasted results.

L-1011 TRISTAR

Program assumptions are based on a single transcontinental model—a 220 aircraft program using the Rolls-Royce RB-211 propulsion system with aircraft certification on April 15, 1972.

The following delivery schedule has been premised:

1972	22
1973	41
1974	51
1975	59
1976	39
1977	8
Total	220

Customer notes receivable

Notes receivable from some L-1011 customers in lieu of final payments were assumed beginning in 1973. Semi-annual repayments over seven years were projected, commencing one year after issuance. Balances at the end of each period are as follows:

Customer Notes balances:

1973:	
June	\$0
December	35
1974:	
June	55
December	75
1975:	
June	87
December	100

Costing Method

For Book Income: Cost of sales based on total program costs, excluding cost of engines and period expenses, to total airframe sales prices.

For Taxable Income:

(a) Precertification costs are written off as incurred up to date of aircraft certification.
 (b) Tool Manufacturing Costs—amortized to cost of sales over deliveries, based on the total number of aircraft sign-ups at the end of each year.
 (c) All other factory and engineering costs—costs of sales charged for each aircraft on the basis of the ratio of total costs (excluding engines) to the total airframe sales prices of aircraft sign-ups at each year-end.

No major technical problems have been experienced on the L-1011 airplane during the flight, static or fatigue testing programs to date. However, should the Company encounter unforeseen technical problems, the effect

All anticipated losses on the C-5A, AH-56A, SRAM and shipbuilding contracts have been provided for in 1970 and prior years.

COMPANY FORECAST PREMISES

Set forth below is a summary of the sales premises by individual company for each of the five years covered by this forecast:

on forecast cash flow and earnings could be significant.

P-3C

1. Deliveries:

1971	23
1972	12
1973	24
1974	12
1975	12

2. Deliveries for 1971 and 1972 are contractually covered, and 1973, 1974, and 1975 deliveries reflect anticipated follow-on contracts.

3. Progress payments billed at 80% of costs.

S-3A

1. Program of 158 planes, consisting of 8 development and 150 anticipated production units out of options for 302 provided in the development contract. The first development unit is delivered in 1971, followed by 6 more in 1972 and 1 in 1973. Production deliveries start in 1973 with 6 units and increase to a rate of 18 per year in 1974.

2. Progress payments billed at 80% of costs.

AH-56A

Phase II: Conversion to cost reimbursement contract in 2nd quarter 1971, with retroactive reimbursement of costs incurred from January 1, 1970. Contract includes the development of Advanced Mechanical Control System and TOW/NVS.

Loss on Phase II Recorded Prior to 1971:

Total estimated cost of completion—\$275.1
 Less: Ceiling—\$95.1

Allowable costs incurred and to be incurred from 1/1/70 to completion transferred to non-fee bearing CRC contract—102.5—197.6.
 Phase II Loss—\$77.5.

CASH FLOW ASSUMPTIONS

	Expenditures	Receipts	Cumulative net cash
Through 1970	\$210.7	\$106.5	(\$104.2)
1971:			
1st quarter	8.8	3.5	(109.5)
2d quarter	11.0	33.1	(87.4)
3d quarter	11.4	22.0	(76.8)
4th quarter	9.5	8.7	(77.6)
Total	40.7	67.3	
1972:			
1st quarter	6.5	6.4	(77.7)
2d quarter	6.5	6.2	(78.0)
3d quarter	4.7	4.8	(77.9)
4th quarter	3.8	3.8	(77.9)
Total	21.5	21.2	
1973:			
1st half	5.1	5.2	(77.8)
2d half	.5	.8	(77.5)
Total	5.6	6.0	
Contract total	278.5	201.0	

Phase III: Settlement assumed to occur 2nd quarter 1971.

Loss on Phase III Recorded Prior to 1971:
 Total estimated cost at completion—\$136.7
 Settlement—90.0
 Loss on Phase III—46.7
 Cash Flow Assumptions:

	Expenditures			Receipts	Cumulative net cash
	Major vendors	In-house	Total		
Through 1970	\$28.1	\$71.2	\$99.3	\$54.2	(\$45.1)
1971:					
1st quarter					(45.1)
2d quarter					(45.1)
3d quarter	28.4		28.4	28.4	(45.1)
4th quarter	9.0		9.0	7.4	(46.7)
Total	37.4		37.4	35.8	
Contract total	65.5	71.2	136.7	90.0	

New production

1. This forecast premises receipt of a new production contract from DoD in 1972, with deliveries beginning in 1973. This program is contingent upon the U.S. Government's decision to purchase the AH-56A aircraft. The forecast assumes a fixed price type contract with progress payments billed at 80% of cost.

2. If the AH-56A aircraft production program does not materialize, the effect on cash is minimal during the forecast period.

Other comments

New business sales included in Calac's total, other than for the five programs discussed above, amount to \$16 million. Intercompany sales total \$348 million including \$230 million to LAI for resale of L-1011's to

foreign customers, which sales are included in the total of 220 aircraft.

Lockheed Missiles and Space Company (LMSC)

Annual sales for the five year forecast period are projected as follows:

	Poseidon	Other missiles systems	Space system	R. & D. and other	Total
1971	\$278	\$91	\$257	\$47	\$673
1972	256	112	257	56	681
1973	127	149	260	75	611
1974	127	218	271	83	699
1975	88	252	287	94	721
Total	876	822	1,332	355	3,385

Poseldon sales include \$482 million under existing contracts and \$394 million for anticipated follow-on procurements. Other missile system sales include \$29 million under existing contracts, \$217 million for anticipated follow-on procurements, and \$576 million anticipated new business, a substantial portion of which may be missiles other than submarine launched missiles.

Space system sale include \$331 million under existing contracts, \$467 million and anticipated follow-on procurements, and \$534 million in anticipated new business.

R & D and other sales include \$21 million under existing contracts, \$13 million for anticipated follow-on procurements, and \$321 million in anticipated new business.

LOCKHEED-GEORGIA COMPANY (GELAC)

C-5A

1. Settlement of 81 aircraft C-5A contract, converting it to a cost reimbursement type in 2nd quarter 1971. 100% cost reimbursement for all allowable costs after absorption of a penalty of \$200 million of allowable costs.

2. Deliveries are at 2 per month, last ship is delivered in February of 1973.

SCHEDULE 4.—LOCKHEED AIRCRAFT CORP.: OTHER INCOME AND OTHER DEDUCTIONS, FINANCIAL FORECAST MAY 1971

[Dollars in millions]

	1971			1972			1973 year	1974 year	1975 year
	January-June	July-September	October-December	Year	January-June	July-December			
Other income:									
Interest earned.....	\$1.4	\$0.8	\$0.8	\$3.0	\$1.0	\$0.7	\$1.7	\$5.3	\$2.0
Other.....	8.9	.7	.9	10.5	3.1	1.5	4.6	2.2	1.9
Total income.....	10.3	1.5	1.7	13.5	4.1	2.2	6.3	7.5	3.9
Other deductions:									
Interest expense.....	18.0	8.7	10.0	36.7	22.9	26.2	29.1	49.4	31.0
Other.....	.9	.2	.2	1.3	.3	.3	.6	.7	.7
Total deductions.....	18.9	8.9	10.2	38.0	23.2	26.5	49.7	50.1	31.7
Net total.....	(8.6)	(7.4)	(8.5)	(24.5)	(19.1)	(24.3)	(43.4)	(42.6)	(27.8)

SCHEDULE 5.—LOCKHEED AIRCRAFT CORP.: BALANCE SHEETS, FINANCIAL FORECAST MAY 1971

[Dollars in millions]

	1971			1972		Dec. 30, 1973	Dec. 29, 1974	Dec. 28, 1975
	June 27	Sept. 26	Dec. 26	June 26	Dec. 31			
Assets:								
Current Assets:								
Cash & Short Term Securities.....		\$124.0	\$51.5	\$50.5	\$48.5	\$51.6	\$52.8	\$49.1
Accounts receivable—Net:								
U.S. Government.....		193.6	150.7	127.0	127.2	119.4	114.4	117.2
Other.....		31.7	31.3	35.8	38.0	34.9	34.9	38.9
Inventories—Net (Note 1).....		725.8	817.7	882.5	883.0	932.8	874.3	782.6
Prepaid expenses.....		25.8	36.7	28.4	32.9	32.3	36.3	33.6
Total current assets.....		1,100.9	1,087.9	1,124.2	1,129.6	1,171.0	1,112.7	1,017.4
Fixed Assets—Net (Note 2).....		328.1	321.2	343.1	327.6	317.8	302.8	293.8
Customers' notes receivable.....							35.0	75.0
Other assets.....		6.3	6.2	3.3	3.4	4.3	6.9	9.0
Total assets.....		1,435.3	1,415.3	1,470.6	1,460.6	1,493.1	1,457.4	1,395.2
Liabilities and stockholders' equity:								
Current Liabilities:								
Accounts payable.....		241.8	221.8	195.4	191.0	173.9	167.7	190.1
Federal income tax.....								9.6
Deferred Federal income tax.....		45.6	43.8	45.3	52.1	59.6	75.3	99.8
Retirement plan contribution.....		71.0	50.8	66.7	56.1	66.7	62.9	62.1
Salaries and wages.....		87.0	81.6	80.9	73.2	68.8	66.0	64.7
Other liabilities.....		109.8	109.7	63.1	72.2	52.7	55.1	59.7
Total current liabilities.....		555.2	507.7	451.4	444.6	421.7	427.0	476.4
Borrowings.....		400.0	425.0	510.0	500.0	550.0	495.0	370.0
Notes Payable—Plant B-1.....				27.0	26.1	24.8	23.0	21.2
C-5A liability.....		100.0	100.0	100.0	100.0	100.0	100.0	90.0
Debentures.....		134.4	134.4	132.5	132.5	130.6	128.8	126.9
Stockholders' equity.....		245.7	248.2	249.7	257.4	266.0	283.6	310.7
Total liabilities and stockholders' equity.....		1,435.3	1,415.3	1,470.6	1,460.6	1,493.1	1,457.4	1,395.2
Stockholders' equity comprised of:								
Capital stock.....		11.4	11.4	11.4	11.4	11.4	11.4	11.4
Additional capital.....		79.0	79.0	79.0	79.0	79.0	79.0	79.0
Retained earnings.....		155.3	157.8	159.3	167.0	175.6	193.2	220.3
Note 1:								
Progress payments.....		217.5	228.8	219.3	174.1	179.7	249.4	243.8
Commercial deposits.....		289.9	350.6	402.8	457.5	501.8	402.1	309.1
Note 2:								
Accumulated depreciation and amortization.....		347.3	362.7	378.3	405.6	432.8	476.6	523.0

LOCKHEED AIRCRAFT CORP., CASH RECEIPTS, DISBURSEMENTS AND BALANCES; FINANCIAL FORECAST, MAY 1971

[Dollars in million]

	1971				1972				
	January-June	July-September	October-December	Year	January-March	April-June	July-September	October-December	Year
Receipts:									
U.S. Government.....	\$1,064.2	\$508.1	\$472.9	\$2,045.2	\$476.3	\$499.4	\$413.5	\$389.6	\$1,778.8
Foreign Governments.....	118.4	25.6	18.5	162.5	67.7	32.8	28.1	22.5	151.1
Commercial:									
L-1011.....	16.3	29.4	33.5	79.2	47.8	157.4	70.2	137.2	412.6
Other.....	64.5	32.7	42.1	139.3	47.2	41.6	42.7	54.0	185.5
Total Commercial.....	80.8	62.1	75.6	218.5	95.0	199.0	112.9	191.2	598.1
Borrowings.....	50.0	25.0	85.0	160.0	15.0		40.0	10.0	65.0
Other.....	13.4	1.4	1.5	16.3	1.1	1.1	1.2	3.6	7.0
Total.....	1,326.8	622.2	653.5	2,602.5	655.1	732.3	595.7	616.9	2,600.0
Disbursements:									
Accounts payable:									
Material, services, etc.....	675.6	372.9	361.4	1,409.9	347.5	402.4	295.1	316.3	1,361.3
Company owned fixed assets.....	17.4	7.3	6.8	31.5	6.5	7.0	9.3	8.8	31.6
Payrolls (gross).....	477.6	241.6	240.2	959.4	240.4	239.3	234.1	242.6	956.4
Federal income tax.....									
Savings plans (employer).....	10.5	5.0	4.8	20.3	5.0	4.8	4.7	4.8	19.3
Employees' retirement fund.....	30.3	37.1	5.5	67.9	22.4	22.9	21.8	1.6	68.7
Interest.....	16.9	10.0	8.6	35.5	12.6	10.1	12.6	14.2	49.5
Other liabilities, etc.....	54.0	20.8	32.2	107.0	20.3	23.2	18.6	25.0	87.1
Borrowings.....						25.0			25.0
Total.....	1,282.3	695.7	654.5	2,631.5	654.7	734.7	596.2	613.3	2,598.9
Net increase (decrease).....	44.5	(72.5)	(1.0)	(29.0)	.4	(2.4)	(.5)	3.6	1.1
Balance, beginning of period.....	79.5	124.0	51.5	79.5	50.5	50.9	48.5	48.0	50.5
Balance end of period.....	124.0	51.5	50.5	50.5	50.9	48.5	48.0	51.6	51.6

LOCKHEED AIRCRAFT CORP., CASH RECEIPTS, DISBURSEMENTS AND BALANCES; FINANCIAL FORECAST MAY 1971

[Dollars in millions]

	1973			1974 Year	1975 Year
	January-June	July-December	Year		
Receipts:					
U.S. Government.....	\$712.9	\$683.8	\$1,406.7	\$1,502.3	\$1,532.1
Foreign Governments.....	72.7	39.5	112.2	132.6	99.7
Commercial:					
L-1011.....	277.1	321.5	598.6	728.4	858.3
Other.....	158.8	96.9	255.7	250.7	260.1
Total commercial.....	435.9	418.4	854.3	979.1	1,118.4
Borrowings, other.....	2.1	2.9	5.0	8.4	5.1
Total.....	1,233.6	1,144.6	2,378.2	2,622.4	2,755.3
Disbursements:					
Accounts payable:					
Material, services, etc.....	621.7	540.3	1,162.0	1,326.7	1,238.9
Company owned fixed assets.....	18.2	20.1	38.3	39.3	39.1
Payrolls (gross).....	457.0	450.1	907.1	921.7	983.0
Federal income tax.....					37.7
Savings plans (employer).....	9.2	8.8	18.0	18.0	18.9
Employees' retirement fund.....	46.4	23.9	70.3	66.6	65.6
Interest.....	25.8	24.2	50.0	44.2	32.4
Other liabilities, etc.....	38.2	38.1	76.3	84.6	87.2
Borrowings.....	20.0	35.0	55.0	125.0	250.0
Total.....	1,236.5	1,140.5	2,377.0	2,626.1	2,752.8
Net increase (decrease).....	(2.9)	4.1	1.2	(3.7)	2.5
Balance beginning of period.....	51.6	48.7	51.6	52.8	49.1
Balance end of period.....	48.7	52.8	52.8	49.1	51.6

3. Cost base and loss assumptions:

Cost:	
81 A/C.....	\$3,248.0
AFSC Add On.....	135.0
Provisioned Items.....	312.6
Allowable Cost.....	3,695.6
Disallowances.....	46.8
Total.....	3,724.4

Losses of \$246.8 were recorded prior to 1971.

4. Cash Flow Assumptions:

(a) Adjustments in Cash Receipts have been made on conversion to CRC to reflect the investment in allowable costs at \$100 million. Thereafter, allowable costs will be reimbursed as billed until completion of contract.

(b) The additional \$100 million of the total penalty has been carried as a long term liability to the U.S. Government to be paid in quarterly increments, with the first in-

stallment due January 1, 1974. Payments have been forecast on the minimum basis of \$10 per year in 1974 and 1975.

C-130

1. Program Deliveries:

Customer	1971	1972	1973	1974	1975
U.S. Government.....	24	10	16	12	12
Foreign governments.....	11	33	23	20	20
Commercial.....	2	3	3	2	2
Total.....	37	36	36	36	34

2. Contractual coverage has been obtained for 74 of the airplanes, and follow-on orders are anticipated for 13 more. Anticipated new business includes 16 U.S. Government airplanes, 48 for foreign countries and 6 commercial.

3. Progress payments on U.S. Government fixed price contracts billed at 80% of cost.

4. Commercial customer advances (forecast sign-ups)—20% down upon sign-up, generally nine months before delivery, balance on delivery.

JetStar

- Deliveries—10 in 1971 and 13 in 1972.
- Two aircraft have been sold and one has been leased in the first quarter of 1971. Twenty represent anticipated new business.
- No customer advances are anticipated.

Other Comments

New business sales other than C-5A, and C-130, and JetStar programs included in Ge-lac's total sales amount to \$5 million in 1971, \$20 million in 1972, \$43 million in 1973, \$44 million in 1974, and \$101 million in 1975. Inter-company sales aggregate \$171 million over the five years.

LOCKHEED SHIPBUILDING AND CONSTRUCTION COMPANY (LSCC)

LDP and DE Ship claims

Claims were settled for \$62 million in January 1971. The resulting loss was recorded prior to 1971.

Estimate total cost at completion....	\$378.5
Less Prices:	
Basic Contract Prices.....	\$246.7
Settlement	62.0
Total	308.7
Total Contract Loss.....	\$69.8

Claim collections on LPD's and DE contracts reflected in forecast are as follows:

Through 1970..... \$25.5

1971:	
1st Quarter.....	21.3
2nd Quarter.....	13.2
3rd Quarter.....	.5
4th Quarter.....	.5
Total	35.5

1972 and 1973..... 1.0

Contract total..... \$62.0

Other comments

LSCC sales include \$129 million under the LPD and DE 1052 destroyer contracts, \$41 million under anticipated new ship construction, and \$141 million under anticipated new contracts for construction of dams, tunnels, etc.

LOCKHEED ELECTRONICS COMPANY (LEC)

LEC sales include \$64 million under firm contracts, \$154 million under anticipated follow-on orders, and \$373 million in new business of which \$263 million is commercial and \$110 million is military. Intercompany sales are \$24 million. The nature of LEC's business is short term and the backlog has been low historically in relation to the volume of business.

LOCKHEED AIRCRAFT SERVICE (LAS)

LAS sales include \$40 million under firm contracts, \$170 million under anticipated follow-on orders, and \$255 million in new business. Intercompany sales are \$84 million. The nature of LAS's business is also short term and the backlog has been low historically in relation to the volume of business.

LOCKHEED PROPULSION COMPANY (LPC)

SRAM

Development Contract

Claim on this contract was settled for \$20 million in September 1970.

Estimated cost at completion.....	\$66.2
Contract value:	
Basic contract	\$22.5
Claim settlement	20.0
Total	42.5

Contract loss..... \$23.7

Production Program

The first production sale, a milestone type, was recorded in March 1971. Production sales are \$11 million in 1971, \$22 million in 1972, and \$25 million per year thereafter.

LPC sales include \$108 million under the SRAM production contract.

LOCKHEED AIRCRAFT INTERNATIONAL, INC. (LAI)

LAI sales include firm and anticipated follow-on business for delivery of 12 L-1011 aircraft and spares of \$230 million, 6 C-130 aircraft of \$38 million, Saudi Arabian support program of \$98 million, aircraft parts and materials through Aviquip of \$125 million and new business of \$46 million.

LOCKHEED AIR TERMINAL (LAT)

LAT sales include projected revenues from fueling services, increasing from \$13 million in 1971 to \$16 million in 1975, and from rent, flight fees, and parking revenues increasing from \$2.2 million in 1971 to \$3.4 million in 1975.

OTHER

Lockheed Petroleum Service (LPS) is in the development stage. Current plans call for a demonstration of the company's system for servicing offshore oil wells on a live well in 1971. It has been assumed that the test will be successful and that oil companies will require a substantial amount of wellhead cellars and services. The projected sales of \$102 million and earnings of \$5.9 million are contingent on the outcome of these developments. If these sales and earnings do not materialize, the effect on cash flow will be minimal.

FIXED-ASSET APPROPRIATIONS

	1971	1972	1973	1974	1975
LMSC.....	\$5.0	\$10.0	\$10.0	\$15.0	\$15.0
CALAC.....	9.0	8.7	7.9	7.3	6.0
GELAC.....	2.1	1.0	1.0	1.0	1.0
LEC.....	1.8	2.0	2.0	2.0	2.0
LAS.....	.5	.5	.5	.5	.5
LPC.....	.8	1.0	1.0	1.0	1.0
LSCC.....	.7	.5	.5	.5	.5
LAT.....	1.0	2.0	1.6	1.5	1.4
Other.....	2.3	2.1	3.2	4.5	6.5
Contingency.....			7.0	6.0	2.0
Total.....	23.2	27.8	34.7	39.3	35.9

OTHER FINANCIAL DATA

BORROWING REQUIREMENTS AND INTEREST RATE

Borrowings as required and interest thereon @ 7½%.

Cash balances held at about \$50 million.

DEBENTURES

Due May 1976 at 4½% interest rate. Annual sinking fund provisions of \$1,875,000 have been met. Balance as of 12-27-70, \$11.2 million.

Due March 1992. Convertible Subordinated Debentures at 4¼% interest rate. Sinking fund requirements do not start until March 1, 1978. No conversions are assumed in this forecast. Balance as of 12-27-70, \$125 million.

FEDERAL INCOME TAXES

Federal Income Taxes computed at 48% for all years of the forecast. Commercial airplane development costs prior to type certificate and military G&A have been assumed written off for tax purposes in the year incurred.

DIVIDENDS

No cash dividends have been projected.

LOCKHEED AIRCRAFT CORP.,
Burbank, Calif., June 30, 1971.

HON. WRIGHT PATMAN,
Chairman, Committee on Banking and
Currency, U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request of June 25, 1971 to Lockheed's chairman, Daniel J. Haughton, we are attaching the following materials.

1. A copy of the agreement between Lockheed and Rolls-Royce (1971) Ltd., as amended to date.

It should be noted that a separate agreement between Lockheed and Rolls-Royce requires that an amended agreement with Air Holdings Limited be entered into, and such amendment is now in the process of negotiation. Lockheed considers all of this agreement to be sensitive in nature and it is hoped that the terms and conditions may be held for Committee use only. Several sections, primarily dealing with prices, are considered to be extremely sensitive for competitive reasons, and they have been expurgated. We do not believe these deleted areas would be material to your consideration of the Lockheed case and, since Lockheed already has been required to provide a substantial amount of information of value to our competitor, we feel that we should be allowed to avoid disclosure of these pricing terms.

2. A copy of a consolidating Lockheed fi-

ancial statement for the year ended December 27, 1970.

Lockheed's financial and legal officials consider this information also to be sensitive in nature since the information contained in it has competitive value and has never been provided to anyone outside the company except to Lockheed's banks. It is not information we would disclose publicly, and disclosure to selected persons or Committees other than in confidence could raise serious questions relating to the disclosure requirements of the securities laws. We, therefore, ask that the material contained in this consolidating statement be confined to Committee use only.

In addition to the materials described in Points 1 and 2 above, we also are attaching a financial forecast of sales and operating profit for the five (5) years beginning with 1971, broken down by operating divisions and subsidiaries. This also includes a net cash flow statement with the same breakdowns. Although this material was not requested by your Committee, it was provided the Senate Committee upon their request, and we felt it also might be helpful to you in your consideration of the loan guarantee question. As noted with respect to Point 2 above, the information contained in these projections is likewise sensitive with respect to disclosure requirements of the securities laws, and we ask with this material also that it be confined to Committee use only.

We hope all of these materials will be helpful in the furtherance of your consideration of the loan guarantee legislation soon to be heard by your Committee.

Sincerely yours,

VERNON A. JOHNSON,
Vice President-Eastern Region.

ARTICLE 40. EFFECTIVE DATE, MAY 10, 1971

A. The obligations of Rolls-Royce and Lockheed under the preceding provisions of this Basic Agreement shall take effect only if and when:

(1) The United States Government gives notice to the United Kingdom Government that

(a) the United States Government, having obtained the authority of Congress, is prepared to give guarantees for the benefit of LOCKHEED in an amount of up to dollars 250 million, which amount, together with the funds available to LOCKHEED from private sources without Government guarantee, the United States Government considers sufficient to enable LOCKHEED to carry out the L-1011 project; and

(b) before seeking the authority of Congress referred to above, the United States Government satisfied itself, having regard to the orders for L-1011 aircraft placed with Lockheed and the orders for L-1011 aircraft that might reasonably be expected to be placed with Lockheed, that Lockheed will be able to carry out the L-1011 project.

(2) Mutual signature and delivery takes place of amendments to the respective existing Airplane Sales Contracts for Model L-1011 airplanes between LOCKHEED and Eastern, TWA, Delta, Air Canada, Air Jamaica, PSA and Haas/Turner which affirm their intention to continue their participation in the L-1011 program.

(3) Assignments to Rolls-Royce of the existing spare engine contracts with Eastern, TWA, Delta, Air Canada and Air Jamaica, including the granting of general releases in respect thereof in favour of Rolls-Royce Limited and the Receiver of Rolls-Royce Limited, are mutually signed and delivered and amendments to those contracts reflecting changes in specification, delivery, price and parts costs guarantees are also mutually signed and delivered.

(4) A contract between Rolls-Royce and the United Kingdom Government covering the total funding of RB. 211 development and production programme is mutually

signed and delivered or Rolls-Royce receives from the United Kingdom Government assurances satisfactory to Rolls-Royce relating to such total funding.

(5) Lockheed is notified in writing by the United Kingdom Government that the United Kingdom Government has satisfied itself that the contract or the assurances referred to in subparagraph (4) of this Paragraph A will provide total funding which might be reasonably expected to enable Rolls-Royce to carry out the RB.211 development and production program.

B. If the conditions specified in Paragraph A above shall not all have been satisfied before 8 August 1971 the obligations of Rolls-Royce and Lockheed under this Basic Agreement shall not take effect at all and the Basic Agreement shall on that date cease to be binding in any respect.

C. Lockheed shall promptly notify Rolls-Royce in writing if and when the conditions described in sub-paragraph (2) and (5) of Paragraph A above have been satisfied; and Rolls-Royce shall promptly notify Lockheed in writing if and when the conditions described in subparagraphs (3) and (4) of Paragraph A above has been satisfied.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., June 26, 1971.

Hon. WRIGHT PATMAN,
Chairman, House Banking and Currency
Committee, House of Representatives.

DEAR MR. CHAIRMAN: You have requested for consideration by your Committee a cost analysis which the Systems Analysis Office of the Department of Defense conducted on Lockheed's L-1011 airbus program. I am enclosing a copy of that brief assessment.

I caution on the use of this data as it is now over a year old and many circumstances have changed the scope of the program since that time. Furthermore, the parametric estimating method used gives only an approximation and I would not use it to make a business judgment. I also remind you that cash generation adequate to repay a guaranteed loan would come much earlier than profit on the program.

You will note that the second page of the cover brief for this report makes reference to the preparation of a final report. No such report has been prepared. The material enclosed represents all of the reports prepared by Systems Analysis on this subject. I hope that this data will clarify the question regarding the Systems Analysis study.

Sincerely,

DAVID PACKARD.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 14, 1970.
Memorandum for Mr. Hugh McCullough,
OSAD (I&L).

Subject: Lockheed's L-1011 aircraft.

Aside from preparation of a final report, we have now completed our estimate of the cost of LOCKHEED's L-1011 aircraft. In accordance with your request 11 May 1970, a summary of the results is in Enclosure 1.

So that you may track our current estimate with previous information provided to you verbally, we have laid out some change details in Enclosure 2. As may be seen from Enclosure 2, we have reduced the original estimated difference between our end of April estimate and anticipated LOCKHEED receipts as a result of detailed discussions with, and data collected from, LOCKHEED's L-1011 Program Managers. In this respect, for example, we have included as receipts some \$88 million in customer airline changes since our own estimating techniques implicitly account for normal changes throughout the entire production period.

We would conclude at this point, based on the various parametric tools we have employed, that LOCKHEED's cost projection for the L-1011 is optimistic. Current financial goals can only be achieved if the program is to proceed with unparalleled smoothness.

Subsequent to our last trip to LOCKHEED's Burbank and Palmdale installations, you asked us to make an attempt to estimate the extent to which any projected loss might be borne by subcontractors rather than the prime. As you know, this is difficult to do very precisely since our cost models address airframe as a whole rather than individual structures. Even so, we have attempted to ascribe some share of projected overruns to subcontractors on the basis of the gross assumption that a major component (such as a wing) requires roughly the same effort and material per unit of measure as the aircraft taken as a whole. Because we have far less confidence in the results of such efforts than in the estimate per se, we have displayed this sub-contractor risk information separately as Enclosure 3.

It is our intention to complete the preparation of a final report of our estimating effort, but we do not intend to distribute it to anyone unless you request we do so. We will maintain a file copy in our own office in the event that later questions occur.

MILTON A. MARGOLIS,
Director, Cost Analysis.

THE L-1011—351 SHIP SETS: A COMPARISON BETWEEN THE SA ESTIMATE AND LOCKHEED RECEIPTS, EXCLUSIVE OF ENGINE COSTS

[All values expressed in inflated Lockheed dollars (millions)]

	SA estimate	LAC receipts	Net difference	LAC cost estimate (excludes profit)	Net difference	Percent difference between basic cost estimates ¹
1. Basic SA estimate (see enclosure 1).....	4,600					
2. Lockheed January assessment.....		5,386		5,386		
3. Profit.....		175				
4. Less Rolls Royce Engine S/C.....		-924		-924		
5. Through-puts—items in commercial program not in normal military aircraft cost model:						
(a) Insurance.....	247					
(b) Product support.....	41					
(c) Avionics & BFE.....	157					
Subtotal—Comparison as of Apr. 24, 1970.....	5,045	4,637	-408	4,462	-583	13.1
6. Changes resulting from Apr. 24—May 1 visit to Lockheed and subsequent data collection:						
(a) Approved customer changes (Added on basis of Lockheed contention that these equate to some normal ECO's in military aircraft).....		+88		+88		
(b) Transfer of BFE from thruput to materials.....		-90				
(c) Portion of Rolls Royce contract considered applicable to nacelles ²		+103		+103		
(d) Considering some product support as part of SA model. Transferred from thruput.....		-5				
(e) Removal of that portion of Lockheed's "Flying Operations" category pertaining to training. Transferred to thruput.....		+9				
Total—final comparison.....	4,959	4,828	-131	4,653	-306	6.6

¹ Difference between SA estimate and equivalent LAC expected costs (no profit) expressed as a percent of LAC expected costs.

² The exact value of that portion of the Rolls Royce contract associated with nacelles cannot be isolated. Even so, it is quite clear that SA was in error not to have considered some nacelle value in its April 24 estimate. The figure of 103 million derives from the gross assumption that a major component is not dissimilar from the whole. See enclosure 3.

THE L-1011—EFFECT OF SUBCONTRACTOR RISKS

[All values in millions of inflated Lockheed dollars]

	252 ship sets	351 ship sets	450 ship sets
1. SA Estimate (Adjusted in the manner of enclosure 2).....	3,995	4,959	5,867
2. LAC Receipts (including "profit").....	3,460	4,828	6,178
3. Gross loss (-), profit (+).....	-535	-131	+311
4. Possible subcontractor risks ¹ :			
(a) AVCO.....	+154	+65	-85
(b) Health-Techna and Murdock.....	+22	+12	-16

THE L-1011 BASIC SA ESTIMATE (AIRFRAME ONLY—EXCLUDES ENGINES¹ AND AVIONICS)

[All data in millions of dollars inflated according to Lockheed projections]

	252 ship sets	351 ship sets	450 ship sets
I. Production labor.....	1,720	2,097	2,433
II. Materials.....	1,054	1,433	1,804
III. Nonrecurring—engineering and tooling.....	576	576	576
IV. Recurring—engineering and tooling.....	388	494	593
Total basic estimate ²	3,738	4,600	5,406

¹ The engine costs are specifically excluded from this summary in recognition of the Lockheed contention that the Rolls Royce contract is firm and fixed and that the British Government is subsidizing engine development costs. Even so, it should be pointed out that, based on the experience of U.S. manufacturers of large jet engines, Rolls Royce might experience an overrun of about \$500 million—on a \$924 million contract for 351 ship sets.

² Not directly comparable to Lockheed L-1011 assessments—see enclosure 2.

	252 ship sets	351 ship sets	450 ship sets
5. Net Loss (-) to Lockheed Profit (+).....	-359	-54	+210

¹ Total subcontractor loss was calculated on a 50/50 "share the risk" basis as described in subcontracts. Beyond 350 ship sets, renegotiation is assumed and subs will attempt to recoup losses plus profit. GELAC loss represents loss to Lockheed, so GELAC is not considered a subcontractor in that sense. All other subcontracts treated as purchased equipment or purchased parts.

LOCKHEED AIRCRAFT CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET: ASSETS, DEC. 27, 1970

[In millions]

	Consolidated	Add (deduct) consolidating eliminations	Missiles & Space Co.	California Co.	Georgia Co.	Aircraft Service Co.	Electronics Co.	Propulsion Co.	Lockheed Ship-building & Construction Co.	Lockheed Air Terminal, Inc.	Lockheed Aircraft International Group	Lockheed Properties, Inc.	Small companies	Corporate
Current assets:														
Cash.....	\$40.2		\$2.0	\$(6.5)	\$(2.0)	\$0.2	\$0.6		\$1.4	\$1.6	\$7.8		\$0.1	\$35.0
Short term securities.....	39.3						.1		4.7	.3			.3	33.9
Accounts receivable:														
U.S. Government.....	137.5		60.3	17.9	19.9	3.1	8.7	\$.3	27.3					
Other.....	41.6		2.7	2.0	3.3	3.0	5.0	2.0	4.2	2.4	5.0		.5	11.5
Intercompany.....		\$(59.2)	.7	6.5	4.3	4.5	1.2	.2	.1	.2	.4		.5	40.6
Inventories.....	693.9	(8.1)	9.2	580.8	103.1	5.7	11.4	4.3	4.3	.3	4.8		.1	(22.0)
Prepaid expenses.....	19.4		4.1	11.2	1.2	.4	.4	.6	.1	.5	.9			
Total current assets.....	971.9	(67.3)	79.0	611.9	129.8	16.9	27.4	7.4	42.1	5.3	18.9		1.5	99.0
Investments:														
Operating companies.....		(602.8)												602.8
Other.....	4.2										1.5			2.7
Property, plant and equipment:														
Cost.....	662.9	1.7	152.2	271.3	126.7	10.6	23.4	22.2	28.0	19.8	2.1	\$9.9	.4	(5.4)
Accumulated depreciation.....	(319.5)	(.6)	(70.7)	(128.8)	(61.2)	(6.6)	(11.7)	(10.5)	(16.6)	(11.3)	(1.3)	(1.1)	(.2)	1.1
Deferred charges.....	3.1		.1		.8					.7				1.5
Total.....	1,322.6	(669.0)	160.6	754.4	196.1	20.9	39.1	19.1	53.5	14.5	21.2	8.8	1.7	701.7

LOCKHEED AIRCRAFT CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET—LIABILITIES AND STOCKHOLDERS' EQUITY, DEC. 27, 1970

[In millions]

	Consolidated	Add (deduct) consolidating eliminations	Missiles & Space Co.	California Co.	Georgia Co.	Aircraft Service Co.	Electronics Co.	Propulsion Co.	Lockheed Ship-building & Construction Co.	Lockheed Air Terminal, Inc.	Lockheed Aircraft International Group	Lockheed Properties, Inc.	Small companies	Corporate
Current liabilities:														
Accounts payable.....	\$244.8		\$49.4	\$98.3	\$78.8	\$3.8	\$2.5	\$.8	\$5.3	\$1.0	\$4.8		\$.1	
Accounts payable—intercompany.....		\$(59.0)	1.9	8.2	8.3	1.5	.2	.5	33.5	.1	2.5		1.7	\$.6
Salaries and wages.....	77.0		21.5	28.8	17.0	2.2	2.9	.9	1.0	.4	1.1		.1	1.1
Federal income tax:														
Current.....	1.4													1.4
Deferred.....	31.7	(3.7)	1.4	164.5	7.1	(.2)	(.1)	.5	(7.8)	1.2	1.4			(132.6)
Other taxes.....	19.4		5.6	6.9	3.9	.2	.7	.2	1.2	.6	.1			
Customers' advances in excess of related costs.....	29.2	(.6)	6.7	.8	2.3				17.0		3.0			
Retirement plan contribution.....	66.4		20.2	26.9	13.2	1.8	2.4	1.0	.4	.2	.3			
Other liabilities.....	33.5		4.5	6.6	6.0	.9	2.7	1.5	2.3	.4	.2		.4	8.0
Total current liabilities.....	503.4	(63.3)	111.2	341.0	136.6	10.2	11.3	5.4	52.9	3.9	13.4		2.3	(121.5)
Long term debt.....	584.4													584.4
Stockholders' equity:														
Capital stock.....	11.4													11.4
Additional capital.....	79.0													79.0
Retained earnings.....	144.4	(4.0)												148.4
Operating companies.....		(601.7)	49.4	413.4	59.5	10.7	27.8	13.7	.6	10.6	7.8	\$8.8	(.6)	
Total stockholders' equity.....	234.8	(605.7)	49.4	413.4	59.5	10.7	27.8	13.7	.6	10.6	7.8	8.8	(.6)	238.8
Total.....	1,322.6	(669.0)	160.6	754.4	196.1	20.9	39.1	19.1	53.5	14.5	21.2	8.8	1.7	701.7

LOCKHEED AIRCRAFT CORP. AND SUBSIDIARIES CONSOLIDATING STATEMENT OF EARNINGS—YEAR ENDED DEC. 27, 1970

[In millions]

	Consolidated	Add (deduct) consolidating eliminations	Missiles & Space Co.	California Co.	Georgia Co.	Aircraft Service Co.	Electronics Co.	Propulsion Co.	Lockheed Ship-building & Construction Co.	Lockheed Air Terminal, Inc.	Lockheed Aircraft International Group	Lockheed Properties, Inc.	Small companies	Corporate
Sales.....	\$2,535.6		\$758.8	\$274.9	\$1,148.9	\$62.8	\$95.3	\$33.5	\$94.7	\$16.6	\$49.8		\$0.3	
Intercompany sales.....		\$(140.3)	1.1	57.6	25.2	26.2	17.9	1.5	3.2	2.1	3.7		1.8	
Total sales.....	2,535.6	(140.3)	759.9	332.5	1,174.1	89.0	113.2	35.0	97.9	18.7	53.5		2.1	
Interest and other income.....	12.4		.3	.5	.6	.1	.1		1.3	.2	1.0		1.8	\$6.5
Total.....	2,548.0	(140.3)	760.2	333.0	1,174.7	89.1	113.3	35.0	99.2	18.9	54.5		3.9	6.5
Costs and expenses:														
Interest expense.....	2,675.7	(137.9)	701.6	363.4	1,364.9	83.4	105.9	40.5	153.1	16.7	50.6		3.9	(70.4)
Subtotal.....	2,708.0	(137.9)	703.8	375.2	1,370.2	83.9	106.9	41.6	156.0	16.7	50.9		3.9	(63.2)
Earnings (loss) before Federal tax.....	(160.5)	(2.4)	56.4	(42.2)	(195.5)	5.2	6.4	(6.6)	(56.8)	2.2	2.6			69.7
Reduction of deferred tax.....	(73.7)	(1.1)	27.0	(27.3)	(94.2)	2.5	3.1	(3.2)	(27.2)	1.0	.9		.2	44.6
Earnings (loss) for year.....	(86.3)	(1.3)	29.4	(14.9)	(101.3)	2.7	3.3	(3.4)	(29.6)	1.2	2.7		(.2)	25.1

LOCKHEED AIRCRAFT CORPORATION AND SUBSIDIARIES CONSOLIDATING ELIMINATIONS, YEAR ENDED DEC. 27, 1970

[In millions]

	No. 1	No. 2	No. 3	No. 4	No. 5	Total
Assets:						
Accounts receivable—intercompany	(\$59.2)					(\$59.2)
Inventories	(.4)			(\$7.7)		(8.1)
Investment in operating companies		(\$602.8)				(602.8)
Property, plant, and equipment:						
Cost		1.7				1.7
Accumulated depreciation		(.6)				(.6)
Total	(59.6)	(601.7)		(7.7)		(669.0)
Liabilities and equity:						
Accounts payable—intercompany	(59.0)					(59.0)
Deferred income tax				(3.7)		(3.7)
Customers' advances in excess of related costs	(.6)					(.6)
Retained earnings				(4.0)		(4.0)
Equities of operating companies		(601.7)				(601.7)
Total	(59.6)	(601.7)		(7.7)		(669.0)
Profit and loss:						
Intercompany sales					(140.3)	(140.3)
Cost of sales and expenses			(5.3)	7.7	(140.3)	(137.9)
Reduction of deferred tax			2.6	(3.7)		(1.1)
Retained earnings			2.7	(4.0)		(1.3)

1 Entries—Add (deduct): (1) Intercompany receivables and payables. (2) Investments in operating companies. (3) Intercompany profit in inventory (beginning of year). (4) Intercompany profit in inventory (end of year). (5) Intercompany sales and cost of sales.

LOCKHEED AIRCRAFT CORPORATION—STATEMENT OF SALES AND OPERATING PROFIT BY COMPANY: FINANCIAL FORECAST MAY 1971

[Dollars in millions]

	California	Georgia	Missiles & Space	Shipbuilding & Construction	Propulsion	Aircraft Service	Electronics	Air Terminal	International Group	Others	Intercompany eliminations	Consolidated
1971:												
Sales	\$541.6	\$1,431.1	\$672.7	\$125.9	\$22.2	\$80.7	\$108.0	\$18.6	\$79.7	\$1.9	(\$105.3)	\$2,977.1
Cost of sales	568.9	1,417.4	627.5	123.2	20.8	76.2	100.8	15.9	73.8	2.6	(103.7)	2,923.4
Operating profit	(27.3)	13.7	45.2	2.7	1.4	4.5	7.2	2.7	5.9	(.7)	(1.6)	53.7
1972:												
Sales	916.6	661.5	681.2	69.3	39.4	98.3	110.0	19.2	89.6	6.1	(108.0)	2,583.2
Cost of sales	928.9	637.5	644.6	66.7	37.1	93.6	102.5	16.0	84.2	7.2	(110.2)	2,508.1
Operating profit	(12.3)	24.0	36.6	2.6	2.3	4.7	7.5	3.2	5.4	(1.1)	2.2	75.1
1973:												
Sales	1,194.1	323.1	611.5	59.5	32.3	117.3	121.0	20.2	190.5	19.5	(191.7)	2,497.3
Cost of sales	1,200.4	299.7	578.5	55.6	29.7	111.9	112.6	16.7	185.4	17.7	(192.1)	2,416.1
Operating profit	(6.3)	23.4	33.0	3.9	2.6	5.4	8.4	3.5	5.1	1.8	.4	81.2
1974:												
Sales	1,529.0	262.3	698.7	65.7	35.0	123.4	131.0	21.4	145.2	28.9	(169.4)	2,871.2
Cost of sales	1,528.6	241.3	660.6	61.5	31.1	117.8	121.7	17.3	141.0	25.8	(171.3)	2,776.4
Operating profit	.4	21.0	38.1	4.2	2.9	5.6	9.3	4.1	4.2	3.1	1.9	94.8
1975:												
Sales	1,717.8	222.9	721.0	68.9	35.0	129.8	145.0	22.9	97.5	46.3	(103.3)	3,103.8
Cost of sales	1,711.0	206.6	681.1	64.4	32.1	124.0	134.4	18.5	90.1	39.4	(150.0)	2,996.6
Operating profit	6.8	16.3	39.9	4.5	2.9	5.8	10.6	4.4	7.4	6.9	1.7	107.2

Note: Cost of sales includes general and administrative expenses.

LOCKHEED AIRCRAFT CORPORATION—NET CASH FLOW STATEMENT: FINANCIAL FORECAST MAY 1971

[Dollars in millions]

Company	1971	1972	1973	1974	1975
California	(\$247.1)	(\$62.5)	\$26.4	\$111.9	\$246.7
Georgia	8.3	.9	13.8	27.8	36.8
Missiles & Space	44.8	42.8	28.0	38.3	37.8
Shipbuilding & Construction	4.0	(.4)	5.4	4.9	1.8
Propulsion	(1.4)	2.7	2.4	2.8	3.1
Electronics	6.3	3.5	4.6	4.8	5.2
Aircraft Service	4.8	4.5	4.5	5.1	5.5
Air Terminal	.1	(.3)	.3	.9	1.1
International group	2.3	2.4	.2	(.1)	1.0
Consolidated eliminations and other	(11.1)	(32.5)	5.6	(35.1)	(61.5)
Premised assumptions of airline customer notes			(35.0)	(40.0)	(25.0)
Before borrowing	(189.0)	(38.9)	56.2	121.3	252.5
Borrowings (repayment)	160.0	40.0	(55.0)	(125.0)	(250.0)
Net cash flow	(29.0)	1.1	1.2	(3.7)	2.5

Note: Bracketed figures denote negative cash flow.

U.S. GOVERNMENT SALES PROJECTIONS—LOCKHEED AIRCRAFT CORP., JUNE 24, 1971

Questions have arisen as to the validity of Lockheed's projections of its future sales to the U.S. Government. This in turn led to a question as to whether such sales will be sufficient to generate enough positive cash flow to help repay loans that might be guaranteed by the Government.

In this connection, it should be noted that Lockheed's DoD market penetration in the years 1963 through 1970 ranged from 6.2 percent to 8.7 percent. This penetration was based on DoD calendar year expenditures for RDT&E and Procurement.

Current projections of U.S. Government sales by Lockheed indicate the following pre-

dictions of DoD market penetration for the next five calendar years.

1971, 10.5 percent.
1972, 7.3 percent.
1973, 5.5 percent.
1974, 5.8 percent.
1975, 5.7 percent.

It will be noted that the 1971 prediction is well above Lockheed's historical range of penetration, but this projection is based on orders already accomplished or booked. Additionally, sales in the first three years of these projections are largely firm or follow-on business from DoD contracts previously won by Lockheed.

In the latter part of this five year period, the projections are conservative when compared to Lockheed's history of DoD market penetration.

Even if 30 percent of the projected DoD sales, primarily in the new business area in the latter part of this period, fail to materialize as Deputy Secretary Packard suggested might happen, the adverse effect on Lockheed's cash flow would only be to diminish it by about \$20 million.

It was thought that this percentage method—testing projected market penetration against historical percentage ranges—might be more useful and more accurate than to test projections project by project. History has shown that if it is projected that Contract A will be won, this may not materialize, but instead Contract B will be won even though it was not predicted. This is due to the uncertainties and frequent variations inherent in all military procurement planning as stated by Deputy Secretary Packard in his testimony before the Senate Banking Committee.

[From Business Week, June 26, 1971]

THE QUALITY OF CREDIT IS STRAINED

Something very strange happened to the nation's commercial banks on their way through the booming 1960s: Loan standards became dangerously disheveled.

Now, in the somber 1970s, the banks are reaping the harvest. "The trend of the loss experience of the banks has been terrible," says Chairman William Renchard of Chemical Bank of New York. As a consequence bank earnings have come under substantial pressure and banks are fighting to hold down expenses as they have not done in years. One reason bankers have been so eager to hike their prime lending rate is because earnings have come under such pressure. And the errors that the bankers made in the 1960s may haunt them for many years to come. Vice-Chairman Frederick Heldring of Philadelphia National Bank warns that the 1970s may yet be called the "decade of defaults."

The final verdict is not in, of course. Billions of dollars in bank loans and lease agreements ride now on what happens to Lockheed Aircraft Corp. and to all the suppliers and the airlines that one way or another are tied to the aerospace giant. And there are other trouble spots as well (box).

The banking system does seem to have escaped disaster in its loans to Ling-Temco-Vought, Inc., the financially distressed conglomerate. Where LTV was once in hock to its banks for nearly \$350-million, that debt has now been worked down to around \$50-million, and the banks may escape with no loss whatsoever. But the banks have staked aircraft manufacturers to more than \$3-billion in loans, beyond the loan to Lockheed. And the airlines, which have been losing money at a prodigious rate lately, are into the banks for some \$4.5-billion, including both loans and agreements by which airlines lease aircraft from the banks. In brief, the banking system has advanced more than \$8-billion to two closely related industries where financial good health today is the exception rather than the rule.

There really is not much danger that a big bank will fail, come what may. The Federal Reserve showed how quickly and decisively it can pump funds into the banking system when the Penn Central Transportation Co. went under, precisely one year ago. And yet the experience of the past two years has seared the memories of bankers, as the Great Depression traumatized an earlier generation of bankers. No matter how much money the Fed makes available, it will be a long time before the bankers again dole out money the way they did in 1968 and 1969 when it seemed that the boom would go on forever. "The chickens," says Heldring of Philadelphia National, "are coming home to roost."

THE LOSS TREND

New York bank stock dealer M. A. Schapiro & Co. estimates that loan losses in 1970, mostly because of the Penn Central debacle, were the heaviest for any single year since the 1930s. The 10 members of the New York Clearing House Assn. ran aggregate net loan charge-offs of \$191.5-million. And the *New York Times* made an interesting document public this week: an internal message to senior officers from Chairman Walter Wriston of First National City Bank of New York. Citibank was the Penn Central's lead bank and, in the message, Wriston concedes that the bank last year had to revise "our net loss estimate upwards to \$47.7-million, or more than four times as much as originally anticipated."

The trend has continued in 1971. Chase Manhattan Bank of New York has revealed that it wrote off \$19.9-million in loans in the first quarter of this year. That compares with only \$1.8-million in the first quarter of 1970 and an average quarterly rate of less than \$15-million for all of 1970. The New York bank stock firm of Keefe, Bruyette & Woods, Inc., figures that loan losses for the nation's big banks as a group were 106% higher in the first quarter of 1971 than a year earlier—after an 80% jump in 1970.

And now, on top of the Penn Central and some less well-publicized corporate failures, the bankers have the Lockheed situation to worry about. It is a gargantuan worry.

LOCKHEED CRISIS

Twenty-four banks have lent Lockheed a total of \$400-million so it can build the L-1011 TriStar airbus. And the banking system has lent a good deal of money to the 35,000 companies that supply parts and material to Lockheed; if Lockheed should collapse, at least some of those suppliers would undoubtedly follow. Moreover, a number of airlines have borrowed money to finance purchases of the airbus when it finally rolls off the production line, and that money could be lost if Lockheed goes under. In short, if anything happens to Lockheed, the ultimate loss to the banking system could be staggering.

Some of the \$400-million that the banks have lent to Lockheed is collateralized. But U.S. Treasury officials, who are now trying to persuade Congress to guarantee a further \$250-million in bank credit to Lockheed, say that if the existing bank debt must be written off, the collateral is likely to realize only a shade over \$100-million for the lenders. Chairman C. J. Medberry of Bank of America, one of the lead banks in the Lockheed lending group, says simply: "Banks would lose a lot of money."

Obviously, bankers don't like the idea of losing so much money. Neither do they like what the Lockheed mess has done to their image. No matter what happens to Lockheed, the bankers involved won't come out of it looking very good. "I can understand bankers lending to Penn Central," says a man at one of the Washington regulatory agencies. "It was one part of the establishment lending to another. But I am into Lockheed."

For one thing, Lockheed had been out of the civilian plane market for a decade, ever since it lost millions on its Electra. It decided to produce the airbus despite predictions by Senior Vice-President Blaine Cook of Trans World Airlines, among others, that introduction of such a plane before the market was ready could bankrupt some airlines. Finally, it became clear very early in the game that rival McDonnell Douglas would have its DC-10 airbus out long before Lockheed could produce the TriStar.

LOOKING FOR TROUBLE

Worse still, it appears that when the 24 banks agreed in May, 1969, to extend Lockheed money for the 1011, they already knew that the company had secured its big government contract for the C-5A military transport by submitting a below-cost bid and that Lockheed could expect to run into trouble with the government. But neither the C-5A cost overruns nor the news that the Pentagon had just canceled a production contract for Lockheed's Cheyenne helicopter kept the banks from going ahead. Not until the fall of 1970, long after Lockheed's problems became public knowledge, did the banks attempt to collateralize any part of the loan.

Ultimately, the collapse of Rolls-Royce, the British outfit that was to supply the engines for the 1011, forced the banks to ask Washington to stand good for an additional \$250-million to keep Lockheed alive. If Congress does not provide the guarantee—and the bankers insist that they will lay out no more money for Lockheed. One problem is that the only significant collateral that Lockheed could offer would be its missile division. And, sighs Medberry of Bank of America, what could the banks do with that but sell it to the U.S. Government?

FODDER FOR NADER

While the Lockheed experience is giving bankers the shivers, it is serving as a textbook case for the charges that consumer crusader Ralph Nader's study group made against banks this week in a prickly report on First National City Bank, one of the 24 Lockheed lenders.

It is the basic Nader thesis that a decline in profit margins—in Citibank's case from 20¢ on the dollar in 1964 to 9¢ in 1970—has forced the large banks to press for increased volume. This in turn has provided "a strong incentive to strengthen ties with the largest and fastest-growing corporations." By so doing, the banks could accelerate the growth in balances on deposit, the basis of their most profitable activity: lending. Until the Penn Central trouble, the report adds, banks had "a tendency to equate size with strength and over-all creditworthiness."

As for the decision to lend to Lockheed in 1969, Nader's analysis is that the TriStar and its fellow jumbo jets were pushed through because "the giant aircraft companies needed a new outlet for their technology and enormous productive capacity." Lockheed's problems had reached an advanced stage when the banks forked over the \$400-million, the report says, so "either [the banks] did not analyze Lockheed's economic situation very carefully or were depending on the taxpayers . . . to protect their loans."

The excesses of the 1960s went beyond Lockheed and the Penn Central, of course. Bank money financed many of the mergers and takeovers that enabled the conglomerate corporations to grow so rapidly. Bank money helped finance the wildest bull market in the history of Wall Street. Bank money helped finance such super growth industries of the 1960s as computer leasing and nursing homes. Chase Manhattan Bank even lost money in loans to another banking venture—the Parsons group of banks in Michigan. That group, organized by Donald Parsons, got into a financial bind last year.

MISTAKES

Of course, to indict the banks' lending judgment at this late date takes advantage of hindsight and ignores the intervening recession and its strains upon the creditworthiness of a great many borrowers. "It is a matter of the business cycle," one federal bank regulator assures. "I have no feeling that a lowering of credit standards is a generalized thing."

But the impression remains that the banks' handling of the Lockheed affair and similar transactions was much too casual until the liquidity crisis of mid-1970 chilled the financial community. In fact, some bankers put their finger on some of the same problems that the Nader team singled out: "the overriding desire to maintain deposit relationships, and excessive reliance on credit analysis by other banks."

Heldring of Philadelphia National sees two basic mistakes: lending on too little knowledge and lending short-term for long-range projects. His bank participated in the Lockheed loan to the tune of \$8-million because it was a correspondent of Bankers Trust Co. of New York, one of the lead banks in the Lockheed lending group. It left the economic analysis to the lead banks and now wishes it hadn't.

PENN CENTRAL

Bankers find it easier to talk about Penn Central than Lockheed, but the loans to the railroad betrayed the same pattern. Charles Woodruff, executive vice-president of Manufacturers Hanover Trust Co. of New York, recalls the lament of a banker from a smaller institution that had made a \$1.5-million loan to the railroad "on the recommendation of the big fellows from New York." Says Woodruff, "The banker said he had to lend the money because he had big balances from Penn Central, and I told him not to be swayed by balances."

Looking back at Penn Central now, Woodruff feels: "We were awed by its size. We should have had more information about the company. But I've heard that Penn Central financial people were adroit in avoiding giving information."

Some government banking officials put it more bluntly: Penn Central's financial data were "fabricated, and bank credit groups just didn't pick it up until too late."

Some bankers have a "there, but for the grace of God, go I" feeling about Penn Central. Says a senior executive of one of New York's six largest banks, "We had a less difficult time than others did because a real smart young vice-president here spotted trouble. We gave them no unsecured loans, even though [Paul] Gorman—Penn Central's last chairman—"was a member of our board."

Common sense saved Patrick Clifford, chief executive officer of the medium-sized Security National Bank on Long Island. Recalling how he was approached by another bank to lend to the railroad, "I spoke to a friend at that bank and asked him what they were doing, running out to Huntington, Long Island, to make a loan to a corporation with \$8-billion in assets."

As to how banks can get their loan standards back in shape, Woodruff feels that they must look more at cash flow and more sophisticated analysis, including the use of computers. "Because we have more marginal credits to follow these days, we are adding a few people to the corporate analysis group," he notes.

Another top New York banker says that at his institution "we have required that more people be involved in the loan decision, that more fundamental research is presented to these people, and, as an absolute requirement, that there be a six-month review of every loan. This must include a restatement of the quality of credit by the lending officer to be sure that the things that *should* be going on are, in fact, going on."

Bank computers can work out market shares and produce quantitative estimates of the borrower's cash flow out of which the loan must be repaid, notes one analyst with a New York bank. Quite obviously, the banks were excessively optimistic in this department with respect to Lockheed. "Computer runs," the analyst concedes, "are only as good as the assumptions that went into them. If the economic situation deteriorates, therefore, you tend to go on the borrower's past record, and older corporations have a history of paying back loans which influences judgment." The snag here, he adds, is that "everybody knows everybody else, and when a Penn Central deteriorates rapidly, somebody spots it first but is muffled."

No one wants the banks to go back to the kind of conservatism that prevailed in the 1930s, which was so head-down cautious that it helped engender the Reconstruction Finance Corp. (page 23). Bankers are determined that henceforth the risks they take will be backed by proper information. Yet it is not likely that they will be forever frozen into immobility by their recent loss experience.

Says a source at Citibank, "Right now, the credit policy committee people have a vivid memory of Penn Central and want to be strict. But the loan officers are increasingly eager to make loans."

AIRLINES AND AEROSPACE: THE DEBT LOAD FACTOR

Lockheed's \$400-million line of credit from 24 banks is stealing the headlines, but it is only the tip of the iceberg in the banking system's commitment to the aerospace and airline industries. Most of the seven banks that put up \$30-million each are also involved in lines of credit to Lockheed's major subcontractors on the L-1011 TriStar: Avco Corp., \$329-million; Sperry Rand Corp., \$125-million; Collins Radio Co., \$104-million. The stake of these subcontractors is not limited to the TriStar. Avco is also a sub for Lockheed's C-5A military cargo plane, Sperry Rand for its S-3A antisubmarine plane, and Collins for both aircraft.

The banks are also creditors of the airlines that have ordered the TriStar. Among Eastern's major lenders are Chase, \$55-million; First National City, \$33-million; Bankers Trust, \$10-million, and Morgan Guaranty, \$9-million. Trans World Airlines also has Morgan Guaranty as a major creditor, with \$39-million, and another of Lockheed's creditors, Irving Trust, with \$100-million. Delta, the third major purchaser of the TriStar has among its creditors First National City and Manufacturers Hanover, with \$37-million each; Bank of America, \$16-million, and Morgan Guaranty, \$9-million.

Beyond this involvement, Chase as a trustee holds 6.4% of TWA's common stock, and Continental Illinois National Bank, another Lockheed creditor, to the tune of \$23-million, holds 5.2%. Chase also holds stock in other trunk airlines.

Spreading effect

If the L-1011 subcontractors should lose their \$350-million investment in the program, their difficulty in carrying out other contracts in the face of such a blow might have further repercussions. Their current financial strength varies considerably, but all three major subs are in debt to the same banks as Lockheed.

Avco is well in the black, but its corporate backlog dropped sharply from \$927-million to \$709-million in the year ended last Nov. 30, and first-quarter sales were off 3%. Both sales and earnings are off at Sperry Rand, but the company is still comfortably in the black. On the other hand, Collins Radio is in dire straits even without a potential TriStar loss. Running in the red and with its bank credit lines almost exhausted, it has had to give North American Rockwell Corp. a majority position on its board and the right to acquire more than 50% of its stock.

Among the airlines also financed by the same banks as Lockheed, TWA suffered a \$64-million loss last year and could ill afford to lose its \$110-million investment so far in 33 TriStars. Eastern eked out a \$5-million profit last year; it has a \$75-million stake in the TriStar. Delta is an exception among trunk airlines with its \$41-million profit last year; it has \$36-million tied up in the Lockheed airbus.

Broad credit demand

The reliance on credit by Lockheed and its customers and major subcontractors is by no means exceptional. The banks are also financing other aerospace companies, mainly for work on such new airliners as the McDonnell Douglas DC-10 and the Boeing 747. An analysis of 19 aerospace manufacturers by *Aerospace Daily*, the industry newsletter, finds \$4-billion in credit agreements outstanding. That is a 55% rise from two years ago.

According to this analysis, McDonnell Douglas has a \$650-million credit line; \$400-million for the corporation as a whole, \$200-million for its financing subsidiary to help customers buy or lease planes, and \$50-million for Douglas Aircraft, Ltd., of Canada. United Aircraft Corp. has a \$490-million credit line, and Boeing Co. has \$471-million, including \$262-million for its financing subsidiary.

Other credit lines cited by *Aerospace Daily*: General Dynamics Corp., \$260-million; Northrop Corp., \$250-million; Litton Industries, \$225-million, and North American Rockwell, \$195-million.

The survey finds that the aerospace industry relies chiefly on the major New York banks, though California banks such as Bank of America, Security Pacific National, United California Bank, and Wells Fargo are also among the top lenders. Outside New York and California, the largest lender is First National of Chicago.

Records of the Civil Aeronautics Board show the extent to which the same major banks finance the airlines, too. Out of \$2-billion in airline borrowings, Chase supplied 16.7%, Bank of America 14.7%, Bankers Trust 12.8%, First National City 7.7%, and Morgan Guaranty 7.5%.

The banks are also heavily involved in a relatively new finance technique of airlines: leasing aircraft instead of buying them. In 1960, only 4% of planes operated by trunk airlines were on lease; last year 19% were leased, with a dollar value of \$2.5-billion. The no-money-down lease arrangement enables the industry to put new planes into operation despite shaky financial conditions.

The banks' stake in aerospace and airlines:

Biggest lenders to the aerospace industry
[Estimated loans in millions of dollars]

Chase Manhattan	\$189
Manufacturers Hanover	148
Bank of America	143
First National City (New York)	142
Bankers Trust	97
Morgan Guaranty	94
First National of Chicago	77
Chemical Bank & Trust	69
Security Pacific	66
Mellon National	64

Data: Aerospace Daily.

Biggest lenders to the airlines
[Estimated loans in millions of dollars]

Chase Manhattan	\$367
Bank of America	324
Bankers Trust	281
First National City (New York)	170
Morgan Guaranty	164
Irving Trust	132
Chemical Bank & Trust	97
Manufacturers Hanover	82
Continental Illinois	66
United of California	50

Data: Civil Aeronautics Board.

Who's lending money for the Lockheed Tristar

[Amount lent in millions of dollars]

Creditors:¹

Bank of America, Bankers Trust, Chase Manhattan, First National City [New York], Manufacturers Hanover, Morgan Guarantee, Security Pacific.....	\$210
Crocker-Citizens, First National of Boston, First National of Chicago, Irving Trust, Wells Fargo.....	75
Continental Illinois, Mellon National.....	46
Chemical Bank, United of California.....	40
Girard Trust, Philadelphia National.....	16
Citizens & Southern, First National of Atlanta, Trust Co. of Georgia.....	6
Bank of California.....	5
Fulton National, Pacific National of Washington.....	2

¹ Data: BW; In each group creditors hold equal shares.

[From the Economist, May 29, 1971]

WAR AMONG THE SMALL ELEPHANTS

PARIS.—In spite of the Russians turning up with a 600-seat jet, as well as their supersonic Tu 144 (neither of them that well engineered), the tension will not really begin to rise among the manufacturers assembled at the Paris air show until the middle of next week. Then, both Lockheed and the McDonnell-Douglas company will try to get their wide-bodied, medium-range airliners across the Atlantic and these, together with the European air bus, are the aircraft on which the industry's health and sanity now depend. Had it not been for Rolls-Royce bankruptcy, and the subsequent heroic efforts of Lockheed to avoid going the same way, the public would have known very little about them and, assuming they both arrive, may not be particularly impressed with what it sees. Both have the same wide cabin as the Boeing 747 but otherwise are nothing like its size, and a small jumbo is never as impressive as a big one.

A substantial number of Americans are still convinced that Congress will not give President Nixon the guarantee he wants for Lockheed's loans, that the Tristar will not be built and that this will therefore be Lockheed's last appearance at any air show. Rolls-Royce, putting on a huge and lavish exhibit at Le Bourget in an effort to show that it, at least, is still in business under new management, made statements about the progress of the Tristar's RB 211 engine that did not necessarily promise well. Performance, measured by what the engine can do in hot weather when a jet's power falls off sharply, is well down on specification. Weight is well up, not only because all of the original carbon fibre has had to be discarded and replaced by steel and titanium, but also because other things have had to be stiffened and made heavier too. Unwisely, some Rolls-Royce executives were saying in Paris on Thursday that far from cutting staff further, the company might need to start expanding again when Concorde production got under way. Since Rolls-Royce's chances of building the RB 211 even for the new, higher price recently agreed with the airlines depends on very heavy redundancies, this sort of talk is not going to impress. Some people at Derby are extraordinarily slow to learn.

Both Rolls-Royce and Lockheed could ride out these current troubles, Congress guarantee or no, if the airlines were in a more buoyant buying mood, but they are not. Traffic is badly down on estimates. British European Airways' traffic is growing at 7 per cent instead of the expected 10 per cent; the British Overseas Airways Corporation's traffic is falling short too; in the United States air-

lines are continually cancelling options that they held on McDonnell-Douglas's DC10 (Tristar contracts are void), an aircraft that they expect to have in service before the end of the year. All this is tending to make airlines think in terms of smaller aircraft than either of the American jets, and delivered a good deal later, and puts gloss never available before on prospects for the European air bus. This has undergone several changes in design since first conceived, has overrun its costs and looks like being at very least a year late on delivery.

In the air bus's favour are its wide body, its lateness, and the fact that it has around 250 seats to the American jet's 300 and upwards. The snag is that, because the manufacturers (France, Germany and Hawker Siddeley investing its own money as sub-contractor) have to order materials and components well ahead, they need orders by end-summer at the latest, which is awkward for British European Airways, one of the few big airlines that has not yet placed a jumbo order. There is pressure from America for a BEA Tristar order, and the airline's chief executive went to Burbank this week, but it would be wiser to regard that as a courtesy call. BEA's present interest in the Tristar is minimal and its leanings at the moment are towards the European jet. Only the last thing BEA wants to do, given the present state of traffic, is to go on a buying spree.

[From the Wall Street Journal, May 10, 1971]
ADMINISTRATION'S BID TO BAIL OUT LOCKHEED IS WIDELY OPPOSED BY TOP BUSINESS LEADERS

(By Albert R. Hunt)

HOT SPRINGS, VA.—The nation's top business leaders overwhelmingly oppose the Nixon administration's effort to bail out Lockheed Aircraft Corp. with \$250 million in loan guarantees.

This sentiment was repeatedly echoed, often privately, by members of the blue-ribbon Business Council at its spring meeting here. "There appears to be almost universal opposition to government intervention in the Lockheed situation," said one council member.

During the sessions the businessmen also expressed:

Strong doubts that inflationary pressures are significantly receding and particular worry about the possibility of a new burst of inflation next year.

Continuing skepticism over his administration's forecast of a rapid economic recovery this year. They generally predicted that the unemployment rate will remain higher than 5% until late next year.

Surprisingly little concern over the international monetary crisis, although several executives said the complexities of the situation baffled them.

Deep concern over growing antibusiness sentiment in the country. But they were admittedly perplexed over how to cope with this problem.

A "DISTURBING PRECEDENT"

Many of the businessmen were plainly troubled by the Lockheed proposal. "As a precedent, it disturbs me," said Donald M. Kendall, president of PepsiCo Inc. and a close friend of President Nixon. Asked whether a Lockheed failure could dangerously undermine business confidence, he responded, "It wouldn't affect my confidence."

Some council members, including William M. Allen, chairman of Boeing Co. and Fred J. Borch, chairman of General Electric Co., even were actively drumming up opposition to the administration's proposal, according to one participant at the meetings. GE reportedly has attacked the plan because Lockheed's L1011 plane would use a Rolls-Royce engine, which competes against GE's own jet engine.

Mr. Borch's opposition particularly antagonizes administration officials. "It seems pretty

hypocritical that in the same week GE would ask Congress for reimbursement for its expenses on the supersonic transport plane, and then oppose any effort to help Lockheed," one administration man fumed.

But these officials conceded that the Lockheed proposal faces a tough uphill fight in Congress. "As of now, our chances are certainly less than 50-50," one insider said. Some top officials are known to believe the only chance for favorable congressional action is to broaden the proposal so other companies also could qualify for similar guarantees.

Over the weekend, Senate Democratic Majority Leader Mike Mansfield of Montana said it isn't "the function of a democratic government to pick up the tab for the failures of private enterprise," the Associated Press reported. But the Senate Leader added he "wouldn't be surprised" if Congress approved the Lockheed request.

GLOOM ON INFLATION

On the question of the economy, all the council's leaders voiced concern that although inflation appears to be abating somewhat, the problem is far from under control. "Inflation is still the No. 1 problem in this country and I'm frankly not optimistic about making much progress over the next year," one corporate executive said.

Irwin Miller, chairman of Cummins Engine Co., said wage and price controls are necessary to reduce the unemployment rate to the 4% level. Mr. Miller also called for a reinstatement of the 7% investment-tax credit in place of the administration's proposed liberalization of depreciation guidelines and suggested this should be accompanied by an increase in the corporate tax rate.

But George Shultz, director of the Office of Management and Budget, said he disagreed "sharply" with Mr. Miller's call for controls. He said inflationary pressures have been moderating "for a number of quarters." And at a press conference, Mr. Miller said the reaction of his fellow businessmen to these proposals was "substantially unfavorable."

Some of the economic advisers to the council, however, expressed concern that the current "expansionary forces could rekindle inflation in 1972," and generally agreed that "no increase in monetary and fiscal stimulus is currently required." These advisers reiterated their forecast of three months ago that the gross national product will total about \$1.05 trillion this year, rather than the \$1.065 trillion forecast by the administration.

JOBLESS RATE

The advisers predicted that real output will grow about 3% this year and that inflation "isn't expected to exceed 4.4%," down from last year's 5.3% pace. But they predicted only a "moderate drop" in unemployment to about 5.5% by year-end. On Friday, the Labor Department reported the jobless rate edged up to 6.1% last month from 6% a month earlier.

In response to questions, R. V. Hansberger, president of Boise Cascade Corp. and chairman of the council's economic committee, said the jobless rate will remain above 5% until "late 1972." The Nixon administration has said the unemployment rate will be in the area of 4% by the middle of next year.

The business leaders also forecast a "weak third quarter" this year because of the current heavy steel buying in anticipation of any possible strike. But the economic consultants agreed a steel strike would have only a "very minor impact" on the economy, Mr. Hansberger said.

THE MONETARY ENIGMA

The businessmen said they were watching the international financial situation closely, but voiced few hard opinions on this subject. "It's all so complex it's difficult to figure out what's happening," confessed one corporate chieftain.

Vice President Spiro Agnew, however, told the businessmen the international problems wouldn't be allowed to impede U.S. economic growth. "We shall continue to take appropriate action to reduce the temporary glut of dollars abroad," the Vice President said in a prepared text for his dinner address to the business leaders. "But what we will not do is put the U.S. economy through the wringer in order to deal with a temporary situation."

Much of the three-day meeting was spent discussing the increasing public criticism of business. Thomas W. Benham, executive vice president of Opinion Research Corp., told the businessmen that surveys show an increase in antibusiness sentiment in every year since 1965.

Most of the business leaders agreed that business' image problems largely are caused by the increased interest in consumerism and environmental matters and by the problems of inflation. And a number of businessmen conceded that some of the criticism was legitimate.

CHALLENGE TURNED DOWN

There wasn't any consensus, however, on how to deal with this problem. C. B. McCoy, chairman of Du Pont Co., suggested that "head-to-head contact with critics" is often desirable. But a short while later, at a press conference, James M. Roche, Chairman of General Motors Corp., turned down a debate challenge issued a few weeks ago by consumer advocate Ralph Nader, "I see no benefit in anyone from General Motors debating Mr. Nader," he said, asserting that GM always has responded to Mr. Nader's many criticisms of the company.

Ironically, the staunchest defender of business turned out to be a government official—Commerce Secretary Maurice H. Stans. He said surveys show that business "is more than 99.44% pure" in that buyers are fully satisfied with transactions. Pressed on this point, Mr. Stans later conceded this was only his own "personal estimate."

Despite differences over the Lockheed proposal and the economy, the businessmen generally expressed satisfaction with President Nixon. A number, however, were less enthusiastic about Mr. Agnew. "The vice President has said a lot of things that needed to be said," observed one council member. "But I think he's really polarized the country," he added. In contrast, many businessmen heaped lavish praise on Treasury Secretary John B. Connally, who canceled his scheduled appearance before the group because of the international financial crisis.

PROF. ERNEST J. STERNGLASS, UNIVERSITY OF PITTSBURGH PHYSICIST RAISES CRITICAL QUESTIONS ABOUT THE SAFETY OF NUCLEAR POWERPLANTS

HON. JOHN G. DOW

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. DOW. Mr. Speaker, recently I sponsored a meeting for my colleagues with Dr. Ernest J. Sternglass, a physicist at the University of Pittsburgh, who gave a startling presentation on the potential danger from nuclear powerplants. I have since had numerous inquiries asking for material published by Dr. Sternglass.

Dr. Sternglass has given me a copy of a paper which he is scheduled to present Wednesday, July 14, at the 16th annual health physics meeting in New York. This paper presents a general overview of

Dr. Sternglass' views on the dangers of nuclear pollution.

While I do not feel qualified to pass judgment upon Dr. Sternglass' conclusions, I do wish to point out that he has raised what seems to be a critical question most worthy of investigation. In fact the Congress should devote unremitting attention to the dilemma presented by the claims of nuclear danger, until the issue is resolved. In the meantime, the licensing of more nuclear powerplants should go slow.

For the information of my colleagues I submit the report by Dr. Sternglass to the RECORD:

EPIDEMIOLOGICAL STUDY OF HEALTH EFFECTS ASSOCIATED WITH RADIATION DISCHARGES FROM NUCLEAR FACILITIES

(By E. J. Sternglass, Ph.D., Departments of Radiology and Radiation Health, School of Medicine and Graduate School of Public Health, University of Pittsburgh, Pittsburgh, Pa.)

Figures mentioned in text not printed in RECORD.

The present paper will address itself to the evidence that low-level radiation from nuclear fission products in the environment such as are released by nuclear explosions and power reactors may already have produced serious effects on the health of our population far beyond those ever believed possible when our present radiation standards were originally formulated and adopted, especially for the young infant.

Before discussing the latest evidence in some detail, I should like to review very briefly the nature of the early discovery that low-level radiation may have detectable effects, and also to summarize the difficulties that have existed until now in unequivocally relating the observed effects to the action of nuclear fallout.

The earliest indication that low-level radiation could produce serious effects in man came from the studies of Dr. Alice Stewart at Oxford University in 1958 showing that mothers who had received a series of 3 to 5 pelvic x-rays during pregnancy had children who were almost twice as likely to develop leukemia and other cancers before age 10 than when mothers who had had no pelvic x-ray examinations.¹

This work was independently confirmed in 1962 in a major study involving close to 800,000 children born in New York and New England Hospital by Dr. Brian MacMahon of the Harvard School of Public Health.² Using these two sets of data, it was possible to show that there appears to exist a direct, straight-line relationship between the number of x-ray films given to a pregnant woman and the probability that the child will subsequently develop leukemia, and that there is therefore no evidence for the existence of a safe "threshold level" below which no additional cancers are produced, down to the relatively small dose from a single x-ray. Furthermore, the magnitude of the x-ray dose to the developing fetus in utero from one such x-ray was comparable with the dose normally received in the course of 2 to 3 years of natural background radiation, or from the fallout produced in the course of the 1961-1963 test series, namely 0.2-0.3 rad.³

These early findings have since been confirmed by the most recent results of Dr. Stewart, published in June of 1970.⁴ This extensive study, based on over 7,000 children born in England and Wales between 1943 and 1965 who developed leukemia or other cancers gave the result that for 1 rad to a population of 1 million children exposed shortly

before birth, there were an extra 300 to 800 cancer deaths before age 10 with a mean number of 572 ± 133 per rad. For a normal rate of incidence of about 700 cases per million children born, this means that only 1.2 rads (1200 mr) are required to double the spontaneous incidence. Furthermore, Dr. Stewart's study showed that when the radiation exposure took place in the first trimester, the excess risk of cancer increased 15 times. This means that a dose of only some 80 mr was found to double the normal cancer risk for the early embryo, much less than the presently permitted 500 mr annual dose to any member of the general population.

It was therefore possible that studies of large populations of children exposed to known incidents where localized fallout occurred in a given area might show detectable increases in leukemia some years later. Such a localized "rain-out" was pointed out by Ralph Lapp⁵ as having taken place in Albany-Troy, N.Y. in April of 1953 following the detonation of a 40 kiloton bomb in Nevada. An examination of the data on leukemia incidence published by the New York State Department of Health showed that when plotted by year of death there was a clear increase in the number of cases per year among children under 10 years of age at death from about 2 to 3 to as many as 8-9 per year some 6-8 years after the arrival of the fallout, exactly the same delay in peak incidence as observed in Hiroshima and Nagasaki. Furthermore, the peak contained many children who were not even conceived until a year or more after the arrival of the fallout, suggesting for the first time the existence of an effect prior to conception.⁶

Due to the relatively small number of cases in Albany-Troy, it was difficult to draw absolutely firm conclusions, and so the situation for N.Y. State as a whole was examined. Again, peaks of leukemia incidence were clearly present some 4 to 6 years after known atmospheric tests in Nevada, greatly strengthening the initial observations for Albany-Troy alone.⁶

Following the arrival of the fallout in Albany-Troy in 1953, there was also a drastic slow-down in the steady decline of fetal mortality or still-births in that area. Following up this unexpected finding, the fetal and infant mortality statistics for New York State as a whole were examined, followed by those for California and other states. The same slow-down in the decline or even renewed rises in the mortality rates existed to varying degrees depending on the amount of fallout in the milk, beginning in the early '50's, the declines resuming only 2-4 years after the end of atmospheric testing in 1962.⁷ For the U.S. as a whole, the data is shown in Fig. 1, where both the infant mortality rates for the total population and the non-white population has been plotted together with the data for Sweden. It was then drawn to our attention that Dr. I. M. Moriyama of the U.S. National Center for Health Statistics had drawn attention to the levelling trend in the U.S. beginning in about 1951 as early as 1960⁸ and that he had in fact suggested the possibility that similar upward changes of mortality for all age groups might be connected with the sharp rises in environmental radioactivity from nuclear testing.⁹

Since then, we have extended our studies to other countries in the world, and especially in northern Europe, which received the fallout from the Nevada tests in its north-easterly drift across the Atlantic, and the same patterns of slowdown followed by a renewed decline of infant mortality were found, as shown in Fig. 2. At the same time the levelling trends were much less pronounced in countries like Canada, France, and Italy that were to the north or south of the path of the Nevada fallout on its northeasterly course across the U.S. and the North Atlantic so that they did not receive the short-lived activity.

Footnotes at end of article.

We have since established high degrees of correlation between the increases in infant mortality above the declining base-lines, and the measured Strontium-90 levels in the milk, and the in the bone of children and young adults for all the 9 states of the Public Health Service's Raw Milk Network, for which data are available back to 1957-58.¹⁰ These correlations suggest that as many as 400,000 infants 0-1 year old in the U.S. alone may have died as the result of nuclear testing.

These results are so startling and so unexpected, that they have naturally encountered considerable skepticism primarily because the technique of trend-analysis as used first by Moriyama to calculate "excess deaths" above normal expectations for all age-groups in the U.S. was based on the expectation of a steadily declining infant mortality at least until levels are reached equal to those that had already been attained in other medically advanced nations of the world such as Sweden (Fig. 1). Such an assumption is however justified by the fact that in New Mexico, after the initial test in 1945, there was indeed a return to the same line of steady decline determined by the computer fit to the 1935-50 period, due to the low rainfall and therefore low levels of fallout in the milk after 1950, when nuclear testing was moved north to Nevada. Furthermore, the most recent data on infant mortality show that in a number of rural states such as Vermont, Maine and Nebraska infant mortality rates have declined very sharply, reaching the levels predicted on the basis of the 1935 to 1950 rate of decline, as illustrated in Fig. 3 for the case of Maine. Nevertheless, there is some degree of arbitrariness inherent in using any given period of declining mortality rates as a base-line, and it is therefore important to find other data that is not subject to the same criticism.

Such data exist in the case of childhood deaths associated with congenital malformations such as Down's Syndrome, microcephaly and congenital heart-defects. For this particular category of infant and childhood deaths, there has been only a slight downward trend over the last 20 years, since neither the introduction of new antibiotics, medical-care methods nor the gradual improvement in diet and medical care has had significant effects on these mortality rates. As a result, there is here no need to extrapolate a rapid downward trend, and one has for every state and many foreign countries, a well-established nearly horizontal base-line to the onset of nuclear testing in 1945. Furthermore, congenital malformations are well-known to be capable of being caused by relatively low levels of radiation in animals, and recent studies on such conditions as mental retardation published by the United Nations Scientific Commission on Radiation¹¹ have established that small amounts of radiation during certain critical periods of embryonic development and organ formation can produce detectable effects in children.

We therefore examined the incidence of deaths among congenitally defective children in relation to children who died of accidents as a control group at various distances from the Nevada test site, where relatively high local fallout was known to have occurred in a number of instances, documented both by the A.E.C.¹² and independent studies by scientists at the University of Utah¹³ and the St. Louis Center for Nuclear Information¹⁴.

As an example, Fig. 4 shows the annual number of deaths of congenitally defective children 0-4 years old in Utah directly east of Nevada and therefore generally downwind from the test-site as taken from the published figures in the U.S. Vital Statistics, together with the deaths in this age-group

due to accidents other than those involving automobiles. It is seen that the average number of deaths of congenitally defective children per year in the pre-testing period 1937-45 stayed relatively constant at about 75 cases per year, but that it rose to a peak of 123 cases per year in 1958, some 5 years after a particularly large fallout incident in 1953, returning close to the pre-testing rate of 80 per year 5 years after the end of atmospheric tests in Nevada. Such a rise and decline while accidental deaths remained constant is clearly not explainable in terms of a gradual rise in the number of births per year. Altogether, there seem to be some 480 children that are likely to have died of congenital malformations in Utah above expectations, based on a comparison with the number of accidental deaths since the onset of nuclear testing in 1945.

An even more striking peak in deaths of congenitally defective children relative to the number of accidental deaths took place in the 5-14 year age group shown in Fig. 5 for the case of Utah, which includes children who received radiation from the milk and food some time after birth. Again, a 4 to 6 year delay is seen to occur between exposure and death, quite similar to the case of Hiroshima and Albany-Troy, N.Y., corresponding to the fact that children born congenitally defective are much more prone to develop leukemia with its 4 to 6 year delay of peak incidence.

The rate of leukemia deaths for all children in the age group 5 to 14, which was shown by Stewart¹ and MacMahon² to reflect the effects of perinatal irradiation most strongly is plotted in Fig. 6, for the same state. It is seen that statistically significant peaks occurred some 4 to 6 years after known tests had deposited fallout in Utah, apparently affecting the infants both prior to and after birth. Furthermore, the relative increases were higher than those observed in Minnesota as a control as is to be expected from the great proximity to the test-site. Thus, the effects are observed both for annual numbers and rates per 100,000 population.

Other examples of similar though lower relative rises in deaths among children born defective is seen in the plots for the states generally to the east of New Mexico and Nevada such as Missouri, Georgia, and Texas (FIG. 7-9). In the case of Texas, leukemia deaths for all children 5 to 14 years have also been included, again showing a parallel rise with deaths of congenitally defective children. No other explanation of these striking rises and declines in mortality rates is known.

As to the reason why such unexpectedly large effects of fallout should be observed when radiation levels were believed to be so low as to be regarded as completely safe, these are evidently connected with the much greater sensitivity of the embryo and infant compared with the adult.

Furthermore, the severity of the effects is also connected with the biological concentration of certain isotopes in the food chain, mainly via the milk which was not widely recognized at the time when the tests were begun. Another reason is the selective concentration of certain isotopes in various critical organs of the human body, whose biological consequences were not fully appreciated for the sensitive developmental phase of the early embryo and fetus.

Thus, experimental studies on laboratory animals by Dr. Walter Müller published in 1967¹⁵ suggest that Strontium-90 and other alkaline-earth elements that were long known to seek out bone may also produce biological and possibly genetic effect through their daughter elements such as Yttrium-90 into which they decay, and which are known to preferentially concentrate in such vital glands as the pituitary, the liver, the pancreas and the male and female reproductive glands.^{16,17}

In any case, we are apparently confronted

with still another unanticipated biological concentration effect similar to the surprises we received when we discovered the special hazard of Iodine-131 going to the infant thyroid and Strontium-90 and 89 going to the bone via the originally unsuspected pathway of milk produced by cows grazing on contaminated pastures.

That similarly unanticipated effects on the developing embryo and infant may have taken place as a result of fission products released from nuclear reactors and fuel processing facilities first became apparent in the course of our state-by-state study of infant mortality changes following the first nuclear weapons test in New Mexico in 1945.

As shown in Fig. 10, each map for the four years following this test showing the percent changes relative to the trend for the previous five years not only indicated an upward change in infant mortality directly to the east and north-east of New Mexico, but also in the states to the east of the Hanford Plutonium production facility in the State of Washington.

Not only were the Hanford reactors and Plutonium production facilities operating at very high levels since 1944, releasing into the environment the rare gases that could not be trapped readily, but on a number of occasions, there were serious accidents in the course of extracting the Plutonium from the irradiated Uranium fuel elements by chemical techniques, when fuel elements burst into flames and discharged large quantities of fission products into the environment.¹⁸

The infant mortality changes were greater in North Dakota than in dry Idaho and Montana, just as they were greater in Arkansas and Louisiana compared with dry Texas closer to the test site in New Mexico. This fits the well known fact that 90% of the fine tropospheric fallout comes down with the rain, since the line of heavy rainfalls passes down through the center of the United States just to the west of the Mississippi from North Dakota in the north to eastern Texas in the south.

This interpretation is further confirmed by a more detailed analysis of infant mortality changes in the counties near the Hanford plant before and after it went into operation between 1943 and 1945. As can be seen from the bar-graph in Fig. 11, the counties containing the plant as well as those immediately adjacent to the east and south showed sharp rises in infant mortality up to 150%, while the more distant control counties, namely those in which water sampling stations were subsequently established, either rose less than 10% or actually declined between 1943 and 1945.

A similar pattern of increased infant mortality has now been observed around three commercial nuclear power reactors of the Boiling Water type (BWR), in which the single-coolant loop design does not permit as tight a containment of fission products leaking out of corroded fuel elements as in the naval-submarine type Pressurized Water Reactor.

As described in recent publications of the Bureau of Radiological Health¹⁹, these reactors have emitted as much as 800,000 curies of fission and neutron-activation products in the form of gases per year,²⁰ compared with as little as 0.001 curie per year for the prototype Pressurized Water Reactor at Shippingport, Pennsylvania.

The first of the BWR's studied is the Dresden Reactor located near Morris, Illinois in Grundy County, some 50 miles southwest of Chicago. Since close to two-thirds of the population of Illinois lives within a radius of some 60 miles from this reactor, one might expect to find detectable changes in infant mortality for Illinois as a whole relative to other nearby states that correlate with the rises and declines of emission when fuel elements are changed.

That this appears in fact to have taken place is illustrated by the plot of infant mortality for Illinois compared with Ohio some 200 miles to the east for the period 1959 to 1968 in Fig. 12. It is seen that while during the time of Nevada testing, Ohio and Illinois showed the same infant mortality, within a few years after the end of testing, Ohio began a steady decline, whereas Illinois showed a peak highly correlated with the peak of gaseous emissions between 1964 and 1967.

The degree of correlation may be judged from Figure 13, where the difference in infant mortality rates between Illinois and Ohio has been plotted against the annual gaseous discharges. The correlation coefficient is 0.865, and the *t*-test of significance gives $t = 4.565$, which for the 7 degrees of freedom gives $P < 0.01$.

As in the case of Hanford it is of interest to see whether the effect can also be detected in the nearby states to the east, the direction in which the prevailing winds and weather patterns move. As seen in Figure 14, the infant mortality rate for nearby Indiana does indeed fall exactly between that for Illinois and Ohio on the other side of Indiana after the testing in Nevada ended and the discharges from the Dresden reactor produced significant external doses, comparable with those from distant tests.

Likewise in Michigan, just to the north of Indiana, infant mortality began to fall consistently between Illinois and more distant Ohio when the general decline began after the end of nuclear testing in 1963 (See Figure 15).

One would also expect on the basis of this hypothesis that a state far to the north-west of Illinois and therefore upwind would show an even more rapid decline after fall-out from weapons testing decreased. That this is in fact the case is seen for the case of North Dakota compared with Illinois in Fig. 16.

The rates for Illinois and North Dakota seem to have been identical during the period of heavy Nevada testing and plutonium production at Hanford prior to 1964, despite the great difference in ordinary air pollution and socio-economic character of the two states. But after the end of nuclear testing by the U.S. and U.S.S.R., North Dakota declined rapidly from nearly 25 per 1000 births to under 17 per 1000 by 1968, despite the well known lack of sufficient medical care in rural areas such as North Dakota.

This suggests that although ordinary air-pollution is undoubtedly detrimental to health, the radioactivity released by nuclear testing and nuclear plants appear to be significantly more serious in its effects on the early development of the embryo and infant.

In order to further test this hypothesis, the changes in infant mortality in the six counties immediately adjacent to the Dresden plant for the years following the sharpest rise in emission were compared with changes in six control counties more than 40 miles to the west. They were chosen to be as far away as possible in northern Illinois, not bordering either on the Illinois or Mississippi Rivers that are known to be polluted by radioactive wastes.

The result of this test for 1966 relative to 1964 is shown in Figure 17. Again, the same general pattern is observed as for the Hanford Reactors, the nearby counties showing much greater rises than the more distant control counties.

In the case of the Dresden reactor, it is possible to carry out a still more crucial test of the biological mechanism that may be involved in bringing about such a large effect for relatively small measured external doses, which even in the year of peak releases did not exceed 70-80 mr at the plant boundary

when the available measurements for 1967-68 are used to calculate the dose.

As discussed briefly above and elsewhere,²¹ the most serious effect is likely to be an indirect one, whereby the radiation acts on the key bio-chemical processes in such crucial glands controlling metabolism and growth as the pituitary and thyroid glands. Such action could lead to a small decrease in weight at birth, or to a greater frequency of prematurity, such as has in fact been observed in animal experiments and since the early 1950's, among infants born in the United States.²²

If this immaturity at birth leads to a reduced ability to fight off infections or to a greater likelihood of such diseases of early infancy as hyaline membrane disease, respiratory distress and atelectasis, one would expect a higher mortality rate due to such diseases in early post-natal life.

To test this hypothesis, one can compare the changes in the fraction of all births that are classified as "premature" or under 2,500 grams for Grundy county as compared with the changes in the control counties to the west. If immature birth is indeed the principal mechanism leading to excessive infant deaths, one would then expect to find a greater rise in the fraction of such births during the period of peak emission in Grundy than in the distant control counties.

That this is indeed the case may be seen in the plot of Figure 18. A peak in the incidence of premature births of close to 140% is seen to have occurred in coincidence with the peak of gaseous emission, declining again as the emissions declined, while the control counties showed no such rise. For Grundy, the increase was from 3.60 to 8.70% of all births.

Thus, both radioactive releases from nuclear facilities and nuclear detonations seem to produce similar changes in the infant mortality through the indirect biochemical action of fallout on the crucial hormone producing organs of the mother and the fetus, leading to a lowered resistance to the environmental stress most critical shortly after birth.

Identical patterns of rises in infant mortality have now been found for two other Boiling Water Reactors, as shown in Figure 19 for the group of small counties around the Big Rock Point Plant in Michigan, and in Figure 20 for the Humboldt reactor near Eureka in Humboldt County, Northern California.¹⁹ Again there is a sharp halt in the normal decline of infant mortality following release of large quantities of gaseous activity comparable to those released at the Dresden Reactor, while more distant areas continue their decline, shown for the Humboldt area in Fig. 21.

As described elsewhere in greater detail,²³ the same pattern occurred also for the commercial fuel reprocessing plant operated by the Nuclear Fuel Services Company in West-Valley, N.Y. after it went into operation in April of 1966.²⁴ Fig. 22 shows that the counties of western New York within a 30-50 miles radius rose sharply in infant mortality the following year, while the more distant counties declined as did New York State as a whole. Like Humboldt County, the nearby areas had shown a peak near the height of weapons testing, then began to decline only to reverse this trend sharply after the onset of large radioactive waste releases.

A typical case is Genesee County, N.Y., shown in Fig. 23, where infant mortality rates began to exceed those of the rest of the state only after onset of plant operation.

That even the relatively smaller radioactive gas releases from a Gas Cooled Nuclear Reactor appear to be capable of producing detectable rises in infant mortality is shown for the case of the Peach Bottom Reactor

located on the Susquehanna River in York County, Pennsylvania. Figure 24 shows the typical drop in infant mortality after cessation of atmospheric tests for the two counties on either side of the plant, namely York and Lancaster and the control county, Lebanon to the north. The decline continued until the onset of a large increase in emissions resulting from fuel failure that started in 1967 and reached 109 curies in 1968.²⁵ After 1967 York and Lancaster reversed their trend, and only the more distant control county 30 to 50 miles distant remained low.

Part of the reason why even the relatively small release from the Peach Bottom Reactor had such a strong effect seems to lie in the fact that the surrounding area is a major dairy farming region, where such biologically important but relatively short lived rare-gas daughter products as Cs-138 and Sr-89 known to be produced in large amounts from the escaping Xe-138 and Kr-89²⁶ can rapidly enter the body through the locally produced milk and other dairy products. Thus, the number of curies released able to produce serious biological effects can be much smaller than from a fuel processing plant discharging mainly Kr-85 that has no radioactive daughter product.

But the potential damage is not merely confined to the newborn and young child. There is evidence that suggests that the many radioactive gases presently released from nuclear reactors may have a serious effect on the incidence of chronic diseases of the respiratory system such as bronchitis and emphysema that equal or even exceed the effects of conventional chemical air-pollutants.

This is more strikingly shown in Fig. 25, which shows the number deaths due to respiratory diseases other than influenza and pneumonia per 100,000 population in New Mexico and New York State between 1941 and 1965.

It is clear that between 1945 and 1950, there was a sharp rise of deaths due to non-infectious respiratory diseases such that the incidence of these diseases previously very low in the pollution free air of New Mexico, exceeded the death-rate for the same diseases in heavily polluted New York by as much as a factor of 2.

That this is not an isolated case perhaps associated with a sudden influx of older people into New Mexico after 1950 follows from Figure 26 where similar data on deaths due to respiratory diseases have been plotted for Wyoming and Illinois. Again, there is the dramatic rise of chronic obstructive lung disease deaths in a state of almost no ordinary air-pollution such as Wyoming to levels well above the death-rates in heavily industrialized and polluted Illinois. And a similar situation exists for Wyoming relative to heavily polluted Pennsylvania, where respiratory death-rates were once five times higher than in Wyoming, before nuclear testing began, while in recent years the rate in Wyoming began to exceed that in Pennsylvania (Fig. 27).

Such an apparently strong effect of radioactivity in the dry air of the west-central part of the U.S., fits to the observed high beta-radiation activity in the dusty areas of the western states relative to that in the high rainfall areas east of the Mississippi, where the activity sinks into the soil to give lower air-concentrations but higher Strontium-90 levels in the milk.²⁵

That the operation of Boiling Water Nuclear reactors with their discharge of large quantities of radioactive gases appears to have had a more serious effect on the rate of non-infectious respiratory disease than the operation of fossil fuel plants may also be inferred from Figure 26.

In the decade 1949 to 1959, prior to the start of Dresden releases, the mortality rate for these diseases rose only some 10% despite a 100% increase in power generated. But in

Footnotes at end of article.

the years following onset of Dresden operations, the rate of rise increased almost 10-fold, exceeding that of either New York or Pennsylvania. And since the onset of Dresden emissions, respiratory diseases and bronchitis as a cause of death in infants over 28 days in Illinois showed the sharpest rise among all causes of death.²⁰

However, there are strong indications that gaseous radioactive discharges may not be the only source of significant effects on health. Thus, upward changes in the steady downward trend of infant mortality have occurred in the county containing the Shippingport Pressurized Water Reactor that are closely correlated with known peaks of tritium and other radioactivity in the liquid effluent.

As seen in Fig. 28, the steady decline in infant mortality rates since the end of World War II, although showed temporarily during the period of the Nevada tests from 1951 to 1958 ended suddenly in 1960, when both the tritium and other activity in the liquid released from Shippingport reached a sharp peak.²¹ Mortality rates then declined once more and reached a second, smaller peak when the reported beta and gamma activity rose to another high in 1964. A third sharp rise of infant mortality rates took place from a low of 16.4 per 1000 births in 1965 to a high of 24.2 by 1969, following a renewed rise in the tritium releases from 3.04 curies in 1965 to 35.2 in 1968.

Thus, by 1969, the rate of infant mortality in Beaver County, Pennsylvania, had climbed some 58% above the low point reached six years earlier, in the face of a general decline of infant mortality for the U.S., and Pennsylvania as a whole. And a similar reversal in the downward trend took place in adjacent Columbiana County, Ohio, downstream from Shippingport, but not in upstream counties such as Allegheny County directly to the west.

It therefore appears that tritium, generally regarded as the least toxic of all isotopes, may also be more serious when incorporated into the DNA of the cells in the early developing embryo, as a number of recent animal studies have in fact also suggested.²²⁻²³

A sharp rise in infant mortality in 1964 to 1966 in Dresden, in Grundy County, was accompanied by a rise in the fraction of premature births, which increased from 36 per 1000 births in 1964 to 87 per 1000 births by 1966, when a total of 483 children were born.

FOOTNOTES

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"WORKERS, CONGLOMERATES, AND WORLD CORPORATIONS"

HON. ROMAN C. PUCINSKI
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 13, 1971

Mr. PUCINSKI. Mr. Speaker, few people are aware that when a company is gobbled up in a conglomerate merger, American workers and their communities stand to lose.

Further, when conglomerates become world corporations, they become a quasi-sovereign government within a government that transcend national boundaries, and thus distort representative government or any government for that matter.

In a recent article, Mr. Samuel Sharkey of the Newhouse News Service discusses an article written by Dr. Willard F. Mueller on the impact that mergers have on communities. Mr. Sharkey puts the matter into perspective when he points out that heretofore Congress and the courts have been unimpressed by the growing phenomena of centralized economic power and its resultant consequences.

Along with Mr. Sharkey's article, I should also like to place in the RECORD today the full article by Dr. Mueller, and

an article which appeared in *Industry Week* concerning the need for world corporations to map survival strategy. This latter article is quite candid in suggesting that world corporations may need their own intelligence service, as well as private armies. Corporate states of this magnitude would spell the death knell of freedom and liberty if the course of events is not reversed.

Mr. Speaker, the articles follow:

WORKERS: THE BIG LOSERS IN CONGLOMERATE MERGERS (By Samuel Sharkey Jr.)

What happens to workers when their company is gobbled up in a conglomerate merger?

They lose.

They lose jobs, direct contact with upper management, any real relationship in bargaining, their sense of identity, their loyalty to the employer.

They find their lives and incomes controlled by impersonal absentee owners whose interest is profits, not people.

They find plants abruptly closed by a new management that often is several thousand miles away. They find their pension plans in new hands. Indeed, an important factor in some mergers is the desire by the conglomerate to get its fingers into the big dollar hoard piled up in those pension funds.

Workers find their local social and economic problems given little or no attention.

They find even political control vested in corporate officers whose vast economic power enables them to pull the political strings in many states rather than in just a few, as usually smaller multistate corporations could a decade ago.

These sound like a nightmare dreamed up by Communists to attack conglomerates. Actually, however, they're attested by a just-disclosed study by Prof. Jon Udell of the Graduate School of Business at the University of Wisconsin.

His study focused on that state, but other experts say the situation in the rest of the nation is roughly comparable. Udell's findings are analyzed by Willard F. Mueller, a professor of economics at the University of Wisconsin, and highly respected former chief economist of the Federal Trade Commission. Mueller's comments appear in the current issue of the AFL-CIO's *The American Federationist*.

The key feature in any worker's interest is his job—will he keep it or lose it if his company is merged into a conglomerate? Mueller is gloomy:

"Total employment and payroll of acquired companies grew less rapidly after the merger than before. This occurred despite the fact that 'the 1963-67 period Udell studied was an era of rapidly growing employment in the state.'"

In fact, employment growth not only slowed, it dropped 9.7 per cent to a negative level (fewer total jobs than before merger).

In his study, Udell reports:

"Among the firms acquired by conglomerates, such as Litton Industries, Tenneco Corp., Automatic Sprinkler and Bangor Punta, and quasi-conglomerates such as Beatrice Foods, FMC Corp. and Consolidated Foods, the premerger employment growth rate was 8.4 per cent and the post-merger rate was a minus 1.3 per cent.

"One reason for the decline was a substantial reduction in employment among the conglomerate-acquired companies during the year of merger. This usually was not true of companies acquired by nonconglomerate corporations."

If quasi-conglomerates are eliminated, the picture is even worse, Udell says: premerger employment growth rate 11.6 per cent, post-

merger rate 1.8 per cent, for a 13.4 per cent adverse swing.

Udell warns that this sharp drop is especially significant because it affects "the property of employees, the sales of . . . retail industries and the tax revenues of the state."

(In Chicago, a spokesman for Consolidated Foods said the company does not agree with the findings for it.)

"The figures may be true for some companies, but it has always been our experience and philosophy to acquire successful companies with the idea of making them grow," the company said.)

Economist Mueller declared: "Unions have felt the impact on collective bargaining. Often labor negotiations are forced to bargain with management personnel not empowered to make final decisions.

"Or worse, these decisions may be made by management in terms of broad, nationwide personnel policies. . . .

"Local management and labor, accustomed to bargaining on the profits of the company and the productivity of the labor force, suddenly find the bargaining dominated by a conglomerate balance sheet which considers products, plants and losses the local people will never see or know anything about."

The late Sen. Estes Kefauver (D-Tenn.) warned against the transfer of control from local to distant managers, saying, "millions of people depend helplessly on their judgment. Through monopolistic mergers the people are losing the power to direct their own economic welfare. When they lose (that) they also lose the means to direct their political futures."

Organized labor agrees, and for years has fought centralizing of economic power—even though labor itself has been accused of possessing similar economic clout.

But to date, unionists have been unable to convince congress or the courts. And they see little real hope short of a major national depression that could bankrupt conglomerates—and that would throw even more workers out of jobs.

[From the AFL-CIO American Federationist, June 1971]

THE MERGER'S IMPACT ON THE COMMUNITY (By Willard F. Mueller)

(NOTE.—Dr. Willard F. Mueller is a professor of economics at the University of Wisconsin and the former chief economist for the Federal Trade Commission.)

Americans are now quite aware that our competitive system is threatened by centralization of economic power and the emergence of huge conglomerate corporations. Less well understood are the many subtle ways in which centralized economic power may influence the quality of social and political institutions in hundreds of communities across the land.

Since World War II, literally thousands of small and medium corporations—plus a sizable number of very large ones—have been acquired by corporations headquartered in just a few states. The result has been to shift the headquarters of these companies from the communities where they previously operated to the city of the acquiring corporation. While the change has been gradual, the geographic pattern of corporate ownership has been drastically rearranged in the past two decades.

For instance, in 1968, corporations headquartered in New York held 46 percent of the assets of the 200 top U.S. manufacturing firms. And 85 percent of those assets were concentrated in just six states—New York together with Michigan, California, Pennsylvania, Ohio and Illinois.

The big losers were the remaining 44 states. For example, 31 percent of the total U.S. population and 23 percent of its manufacturing activity is located in the South, but

corporations headquartered there hold only 7 percent of the manufacturing assets of the top 200 corporations. Although much southern industry has always been absentee owned, during the past 20 years mergers have taken a heavy toll on companies headquartered in the South. Between 1948 and 1968, 3,502 industrial companies located in southern states were acquired; only 686 of these were acquired by companies from the same state.

The trend toward geographic centralization of ownership over a longer period, between 1929 and 1968, also shows New York with the largest gains. In 1929, 62 of the top 200 firms were headquartered in New York; by 1968, 82 were headquartered there. California has also enjoyed a relatively large gain—with 19 of the nation's top 200 firms located there in 1968 as compared with 8 in 1929. Texas also had a gain—from 1 to 4—but this is quite small considering Texas' large industrial base.

The largest net losers were Pennsylvania and Illinois, with the number in Pennsylvania dropping from 22 to 12 and in Illinois from 24 to 17. On balance, the share of the 200 largest corporations located in the top six states rose from 70.5 percent to 78.5 percent and their share of the top 200 corporations' assets rose from 72.7 percent to 85.3 percent.

Surprisingly little has been said or written in recent years about these potentially far-reaching developments. The late Senator Estes Kefauver of Tennessee, always far ahead of his time in identifying problems of economic power, predicted: "Local economic independence cannot be preserved in the face of consolidations such as we have had during the past few years. The control of American business is steadily being transferred from local communities to a few large cities in which central managers decide the policies and the fate of the far-flung enterprises they control. Millions of people depend helplessly on their judgment. Through monopolistic mergers the people are losing the power to direct their own economic welfare. When they lose the power to direct their economic welfare, they also lose the means to direct their political future."

Some would dismiss such concern as outdated populism. But the evidence is growing that the concern is legitimate. When large corporations acquire local or regional businesses their top personnel are often transferred to the acquiring firm's headquarters. Then, decisions affecting the local community are no longer made by persons living in the community. Additionally, the removal of a business' headquarters from a community has secondary and tertiary effects as it dries up demand for functions previously performed by local attorneys, accountants, banks, advertising firms and the like. The ultimate result of a series of mergers can be to transform a community into an absentee-owned "factory town."

Any town in America that has been dominated by such an absentee-owned industry knows well the problems it creates. The lack of concern for the quality of the environment is one of the more striking examples. And community concerns over schools, taxation or roads are equally hard to impress on a corporate board room half a continent away.

Unions have felt the impact on collective bargaining. Often, labor negotiators are forced to bargain with management personnel not empowered to make final decisions. Or worse, these decisions may be made by management in terms of broad nationwide personnel policies which have little or no bearing on the community industry, which may be totally foreign to all other operations and previous experiences of the conglomerate. Local management and labor, accustomed to bargaining on the profits of the company and the productivity of the labor force, suddenly find the bargaining dominated by a

conglomerate balance sheet which considers products, plants and losses the local people will never see or know anything about.

Until recently little attention was given to these problems. But a recent study by Professor Jon Udell of the Graduate School of Business, University of Wisconsin, documents some of the consequences of these developments. Opinion surveys indicated that a majority of the general public, business leaders and newspaper editors were generally unaware of any adverse impact of mergers on their communities; in fact, a majority of newspaper editors thought mergers generally had a favorable impact on their community. Nonetheless, analysis of the actual performance of acquired firms revealed that mergers frequently had an adverse effect on the Wisconsin communities involved.

Out-of-state firms acquiring Wisconsin companies tended to use fewer professional services in the local communities after merger. "Most of the acquired firms covered by the survey now use the financial institutions, legal services and accounting services of their parent companies," the survey found. "Apparently, there is less tendency to change sources of goods than sources of services."

Total employment and payroll of acquired companies generally grew less rapidly after the merger than before, the study showed. The study analyzed a sample of Wisconsin companies acquired between 1963 and 1967, breaking them into four categories according to the type of acquiring firms—in-state and out-of-state, conglomerate and non-conglomerate.

In none of the four categories of acquisitions did the acquiring companies post-acquisition employment growth rate exceed its pre-merger rate, although the post-acquisition period was one of rapidly growing employment in the state.

Especially noteworthy is the post-acquisition growth rate of companies acquired by out-of-state conglomerates and quasi-conglomerates, which led Udell to say:

"Among the firms acquired by conglomerates (such as Litton Industries, Tenneco Corporation, Automatic Sprinkler and Bangor Punta) and quasi-conglomerates (such as Beatrice Foods, FMC Corporation and Consolidated Foods) the pre-merger employment growth rate was 8.4 percent and the post-merger rate was a minus 1.3 percent. One reason for the decline was a substantial reduction in employment among the conglomerate-acquired companies during the year of the merger. This usually was not true of companies acquired by non-conglomerate corporations.

"If the quasi-conglomerates are excluded from the conglomerate growth calculations, we obtain an average annual pre-merger employment growth of 11.6 percent, and a post-merger rate of minus 1.8 percent. In short, the conglomerate acquisitions apparently have had a substantially adverse impact on the growth of employment in Wisconsin."

Although the reasons for these differences in performances are not entirely understood, it is clear that the acquisition of many Wisconsin companies has hurt local communities and the state's entire economy.

Udell concludes his analysis with the observation: ". . . It is apparent that Wisconsin's economy has fared far better among those companies acquired by Wisconsin firms than among those acquired by out-of-state conglomerate corporations. The changing rates of payroll growth are especially significant because they affect both the property of employees, the sales of Wisconsin's retail industries and the tax revenues of the state. In other words, any change in the rate of payroll growth induced by a merger has a multiplier effect above and beyond the intermediate effect on the company's employees."

The potential impact on a community when one of its major employers is taken over may extend even beyond these possible

adverse economic effects. Because they almost invariably increase the amount of absentee ownership and decision making, they carry a potential for eroding the quality of community life.

Should anyone doubt the potentially far-reaching consequences of most of a community's industrial resources being controlled by absentee owners, he need only visit areas that have been absentee-owned "factory towns" for many decades.

Although not a product of the current merger movement, Gary, Ind., is a prize example of what absentee ownership means for a city. Millions of people traveling across mid-America have driven past this dismal community just south of Chicago, whose unfortunate inhabitants live amid ubiquitous urban decay under a perpetual shroud of polluted skies. Ironically, Gary with its steel mills and oil refineries has one of the richest industrialized bases in America—nearly all absentee owned. Indeed, U.S. Steel's chief civic contribution to Gary was to name it after the great steel corporation's first president, Judge Elbert H. Gary.

Bluntly put, although the Gary area is built on a wealthy industrial base, its absentee owners have permitted it to become one of the most blighted communities in the nation. Indeed, it is so unusual for the corporations owning Gary's wealth to help solve community problems that *Business Week* magazine wrote a feature article when U.S. Steel decided to help Gary Mayor Richard Hatcher with the city's problems.

Americans should ponder Gary's experience. It is probably impossible today for our large cities to solve their manifold social and economic problems unless key business decision makers have a personal stake in what happens to a community.

And Gary is not an isolated example of a community whose decay can be laid largely to absentee corporate ownership. Probably the worst examples are small communities totally dependent on an absentee-owned plant. Although the social and political problems associated with the "company town" have long been a subject of concern, the absentee-owned company town is left with its citizens subject to the whims and interests of top business decision makers not residing in the community.

Such absentee owners are less susceptible to local pressure to aid in solving problems. Therefore it is not too surprising that the worst example of industrial pollution in America originates in an absentee-owned plant located in the small hamlet of Alloy, W. Va. Located off the beaten track and not even shown on most road maps, this community's plight is less visible than Gary's. But as *Business Week* recently observed, "Alloy has a highly visible claim to infamy. It is home for what may be the smokiest factory in the world: a Union Carbide ferroalloys plant that pours out 70,000 tons of particles a year—slightly more than the total emitted in all of New York City."

Nor has Union Carbide demonstrated greater concern for community welfare in other West Virginia communities where it is the major employer. *Business Week* quotes the mayor of Vienna, W. Va., as saying the company has repeatedly ignored the community's complaints. As Mayor Curtis Uhl sees it, "Just because they're a big company and we're a small community, they think they can tell us to go to hell. I'm madder than a wet hen."

Similarly, because workers in Union Carbide dominated communities are heavily dependent on Union Carbide for their livelihood, pressure is frequently brought to bear on workers to aid the company in resisting government-ordered pollution abatement programs. "We resent the fact that Union Carbide is using our members as pawns in its resistance to clean up the air," one union official stated.

When centralized corporate decision making adversely affects the quality of life in communities and even entire regions of the nation, the manifestations may be social and economic. But the root cause may well be the frustration or distortion of the political processes in a democratic society.

It is fundamental to the American creed that political democracy cannot coexist with economic oligarchy. Yet, many would have us believe that growing centralization of economic power poses no threat to our democratic institutions. Indeed, some argue that the huge conglomerate enterprise that operates plants all across the land is really just an amalgam of separate businesses and therefore may have no more, or perhaps even less, political power than did the predecessor companies. After all, they argue, when many companies are rolled into one, it speaks with only one voice, whereas its predecessor companies spoke with many. This argument completely misses the point because it ignores how economic power is brought to bear. Representative democracy functions well only when particular sources of economic power don't control a large portion of the elected representatives.

Substantial centers of economic power have functioned politically since 1900, but the current movement toward industrial centralization and conglomeration is adding a new dimension to the political power of large corporations. Traditionally, even large corporations have been relatively specialized, with most of their productive capacity concentrated in a relatively small geographic region. As a result, individual large corporations could bring their economic power to bear directly on only a minority of elected officials. Thus, while an individual elected official might not be a free agent on certain issues, on most he could vote the public interest as he saw it. But the range of independent action by politicians narrows as a conglomerate expands its influence over more and more regions.

Consider an example that is not entirely hypothetical: For years senators from certain states were recognized as "copper" senators and, while these senators were often divided along liberal and conservative lines on many issues, they spoke with one voice when it came to legislation affecting the copper interests. Similarly, senators from some other states were acknowledged representatives of coal and still others of petroleum interests. But while individual politicians were essentially "captives" of special interests from their regions, political power was generally dispersed because our legislative chambers were composed of politicians representing many special interests.

Such pluralism is greatly reduced, however, when various industries come under the control of conglomerate corporations, thereby multiplying the number of states and politicians to whom they may turn for aid. Rep. Henry S. Reuss (D-Wisc.) expressed their fear when he observed, "If . . . any large corporation . . . acquires significant holdings in a majority of the congressional districts of this country, who is to say whether it will exercise inordinate influences over congressional action?"

The mergers between copper and coal interests or between coal and petroleum interests, are only obvious examples of this phenomenon. The danger is even greater when conglomerates gain control of various communications media. FCC Commissioner Nicholas Johnson recently pointed out that increasingly, "Congressmen and state and local officials are compelled to regard that handful of media owners (many of whom are out-of-state), rather than the electorate itself as their effective constituency."

Growing centralization of economic power in a relatively few vast conglomerate enterprises promises to bring about a fundamental

rearrangement in the political order. Simply put, it promises to destroy our traditional pluralistic political processes that rest on a diffused, dispersed, heterogeneous ownership pattern.

Supreme Court Justice William O. Douglas has pointed out how centralized economic power undermines democratic institutions: "Power that controls the economy should be in the hands of elected representatives of the people, not in the hands of an industrial oligarchy. Industrial power should be decentralized. It should be scattered into many hands so that the fortunes of the people will not be dependent on the whim or caprice, the political prejudices, the emotional stability of a few self-appointed men. The fact that they are not vicious men . . . is irrelevant."

Clearly, the conglomerate merger movement of the 1960s has caused a drastic transformation in the geographic pattern of corporate control in America. These developments may have a far-reaching and enduring impact on numerous communities across the land. But even more important, these changes reflect an erosion in the fundamental premise that a wide diffusion of economic decision making fosters social and political, as well as economic, institutions that Americans have traditionally valued highly.

It is still too early to tell whether the great merger tide of the 1960s has ebbed permanently, or whether it will rise again with the return of more buoyant economic conditions. I suspect it is more likely to rise again. Indeed, some evidence indicates the merger tempo is already beginning to quicken. It is therefore imperative that steps be taken now to strengthen our laws and enforcement procedures for coping with such a resurgence of merger activity.

[From *Industry Week*, June 7, 1971]

WORLD CORPORATIONS URGED TO MAP SURVIVAL STRATEGY

Managers must begin now "to understand the dynamics of world politics," says Dr. Richard Eells, director, studies of the modern corporation, Columbia University, New York.

Why? Simply because the era of parochialism in private enterprise is past. The corporate world of today is international and big. Managers, especially those who intend to end up top managers, are going to have to become more and more like diplomats, Dr. Eells believes. "The survival of the multinational corporation in the future will depend heavily upon the manning of its top posts with people who . . . can envisage the optimum role for a global corporation in a hazardous environment."

And, a hazardous environment it is. Look at recent events in Chile, Libya, and India to learn what Dr. Eells means by "hazardous."

FOUR STRATEGIES

But, Dr. Eells adds, you don't have to be a Ph.D. in international relations to properly handle the business of an international company. All you have to do is master "the four essential strategies."

Dr. Eells says these four are all a modern manager needs to avoid the wrong end of a nationalization move or an inflationary disaster in Timbuktu.

First and foremost is the "strategy" that businessmen have always used, "business strategy." Good, sensible economics is essential now and will continue to be in the economy that Dr. Eells calls "global" and "emergent."

Strategy No. 2 is called "negotiation." A multinational manager must learn to handle discussions between "power entities in the world arena . . . including not only bargaining in the business sense, but also embracing all the arts of diplomacy; offer, counter-offer, the wise use of intelligence."

Along with this diplomatic approach to modern business, Dr. Eells couples a third quasi-military strategy: communications. This means the modern multinational leader must "make full and statesmanlike use of information technology and ideological defenses."

The final and, perhaps, most surprising suggestion Dr. Eells has for today's corporate leaders is "the strategy of the ultimate sanction." This implies "coercive force . . . a strategy involving indirect reliance upon military power in the hands of political leaders together with the corporation's own armed guards in far-flung field operations."

POWER IS POWER

What Dr. Eells is describing may seem to some managers to be more like a government or an army. Although Dr. Eells suggests that eventually we may see "the international system of sovereign nation-states . . . in time superseded by some kind of global political economy" it's too far off to really talk about now.

Still, the modern corporation is pretty close to a quasi-sovereign organization already. Some of the biggest are far larger in many ways than some medium-sized countries.

And, Dr. Eells adds, "In the recent dialog of giant business there is the recurrent use of the phrase 'power-seeking.' This is a loaded characterization. All organizations, including corporations, are unavoidably involved in arenas of power in order to survive." This power-seeking, which is often denied, or at best unmentioned by most corporate heads, is a fact. "The struggle for survival, and—after survival—for the means to reach corporate objectives, of course requires more than power-seeking leaders."

RESPONSIBILITY

Dr. Eells suggests a way of seeing to it that growing corporate power and, therefore, the growing power of the manager be kept responsible. "The objectives of big corporations, and especially those which enter the world arena as multinational enterprises, have to be defined in terms of radically new (as well as traditionally old) corporate roles and responsibilities."

"The modern corporation has proved to be a superb instrument for the production of goods and services. Its management, at its best," Dr. Eells says, "is an example for other organizations to follow. But, more than that," he continues, "the multinational corporation is likely to be drafted into service for new tasks in the emerging world political economy."

These new tasks, Dr. Eells says, will be matters of ecological and social activity. But, his point is that they will be tasks . . . handled much the same way modern corporations handle the making of any other product.

THE BIRTH OF OUR NATION

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1971

Mr. ARCHER. Mr. Speaker, on the Fourth of July, the Reverend J. T. Bagby, of St. Martin's Episcopal Church in Houston, delivered a moving sermon about what we can do to regain the spirit that made America great—a spirit that seems lost in today's protests and national self-doubt. His sermon is something we should all consider very seriously, and I would like to share it with my colleagues.

The sermon follows:

THE BIRTH OF OUR NATION

(By the Reverend J. T. Bagby)

The Fourth of July is the most uniquely American holiday because it is the birthday of our country. Our Independence Day is more than the birthday of our country because it is the birthday of genuine political freedom around the world.

Like all birthdays, it is a time for us to rejoice over our past, to take a look at our confused present, and to take our bearings for the future. How are things going in our country and in our world on this Fourth of July?

I

If one word were to describe our country's mood today it would probably be "confusion." Our blessings are manifold. We are free. One-third of the people of the world today are denied even the opportunity to attend a worship service of their choice. How mindful and how grateful, by visible evidence of people in Church on this birthday, are we Americans for this freedom? In America we have plenty to eat, and to share, at a time when so many in other parts of the world never have enough. How thankful and how willing to share are we for our blessings?

However, the mood of our country can be characterized by confusion, uneasiness, uncertainty, perplexity, and dismay. No American is easy in his mind when he looks at Cuba, Hungary, Germany, Korea, Vietnam, Russia, and Red China. One-half the people of this contracting planet are denied freedom. Can we feel secure in such a world? You and I know the answer to this question. What we do not know is what to do about it.

II

Our confusion and uncertainty is caused in great measure by our lack of understanding of the nature of the struggle dividing our world.

1. There is a conflict of arms.

Whether you are a hawk or a dove, you know that we dare not give up our arms; else the other side could say to us: "Surrender or perish."

2. There is a conflict of economic systems.

Which economic system will crack up first under the awful load of military costs? If we do not spend more for arms, we invite insecurity—and disaster.

3. There is a conflict of educational systems.

Which will produce not only the smartest but the toughest minds. If we do not spend more for education, and if our young people do not really strive for an education; we invite decay—and disaster.

4. There is a conflict of philosophies of life.

It is a conflict between two totally different sets of values, two different ways of looking at things; and that means two different concepts as to the nature of man, two different concepts as to the nature of the universe, two different concepts as to the nature of God—or whether God is.

Charles Malik, President of the United Nations General Assembly a few years ago, reported the Conference on Human Rights in Paris after World War II spent months trying, in vain to agree what a human being is.

One side believes that every man is a child of God, created by a Creator, and endowed by that Creator with certain inalienable rights—born with them. Man was created, as the Bible puts it, in the image and likeness of God. This means that man has something of the Divine in him, something that enables him to sense moral values, a capacity to make moral judgments, and to make independent decisions. Such an estimate of the nature of man was the foundation on which this nation was established on that first Independence Day.

The other side, the Communists, believe that there is no God and no moral order

in the universe, so man has no such inherent and inalienable rights. The great Russian scientist, Dr. Pavlov, demonstrated that he could take a young dog, before an old dog had a chance to teach him habits and, by rigidly controlling the environment of the young dog, he could produce the reactions he wanted: predictable, unvarying, automatic reactions from the dog. The Communists believe the same thing can be done with man—and they intend to do it.

This present world conflict is not an old-fashioned effort like those of Caesar, Napoleon, Alexander the great, even Hitler, to seize other people's land or gold or slaves. This is a struggle about the nature of man. This is a struggle about the moral order of the universe.

Why have we been unable to get any real agreement with the Communists, whether at Yalta, or Potsdam, or Geneva, or Paris today? We are not pursuing the same objectives. We do not believe in the same things—about man, about a moral universe, about God.

III

Our confusion and uncertainty is caused in great measure by our lack of understanding the essential nature of our own culture and our heritage of freedom.

1. How did it begin? Some people in Europe were denied the right to worship God as they pleased and they came to the New World determined to have religious freedom. They discovered that they could not have religious liberty without political liberty. The Old World was ruled from the top down; by political rulers, economic rulers, religious rulers, landed gentry, aristocracies. The pilgrims devised a political system under which people could control government instead of government controlling them, as was the rule in all the rest of the world then and is the rule in so much of the world today.

2. Then what happened? People paid less and less attention to the Holy Scriptures and less and less attention to the principles revealed in them. People began to feel less and less dependent upon God. Having less and less respect for the Creator, people began to have less and less respect for man. Having forgotten man is created in the likeness of God, people began to have less and less consideration for moral laws in relationship with other men. Thus we come to our present confusion and uncertainty.

3. What must we do now? The way to go forward again is to get back on the track. Let us rediscover the essence of our Heritage, the faith that gave our country its birth. The government's proper role is not to manage our lives but to secure for us those rights.

We must do at least three things to re-ignite devotion to the principles which made for Independence Day.

(1) First, we have to recapture our faith.

Our faith is that God IS. If there is no God, all our human efforts are bound to fail. If God is not the Creator and Father of all men, it is silly sentiment to talk about the brotherhood of man.

If God is, then what ought to be can be. If God is, then there is no reason for despair. God is available to every man. We can know His will. We can have access to His power—if we only allow Him to come to us. Though we shall go through long, hard, and dark valleys; we shall fear no evil for God is with us.

What must we do to recapture the faith that gave our country its birth? The first step is to recapture our Faith in God, our Creator and Father.

(2) Second, we have to rediscover the essential principles.

The essence of the essential principles of our heritage and faith is in our history books, but supremely in the Bible that inspired and guided our forefathers.

You cannot be a good surgeon without

long study of surgery books. You cannot be a good lawyer without long study of legal books. You cannot understand the principles essential to a free country such as ours without studying the Bible, in which the principles are set forth.

Freedom is directly dependent upon the principles proclaimed by the Bible.

What must we do to recapture the faith that gave our country its birth? The second step is to recapture the essential principles as proclaimed by the Bible.

(3) Third, we have to rediscover and follow our Leader, whom we call our Lord and Master.

Fifty-six men signed the Declaration of Independence 195 years ago. They did not sign it on the Fourth of July; they only voted to sign it and then got out of town because now they were traitors. They signed it a month later on August 2. Their names

were not made public for six months longer in the hope that they could get back safely to their homes.

Of the fifty-six men who signed the Declaration of Independence nine died in the Revolutionary War, five were captured and tortured before they died, twelve had their homes burned, two lost sons in the war, ten died in poverty, one's wife was arrested and died in prison. All fifty-six signers pledged three things: "Our lives, our fortunes, and our sacred honor". Some paid with their lives, and some paid with their fortunes, but none lost their honor. Not one man wavered.

Do you remember the last sentence in the Declaration of Independence? "And for the support of this Declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor."

What must we do to recapture the faith

that gave our country its birth? The third step is to rediscover and follow our Leader, whom we call Lord and Master. With a firm reliance on the protection of our Lord and Master, we shall have the mighty power to maintain the liberties which our forefathers won for us.

On this Fourth of July let each Christian accept the challenge of St. Paul: "Stand fast therefore in the liberty wherewith Christ hath made us free." Galatians 5:1.

PRAYER

Almighty God, who hast given us this good land for our heritage; we give Thee most humble and hearty thanks for the inestimable blessings of religious and civil liberty. Fill our hearts with thankfulness and suffer not our trust in Thee to fail; through Jesus Christ our Lord. Amen.

HOUSE OF REPRESENTATIVES—Wednesday, July 14, 1971

The House met at 12 o'clock noon.

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

Your faith should not stand in the wisdom of men, but in the power of God.—I Corinthians 2:5.

Almighty and everliving God, from whom cometh life and all good things and to whom we are responsible for our conduct, hold us close in Thy hands that we may not leave the path of truth and love but may ever labor under the banner of righteousness and justice as we live through these tumultuous and trying times.

Inspire us to work more earnestly for unity in our country and for peace in our world. By the power of Thy spirit may we lift our country above hatred and beyond ill will and endeavor to lead the nations into the glorious light of a better world where people can dwell securely and safely.

In the Master's name we pray. 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.

PRESIDENT DEMEANs WOMEN

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

Mr. KOCH. Mr. Speaker, today President Nixon and Secretary of State William Rogers demonstrated their insensitivity to the need to gain equality for women in this country. The President and Secretary of State referred in demeaning language to four leaders of the women's political caucus: Our distinguished colleagues from New York (Mrs. ABZUG and Mrs. CHISHOLM) and Betty Friedan and Gloria Steinem. I know each of these women. They are talented and equal in ability to anyone in this country. The shabby attitude displayed by the President and his top diplomatic

adviser graphically demonstrates why we need these women and their supporters, male and female alike, who are dedicated to changing the male chauvinist attitudes which pervade our society.

This attitude of sex discrimination is unacceptable from anyone, but particularly reprehensible when coming from those who have been elevated to the highest positions of leadership in this country. The need for the immediate adoption of the equal rights amendment to the Constitution, in its original unencumbered form, was made even more clear today in San Clemente, Calif.

EDUCATION FOR VETERANS

(Mrs. GRASSO asked and was given permission to address the House for 1 minute, to revise and extend her remarks.)

Mrs. GRASSO. Mr. Speaker, the current levels of educational benefits for veterans are both unrealistic and inhibiting. With costs of a college education skyrocketing a veteran pursuing a full-time course can hardly begin to cover his school expenses with the allotment in benefits currently available.

Tuition alone at many schools reaches \$2,000 per year; and a full course load often precludes any substantial outside employment to supplement a veteran's VA stipend.

Today I am introducing legislation to provide for substantial, across-the-board increases in the education benefits program for veterans.

The veterans' education assistance program is an outgrowth of the GI bill enacted after World War II. Currently, monthly allowances are made to veterans on a sliding scale for a variety of school programs, including a standard college degree, technical or trade school program, and correspondence course.

The Government makes a direct payment to an eligible veteran pursuing a full-time college course. This amounts to \$175 a month to meet, in part, the living expenses, tuition, fees, supplies, books, equipment, and other educational costs.

Under this bill, an eligible veteran, who is a full-time student, would receive \$277 each month. This figure is based on a

\$1.60 per hour minimum wage at a rate of 40 hours per week. A provision is included which would raise these benefits if the minimum wage is increased. If enacted, the legislation would go into effect in January 1972.

Too often the veteran must drop out of school and into a shrinking job market. The bill which I have introduced would permit many more veterans to complete their education and later enter the field of their choice, hopefully at a time when the economy is able to meet their needs.

PERSONAL ANNOUNCEMENT

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

Mr. UDALL. Mr. Speaker, I had planned and hoped to be present yesterday for the vote on the motion to censure the Columbia Broadcasting System, roll-call 188. Earlier in the week, I instructed my staff by phone from overseas to inform the whip's office that in the event air connections made my presence possible, I would vote against the censure.

As chairman of the Postal Service Subcommittee, I had led a delegation of House Members and Postal Service officials to Italy, Germany, and England for consultation with Government officials of those nations on postal operations and labor-management problems. Those consultations were most useful and productive and may lead to several new legislative and administrative initiatives.

Unfortunately, our return flight was almost an hour late, preventing me and the other members of the delegation from voting on the important censure motion. I am gratified that the margin of defeat was substantial and that our votes could not have been decisive one way or the other.

Mr. Speaker, I applaud the action of the House in recommitting the censure motion.

NEGOTIATIONS BEGIN ON CANAL ZONE FATE

(Mr. HALL asked and was given permission to address the House for 1