the pages to be from 16 to 18, and it was the will of the Senate that the age stay exactly where it is.

I fought that fight then, and I thought we had solved that problem at that stage of the game, so that the House could do as it pleased and the Senate could do as it pleased; that we did not have to take the dictate of the House; that we could keep our rules and regulations as they had been established and the precedent that had been established in the Senate for years.

This really corrects that situation in H.R. 4713. It deletes that requirement as to the Senate and allows the House to do as it pleases; and it leaves the age limitations in the Senate as they have been, and as I hope they always will be.

THE 125TH ANNIVERSARY OF THE ESTABLISHMENT OF THE SMITHSONIAN INSTITUTION

Mr. HRUSKA. Mr. President, I ask unanimous consent for the immediate consideration of a House joint resolution at the desk, which was reported earlier by the Committee on the Judiciary.

The PRESIDING OFFICER. The joint resolution will be stated.

The legislative clerk read as follows:

H.J. Res. 782. Joint resolution to authorize the President of the United States to issue a proclamation to announce the occasion of the celebration of the one hundred and twenty-fifth anniversary of the establishment of the Smithsonian Institution and to designate and to set aside September 26, 1971, as a special day to honor the scientific and cultural achievements of the Institution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. PROXMIRE. Mr. President, I understand that the joint resolution was reported unanimously by the Committee on the Judiciary.

Mr. HRUSKA. That is correct.

Mr. PROXMIRE. And there is no objection, so far as the Senator knows.

Mr. HRUSKA. No; there is no objection. And there is immediacy in the request, because Sunday is the 26th.

The PRESIDING OFFICER. The question is on third reading and passage of the joint resolution.

The joint resolution, House Joint Resolution 782, was read a third time, and passed.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. PROXMIRE. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 52 minutes p.m.) the Senate adjourned until tomorrow, Friday, September 24, 1971, at 10 a.m.

CONFIRMATION

Executive nominations confirmed by the Senate September 23, 1971:

SECURITIES AND EXCHANGE COMMISSION

Philip A. Loomis, Jr., of California, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1972.

HOUSE OF REPRESENTATIVES—*Thursday, September 23, 1971*

The House met at 12 o'clock noon.

Dr. V. W. Sears, pastor, First Baptist Church, Annandale, Va., offered the following prayer:

May we pray.

Almighty God, our Creator and Redeemer, our Sustainer and Guide, with thanksgiving we make our prayer to Thee.

Bless these assembled Representatives as they address themselves to the business of this day by giving them a wisdom higher than their own and an understanding beyond their power. Override any human error by Thy power to transform evil into good, and may the peace of God that passes all understanding guard their hearts and minds in Christ Jesus, our Lord. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10090) entitled "An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian Regional Commission, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1972, and for other purposes."

The message also announced that the Vice President, pursuant to Public Law 81–754, appointed Mr. PELL as a member, on the part of the Senate, of the National Historical Publications Commission.

PRIVILEGES OF THE HOUSE— COMMONWEALTH OF PENNSYLVANIA AGAINST PATRICK McLAUGHLIN

The SPEAKER. The Chair recognizes the gentleman from Pennsylvania (Mr. EILBERG).

Mr. EILBERG. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state the question of privilege.

Mr. EILBERG. Mr. Speaker, yesterday afternoon, after the House had adjourned, I was subpenaed to appear before the Court of Common Pleas of Philadelphia, Commonwealth of Pennsylvania, to testify this morning, September 23, 1971, at 9 a.m., at a preliminary hearing in an action designated as Commonwealth against Patrick McLaughlin.

Under the precedents of the House, I was unable to comply with this subpena, without the consent of the House, the privileges of the House being involved. I therefore submit the matter for the consideration of this body.

I send the subpena to the desk.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

WITNESS SUBPENA, COURT OF COMMON PLEAS OF PHILADELPHIA, TRIAL DIVISION CRIMINAL SECTION

The City and County of Philadelphia, the Commonwealth of Pennsylvania, ss.

Preliminary Hearing, Commonwealth v. Patrick McLaughlin.

Hon. Joshua Eilberg, 1130 Longworth House Office Building, Washington, D.C.

On September 23, 1971, 9 a.m., 11th and Winter Sts., 6th Police District.

You are commanded, by the Honorable D. Donald Jamieson, President Judge at Philadelphia, to appear as a Witness in this case, at the precise time and place indicated above.

D. DONALD JAMIESON,
President Judge, Court of Common Pleas.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON H.R. 9615

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until midnight tonight to file the report on the bill H.R. 9615.

COMMONWEALTH OF PENNSYLVANIA AGAINST PATRICK M'LAUGHLIN

Mr. GROSS. Mr. Speaker, reserving the right to object, with respect to the previous material, I did not get the date. I heard the 9 o'clock mentioned, but what is the date to go with the 9 o'clock?

Mr. EILBERG. Mr. Speaker, if the gentleman will yield, in answer to the gentleman from Iowa may I say that this is another separate request.

Mr. GROSS. I understand that. I am talking about the previous matter.

Mr. EILBERG. The gentleman is referring to the previous matter?

Mr. GROSS. That is correct.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, I would like to address a parliamentary inquiry to the Chair.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. My parliamentary inquiry is as to what was the date referred to in

the previous matter by the gentleman from Pennsylvania.

The SPEAKER. The Chair will state to the gentleman from Iowa that the date referred to is today's date.

Mr. GROSS. I thank the Speaker.

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

There was no objection.

PRIVILEGES OF THE HOUSE—COMMONWEALTH OF PENNSYLVANIA AGAINST PATRICK McLAUGHLIN

Mr. BARRETT. Mr. Speaker, I rise to a question of the privilege of the House.

Yesterday afternoon, after the House had adjourned, I was subpenaed to appear before the Court of Common Pleas of Philadelphia, Commonwealth of Pennsylvania, to testify this morning, September 23, 1971, at 9 a.m., at a preliminary hearing in an action designated as Commonwealth against Patrick McLaughlin.

Under the precedents of the House, I was unable to comply with this subpena, without the consent of the House, the privileges of the House being involved. I therefore submit the matter for the consideration of this body.

I send the subpena to the desk.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

WITNESS SUBPENA, COURT OF COMMON PLEAS OF PHILADELPHIA, TRIAL DIVISION CRIMINAL SECTION

The City and County of Philadelphia, the Commonwealth of Pennsylvania,

Preliminary Hearing, Commonwealth v. Patrick McLaughlin.

On September 23, 1971, 11th & Winter, 9 a.m., 6th Police.

Hon. William A. Barrett, 2423 Reed St.

You are commanded, by the Honorable D. Donald Jamieson, President Judge at Philadelphia, to appear as a Witness in this case, at the precise time and place indicated above.

D. DONALD JAMIESON,
President Judge, Court of Common Pleas.

APPOINTMENT OF CONFEREES ON H.R. 9844, ARMED FORCES MILITARY CONSTRUCTION AUTHORIZATION

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9844) to authorize certain construction at military installations, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. HÉBERT, PRICE of Illinois, FISHER, BENNETT, BYRNE of Pennsylvania, STRATTON, ARENDS, O'KONSKI, BRAY, BOB WILSON, and GUBSER.

THE REVEREND V. W. SEARS, GUEST CHAPLAIN

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

Mr. BROYHILL of Virginia. Mr. Speaker, some years ago our good friend Cleveland Tucker, Official Reporter of Debates, invited me to address a men's group at his church. Through Cleve I first met the Reverend V. W. Sears, who offered the prayer for us a few moments ago.

Dr. Sears is a native of North Carolina, a summa cum laude graduate of Wake Forest College. He received his master of theology from Southwestern Baptist Seminary and his doctorate of theology from Southern Baptist Seminary, and came to the First Baptist Church in Annandale, Va., 14 years ago after having been in the pastorate continually since 1938 in Oklahoma, North Carolina, Indiana, and Virginia.

He devotes himself to helping the members of his church learn and understand the Bible so they can apply it for themselves in every area of their lives, including their responsibility to be informed voting citizens. While he never tries to control or monitor their lives, he does try to make them understand that a man's relationship to God is the most important part of his life, and that each man is responsible to God for total stewardship of that life. That he has succeeded is obvious to anyone who has been privileged to know and work with some of the many community leaders to whom he has ministered.

Mr. Speaker, I feel we were privileged to have Dr. Sears with us today.

THE LATE HONORABLE C. W. BISHOP

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

Mr. GRAY. Mr. Speaker, it is with great regret and sadness that I inform the Members of this body of the death on yesterday of my predecessor and former distinguished Member of Congress, the Honorable C. W. "Runt" Bishop of Cartersville, Ill.

"Runt" Bishop, as he was affectionately called, served with great distinction as a Member of Congress from 1940 until 1954, a total of seven terms. He was a distinguished member of the House Committees on Armed Services and House Administration. He was a great sports enthusiast and will be remembered as the manager of the Republican congressional baseball team during his congressional service. Mr. Bishop was a warm and affable person. He was a man with a high sense of patriotism and concern for his country. His passing will be felt keenly by his former colleagues and friends. Mrs. Gray and I extend our deepest sympathy to Mrs. Bishop and other members of the family.

GENERAL LEAVE TO EXTEND REMARKS

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the passing of our former Member, the Honorable C. W. Bishop.

The SPEAKER. Without objection it is so ordered.

There was no objection.

BUSING OF OUR CHILDREN

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

Mr. DOWNING. Mr. Speaker, we have a great many domestic troubles in our country today, but the one that is literally tearing us apart is the forced busing of our children miles away from their homes in order to insure the proper racial balance.

It is an unwanted, unnatural, and unreal device which was never intended by the Congress of the United States to be used in this fashion.

Apparently, the only solution to this unbelievable threat to our great public education system is by an amendment to the Constitution.

Up to now, approximately 35 constitutional amendment resolutions have been introduced in the House of Representatives by sponsors and cosponsors.

Last week, a substantial number of these sponsors met and agreed that for this effort to have any success at all, we must agree to throw all our support behind just one bill and that this support must be bipartisan.

Therefore, on yesterday, the gentleman from Oklahoma (Mr. STEED) introduced House Resolution 610 providing for the consideration of House Joint Resolution 620 previously introduced by the gentleman from New York (Mr. LENT).

The Steed resolution has been referred to the Committee on Rules where it must stay for 7 legislative days. At the end of this period, which will probably occur on October 5, the gentleman from Oklahoma will introduce a petition providing for the discharge of the resolution introduced by the gentleman from New York, at which time we must proceed to obtain the 218 signatures necessary for immediate consideration by the House.

As soon as this discharge petition is available—probably on October 5—I urge every Member of Congress to sign as soon as possible.

A CRUEL TAX PACKAGE

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

Mr. VANIK. Mr. Speaker, yesterday, the Ways and Means Committee tentatively approved a bill which will prove disappointing to the average taxpayer. Business taxes are being reduced this year by over $5 billion. The corporate and individual buyers of new passenger vehicles and light trucks will save $2.5 billion in excise taxes.

The average taxpayer with three dependents and an income of $9,000 will save about $26 in his annual tax bill, or about 7 cents per day.

This tax bill is designed to produce vibrant blossoms next autumn and a harvest of bitter fruit in the cold seasons that follow. The tax package is harsh

and cruel to the individual taxpayer. I expect to oppose it.

NATIONAL CANCER ATTACK AMENDMENTS OF 1971

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

Mr. OBEY. Mr. Speaker, today I am introducing the National Cancer Attack Amendments of 1971 that were introduced last week by the gentleman from Florida (Mr. ROGERS), whose subcommittee on Public Health and Environment is holding hearings on several bills that have as their common aim the development of a cure for cancer.

This bill takes the view that programs of the National Institutes of Health "have made it possible to bring into being the most productive scientific community centered upon health and disease that the world has ever known."

It calls for the Director of the National Cancer Institute to coordinate all NIH activities dealing with cancer "into the national cancer attack program," and authorizes $1.5 billion over the next three fiscal years for cancer work.

Given this country's acknowledged world leadership in biomedical science, I believe a stepped-up cancer attack within the framework of NIH is the best way to proceed against this dread disease.

In my judgment the gentleman from Florida deserves the support of this House for attempting to reduce the emotion and increase the good sense surrounding congressional debate on this question.

U.S. BOMBING POLICY IN LAOS

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

Mr. HÉBERT. Mr. Speaker, at 10 a.m., on October 5, 1971, in room 2118, Rayburn Building, the Carl Vinson Room—the main committee room of the House Armed Services Committee—we will hear, in executive session, a briefing on U.S. bombing policy in Laos.

To the limit of the size of the room, I invite all Members of the House who wish to attend that meeting to be present. Since this will be an executive session—dealing with classified information—and in accordance with committee rules, only House Members and staff members of the Committee on Armed Services will be admitted.

POLITICAL TRICKERY

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

Mr. DORN. Mr. Speaker, many Members of this House are sick and tired of Federal Government officials and agencies who fail to notify the Member promptly and timely when a project in his congressional district is approved.

It is embarrassing to a Member of this House to work for years on a project, seek the proper authorization and adequate appropriation, and often find himself the last to be given official notice.

In order to adequately answer questions and inquiries about projects a Member should be immediately informed about the status and final approval of such a project.

Yes, Mr. Speaker, it is embarrassing to be involved in hearings, and committee work and final passage of the basic legislation and then later to learn after the fact from some unofficial source that a project has been approved in the congressional district that is our honor to represent.

It is uncalled for and misleading, and smacks of political trickery, an attempt to hoodwink and bamboozle the taxpaying citizens.

Mr. Speaker, I remind this House that every loan, every grant approved by a Government agency, first originates in the Congress, and was gone over with a fine-toothed comb in committee before final approval. It is not in the power of nonelected officials in the Federal bureaucracy to raise revenues and authorize the Government project. The Constitution clearly provides that all appropriation bills are to originate in the House of Representatives. Mr. Speaker, the time has come for us to make this point crystal clear.

Mr. Speaker, I am contacting the House Committee on Government Operations, asking for favorable consideration of the bill I have introduced along with many colleagues which would put into law the requirement that the U.S. Government simultaneously inform each affected Representative and Senator of approval of any contract, loan, or grant. My bill would express the sense of Congress that Members be notified in time to prepare an appropriate announcement of the loan or contract.

BUY AMERICAN

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

Mr. SAYLOR. Mr. Speaker, the Federal Government has had a "Buy American" Act since 1934. Twenty-one States and territories give preference to domestic goods in their purchasing practices.

Yet, in a recent decision of the California Supreme Court, that State's Buy American Act was declared unconstitutional because it was an "encroachment upon the Federal Government's exclusive power over foreign affairs, and constituted an undue interference with the United States conduct of foreign relations." This decision, unless overturned, could make all State Buy American Acts and regulations unenforceable.

Discontinuance of State procurement practices will aggravate the Nation's No. 1 problem of creating new jobs and reducing employment. Many domestic industries are severely handicapped without the volume of State business and the number of jobs will be seriously affected.

Most foreign competitors control prices and quantities of exports through monopolistic cartels repugnant to the American way of life. Thus, domestic manufacturers are placed at an unfair disadvantage in attempting to compete.

Federal action is needed now to allow the States to continue their long-standing "buy American" practices. I hope that the bill which I am introducing today will pave the way for remedial action.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 9166, AMENDING FURTHER THE PEACE CORPS ACT

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 609 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 609

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9166) to amend further the Peace Corps Act (75 Stat. 612), as amended. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 9166, it shall be in order to take from the Speaker's table the bill S. 2260 and to consider the said Senate bill in the House.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may require.

Mr. Speaker, House Resolution 609 provides an open rule with 1 hour of general debate for consideration of H.R. 9166 to amend the Peace Corps Act. After passage of H.R. 9166, it shall be in order to take S. 2260 from the Speaker's table and consider the same in the House.

H.R. 9166 authorizes an appropriation for the Peace Corps for fiscal year 1972 in the amount of $77,200,000. This is $5 million less than the amount requested by the administration and $12.8 million less than the appropriation for fiscal year 1971.

The size of the Peace Corps has declined over the past 5 years but, as a

result of recruiting efforts, it expects about 4,800 new trainees this year and 5,800 new trainees in 1972.

The Corps is redirecting its program to give greater emphasis to volunteers with practical experience and technical skills. By this fall 212 volunteer families will be in training to serve overseas. In most instances, both the husband and wife will serve in a volunteer capacity and it is expected that the number of such families will increase in the future.

Mr. Speaker, I urge the adoption of the rule in order that the bill may be considered.

Mr. ANDERSON of Illinois. Mr. Speaker, I urge adoption of House Resolution 609 which would make in order the consideration of H.R. 9166 under an open rule, with 1 hour of general debate. This legislation would extend for 1 year the authority for the Peace Corps and authorize appropriations of $77.2 million for the agency in fiscal 1972.

Peace Corps volunteer strength this calendar year is estimated at nearly 6,300 and is projected at nearly 6,700 in calendar 1972. Trainee recruitment next year is expected to be 5,800—up 1,000 over this year's recruitment. All this marks a reversal in the declining recruitment trend since 1966 when the Peace Corps was at a peak strength of over 12,300 volunteers. But success is not necessarily to be found in numbers and there is every evidence that the Peace Corps has more than made up in quality what it has lost in quantity. The new emphasis under Director Joe Blatchford has been on the recruitment of more volunteers with special skills for which there is a great demand in the developing countries. This new recruitment effort has necessitated reaching into the ranks of married couples with families quite often, and by this fall some 212 family units will have entered Peace Corps service. I think Director Blatchford is to be commended on this and other new directions he has charted at the Peace Corps to shape that agency to the development needs of the third world in the decade of the seventies. I am confident that the Peace Corps will continue to be an effective vehicle for good will, understanding, and change around the globe in this, its second decade of existence.

As an expression of his confidence in and pleasure with Joe Blatchford's efforts at Peace Corps, President Nixon recently appointed him as Director of the new Action Agency established under Executive Reorganization Plan No. 1 of 1971 which merges the Peace Corps with various domestic volunteer programs including VISTA. I share the President's confidence in Joe Blatchford's leadership abilities and have every reason to believe he will give new life to the Federal volunteer effort through ACTION.

For these reasons, Mr. Speaker, I urge adoption of this resolution and passage of the 1971 Peace Corps Act amendments.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 266]

Adams	Findley	Poff
Anderson, Tenn.	Fish	Powell
Ashbrook	Flynt	Quie
Ashley	Fulton, Tenn.	Rees
Badillo	Gallagher	Reid, N.Y.
Baring	Gettys	Rodino
Bell	Gibbons	Rosenthal
Biaggi	Gubser	Ruppe
Bingham	Hanna	Ruth
Blackburn	Hansen, Idaho	St Germain
Brooks	Harsha	Scheuer
Burton	Hawkins	Shoup
Clark	Hays	Smith, Iowa
Clay	Hébert	Spence
Collier	Holifield	Springer
Collins, Tex.	Horton	Stephens
Conyers	Jonas	Stokes
Coughlin	Kluczynski	Thompson, N.J.
Davis, Wis.	Koch	Ullman
Derwinski	Long, La.	Veysey
Diggs	McEwen	Vigorito
Dow	Martin	Waldie
Dwyer	Mathias, Calif.	Watts
Eckhardt	Metcalfe	Wiggins
Edmondson	Michel	Wilson, Charles H.
Edwards, Calif.	Mills, Ark.	Winn
Edwards, La.	Murphy, N.Y.	Wright
Esch	Pepper	Yates
Eshleman	Pettis	
	Podell	

The SPEAKER. On this rollcall 345 Members have answered to their names, a quorum.

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

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE A REPORT ON H.R. 10729 UNTIL MIDNIGHT SATURDAY

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight Saturday next to file a report on H.R. 10729.

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

There was no objection.

AMENDING FURTHER THE PEACE CORPS ACT

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9166) to amend further the Peace Corps Act (75 Stat. 612), as amended.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9166, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes, and the gentleman from California (Mr. MAILLIARD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania, the chairman of the committee.

Mr. MORGAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H.R. 9166, which is before us today, is a short bill and a simple bill. It does just one thing. It authorizes an appropriation of $77,200,000 to finance the operations of the Peace Corps for the fiscal year 1972.

The Executive request was $82,200,000. We cut this by $5 million.

The appropriation for last year was $90 million. The authorization in this bill is $12,800,000 less than was appropriated for the Peace Corps last year.

The bill before us makes no changes in existing law except for the authorization of funds for the next fiscal year. The Peace Corps will continue to operate in fiscal 1972 under the authority and the same limitations that have been in effect during the past year.

Congress during the present session approved Reorganization Plan No. 1 of 1971, which combined the Peace Corps with a number of other voluntary programs in a new agency called ACTION.

I want to emphasize, however, that this reorganization made absolutely no change in the Peace Corps Act. The Peace Corps is still governed by the same provisions of law that were in effect before Reorganization Plan No. 1 went into effect.

Mr. Chairman, although the basic legislation is not changed by this bill, the Peace Corps is changing and has changed.

The Peace Corps is reducing the number of volunteers it sends abroad, and it is sending volunteers with different qualifications and interests than was the case a few years ago.

The Peace Corps is now recruiting people with technical skills which are needed in the less developed countries, such as, mechanics, farmers, and specialists in watershed management and soil conservation. The Peace Corps is sending fewer liberal arts graduates just out of college.

In order to be able to recruit more skilled volunteers, the Peace Corps is sending a limited number of volunteers with families overseas. Authority to recruit volunteers with families was approved by the Congress last year. There are 200 volunteer families in the Peace Corps at present.

The Peace Corps is operating in 59 countries and will have 6,690 volunteers serving abroad.

I should point out that there were over 12,000 volunteers overseas in 1966.

I believe it is safe to say that the Peace Corps, instead of getting bigger and better, is getting smaller and better.

The governments of the less-developed countries continue to ask for the services of Peace Corps volunteers. The details as to the countries and the num-

ber of volunteers are set forth in the committee report.

Every few months it seems that there is a report that some government has kicked the Peace Corps out of a country. These reports should not be interpreted as meaning that foreign countries are losing interest in the Peace Corps. On page 6 of the committee hearings, there is a complete list of the countries where the Peace Corps has been terminated. There are 16 altogether.

You will note that in two cases—Ceylon and Guinea—the Peace Corps has been kicked out twice. After a change in the government, the Peace Corps was asked to come back; and then after another change, the Peace Corps was again asked to leave.

Apparently, in none of these cases was there any fault on the part of the Peace Corps. There was no crisis involving the behavior or activities of the volunteers. In general, what happened was that a government decided that, for reasons of internal politics, it preferred not to accept the services of foreigners. The people who were served by the Peace Corps and who were closely associated with the volunteers, I am told, in all cases hated to see them go.

Mr. Chairman, the Peace Corps has rendered an important service to the people of the less-developed countries. We should not forget, however, that the Peace Corps has rendered a great service to the people of the United States. It is hard to realize that there are over 47,000 returned volunteers. Most, but not all of them, are young people who have benefited from 2 years of service in a strange country. I am sure that most of them are better citizens because of this experience, and I am sure that all of us benefit from their presence among us.

Mr. Chairman, it is important that the Peace Corps continue to operate. The less-developed countries need the services of the volunteers. Many of our own people regard it as a privilege and an opportunity to serve abroad as Peace Corps volunteers.

The Peace Corps has redirected its efforts and has reduced the scale of its operations.

The authorization in this bill is justified, and I urge its approval.

Mr. Chairman, I must tell the Members of the House that the Peace Corps was 10 years old yesterday. I remember that I stood in this well 10 years ago and asked the House to pass the first Peace Corps authorization bill. The distinguished Member of Congress from Kentucky who is now presiding as chairman of the Committee of the Whole was presiding as chairman during that debate 10 years ago. For the past 10 years our distinguished colleague, the gentleman from Kentucky (Mr. NATCHER), has presided over everyone of the debates on the Peace Corps authorization.

All of us in the House recognize that the gentleman from Kentucky (Mr. NATCHER) is a fine presiding officer, he is a stern but a fair taskmaster, and the Peace Corps benefited from his skill and the judgment he has displayed in presiding over our deliberation during each year of its history.

The CHAIRMAN. The Chair now recognizes the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in support of H.R. 9166 which would authorize the appropriation of $77,200,000 to operate the Peace Corps in the fiscal year 1972.

The distinguished chairman of the Committee on Foreign Affairs, Dr. MORGAN, has reviewed in some detail the various aspects of the legislation before us. It is not my intention to repeat what he has said, but I would be remiss if I did not emphasize the improvements that have taken place in the administration and operation of the Peace Corps.

Under the leadership of Joseph H. Blatchford, the Peace Corps has tightened its administration and reduced the size of its permanent staff by 29 percent at a saving of nearly $3 million in administrative expenses.

At the same time, the Peace Corps has adopted a policy of emphasizing the skills needed to meet high priority tasks in the host countries. Today, the Peace Corps is sending fewer volunteers overseas than just a few short years ago, but more of those selected for overseas service have specific skills that have been requested by the countries concerned. Seventy percent of today's volunteers are considered skilled; 2 years ago the figure was 29 percent.

Under the new policy, requests from countries have changed dramatically. They are now asking for, and getting, volunteers with experience in agriculture to work in agricultural development and the green revolution.

Craftsmen from unions and industry are going abroad as vocational education instructors. The interest of other countries in the environment has resulted in requests for volunteers who are specialists in areas such as natural resource development and wildlife and watershed management. Through these and other programs the Peace Corps is helping to meet the higher priority needs of the host countries.

The Peace Corps new approach has had a favorable response from applicants. In fact, applications in the first quarter of this year were the highest in 5 years. This means that the Peace Corps can be highly selective and choose only the most qualified individuals as volunteers.

Mr. Chairman, the Peace Corps has concluded its first decade of service. Yesterday, September 22, was the 10th anniversary of the signing into law of the original Peace Corps legislation by the late President John F. Kennedy. Today, 10 years later, the Peace Corps has matured into an effective and responsive agency. It deserves our continued support.

I urge passage of this legislation.

Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FULTON).

Mr. FULTON of Pennsylvania. Mr. Chairman, I want to join with our distinguished chairman, the gentleman from Pennsylvania (Mr. MORGAN), in complimenting the present chairman of the Committee of the Whole, Mr. NATCHER of Kentucky. Mr. NATCHER has presided competently over this authorization bill for the Peace Corps every year for the last 10 years. Mr. NATCHER has done so well that this Peace Corps program has received overwhelming approval in the House.

Mr. Chairman, I would like to point to those Members who are economy minded that the permanent staff of the Peace Corps has been reduced 29 percent by its present Director, Mr. Blatchford. This is a move in the right direction.

Likewise the Committee on Foreign Affairs has made a cut of $5 million in the authorization request, from $82.2 million to $77.2 million. This tightens the budget, and reduces authorized expenditures for economy purposes, to bring the Peace Corps budget to a level to conform to the reduction in Peace Corps personnel.

Surprisingly, we have this year an increase in the number of people who would like to volunteer for Peace Corps service in the field. This is a good sign of the fine spirit of these good Peace Corps volunteers, and the continued excellent acceptance of the Peace Corps both in the United States and abroad. I think it is very well that we are looking ahead to having in 1972 as volunteers in training 5,800 new applicants.

There is going to be an increase of 1,000 Peace Corps volunteers over this year's figures. That is a healthy development in my opinion because it shows the interest of these dedicated people who want to serve in the Peace Corps and who want to give their services not only for the benefit of their community but for the benefit of all mankind. Such unselfish action by our U.S. citizens of high character and courage is necesary if we are to make this world of our work and progress.

Mr. Chairman, I want to conclude by saying that we in the United States are and should be good citizens of the world, otherwise we citizens of America are going to find that it is going to be difficult for us, that we might have to resort to arms and other means in order to maintain peace and progress. This would be most unfortunate. Therefore, I believe that the Peace Corps with its fine dedicated volunteers, and assistance to the developing peoples of the world, is one of the best instruments of peace and progress that we have in our U.S. foreign policy.

Here are the major facts on the Peace Corps:

H.R. 9166 authorizes an appropriation of $77,200,000 to finance the operation of the Peace Corps during the fiscal year 1972. This sum is $12,800,000 less than the appropriation for fiscal year 1971.

The committee authorization for 1972 is $5 million less than the sum actually

requested by the Peace Corps. The committee believed this reduction could be made without impairing the operation of the Peace Corps program.

The high point in Peace Corps expenditures was $114,100,000 in the fiscal year 1966. Since then the Peace Corps costs have tapered off and the budget for fiscal year 1972 is less than for any fiscal year since 1963.

The Peace Corps, under the leadership of Joseph H. Blatchford, is cutting its administrative and support staff and tightening administrative procedures. As a result, administrative expenses have been reduced from an estimated $31.4 million for fiscal year 1971 to $28.4 million projected for fiscal year 1972.

The number of Peace Corps volunteers has declined from a high of 12,313 in calendar year 1966 to approximately 6,300 volunteers overseas in 1971. However, a slight increase to 6,690 in 1972 is expected. As a result of a successful recruitment effort, the Peace Corps expects to have 4,800 new trainees by the end of 1971 and 5,800 new trainees in 1972.

The Peace Corps is now emphasizing practical experience and technical skills in order to more fully meet the requirements and requests of the host countries. The increase in applications is an indication that potential volunteers with greater maturity and skills are interested in serving in the Peace Corps as it redirects its efforts to meet the high priority needs of low-income countries.

The Peace Corps today is emphasizing quality, not quantity. In addition to dedication and enthusiasm, today's volunteers are being selected for the maturity, experience, and skills that will enable them to effectively serve their country overseas.

(Mr. FULTON of Pennsylvania asked and was given permission to revise and extend his remarks in the House and include extraneous material.)

Mr. DERWINSKI. Mr. Chairman, I rise in support of H.R. 9166.

As many of you will recall, when the Peace Corps was established 10 years ago, I opposed the original bill. In the years since it was founded, I have followed closely the activities of the Peace Corps and have criticized its selection of individuals who give our country a bad name while serving overseas.

However, I have been pleased to note the many new policy and program developments that have been implemented by Joseph H. Blatchford to make the Peace Corps a more efficient and effective agency.

As a result of these changes, the Peace Corps is directing its attention to the high priority needs of the low-income countries. These countries are now asking for, and receiving, more men and women with practical skills and technical experience.

Many of the volunteers are husband and wife teams under the new family program. One such couple is in Honduras, where the husband, an agronomist, is working on agricultural projects. His wife, with more than 20 years' experience in radio, directs a nutrition education program over the local radio system. Together, they are helping to improve the nutrition of the people of Honduras.

This couple is typical of the men and women with technical skills who are doing their part in high-impact programs. A rice grower from California is developing marketing plans for farmer cooperatives in Brazil. A wildlife programs expert at Everglades National Park will plan national parks in Colombia to protect that country's resources.

There was doubt, on the part of some, that the Peace Corps could provide the kind of maturity and skills that host countries need and are now requesting. The dramatic increase this year in applications is proof that the new Peace Corps emphasis on maturity and skills has been well received. It is also proof that the confidence of the Congress in the Peace Corps is justified.

I am proud of the record of the Peace Corps, and I urge your support of H.R. 9166.

Mr. MAILLIARD. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. DENNIS).

(By unanimous consent, Mr. DENNIS was allowed to speak out of order.)

PERSONAL TRIBUTE TO THREE OF OUR COLLEAGUES

Mr. DENNIS. Mr. Chairman, I rise to pay a personal tribute to three of our colleagues: the gentleman from Virginia (Mr. POFF), the gentleman from Ohio (Mr. MCCULLOCH), and the gentleman from New York (Mr. (CELLER).

Mr. POFF is under well-deserved consideration for appointment to high office; Mr. MCCULLOCH and Mr. CELLER have endorsed him for appointment to that office, despite the existence of important philosophical differences between them.

The action of these gentlemen—based on their long and intimate knowledge of the outstanding qualifications of our colleague from Virginia—is in the best American tradition.

In our profession—and in this body—we can still evaluate a man on his personal merits, rather than through some "knee-jerk" classification as "liberal" or "conservative."

I salute three fine American gentlemen—our distinguished colleagues from Virginia, from Ohio, and from New York.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

H.R. 9166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)), which authorizes appropriations to carry out the purposes of that Act, is amended by striking out "1971" and "$98,000,000" and inserting in lieu thereof "1972" and "$82,200,000" respectively.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 7, strike out "$82,200,000" and insert in lieu thereof "$77,200,000."

AMENDMENT OFFERED BY MR. GROSS OF IOWA TO THE COMMITTEE AMENDMENT

Mr. GROSS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the committee amendment: Page 1, line 7, strike out the figure "$77,200,000 and insert "$50,-200,000".

Mr. GROSS. Mr. Chairman, I offer this amendment which is a little less than a 50-percent cut from the authorization of $98 million last year. I do so because the Peace Corps has been reduced in the last few years from strength of 12,000 persons, in round figures, to 6,000 in round figures, a cut of approximately 50 percent.

Now, I do not know of any reason why we should continue to ladle out money to this organization on the basis of what we have in the past when the number of payrollers is being reduced. Moreover, I hope the House understands that the administrative expense of this organization will be, as estimated for 1972, more than one-third of the total appropriation. In other words, it is planned to spend more than $28 million for administration in 1972 on the basis of an asking for $77.2 million.

How in the world can anyone justify administrative costs of $28 million plus with some 6,000 employees? Are they any Indians in this outfit? Apparently they are all chiefs.

I know that when we had the public hearing before the House Committee on Foreign Affairs I saw a large group in the hearing room and I asked Mr. Blatchford how many of his staff he had with him that morning. He turned around and started to count. Apparently he lost count for he said, "Suppose you just hold up your hands to identify yourselves." He had about 20 of them over there. I do not know who was running the Peace Corps that day.

Yes, this thing is far too top-heavy with administrative costs.

I would further call your attention to the fact that the Peace Corps been thrown out of at least 14 countries around the world despite all the glowing remarks that you have heard here today. Does anyone know of any other organization of do-gooders, including the technicians of the foreign aid program that has been tossed out of any country? They have been pulled out when there was civil strife, or a civil war going on—but the Peace Corps has been thrown out of 14 countries, ordered out, kicked out.

When this organization was spawned, it was sold as being temporary, and another international organization that would solve all the problems of the world. Everything would be lovely, and the goose would hang high. We were near the millenium, and here we are, 10 years

later, with $1 billion expended on this organization, and we are in no better shape than we ever were around the world. In fact, we are in worse shape.

Someone said something to the effect that if we did not have Peace Corps there would be a resort to arms. We have had a resort to arms. We already have a war on our hands, a war in which we have lost close to 50,000 dead.

I would call your attention to something else. We have in this country now, today, a wage-price freeze. We have recognized an emergency, a dire financial emergency in this country. Steps are being taken—the attempt is being made to stop the further erosion of the dollar. I cannot think of a better place to make some kind of a contribution toward the cause of preserving the integrity of the dollar in this country than to cut this particular authorization. I cannot think of anything we need less than the Peace Corps at this time.

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

(By unanimous consent, Mr. GROSS was allowed to proceed for 2 additional minutes.)

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

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

Mr. HALL. Mr. Chairman, I appreciate my friend, the distinguished gentleman from Iowa, yielding. I am loath to ask him to yield for a point of information in the height of such well-chosen words and such expletives of denunciation and revelation of true fact. His oratory has long since convinced me.

But the gentleman spoke of Indians a while ago. It seems as though we Indians are losing some of our tribe. I notice in the supplemental views of one of our colleagues that he has deserted our ranks in perpetual opposition to this foreign aid giveaway and boondoggle which bring us nothing, at a time of great distress, and he bases it on the fact that in cooperation with the Smithsonian Institution, Mr. Klukas is being sent by the Peace Corps to Colombia so that they can develop national parks for future enjoyment.

Mr. GROSS. The gentleman means for the future enjoyment of Colombians; does he not?

Mr. HALL. I would assume that they would enjoy their own parks. I am not sure that the Smithsonian controls our own parks in this country. But this man must have the expertise that is extremely prevailing on our departed Indian friend.

Would the gentleman have any idea about where goeth our friend who was formerly in opposition to the Peace Corps and who is now so strong for it in his supplemental views?

Mr. GROSS. I do not see the gentleman on the floor today. I believe he has been annointed as some kind of an ambassador to the United Nations.

Mr. HALL. At least a congressional representative thereunto.

Mr. GROSS. Yes, he has some diplomatic title in the United Nations and he may have a copy of this report in his pocket up at the United Nations so he can show his new-found associates the position that he takes on these matters. I do not know how to account for these separate and supplemental views on the part of the gentleman. I do know that he is in new and different company in New York with the United Nations.

Mr. Chairman, it is no longer a question of what was spent last year on such outfits as the Peace Corps, nor how much some Members would like to spend. The grave question that faces every Member of Congress is how to save the faltering economy of this country, stop inflation and preserve the integrity of the dollar which is in dire distress at home and abroad. Here is the time and place to save a few million and give evidence of at least a small measure of responsibility.

I ask for the adoption of my amendment.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is true that the author of the supplemental views printed in the committee report has been converted. I hope his experience on the Committee on Foreign Affairs and his exposure to the true facts has something to do with that conversion.

I have long hoped that a similar exposure would have the same effect on the gentleman from Iowa, who is the author of this amendment. I have always hoped that we would enable him to see the light, but we seem to be working in the dark.

Mr. GROSS. Mr. Chairman, will the gentleman yield since he mentioned my name?

Mr. MORGAN. In a moment I will yield to the gentleman.

I have something else to say about the gentleman from Iowa. He knows my high regard for him and he is, as I have said many times, a very valuable member of the Committee on Foreign Affairs.

I can see why a large audience of Peace Corps employees would turn out when we have an open hearing. The gentleman presents his views in an entertaining manner so that he brings a good-sized audience to the committee room.

What I want to point out is that the gentleman from Iowa passed up the opportunity to be a delegate to the United Nations General Assembly this year. He is directly responsible for the fact that the author of the supplemental views on the Peace Corps is in New York as a delegate because it was the turn of the gentleman from Iowa to go to the U.N. this year. I know that both the ranking minority Member and I tried to twist the gentleman's arm to go to New York so that he could benefit from exposure to the U.N. in action. But I guess in his wisdom, the gentleman decided that it was not for him. He is responsible for the gentleman from Illinois (Mr. DERWINSKI) being at the U.N. and I want to give him credit.

Mr. Chairman, I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Of course, the gentleman from Iowa could not and did not order the gentleman from Illinois to put in an appearance at the United Nations Tower of Babel. He went of his own volition.

The gentleman from Iowa did not embark upon the U.N. mission for at least one reason—he would have been sorely tempted to climb the Statue of Liberty and replace the torch with a tin cup.

As for the suggestion that the gentleman from Iowa has been laboring in the dark, I am opposed to this bill because I have seen all the light I need to be opposed to it.

Mr. MORGAN. As I have said, the gentleman is a very valuable member of the committee. I know of no member of the committee who does his homework as well as the gentleman from Iowa. He is always attentive.

I want to speak to the amendment for a moment. The gentleman offered an amendment to cut the bill by $27 million. Let us go back to the history of the figures in the bill. When the budget message was sent to the Congress last February, the President's budget contained a figure of $73,200,000 for the Peace Corps. But the budget also included a qualifying statement that an additional request might be made if the Peace Corps were able to recruit a large enough number of volunteers when the President sent his Peace Corps message to the Congress, which was last April. It included an additional request for funds because of the increased recruitment and the new emphasis on technical skills which I mentioned in my opening statement.

So that when the Presidential message came up, an additional $9 million was requested, making the total request for the Peace Corps for the present fiscal year $82,200,000.

The committee went over the recruitment program. We examined it and had the staff analyze the situation, and we felt that the request for the $9 million was too high. The committee reduced it by $5 million. It reduced the request from $82,200,000 down to $77,200,000.

I have already mentioned the new emphasis in the Peace Corps. We are bringing older people and people with skills into the Peace Corps. As my friend from Illinois has said, the Peace Corps has grown up. It is getting more mature. We are beginning to see volunteers who have work experience in technical fields come forward.

I would hate to see this effort shot down by a drastic cut which would do serious damage to the Peace Corps.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. MORGAN was allowed to proceed for 2 additional minutes.)

Mr. MORGAN. Let us consider the matter of the wage freeze. We are talking about individuals who are volunteering 2 years out of their lives for a $75-a-month wage. They are volunteers. I would not want to attempt to freeze some little volunteer who has a missionary spirit and who is willing to spend 2 years of his

life overseas attempting to serve his country for $75 a month. Their wages were frozen when they volunteered to make this sacrifice by serving 2 years overseas.

So I hope we take that point into consideration. A $20 million cut at this stage of its operation would practically destroy the Peace Corps and I ask that the amendment of the gentleman from Iowa be voted down.

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

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

Mr. GROSS. I would say to my friend from Pennsylvania that my amendment would leave $50,200,000, and that would easily provide $28 million for the Blatchford empire to administer this program. That seems to be the main purpose, anyway.

Mr. MORGAN. I must say also the gentleman did not mention that Mr. Blatchford this year has reduced his administrative expenses by over $3 million.

Mr. GROSS. Yes; from $31 million to $28 million.

Mr. MORGAN. That is a reduction. The whole program is getting more compact and more drastically cut.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MYERS. Mr. Chairman, I move to strike the last word.

The committee chairman just a moment ago said that Mr. Blatchford had been responsible for reducing the budget by $3 million. The gentleman from Pennsylvania said a moment ago that the number of personnel in the administrative positions had been reduced by 29 percent. On page 2, the report says that last year administrative costs were approximately $31.4 million. Now, 29 percent of that is more than $9 million. Where is the difference between the $3 million actually saved and 29 percent of $31 million, which would be $9 million? That is $6 million cushion there.

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

Mr. MYERS. I yield to the gentleman from California.

Mr. MAILLIARD. Mr. Chairman, 29 percent represents people, and the people do not directly refer to millions of dollars, so there is no reason why those figures should jibe.

Mr. MYERS. So the 29 percent does not really mean anything.

Mr. MORGAN. Mr. Chairman, if the gentleman will yield, I do not know whether the gentleman is supporting the Federal pay raise or not, but we also have to take that into consideration.

Mr. MYERS. I would like to yield to the gentleman to respond to this question. Were there not more raises than just the mandatory raise given out at the Peace Corps downtown? After the 29 percent were released, was not just about everyone increased in grade or rate, so that just about everyone got an increase? That is the information I get, so there just was not very much saving.

Mr. MORGAN. I do not think the gentleman's information is correct. There were some increases, but one could not say everyone got an increase. There were very few increases.

Mr. MYERS. I am going to support the amendment offered by the gentleman from Iowa, because I think that is the only way we are going to get any austerity in the program. I have listened to the debate this afternoon, and I do not see where the American taxpayer is getting his money's worth. I believe in the program, if they are doing their job, but I believe the only way we are going to get the job done properly is to vote for that amendment.

Mr. MORGAN. Mr. Chairman, on page 8 of the hearings, the gentleman will see a table comparing the number of people receiving different pay rates. It does not indicate a large increase in salaries and pay grades among Peace Corps employees over the past year.

If the gentleman would look at pages 8 and 9 of the committee hearings on this authorization, he will see that his allegation is not entirely accurate. Among those Peace Corps employees who earn $16,000, or above, per annum, the number was reduced from 342 in fiscal year 1970 to 336 in fiscal year 1971.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS) to the committee amendment.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 31, noes 28.

TELLER VOTE WITH CLERKS

Mr. MORGAN. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. MORGAN. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. GROSS, MAILLIARD, MORGAN, and MYERS.

The Committee divided, and the tellers reported that there were—ayes 113, noes 232, not voting 88, as follows:

[Roll No. 267]

[Recorded Teller Vote]

AYES—113

Abbitt	Downing	Montgomery
Abernethy	Duncan	Myers
Andrews, Ala.	Flowers	Nichols
Archer	Galifianakis	O'Konski
Baker	Goodling	Passman
Belcher	Green, Oreg.	Pettis
Betts	Griffin	Pirnie
Bevill	Gross	Poage
Bow	Gubser	Price, Tex.
Bray	Hagan	Purcell
Brinkley	Haley	Randall
Broyhill, Va.	Hall	Rarick
Burke, Fla.	Hammer-schmidt	Roberts
Burleson, Tex.	Harsha	Robinson, Va.
Burlison, Mo.	Henderson	Roncalio
Byron	Hogan	Rousselot
Cabell	Hosmer	Runnels
Caffery	Hull	Satterfield
Camp	Hungate	Saylor
Carter	Hunt	Scherle
Casey, Tex.	Hutchinson	Schmitz
Chappell	Ichord	Scott
Clancy	Johnson, Pa.	Sebelius
Clawson, Del	Jones, N.C.	Sikes
Collier	King	Skubitz
Collins, Tex.	Kuykendall	Slack
Colmer	Kyl	Snyder
Crane	Landgrebe	Spence
Daniel, Va.	Latta	Steiger, Ariz.
Davis, S.C.	Lujan	Stuckey
Davis, Wis.	McCollister	Terry
de la Garza	McCulloch	Thompson, Ga.
Delaney	Mann	Thone
Dennis	Mathis, Ga.	Waggonner
Devine	Miller, Ohio	White
Dickinson	Mills, Md.	Whitten
Dorn	Mizell	Wylie
Dowdy		Young, Fla.

NOES—232

Abourezk	Frenzel	Natcher
Abzug	Fulton, Pa.	Nedzi
Albert	Fuqua	Nix
Alexander	Garmatz	Obey
Anderson, Calif.	Gaydos	O'Hara
	Giaimo	O'Neill
Anderson, Ill.	Goldwater	Patman
Andrews, N. Dak.	Gonzalez	Patten
	Grasso	Pelly
Annunzio	Green, Pa.	Perkins
Arends	Griffiths	Peyser
Ashley	Grover	Pickle
Aspinall	Gude	Pike
Badillo	Halpern	Preyer, N.C.
Barrett	Hamilton	Price, Ill.
Begich	Hanley	Pucinski
Bell	Harrington	Quie
Bennett	Harvey	Quillen
Bergland	Hastings	Railsback
Biester	Hathaway	Rangel
Bingham	Hawkins	Reid, Ill.
Blanton	Hechler, W. Va.	Reid, N.Y.
Blatnik	Heckler, Mass.	Reuss
Boggs	Helstoski	Rhodes
Boland	Hicks, Mass.	Riegle
Bolling	Holifield	Robison, N.Y.
Brademas	Horton	Roe
Brasco	Howard	Rogers
Broomfield	Jacobs	Rooney, N.Y.
Brotzman	Jarman	Rooney, Pa.
Brown, Mich.	Johnson, Calif.	Rosenthal
Brown, Ohio	Jones, Ala.	Rostenkowski
Broyhill, N.C.	Jones, Tenn.	Roush
Buchanan	Kastenmeier	Roy
Burke, Mass.	Kazen	Roybal
Byrne, Pa.	Keating	Ryan
Byrnes, Wis.	Kee	Sandman
Carey, N.Y.	Keith	Sarbanes
Carney	Kemp	Scheuer
Cederberg	Koch	Schneebeli
Celler	Kyros	Schwengel
Chamberlain	Leggett	Seiberling
Chisholm	Lent	Shipley
Clausen, Don H.	Link	Shriver
	Lloyd	Smith, N.Y.
Clay	Long, Md.	Stanton, J. William
Cleveland	McClory	
Conable	McCloskey	Stanton, James V.
Conte	McClure	
Conyers	McCormack	Steele
Corman	McDade	Steiger, Wis.
Cotter	McDonald, Mich.	Stratton
Coughlin		Stubblefield
Daniels, N.J.	McFall	Sullivan
Danielson	McKay	Symington
Davis, Ga.	McKevitt	Talcott
Dellenback	McKinney	Taylor
Dellums	Macdonald, Mass.	Teague, Calif.
Denholm		Teague, Tex.
Dent	Madden	Thomson, Wis.
Donohue	Mahon	Udall
Dow	Mailliard	Van Deerlin
Drinan	Matsunaga	Vander Jagt
Dulski	Mayne	Vanik
du Pont	Mazzoli	Wampler
Dwyer	Meeds	Ware
Edwards, Ala.	Melcher	Whalen
Edwards, Calif.	Metcalfe	Whalley
Eilberg	Mikva	Whitehurst
Erlenborn	Miller, Calif.	Williams
Evans, Colo.	Minish	Wilson, Bob
Fascell	Mink	Wolff
Flood	Mitchell	Wright
Foley	Monagan	Wydler
Ford, Gerald R.	Moorhead	Wyman
Ford, William D.	Morgan	Yatron
	Morse	Young, Tex.
Forsythe	Mosher	Zablocki
Fountain	Moss	Zion
Frelinghuysen	Murphy, Ill.	Zwach

NOT VOTING—88

Adams	Evins, Tenn.	Landrum
Addabbo	Findley	Lennon
Anderson, Tenn.	Fish	Long, La.
	Fisher	McEwen
Ashbrook	Flynt	McMillan
Aspin	Fraser	Martin
Baring	Frey	Mathias, Calif.
Biaggi	Fulton, Tenn.	Michel
Blackburn	Gallagher	Mills, Ark.
Brooks	Gettys	Minshall
Burton	Gibbons	Mollohan
Clark	Gray	Murphy, N.Y.
Collins, Ill.	Hanna	Nelsen
Culver	Hansen, Idaho	Pepper
Derwinski	Hansen, Wash.	Podell
Diggs	Hays	Poff
Dingell	Hébert	Powell
Eckhardt	Hicks, Wash.	Pryor, Ark.
Edmondson	Hillis	Rees
Edwards, La.	Jonas	Rodino
Esch	Karth	Ruppe
Eshleman	Kluczynski	Ruth

St Germain	Stephens	Watts
Shoup	Stokes	Widnall
Sisk	Thompson, N.J.	Wiggins
Smith, Calif.	Tiernan	Wilson,
Smith, Iowa	Ullman	Charles H.
Springer	Veysey	Winn
Staggers	Vigorito	Wyatt
Steed	Waldie	Yates

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9166) to amend further the Peace Corps Act (75 Stat. 612), as amended, pursuant to House Resolution 609, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker, without equivocation.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H.R. 9166, to the Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. MORGAN. Mr. Speaker, pursuant to House Resolution 609, I call up from the Speaker's table for immediate consideration the bill S. 2260.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill as follows:

S. 2260

An act to amend further the Peace Corps Act (75 Stat. 612), as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)), which authorizes appropriations to carry out the purposes of that Act, is amended by striking out "1971" and "$98,800,000" and inserting in lieu thereof "1972" and "$77,200,000", respectively.

The SPEAKER. The question is on the third reading of the Senate bill.

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

A similar House bill (H.R. 9166) was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the rest of the week, if any, and the schedule for the next week.

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

Mr. GERALD R. FORD. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, I appreciate the minority leader yielding.

The program for this week has been concluded, and I shall ask that we go over until Monday next.

For next week the schedule is as follows:

On Monday we have four bills scheduled from the Committee on the District of Columbia:

H.R. 10383, to enable individuals and firms to incorporate;

H.R. 10784, to amend District of Columbia election laws;

H.R. 456, tax-exempt Reserve Officers Association; and

H.R. 10738, to regulate practice of dentistry.

There are also seven suspensions:

H.R. 9212, black lung benefits;

S. 1253, to authorize domestic and international studies and programs relating to patents;

H.R. 10203, to amend the Water Resources Act of 1964;

House Concurrent Resolution 374, humane treatment of U.S. prisoners of war;

H.R. 8817, to further cooperative forestry programs;

H.R. 10538, to extend the authority for insuring loans under the Consolidated Farmers Home Administration Act; and

H.R. 3304, to amend the act of August 27, 1954—commonly known as the Fisherman's Protective Act—to conserve and protect Atlantic salmon of North American origin.

On Tuesday, H.R. 10351, the Economic Opportunity Act amendments, or the poverty bill, as it is commonly known. We will consider only the rule on Tuesday.

This is to be followed by H.R. 6893, weather modification reporting, which is to be considered under an open rule with 1 hour of debate.

On Wednesday, we will have the general debate only on the Economic Opportunity Act amendments, under an open rule with 2 hours of debate.

And then for Thursday and the balance of the week, the conclusion of H.R. 10351, the Economic Opportunity Act amendments, and H.R. 8085, executive agencies age requirements bill, under an open rule with 1 hour of debate.

And, as the gentleman knows, conference reports may be brought up at any time. Any further program will be announced later.

I would also like to announce that there will be no votes after 3 p.m. on Tuesday because of the religious holiday, Yom Kippur, which begins at sundown on that day. Also, there will be no votes on Wednesday which is the holiday.

Mr. GERALD R. FORD. On Wednesday there will be the consideration of the Economic Opportunity Act amendments, and general debate only?

Mr. BOGGS. That is correct, but no votes are scheduled.

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

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. GROSS. Did I understand that there are four District bills on Monday or no District bills on Monday?

Mr. BOGGS. There are four District bills: H.R. 10383, H.R. 10784, H.R. 456, and H.R. 10738. Monday is District day.

Mr. GERALD R. FORD. It is my understanding with reference to those four District bills that consent must be obtained today for them to be filed or they will not be eligible for consideration; is that not correct?

Mr. BOGGS. I believe that is correct. The gentleman from Missouri (Mr. HUNGATE), a member of the committee, is present and he can answer the gentleman.

ADJOURNMENT OVER TO MONDAY, SEPTEMBER 27, 1971

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourns to meet on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

PERMISSION FOR COMMITTEE ON THE DISTRICT OF COLUMBIA TO FILE CERTAIN REPORTS

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the Committee

on the District of Columbia may have until midnight tonight to file certain reports on the bills:

H.R. 10383, to enable individuals and firms to incorporate;

H.R. 10784, to amend District of Columbia election laws;

H.R. 456, tax exempt Reserve Officers Association; and

H.R. 10738, regulate practice of dentistry.

Mr. Speaker, these are the bills to which the majority leader just referred.

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

There was no objection.

LABOR AND MANAGEMENT CALL FOR EASING OF BIG TAX LOAD

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

Mr. HALEY. Mr. Speaker, there has been much press coverage in the nation's news media about what national labor and business leaders have to say—supposedly on behalf of the people these leaders represent—on areas of disagreement between the two groups.

But, all too often little attention is given to what "grassroots" business and labor leaders actually believe and more importantly what they agree on.

Recently, in my congressional district of Florida—a State which more and more is being considered a fairly representative cross-section of the Nation—a group of people representing labor and management met to determine what common goals both interests shared. That group came up with the following mutual objectives:

First, the lightening of the heavy tax load carried by middle-income workers;

Second, the adjustment of unfair foreign competition; and

Third, the abolition of the welfare state.

The following article from the Fort Myers News-Press is an account of this meeting of the minds of labor and management at the level which is most meaningful and should, therefore, be of considerable interest to my colleagues in the Congress:

[From the Fort Myers (Fla.) News-Press, Sept. 16, 1971]

LABOR AND MANAGEMENT CALL FOR EASING OF BIG TAX LOAD

(By Vince Smith)

Lightening of the heavy tax load carried by middle income workers, adjustment of unfair foreign competition and abolition of the welfare state should be common goals of labor and management, a local panel of representatives from both groups agreed Wednesday.

Five Lee County business leaders, four local union representatives, Mayor Oscar M. Corbin and moderator Robert Cody Brown discussed mutual meeting grounds for labor and management during a luncheon meeting at the Holiday Inn.

A congressional proposal for a guaranteed annual income of $2,400 was opposed by the union members in attendance.

James L. Miller, Jr., business manager of the electrical workers union, said, "If there is going to be a guaranteed annual income, it should be negotiable—something that industry and the unions can both live with."

IN THE LIMBO

Brown dismissed further talk on the guaranteed annual income as proposed in a House of Representatives bill when he said, "I believe this thing is in a limbo for a long time to come."

Bill Branch, Fort Myers automobile dealer, swung the discussion to the welfare state. "We must have less give-away by the government. We need to get people employed rather than taken care of," he said.

Miller suggested that the federal government establish "more stringent import-export regulations so that we can get American people to buy American products."

Contractor Cassius L. Peacock said, "We've put the foreign countries in business by exporting our technical know-how."

"We should put down the same rules for the importation of Japanese goods that the Japanese put down for the importation of our goods," Brown said.

FOREIGN AID BLASTED

Frank Williams, business manager for the local masons and bricklayers union, blasted the government's foreign aid program. "If we cut out all this foreign give-away, we'd get well in six years."

H. R. Bollinger, president of United Telephone Co., said deficit spending by the federal government was being financed by the country's middle income group.

"The tax load is affecting our goods and services and we cannot carry any more of these taxes," Bollinger said.

"Labor and management have to get together to put a stop to this tax load and we've got to get together to stop exporting jobs," the telephone company executive said.

Exporting jobs, Brown said, involves a variety of practices. Many American manufacturers have built factories in foreign countries or have bought up existing facilities outside the United States. These American-based firms manufacture and sell many products in foreign countries that were formerly exported from America.

Bollinger suggested that the government stop its practice of raising money on short-term obligation notes. He said United Telephone was forced to borrow money to keep pace with servicing new subscribers.

"And we're competing with the government in the money market," he said. "We've got to get the government out of the money market."

Bollinger said that in its last bond issue financing, the company was forced to pay 9½ per cent interest over a 30-year period.

LICKING INFLATION

"If we can get the government to live within its income, you've got inflation licked," he said.

The panel agreed it should expand to include a larger area—possibly as far as Tampa—where labor and business leaders could get together and attempt to iron out mutual problems in an atmosphere of harmony.

Before any expansion of the local group takes place, however, the panel agreed it should reduce its objectives in number and arrive at common goals.

The four vital areas that need exploration, the panel decided, involve the exporting of jobs; wasteful habits of labor and management; welfare state; and the unbearable tax situation.

Labor representatives will channel their views on these four subjects particularly to Len Myosky, business manager of the carpenters union, and business leaders will funnel their ideas to Bollinger.

The group will meet again at the Holiday Inn on Sept. 29 at noon to go over recommendations submitted and will discuss expansion of the panel at that time.

Also attending Wednesday's meeting were: A. W. D. Harris, chairman of Security National Bank; Thomas D. Domic, Assistant Manager, Yoder Brothers; and F. R. Hardy, business manager of the local laborers union.

JOSEPH L. VICITES, NATIONAL COMMANDER IN CHIEF OF VETERANS OF FOREIGN WARS

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

Mr. MORGAN. Mr. Speaker, a great honor has been bestowed on my congressional district with the election of Joseph L. Vicites of Uniontown, Pa., as the new national commander in chief of the Veterans of Foreign Wars of the United States for 1971–72.

"GI Joe," as he is known to me and his other friends and comrades, has an enviable record of service to his community and to his country and those who have taken up arms in defense. He has been an active civic leader in his hometown and has received the Man of the Year Award from the junior chamber of commerce for his work with retarded children, the March of Dimes, American Cancer Society Crusade, Heart Fund, and USO. He and his lovely wife Dolores have two fine children, Debbie, 19, a university student, and Vince, 11, a sixth grader.

Last year Joe undertook a trip around the world to acquaint himself with global problems affecting the United States and to prepare himself for the tremendous responsibility of leading the dynamic VFW organization.

Among world leaders he met during that trip were President Nguyen Van Thieu of South Vietnam; Vice President C. K. Yen of the Republic of China and Pope Paul VI.

Born September 9, 1924, in Uniontown, the newly elected VFW commander in chief received his education there and during World War II he served in an antiaircraft artillery unit attached to the 84th Division from Normandy to the Elbe. In January 1968 he assumed the office of clerk of courts in Fayette County, Pa., a position he still holds.

Mr. Speaker, I am particularly pleased that this energetic and youthful leader of the Nation's outstanding veterans' organization comes from my congressional district. His acceptance speech at the VFW National Convention leaves little doubt that he will provide great leadership during the coming year and that the VFW will aspire to even greater heights in their worthwhile endeavor of representing those millions who have fought and died in the service of our beloved country. I respectfully commend my colleague's attention to the acceptance speech of the VFW's "GI Joe":

ACCEPTANCE SPEECH OF JOSEPH L. VICITES, COMMANDER IN CHIEF OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATES

One of the greatest years in the history of the Veterans of Foreign Wars has come to a close. On behalf of all of our comrades I sincerely congratulate Chief Rainwater and his corps of officers for a job well done.

Nor is it my intention to detract from that superlative record. On the contrary, I urge each of you to remember it well. It is a record which I am determined to surpass.

It is our duty to surpass it, because this great organization must continue to advance. It is your duty and mine to lead the way to even greater success.

I appreciate the opportunity you comrades have given me to serve as Commander in Chief of the Veterans of Foreign Wars of the United States. I am deeply conscious of the honor you have bestowed on me. I am also aware of the responsibility it entails. It is the greatest challenge of my life.

I accept that challenge. I welcome that responsibility. I am proud yet humble, and deeply grateful that each of you will share them with me during the coming year.

Together we shall make the most of this opportunity to serve our country and the Veterans of Foreign Wars. Together we shall work for the veterans who have served America in time of war: their widows and orphans, and their families everywhere.

I believe implicitly that it is time for us to reappraise some of our priority goals—perhaps not the goals themselves, but the techniques we employ in pursuing them.

For eight full years we have given our wholehearted support to first one President and then another in their efforts to bring the Vietnam war to a victorious close. We have committed ourselves and our resources, without reservation, to the support of the brave young men who fought and still fight that war to halt communist aggression.

It was our duty to provide that support. The support of our fighting men, anywhere in the world, is our sacred trust. The security of our own nation, and assistance to our allies, is a responsibility we shall never shirk.

But our active participation in the Vietnam war is slowly coming to a close. Our combat troops are coming home.

Regardless of the personal opinions we may hold regarding it, or the manner in which it was conducted, it is being brought to an end.

We shall continue our efforts to win the release of every American prisoner of war in Southeast Asia. And we shall vigorously oppose any attempt on the part of any political candidate to make the fate of these heroic young men a pawn in the struggle for for political power.

It is our primary duty now to direct our energies toward the solution of the internal problems it has left behind. We must direct our attention to the staggering task of picking up the pieces so that this nation under God may once again be whole.

The fragments of our national pride lay everywhere about us. Each of those fragments must be molded together once again and bound by the lasting cement of loyalty to the America we love.

We are faced by many divergent views: The dissident young; the disgruntled old; the disenchanted and the loyal; the anarchist and the patriot; the hawk and the dove.

Each of us must strive to reopen our lines of communication, and settle down in earnest to solve the problems we all face;

If we in the VFW are to contribute our fair share to the solution of these problems, we must lay aside our role of "combat engineers" and devote more effort to bridging the gaps of peace which separate us as a people.

This does not mean that we shall yield to that which our experience and patriotism tell us is wrong. It does not mean that we shall weaken our principles, or lessen our commitment to true Americanism. We will never bow to the dogma of the dove, or subscribe to the philosophy of those who preach appeasement and "peace at any price".

It simply means that we will reopen our minds and take a long hard look at the changing times. It means that we must analyze and honestly explore the philosophy of the modern young. It means that we will strive to find a common meeting ground. For these young people are the future of this land.

Abraham Lincoln once said, "This nation cannot exist half slave and half free." Is it also true that it cannot survive as a great nation "half young and half old?" One thing is sure: We must find a reasonable way to bridge the gap between the two. I am determined that we in the Veterans of Foreign Wars shall make a positive effort to solve this national dilemma during the coming year.

We shall develop a program to find employment for every returning Vietnam veteran, in conjunction with the Department of Labor and the governments of every state. We shall call upon the representatives of private industry in every corner of America.

We shall also lend our collective support to the solution of the drug problem among returning veterans. Historically, there has been very little permanent success in this field of rehabilitation. But we shall make every reasonable contribution to the effort.

We shall call upon the military to develop and establish a narcotics education program as a part of basic training—with periodic lectures and training films a mandatory requirement throughout every GI's service.

The military should also provide qualified drug-abuse counselors for each unit of a specified size.

We can participate in the creation of a community-wide drug abuse council which will serve as an exchange point for information among involved community agencies. Our posts can prepare themselves to serve as information centers to refer any citizen, young or old, veteran or non veteran, to the proper place for treatment.

As of the moment, we must return to the basic fundamentals of the Veterans of Foreign Wars. To serve the veteran who has borne the brunt of battle, his widow and orphan, and his family. We must redouble our efforts on every level in their behalf, through a revitalized and more effective legislative program.

I call upon each of you to read anew the purposes for which we were chartered by Congress. I assure you that I have already taken that step. I shall strive always to honor the high ideals and noble principles of the Veterans of Foreign Wars of the United States.

I am determined to devote the major portion of my energy and attention to the internal problems of America: It is time for us to roll up our sleeves and meet the challenges on the home front.

We shall voice our disapproval of the changing of Veterans Day and Memorial Day from days of national respect for the living and the dead who served this country—to some meaningless three-day weekend.

We shall continue our long campaign for a National Cemetery for veterans in every state.

Veterans benefits will be our battle cry. Unless we put up a more productive effort to preserve and liberalize those benefits the office of management and budget together with the individuals and groups who have long opposed us will eventually eliminate them.

We shall call for a review of the disability compensation rates for the service-disabled. Our objective should be to keep those rates equal at all times to the cost of living increase with some additional adjustments, for the more seriously disabled.

The same thing is true for veterans and survivors now living on non-service connected pensions.

Survivors' benefits rates for widows, children, and parents of veterans must also be increased. As the cost of living mounts, so should these pension rates.

The G.I. Bill and other VA educational program rates are much too low. Thousands of our younger veterans still cannot afford the educational opportunities we profess to offer them. Rapidly escalating college and university costs impose a financial burden too great for them to bear.

I say to you, my comrades: If this great nation can finance the governmental luxuries of half the nations of the world, subsidizes private industry and individuals, we can and should generously assist those who fight and die to save it.

We shall insist upon every governmental agency honoring veterans' preference in employment. It is the legal duty of the U.S. civil service commission to enforce veterans' preference in civil service, and to halt the practice of federal agencies of using devious methods to avoid compliance with those laws.

I shall personally ask the President of the United States to once again exert his own personal leadership to expand the Public Service Job program in order that more veterans may obtain employment.

We shall contact the offices of public employment service on every level of our organization, and insist that they do everything within the law to give veteran job applicants preference in job referrals.

One of the most disturbing developments in recent years has been the cut of 7,000 in the daily patient load of the VA hospital system which was ordered by the Office of Management and Budget last January.

The Veterans of Foreign Wars, under the leadership of then Commander-in-Chief Rainwater, vigorously opposed this threat. As a result, the Congress added sufficient funds to keep the patient load at its previous level of 86,000. But by the first of July, the VA Hospital System had been cut below 79,000 patients as a result of the Budget Office action.

We shall demand that the patient load be increased to its previous level, or even higher if necessary, to meet the demands for treatment.

We shall also call for an expansion of the Drug Treatment program; utilization of clinically accepted new surgical procedures; and the installation and expansion of all new medical programs in a sufficient number of hospitals to insure their availability to veterans wherever they may reside.

We shall remain constantly alert for any signs of further attacks on the VA Hospital system and oppose them wherever found.

A veteran's military service and character of his discharge are the only criteria which should be considered when a non-service connected illness impels him to seek outpatient care. As we approach the era of universal health care for the general public, Congress should remove all other requirements for the treatment of veterans by the Veterans Administration in any program.

In recent years funds to construct additional new and replacement hospitals have been drastically reduced. The fifteen-year program for modernization of existing facilities which was adopted after the 1958 V.F.W. investigation has never been properly financed.

Physical decay continues to take its shocking toll. Much needed air conditioning has been repeatedly delayed.

We shall pursue our goal for complete modernization of veterans' hospitals with renewed vigor. Sufficient funds to carry out this program and to expedite the construction of new facilities is of paramount importance to the veterans of America. And time is of the essence.

In the past we have been faced by a number of attempts to dismember the Veterans Administration, and to transfer veterans programs to other federal agencies. The Department of HEW would like to add the VA Hospital System to its already top-heavy structural empire. The Department of HUD would love to grab the VA Loan Program. Social Security stands ready to swallow up the VA Compensation and Pension programs.

We shall continue to insist that the Veterans Administration be maintained intact—as the one organization with sole responsi-

bility for the administration of veterans' programs.

Add to these goals an increase in the pay rates for active military service and an equitable adjustment of military retirement pension consistent with active military pay, and you have at least a partial list of the many-pronged campaign which lies ahead of us.

I urge you now to join with me in making these our primary interests and objectives during my tenure as Commander-in-Chief, certainly we can do no less for the men and women who fight this nation's wars.

Thank you very much, and God go with you on your journey home.

JOSEPH L. VICITES, COMMANDER IN CHIEF, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Joseph L. Vicites, a leader in the civic life of his native Uniontown, Pa., was elected Commander in Chief of the Veterans of Foreign Wars of the United States at its 72nd Annual National Convention in Dallas, Tex., August 13–20, 1971. He was elected Senior Vice Commander in Chief at the 71st National Convention in Miami Beach, Fla., in 1970, having been elected Junior Vice Commander in Chief in Philadelphia in 1969.

Shortly after assuming the office of Junior Vice Commander in Chief, he accompanied then Commander in Chief Raymond A. Gallagher on a round-the-world trip to acquaint himself with global problems affecting the United States. Among those with whom he held discussions were President Nguyen Van Thieu, of South Vietnam; Vice President C. K. Yen, of the Republic of China, and Pope Paul VI.

Born September 9, 1924, in Uniontown, Commander in Chief Vicites attended Uniontown Joint Senior High School. A veteran of World War II, he served in an anti-aircraft artillery unit attached to the 84th Division "from Normandy to the Elbe." In January 1968 he assumed the office of Clerk of Courts in Fayette County, Pa.

A life member of V.F.W. Post 47, in Uniontown, Vicites served the Post as Junior Vice Commander, 1949–50; Senior Vice Commander, 1950–51; and Commander, 1951–52. In 1953–54 he was again elected Commander of Post 47, becoming the first to serve two terms. The Post Home is on the site of the birthplace of Gen. George C. Marshall, U.S. Army Commander in World War II and later Secretary of State. The Post, with over 2000 members, is one of the largest in the V.F.W.

From 1953–56 Vicites progressed from Junior Vice Commander to Commander of Fayette County Council and from 1957 to 1960 rose through the chairs to become Commander of District 23 of Pennsylvania. In 1961–62 he served as Department Judge Advocate and in 1963 was elected Department Junior Vice Commander, progressing to Department Commander 1965–66. On the National level, Vicites was appointed Vice Chairman of the 1966–67 National Loyalty Day Committee. From 1967 to 1969 he was a member of the National Council of Administration and also of the National Budget and Finance Committee. He has served on five National Convention Committees.

The Commander in Chief and his wife Dolores have a daughter, Debbie, 19, a sophomore at the University of West Virginia, and a son, Vince, 11, a sixth grader. Vicites is active in the affairs of his community. He has received the Man of the Year Award from the Junior Chamber of Commerce and has served as chairman of a fund drive for retarded children. He has also been associated with the March of Dimes, American Cancer Society Crusade, Heart Fund and U.S.O. He is a member of the M.O.C., American Legion and Amvets. While Department Commander he was appointed by the governor of Pennsylvania to the Pennsylvania Veterans Commission and was a member of the Pennsylvania War Veterans Council and President of the United War Veterans Association of Uniontown. He is a member of St. Therese Catholic Church. The Commander in Chief is a lieutenant colonel in the Civil Air Patrol, assigned to the Pennsylvania Wing Civil Air Patrol.

THE RURAL DEVELOPMENT ACT OF 1971

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

Mr. POAGE. Mr. Speaker, I am today introducing what I consider to be one of the most important bills I have ever sponsored—the Rural Development Act of 1971.

Mr. Speaker, the time has come for this House to recognize that poverty is not confined to the big city, that America's countryside is in economic chaos, and that problems in our urban areas are linked directly to the suffering in our rural areas. We cannot separate the problem between rural and urban America—there is no dividing line.

Many of my colleagues who have rural areas in their districts need only to take a drive to the country to see what has happened. In my own district in central Texas there has been an all too evident decay of many small towns and communities. I can recall when a typical town of around 1,000 people was a thriving center of business. There was a busy main street with prosperous stores on either side. Folks would come to town, particularly on Saturdays, to buy their groceries and clothing. Every town would have a variety store or two—often known as the five-and-dime store. There was always a crowd at every barbershop and, of course, the drugstores did their share of the business. Now, however, in all too many instances, these towns are only a shell of the past. There are probably only two or three stores that do any business at all and they, in many cases, are on the decline.

Many of these towns were built entirely upon a prosperous farm economy, but as farmers have abandoned their farms, the grain elevators, cotton gins, feedstores, and implement dealers have closed down.

Many years ago, it was interesting to drive through the farm country at night. There were lights in all directions in the homes of family farmers. Now, such a drive is depressing. The lights are farther apart—separated by abandoned houses—some filled with hay while others are on the verge of toppling over. This is the sad testimony of rural America. Homes where families were born and reared, where families shared happiness and sorrow, now only hold hay or stand as a silhouette of hollowness, waiting for a storm, wrecking crew, or fire to erase them forever.

We often ask what caused people to go to the city, and there are many accurate answers such as inadequate farm income, poor farm wages for workers, mechanization of agriculture, and better housing and utility service in the city. These are all correct answers but to merely discuss the causes does not attack the problem. My bill is designed to do something about the terrible situation in the countryside.

Our committee has held extensive hearings on the subject of rural development. Each Member of this House was invited to appear, and some of you did and we are grateful to those Members who addressed themselves to this problem.

Unfortunately, many witnesses who came before us simply reviewed the problem without offering any solutions. While we appreciated their interest in appearing, I fear they were of no real help—unless it was to reveal a general disillusionment about the problem. Fortunately, some witnesses gave us some ideas to pursue. Some of these suggestions are included in my bill.

Many witnesses have stated that rural development can come only by improving farm income. Of course this is vital, but I do not propose to abandon all efforts to improve conditions in rural areas until such time as farmers receive 100 percent of parity. This, in my opinion, would not be realistic. Certainly I hope I will see the day when farmers receive fair prices, but I am also confident that we can do a great deal to help now, and this is what the Rural Development Act of 1971 proposes to do.

While I will not attempt to go into detail in my remarks, I am including in the CONGRESSIONAL RECORD an analysis of my proposal. In general, and after much deliberation, I have decided against creating a series of new Federal agencies at this time. I am convinced that much can be done to improve the economy and living conditions in rural America through agencies which are already established and operating. For instance, the Rural Development Act of 1971 would expand the authority of the Farmers Home Administration, enabling it to make loans, primarily insured loans, for the purpose of industrial development and general rural development. Farmers Home could also provide assistance for the formulation of plans for rural development, for the establishment of community centers, and fire and rescue equipment. The Farmers Home Administration would also be permitted to give special consideration to the potential young farmer because it is so vital that the children of farmers be encouraged to remain on the farm.

My bill proposes to remove various grant and lending ceilings in programs administered by the Farmers Home Administration. While I recognize that, due to current fiscal problems, this additional authority might not be used in the very near future, I feel we must look ahead to better times, and I am confident that current limits on our water and sewer program, for instance, will prove to be unrealistic.

My bill gives new authority to the Soil Conservation Service—especially in its small watershed and rural conservation and development programs. I propose to permit the Soil Conservation Service to share the costs in creating municipal and industrial water supplies, in protecting our environment from soil and water pollution, and in assisting rural areas

to deal with the problems of solid waste disposal and fire protection.

I propose the creation of the U.S. Agricultural Land Development Corporation which would assist in the orderly development of the areas between rural and urban America while providing a fair market for those who want to cease farming and sell their land for a fair price. I am confident that this corporation would not only provide for the orderly development of this rural-urban fringe area, but it would also provide badly needed parks, wildlife refuges, and recreational areas for rural and urban residents alike.

Finally I propose that mandatory priority be given to locating new Federal facilities and offices in rural areas, and my bill would define a rural area as any area containing 10,000 people or less. This is indeed vital, and, while I applaud what has been done in this respect, I feel it is important that Congress endorse this concept by directing the location of new Federal establishments in rural America.

There are many other features of my bill as you will see by the analysis that follows. I will be the first to admit that the legislation I present today has flaws, but the time has come when we must cease simply discussing the broad aspects of the problem. The time has come for action. We must get down to details. This bill enables us to get down to specific questions.

I am well aware of the fact that in order to pass any bill, we must show our city friends why they should support us. I, therefore, urge my colleagues from our great cities to focus their attention on the interrelation between the problems that we have out in the countryside and the problems of the cities—a large part of which are at least aggravated by the constant influx of people from the countryside.

No, we do not have a land of "milk and honey" just beyond the city limits. We have poverty that parallels that in the ghetto. We have suffering and a longing for a better way of life. Just as many city folks have thought that life was better on the farm, many who lived on farms have heard about the benefits of city life, and they have moved. They moved into the slums and onto the relief rolls. They are the victims of an economic stranglehold.

My bill proposes to at least begin to halt this migration by giving folks a better chance to have a decent home and a decent job outside of the big city. These folks deserve a chance to have a better life.

And so I ask my city colleagues to give us their understanding and to not look upon rural development as something that does not affect them, because it does.

We face a crisis. We are at the crossroads. Now is the time to act, to do our part. Rural America can be a good place to work and to live. My bill simply tries to extend to rural areas some of the opportunities already available in our cities. Together we can reverse the tide which has been so cruel to all of our country.

The analysis follows:

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED BILL

TITLE I—AMENDMENT TO THE CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1951

Subtitle —Real estate loans

Section 101 of the bill would authorize loans to be made under Section 304 of the Act to rural residents to finance the acquisition or establishment of small business enterprises in rural areas to provide such borrowers with adequate income.

Section 102 of the bill would amend section 305 of the Act so as to permit the amount of a loan to be based on the value considered by the Secretary to be appropriate. The purpose of this change is to update the level of appraisal and to make it possible to assist a large number of families who do not have sufficient funds or equity in resources to pay the difference between the normal value of a farm and its market value under conditions which have prevailed for many years. The agency's experience has shown that, since 1937 when the farm ownership program was initiated, land prices have increased and the spread between normal value and market value has continued to increase because of the economic situation.

Section 103 of the bill would authorize association loans for essential community facilities. This assistance would be available to associations, including corporations not operated for profit, and public and quasi-public agencies which will provide facilities needed for the orderly development of a rural community. There is at present no dependable source of financing for many needed community facilities in rural areas. Those facilities would include such items as community centers, fire houses, and fire and rescue equipment. These facilities are needed for orderly community development and are necessary to encourage industry to locate in rural areas.

Section 104 removes the present $100 million ceiling on the total annual grants for water and waste disposal project construction.

Section 105 of the bill removes the ceiling of $15,000,000 on water and sewer system planning grants. It also deletes the requirement that the comprehensive plans be "official". This requirement has made it difficult to make such grants in some States due to variations in State law as to what is "official".

In addition, the word "sewer" is changed to "waste disposal", in order to permit planning financed with the grants to include solid waste disposal systems. Loans and grants for construction already cover solid waste disposal.

Section 106 defines as rural area (for the purpose of all programs under the Consolidated Farmers Home Administration Act of 1961) as including towns and cities of up to 10,000 in population.

Section 107 of the bill would delete paragraph (5) of section 306(a) of the Act, which provides that no community water or waste disposal loan borrower may be indebted for more than $4 million less the amount of any grant it may have received. This limitation is arbitrarily restrictive, since in many situations it precludes the most efficient delivery of water and waste disposal services to rural residents and does not result in better loans. Larger systems, by engaging the services of full-time professional managers, treatment plant operators, accountants, and auditors, can operate more efficiently and at less cost per subscriber. Also many communities already have loans nearing $4 million, the indebtedness ceiling. They cannot expand or extend their services to other residents.

Section 108 of the bill would add to section 306(a) of the Act a new paragraph authorizing grants for financing the preparation of comprehensive plans for rural development as a whole or selected aspects of rural development.

Section 109 of the bill would amend section 309(f)(1) of the Act to raise from $100,000,000 to $500,000,000 the maximum amount of new unsold loans that can be held in the Agricultural Credit Insurance Fund at any time. Recent legislation permits the Farmers Home Administration to use loan insurance authority to finance projects to public bodies. This will likely result in an increased level of such insured loans. In addition, sections 111, 204, 301 and 112 of the bill would authorize use of the Agricultural Credit Insurance Fund for making insured loans under the watershed protection and flood prevention and resource conservation and development programs, the operating loan program, the emergency loan program and a new program of rural development loans. There will be an urgent need for increasing the interim loan limit above the present $100,000,000.

Section 110 of the bill would add to section 309 of the Act a new subsection (g) transferring to the Agricultural Credit Insurance Fund the assets, liabilities, and authorizations of the Farmers Home Administration direct loan account and Emergency Credit Revolving Fund. This will make it possible to market loans in the direct loan account and the Emergency Credit Revolving Fund as insured loans. The interest on any such loans made to public bodies and sold out of the Insurance Fund as insured loans would be subject to Federal Income Tax. The language of the proposed amendment is substantially similar to that of section 517(m) of the Housing Act of 1949, added by section 803 of Public Law 91-609, which transferred the Rural Housing Direct Loan Account to the Rural Housing Insurance Fund.

Section 111 of the bill would add to subtitle A of the Act a new section 310A authorizing insured watershed protection and flood prevention loans and insured resource conservation and development loans. The interest on any such loans made to public bodies and sold out of the Agricultural Credit Insurance Fund would be taxable. Farmers Home can now make only direct loans for these purposes.

Section 112 of the bill would add to subtitle A of the Act a new section 310B authorizing loans for rural development generally.

There is a need to provide credit for private business both in agri-business and in other manufacturing and service organizations where local labor and raw materials can be utilized. Loans to individuals and corporations for business enterprises are now available in certain designated areas from the Economic Development Administration. The Small Business Administration is also authorized to make loans of this type. However, neither of these organizations has field offices comparable to the more than 1,700 county offices of the Farmers Home Administration directly serving rural areas. Therefore, the credit needs of rural community business are frequently not filled because of a lack of accessibility to lending services.

In addition to cooperative and private business loans, rural areas need financing for the development of industrial parks and commercial establishments in order to attract industries. Related facilities are needed, such as land, buildings, plants, equipment, streets and roads, parking areas, utility extensions, housing developments, technical services, and personnel and administrative costs for the early years.

Funds would be used to expand or enlarge an existing facility or to develop a new establishment when the project is needed for the orderly development of rural areas or for providing needed job opportunities in rural areas. The Department would ordinarily expect the applicant to have some equity in the proposed project, and loans would be

administratively limited to $100,000 initially to any borrowers.

Section 113 of the bill would make the "credit elsewhere" and "mandatory refinancing" requirements inapplicable to Farmers Home Administration insured rural housing loans where the applicants and borrowers are not in the low or moderate income category. Such borrowers are required to pay interest and charges at rates comparable to those paid by borrowers under the regular Federal Housing insured loan program. There is a need for rural housing financing of this nature in rural areas.

Subtitle B—Operating loans

Section 201 of the bill would amend section 311 of the Act to authorize operating loans to rural youths to enable them to establish or expand an enterprise being carried on as part of their agricultural educational training through such organizations as 4–H Clubs. In addition, this section would permit loans to rural youths for any of the other operating loan purposes specified in Section 312 where such loans could be made on a sound basis.

A minor signing a note for such a loan would incur full personal liability. Also cosigners could be accepted to supply needed strength for a sound loan.

Section 202 of the bill would amend section 312 of the Act to authorize operating loans to rural residents to finance the operation of small business enterprises in rural areas to provide such borrowers with adequate income. This section compares with section 101 of the bill.

Section 203 of the bill would amend section 313 of the Act to raise the maximum limit on an operating loan from the present $35,000 to $50,000. The average size operating loan has more than doubled during the past 10 years. In addition to an increase in the size of farming operations in general, each item of cost such as labor, equipment, taxes, fertilizer, seed, pesticides, fungicides, fuel, insurance and maintenance has increased greatly. For these reasons, although the situation is not as extreme in all regions and crop patterns as it is in the Western States, the Farmers Home Administration favors an increase in the operating loan limit from $35,000 to $50,000. Ten years ago, $35,000 was sufficient to adequately finance a family farmer. Today it is not adequate in many instances.

Section 204 of the bill would add to subtitle B of the Act a new section 317 to authorize insured operating loans. The present operating loan program is funded by appropriations from the FHA Direct Loan Account. This amendment would authorize the Farmers Home Administration to insure operating loans and sell them to private investors and thus shift the funding of this program from appropriations to the private sector.

Subtitle C—Emergency loans

Section 301 of the bill would add to subtitle C of the Act a new section 328 to authorize insured emergency loans. The present emergency loan program is funded by apportionments from the Emergency Credit Revolving Fund. When the amount of cash in the Fund is insufficient to meet the unforeseen demands of natural disasters declared by the Secretary of Agriculture and major disasters declared by the President, it is necessary to go through the time-consuming process of a supplemental appropriation act. The amendment would not only shift the funding of the program from government money to the private sector; it would also provide greater flexibility which is badly needed for a program providing emergency assistance to disaster victims. The reference to a supplementary act includes the Disaster Relief Act of 1970, which modified subtitle C of the Consolidated Farmers Home Administration Act of 1961 in certain respects.

Subtitle D—Miscellaneous

Section 401 of the bill would amend section 331 of the Consolidated Farmers Home Administration Act of 1961 to give the Secretary discretionary authority to require that bonds of bonded employees of the Farmers Home Administration be either a faithful performance of duties bond or a fidelity bond as prescribed by him. A fidelity bond protects against fraud and dishonesty. A faithful performance bond, as defined in 6 U.S.C. 14(a), covers, in addition to proper accounting for all funds or property received by reason of the position of employment of the bonded employees, "all duties and responsibilities imposed upon such individual or individuals by law or by regulations issued pursuant to law." Thus, County Supervisors and Assistant County Supervisors, under the terms of their faithful performance of duties bonds as prescribed by the present law, become virtual guarantors of the correctness of all their official actions. They become personally liable for any loss which results from the failure to comply with any provisions of all the mass of regulations applicable to the multifarious activities of the Farmers Home Administration. This may include, for example, mistakes made by inadvertence or misunderstanding on the part of hard working, conscientious employees who have spent many years in dedicated service to the agency and to the public interest. We believe it is a shockingly harsh and inequitable rule which requires such employees to financially guarantee that the actions they take in conscientious good faith are correct according to the multiplicity of regulations that may be applicable. The proposed amendment would, therefore, provide discretionary authority for requiring fidelity bonds protecting against fraud and dishonesty instead of faithful performance of duties bonds, where appropriate.

Section 402 of the bill would exempt the rural development loans authorized by new section 310B which would be added to the Act by section 112 of the bill, from the "credit elsewhere" and mandatory refinancing-when-able requirements of the Act. Those requirements tend to screen out the economically strong and vigorous businesses which may be most needed and most effective for vitally necessary contributions to rural development.

Section 403. This section would expressly require the Secretary, in the case of loans subject to the "credit elsewhere" provision, to determine the applicant's inability to obtain conventional credit before the application could be approved.

Section 404. The Act limits how security property may be disposed of by a borrower or by the Government. This section would permit security property to be sold, transferred, or disposed of in a manner determined by the Secretary to be most advantageous to the Government from the standpoint of carrying out program objectives and protecting the Government's security interest. It would give the Secretary broad discretionary authority as to the downpayment, length of term, and interest rate to be allowed or required in the sale or transfer of property to ineligible applicants. It would also permit sale of such property to a broader range of eligible applicants.

TITLE II—AMENDMENTS TO THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

This title makes the following changes in the Small Watershed Program:

1. *Restoring, Improving, and Maintaining Environmental Quality*—This amendment would provide for added purposes to the Watershed Protection and Flood Prevention Act (Public Law 83–566), as amended. The proposed amendment would provide an effective means to plan and install in cooperation with public agencies and local organizations desirable measures and works that would restore, improve, and maintain the quality of the environment within the watersheds involved. It would provide a specific and purposeful response in the watershed program to the objectives and requirements of the National Environmental Policy Act of 1969. The specific purposes are described as follows:

a. *Water Quality Management*—This amendment would authorize the Secretary of Agriculture to share the cost of providing storage in watershed projects for water quality control.

This legislation is needed to encourage the reduction and control of pollutants and their adverse effects on the environment in small watershed areas. With this amendment it will be possible to provide maintenance of water quality at the farthest upstream points where pollution may occur.

Federal cost-sharing for water quality management is authorized for mainstream development under other federal programs but is not provided for under Public Law 83–566. The proposed amendment would remove this inconsistency and would permit the reduction and control of pollutants in waterways of authorized watershed projects and make possible feasible contributions to downstream water quality management.

b. *Land Utilization*—Agricultural land is being used increasingly for community livestock feedlots, grain storage facilities, livestock sales pavilions, landfills for disposal of various solid waste materials, sewage lagoons, and other uses. If well designed and properly built on suitable soils, they can be a definite asset and a desirable addition to a water disposal and land utilization system within a watershed project. Attention must also be given to possible pollution of ground water, proper drainage, and preservation of scenic values must be afforded. Financial assistance with PL–566 funds would help to assure the proper installation of these facilities.

c. *Agricultural Waste Management*—Agricultural wastes and odors often contribute to pollution of the overall environment through contamination of water supplies, streams, and land areas. Such enterprises can be detrimental to proposed development of watershed projects. Local interests may not be financially able to comply with water quality standards, if applied, and might otherwise have to go out of business. To provide for continued operation of these facilities to the benefit of the community, and not preclude development of the watershed project, PL–566 funds are needed to help finance relocation, modification, or to help with construction of sewage lagoons or other treatment facilities to take care of feedlot, barnyard, and other forms of agricultural wastes.

2. *Municipal and Industrial Water Supply*—This amendment would authorize the Secretary of Agriculture to bear up to one-half the cost of the storage of water for present use, for municipal and industrial water that may be provided in any reservoir structure constructed or modified under the provisions of Public Law 83–566.

Often the chief bottleneck to economic growth in rural communities is the lack of adequate water supply. Broadening the authority of Public Law 83–566 to provide federal cost-sharing for water supply to rural communities can have a major impact in producing economic growth, providing jobs, and developing a more comfortable and a better way of life in many town and country areas. In addition, improvement of the economy of these areas should help to reduce the migration of rural residents to already overcrowded urban areas.

Cost-sharing for municipal and industrial water in town and country areas would do more in contributing to community development than any other amendment.

3. *Use of Available Federal Funds*—Currently, Public Law 83–566 only permits the use of federal funds for acquiring land rights needed for works of improvement for public recreation or public fish and wildlife devel-

opments. Current restrictions are causing local sponsors to forfeit grants assistance under other programs for which they may be qualified to receive. The proposed amendment would permit the use of federal funds available to local sponsors under other programs.

This would permit local sponsoring organizations to utilize any funds that may be available to them under other programs that might be used in the purchase of land rights.

4. *Long-Term Contracting in Watersheds*—This amendment would authorize the Secretary of Agriculture to enter into agreements for periods of not to exceed ten years with landowners and operators to share the cost of carrying out conservation plans within watershed projects. It would result in accelerated and intensified application of practices and measures to conserve and develop the soil and water resources of farms, ranches, and other lands in project areas. It would assist in bringing about orderly community and resource development.

Cost-sharing contracts between landowners and the Department of Agriculture would assure application of planned measures on a time schedule. This arrangement would accelerate establishment of needed land treatment and speed up scheduling of structural works of improvement. Similar cost-sharing agreements have already proved their effectiveness in the Great Plains Conservation Program.

TITLE III—AMENDMENTS TO THE BANKHEAD-JONES FARM TENANT ACT

Section 601 amends Section 32(e) of Title III of the Bankhead-Jones Farm Tenant Act pursuant to which the Resource Conservation and Development Program is carried out by the Secretary of Agriculture by cooperation with public agencies or local nonprofit organizations in developing and carrying out plans for land conservation and land utilization.

This amendment authorizes the Secretary of Agriculture to promote rural community development by furnishing technical and cost-sharing assistance to such public agencies and organizations in carrying out plans for rural community water supply, water quality management, the control and abatement of agriculture-related pollution, the disposal of solid wastes in rural areas, and the storage of water for rural fire protection.

The Secretary, in cooperation with such agencies, is authorized to provide for reservoir storage of water to include present and future water supply needs for rural communities.

The public agency shall pay not less than 50 percent of the cost of water storage to meet present needs and all of the cost of storage for anticipated future demands. Cost of water storage to meet future demands may not exceed 30 percent of the total cost of a reservoir structure. Such agencies and organizations must give reasonable assurance and present evidence that the water so stored will be used within a period of time that would permit repayment of its cost within the life of the structure. An interest-free period may extend up to ten years if the water stored for future use is not used during that period. Repayment with interest will begin as soon as the water is first used. Interest will begin to accrue after the 10-year period has elapsed even if the water supply is not used by that time. Full repayment must be made within the life of the structure but not to exceed 50 years from the time of initial use. The need for improving the economy and living environment of many rural communities relates directly to an abundant supply of high quality water. Scarce water storage sites used for other purposes with federal assistance can be more fully utilized in multiple-purpose resource conservation and development project plans by providing federal assistance for rural water supply storage.

This Section further authorizes the Secretary of Agriculture to provide technical and other assistance, and cost-sharing assistance for installing project measures and facilities in rural areas for:

(1) storage of water in reservoirs for water quality management;

(2) control and abatement of agriculture-related pollution; and

(3) the disposal of solid waste materials.

These project measures and facilities will improve fish and aquatic habitat, reduce biodegradation, and lessen water user costs during low stream flow periods; prevent contamination of water supplies, streams, and land areas by relocation, modification, or construction of lagoons, holding ponds, recycling irrigation systems, etc.; and provide for properly locating suitable lands for and constructing sanitary landfills to avoid groundwater pollution and health hazards to rural people.

The Section also authorizes the Secretary to furnish technical and other assistance, and to provide cost-sharing assistance for the storage of water and withdrawal appurtenances in reservoirs, farm ponds, and other impoundments for rural fire protection purposes. Such water storage facilities would provide protection for rural dwellings and buildings and natural resources including forest and rangeland. Withdrawal appurtenances would include outlet works, pumping facilities, and pipelines to convey water from reservoirs, ponds or impoundments to the nearest practicable point for delivery to fire fighting equipment.

Section 602 directs the Secretary of Agriculture to carry out a land inventory and monitoring program and to prepare a report at not less than five year intervals reflecting current soil, water and related resource conditions. The program will include surveys of erosion and sediment pollution damages, land use changes and trends, and degradations of the environment resulting from improper use of soil, water, and related resources. Such data may be used at all levels of government in land use policy planning, balancing rural-urban growth, and to assure the Nation of an adequate food and fiber supply by identifying the prime agriculture producing lands.

TITLE IV—THE UNITED STATES AGRICULTURAL LAND DEVELOPMENT CORPORATION

Establishes the United States Agricultural Land Development Corporation. The Corporation would be empowered to issue $200 million worth of capital stock. Fifty percent of the shares would be issued to the United States government. The other half would be offered for sale to the general public. This title authorizes appropriations up to $100 million for the government's investment in this stock. The Board of Directors would be composed of not less than ten or more than fourteen members. The Secretary of Agriculture would be designated as the Chairman of the Board. One-half of the Board would be appointed by the President. The other one-half would be elected annually by the public stockholders.

The Corporation would be authorized to purchase, at no more than the appraised market value, any farm offered for sale near an urban area of not less than 100,000 people. The Corporation could purchase land in an area one to six miles outside of the urban area. The Corporation could devote its property to any legal use except the cultivation of crops declared to be in surplus by the Secretary of Agriculture. The Corporation shall offer its acquired land for sale whenever, due to municipal expansion, the land becomes located within the 1-mile limit of the boundary of the city.

The Corporation could sell for private development if this development were made in accordance with a designated plan. The land would be sold at the appraised value in this case.

The Corporation would sell its land to a governmental agency at any time, at cost plus carrying charges, if the land is to be used for a public purpose such as a park or recreational area.

This title would be beneficial for two reasons; *First*, it would permit those farmers who wanted to sell their farm to do so at the fairly appraised market value; *Second*, it would assist in the orderly development of the areas surrounding municipalities of a hundred thousand or more. It would provide a means of seeing that land acquired by the Corporation would be used in the most feasible manner. It would be used in accordance with planned development, or it would provide for orderly development in that fringe area between rural and urban America.

TITLE V—LOCATION OF FEDERAL FACILITIES

The Agricultural Act of 1970 urged the heads of all Executive Departments to give priority consideration to locating new Federal facilities and offices in areas of "lower population densities".

Title V makes such priority mandatory and also changes the term "lower priority density" to "rural areas" as defined in this Act. The location of these offices and facilities in truly rural areas would play a vital role in rural development.

NIXON ADMINISTRATION OPERATES WITHOUT THE FACTS ON INTEREST RATES

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, it is time for the Nixon administration to face the facts about the need for credit controls. It should stop wasting its time in a public relations campaign designed to convince the American public that these controls are not needed.

Repeatedly, administration spokesmen have come forward in various forums to argue that interest rates have come down and rosy claims have been spread across the pages of the newspapers and have been heard on radio and television across the land.

Under present policies, the favoritism to the banks and other lenders is obvious and it is easy to understand why the administration is so nervous and so anxious to put forward these unsupported claims to justify its position.

Mr. Speaker, interest rates have not come down for the overwhelming majority of the American consumers. They have not come down for the workers whose wages are frozen. They have not come down for the majority of businessmen whose prices are frozen. They have not come down for the apartment house owner whose rents are frozen. In fact, evidence which has reached my office establishes that there have been interest rate increases since the wage-price freeze announced by President Nixon on August 15.

What the administration—and some of the press—has seized on are minor changes in the money market, particularly the corporate and tax-exempt bond sector. They have also seized on scattered announcements by a few financial institutions claiming reductions in consumer rates. These announcements have

been more public relations fluff than substantive reductions for consumers.

A classic example is the effort of Chemical Bank of New York to indicate that it was leading a trend to lower mortgage and consumer interest rates. Following the freeze, this bank issued press releases announcing a reduction in consumer and mortgage loan rates. Administration spokesmen picked up the announcement quickly and in both public and private briefings used the example to support their argument that no interest rate controls were needed. This same contention was repeated in newspaper columns.

But one newspaper—the New York Times—did a little investigating and pretty well destroyed the administration's propaganda effort. The Times revealed that Chemical's reductions in mortgage rates applied only to those loans where the borrower had made a 30 percent down payment—a sum that the average homebuyer normally cannot produce. It is obvious that this reduction was only for the more affluent and long-standing customers of the bank and indicated no trend in the mortgage market. As the Times noted:

> Bankers said yesterday that it was ironic that Chemical Bank had received wide notice for reducing its rate on home mortgage loans, since that bank has not been seeking aggressively to make such loans.

The administration has clung longer to its claims about the corporate bond market—a market in which the average consumer and wage earner is not involved. But even here, the administration has had trouble getting the facts to support its much-ballyhooed contentions. After the wage-price freeze was announced on August 15, there were slight improvements in the bond market—minor drops in fantastically high interest rates. But the market has been moving up and down and at the beginning of the week of September 13, this market lost about half of the gains posted after the President's August 15 announcement. Then late last week, the market rallied again and interest rates dropped. This week, the interest rates are going back up again and the New York Times of Wednesday, September 22, states:

> The credit markets, beset by diminished confidence in the efficacy of the administration's economic program and by swelling calendars of new issues, lost more ground yesterday and interest rates worked higher.

On this same day, Southern California Edison went into the market with $100 million of Aa bonds and had to pay 8.05 percent. When utilities are paying more than 8 percent on bonds, we do not have lower interest rates as administration spokesmen have been claiming.

The ups and downs of the corporate bond market have obviously not brought the Nation "lower interest rates." The administration should stop deluding the public on this score.

The same thing is true concerning Treasury borrowings. Today's newspapers report that the interest rates on the Treasury's monthly bill offerings rose during September after the slight decrease recorded following the freeze announcement in August. On 274-day bills, the interest rate averaged 5.24 percent, up from last month's figure of 5.09 percent. On 366-day bills, the interest rate averaged 5.27 perent, up from August's 5.12 percent.

In short, there is nothing in the money markets which could be accurately interpreted as a trend toward lower interest rates, the administration's rosy statements to the press notwithstanding.

The administration has also been spreading the propaganda that credit controls would mean "freezing interest rates at abnormally high levels." This is the purest form of hogwash since no one has proposed that interest rates be frozen at the present level and the Credit Control Act of 1969 (Public Law 91–151) does not contemplate this type of action. The law was written—originating in the House Banking and Currency Committee—so that the President could control all aspects of credit with the power to roll back interest rates to any level that he so desired. The Credit Control Act does not—as some administration spokesmen would like you to believe—contain a base period as do the wage-price authorities. So a "ceiling" would become a "floor" only if the administration wanted it to be and only if the Credit Control Law was badly administered.

Mr. Speaker, I have also been startled by statements from high officials that the banks have been left out of the control program because "they might refuse to make loans." This has been stated to me privately and I can only conclude that the administration means that our commercial banks would "go on strike" if they were asked to participate in this new economic program. This is hard to believe, but if the banks decided to be this unpatriotic, I am sure that we could be imaginative enough to find alternatives.

There is simply no reason why banks and other lenders—including retail outlets—should be treated any differently than wage earners and businessmen. The President's new program depends greatly on the confidence of the American people. Without this confidence, it is impossible to successfully maintain a wage and price program. Confidence cannot be maintained when controls are enforced in an inequitable manner and when favored sectors—powerful sectors—are let off the hook.

The saddest part of the administration's approach to credit controls is the fact that they are trying to make policy—and mold public opinion—in a complete void. They do not have specific information about the interest charges that are imposed at the consumer level. This is true both before and after the freeze announcement of August 15.

This is an area where information is missing. The administration can make no meaningful statements in this area because they simply do not have any data.

This is true despite the fact that consumer credit—both installment and noninstallment—is running at a volume of about $10 billion monthly. Some of this is dispensed by the banks, a great deal through department stores and other retail outlets, a great amount through credit cards and small loan companies. What evidence can the administration produce that any of these rates have gone down even by the merest fraction?

The truth is that the Federal Government primarily limits its data collection to money market rates, bond rates, prime rates—all of the rates far removed from the consumer. The Federal Reserve has been embarrassed by the lack of up-to-date data and on August 25—10 days after the freeze—sent a hurried questionnaire to 300 selected banks. But this belated survey, at best, will touch only a small fraction of the consumer credit. There will be nothing to give us up-to-the-minute data on the billions of dollars of credit dispensed by small loan companies and retail merchants.

In one area—home mortgages—the Federal Government does collect monthly data through the Federal Home Loan Bank Board. This agency conducts a limited survey in selected markets and that analysis shows that interest rates on mortgages rose in both June and July. When the July figures were published, the effective average interest rate nationwide on new homes was 7.65 percent.

The Federal Home Loan Bank Board has not published the figures for August yet but the indications that are reaching my office lead me to believe that these figures will be up once again in August—even higher than the increase announced for July.

And the administration continues to claim lower interest rates.

The mortgage situation is already creating a serious inequity in the freeze on rents. For example, I have been in contact with the owner of an apartment building in New York City who is being asked to substantially increase his mortgage interest payments. The rents on the apartments are frozen under the President's order, but the owner of the building is being asked to pay 2½-percent additional interest if he wants to renew the mortgage on the property. The current rents—which are frozen—are calculated on the basis of the present interest charges and the inequities imposed by the higher bank charges are clear. Rent control without interest rate control is virtually impossible and this may endanger much-needed rental housing in urban areas.

In the past few days, I have received a letter from an individual who is attempting to purchase a farmhouse and 20 acres of land in New England. He states that he was negotiating a loan for 70 percent of the purchase price for 8½-percent interest for 15 years at the time President Nixon announced his wage-price freeze. On August 23—8 days after the President's announcement—this gentleman received notice from the bank that the loan would now have to be revised on the following basis: Two-thirds of the purchase price—rather than 70 percent—for 12 years—rather than 15—and for 9-percent interest—rather than for 8½ percent.

The victim of this bit of price gouging in the midst of a nationwide economic freeze wrote me:

> Do you, for a moment, doubt that this bank took immediate advantage of the Ad-

ministration's failure to freeze interest rates by drastically increasing the costs of their mortgage money?

And a small businessman from Alabama writes me in a letter dated September 17, 1971:

Small Business in particular desperately needs a lower rate of interest. Small Business today is paying practically the same rate they paid a year ago even though the prime rate has been lowered twice or more since then.

The same kind of problem is related in a letter from another small businessman from Detroit, Mich. He is faced with rising interest costs on his building and I quote from the letter:

Several days ago when the latest addition to the double-talk artists in the Nixon administration, Mr. Connally, was asked about a freeze on interest, with a straight face he said this was not necessary since interest rates were at a low for the past several years. I have seen no one stand up and call him a liar.

I have a small business. I purchased the building I am in late in 1965 on a 10-year mortgage through my local bank at 6% interest. I am in need of additional working capital and I decided to remortgage the building for additional financing. I called the same bank and they said they were interested but of course the best rate now is 9½%. Incidentally, despite what Mr. Connally said when I needed a small loan only two years ago I paid 7%.

These are but a few of the cases which indicate the absurdity of the administration's claims on interest rates. As some of these rosy statements were being made, the two largest banks in the State of Maryland, on September 2, filed suit in the Baltimore Superior Court asking that they be allowed to triple the interest that they charge on loans of $300 or less. Yet, the administration continues to tell us that voluntary efforts will hold down interest rates and that the banks are lowering their rates.

Mr. Speaker, the people are paying nearly $150 billion annually in interest on the various public and private debts. This is a staggering sum which affects every budget in the land. It is folly to leave such an area out of a program designed to bring economic stabilization.

Credit controls will be needed even if we get lower interest rates. The President's entire program depends on a flow of credit—on reasonable terms—to the lagging sectors of the economy. Reasonable interest rates are needed for the consumer if we are to have an upsurge in purchasing power.

If the President's program works—as his economists assure us—there will be a great expansion of the economy and this will bring a heavy demand for credit at all levels. In the past, a heavy demand for loans has been used as an excuse for the commercial banks to raise interest rates. Credit controls—imposed now—would assure that expansion will not be accompanied by another round of runaway interest rates. So even if we see temporary alleviation from high interest rates, the administration must look to the long-range needs of the economy and not allow it to be hamstrung by high costs for capital and consumer credit.

Mr. Speaker, I have assured the President of my desire to cooperate in the programs to bring about economic stabilization. I think a majority of the Congress feels the same way, but we must have a program which is defensible—one that is equitable. But we cannot have a defensible economic program unless the banks, interest rates, and other aspects of credit are brought under the same umbrella with the rest of the economy.

CHILDHOOD LEAD POISONING

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. RYAN) is recognized for 10 minutes.

Mr. RYAN. Mr. Speaker, 2½ years ago I introduced three bills which shared a common aim—the mounting of a Federal assault on childhood lead poisoning. Subsequently, the distinguished senior Senator from Massachusetts, Senator KENNEDY, joined in our efforts. On January 13 of this year this legislation, the Lead-Based Paint Poisoning Prevention Act, was signed into law by the President. On August 10 of this year, the President signed into law the appropriations bill for the Departments of Health, Education, and Welfare and Labor—Public Law 92-280—which included $7.5 million to fund the Lead-Based Paint Poisoning Prevention Act.

The victories, when they have come, have perhaps been sweeter because of the obstacles which we had to surmount to attain them. There has never been any question about the severity of childhood lead poisoning. Nor has there been any question that it is a preventable disease. All that has been lacking in the past has been the willingness of this administration to act, and the will of this Congress to move in the face of the administration's recalcitrance.

The Department of Health, Education, and Welfare's own figures give some inkling to understanding the extent of childhood lead poisoning. In its May 1971 report, entitled "Towards a Comprehensive Health Policy for the 1970's: A White Paper," the Department stated:

Paint with lead in it poisons about 400,000 children (predominantly poor) annually. It is estimated that 16,000 of these children require treatment, 3,200 incur moderate to severe brain damage, and 800 are so severely brain damaged that they require care for the rest of their lives.

I would add another somber figure—the 200 children who die each year of this dread disease.

These are the statistics which mark childhood lead poisoning's toll—a toll taken by means of blindness, cerebral palsy, kidney impairment, mental retardation, and death. Indeed, no one can question the severity of the problem which, as another HEW document—in this case a document not released by the administration, but transmitted to me nevertheless by a committed and concerned individual—states:

(Childhood lead poisoning is) more prevalent than the polio problem before the advent of the Salk vaccine . . . (and it) leaves more children permanently impaired than did German measles prior to the extensive measles vaccination programs.

In dollar terms alone—terms which I have had to use to impress some but which, to my mind, are totally irrelevant when we are talking about children's health—childhood lead poisoning is an economic disaster. Each case of moderate brain damage requires approximately 10 years of special instructions and other care, averaging $1,750 per child annually. So, each year, the 3,200 children who do suffer moderate to severe brain damage produce costs for care alone of $5.6 million. The 800 children who annually experience severe brain damage require lifetime institutionalization, at a cost of $4,000 per year each, or $3.2 million annually, and of these costs will continue for their entire lifetimes. Thus, the current annual cost for the damage to these small children totals $8.8 million. Add to that the medical and other expenses for the 200 small children who die annually. Add to that the incalculable amounts for grief and suffering.

Yet—and this is the fact that adds even more to this tragic litany—childhood lead poisoning is a preventable disease. We know how to identify it, we know how to treat it, and we know what to do to avert its recurrence.

Why, then, has this Nation moved so slowly, when delay means devastation?

I wish I could give a satisfactory answer—one which would say, "Yes, we are women and men of good will, and we do want to help." The facts are not so, though. Throughout our efforts, we met with resistance, recalcitrance, and rejection. That we have succeeded—and we have not succeeded anywhere near enough—is testimony to the determination of individuals and groups throughout this country who have insisted—demanded—that their Government stop ignoring them and start serving them.

I am not going to recount the tale of difficulties which arose more than briefly. Initially, in congressional hearings, the administration opposed my legislation. Fortunately, our efforts succeeded in convincing the Congress that a Federal assault on childhood lead poisoning was necessary, and we passed the Lead-Based Paint Poisoning Prevention Act.

Then the Department of Health, Education, and Welfare, and the President's Office of Management and Budget recommended that the President veto the bill. Two days of phone calls, telegrams, and letters turned that decision around.

But after the Lead-Based Paint Poisoning Prevention Act was finally signed into law, the administration decided to consign it to the background. No funds were requested to implement the program. We wrote; we held meetings; we enlisted support; but the administration would not be moved.

So we again looked to Congress, determined to overcome the administration's antipathy. Last spring I testified before the Senate Subcommittee on Labor and Public Welfare of the Senate Appropriations Committee. Within hours—and I have been told this by unimpeachable sources—word came down on high from within HEW that the administration would push for $2 million to fund the act. A victory, yes. But an insult, in the face of the enormous need for funds for the grant programs for screening, treatment,

and eradication created by the Lead-Based Paint Poisoning Prevention Act.

Fortunately, the Congress was beginning to act. We obtained $5 million in the second supplemental appropriation bill in the spring. But that was lost in the House-Senate conference on the bill. The slightest encouragement from the administration would have moved those conferees who were either uninterested or resistant. No word was forthcoming.

Pressure was building up, however. A group called HEW Employees for Change took a highly unusual tactic—they issued a public statement castigating their own employer for not pushing in the lead poisoning fight. Internal documents embarrassing to the administration were being sent to my office, such as the HEW internal report which stated with regard to implementation of the Lead-Based Paint Poisoning Prevention Act:

> The necessary information to eliminate the problem is known. The time for action is now and now is the time for effective action programs at the community level.

We succeeded in soliciting the lobbying help of environmental groups, such as the Sierra Club and Friends of the Earth. Some 20 health groups, organized as the Coalition for Health Funding, began lobbying to obtain funds, and provided us with a tremendous boost. Newspapers throughout the country began to listen to what we were saying, and pressures built up more.

We succeeded this time. We obtained $7.5 million in the Labor-HEW Appropriations Act for fiscal year 1972, Public law 92–80. A victory, yes; but $7.5 million is nowhere reaching the problem. The administration is willing to fight for hundreds of millions for the SST, but even in the face of a losing battle, it did not have the grace or the political savvy to jump on the bandwagon and push for funds to fight for lead poisoning. So we had to settle—for the moment—for $7.5 million.

But the fight is only beginning. The Congress has inched forward, and the administration has reluctantly followed behind. Now, we must continue.

First, we must obtain more funds. To that end, I have introduced H.R. 10570, providing the additional $22.49 million which is authorized by my legislation.

Second, I have filed a petition with the Federal Food and Drug Administration to ban all lead-based paints from household uses. Obviously, that has put people on the run; on September 20, the national paint lobby sent a letter to every Member of Congress personally attacking me for my efforts to end the dread disease of childhood lead poisoning. That we will attend to in good time.

Third, the Department of Housing and Urban Development and the Department of Health, Education, and Welfare have acceded to my urgings, and have agreed, as they have so informed me by personal communication, to conduct a nationwide study of all paint brands to determine which exceed—despite labeling to the contrary—the supposedly safe 1 percent lead level.

Fourth, we are undertaking a New York City-wide effort to alert parents to the danger, and to bring together those dedicated individuals and groups who have been struggling to combat the disease which afflicts our city.

The children have been waiting a long time. They are still waiting. But now, their voices are being heard; and, if this administration continues to ignore them, we will continue to ignore the administration. For it is the children who will be ignored no longer.

TERMINATION OF U.S. MILITARY ACTIVITY IN INDOCHINA AS OF MARCH 31, 1972

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. McCLOSKEY) is recognized for 1 hour.

Mr. McCLOSKEY. Mr. Speaker, I would like to call the attention of the House to the fact that the Senate on Tuesday last adopted the conference report on H.R. 6531, thereby completing congressional action on the extension of the Selective Service Act, and stating:

> It is hereby declared to be the sense of Congress that the United States terminate at the earliest practicable date all military operations of the United States in Indochina, and provide for the prompt and orderly withdrawal of all United States military forces at a date certain subject to the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government, and an accounting for all Americans missing in action who have been held by or known to such Government or such forces.

The House having previously adopted this conference report on August 4, 1971, by a vote of 298 to 108, Congress has now firmly and clearly adopted the position that our military involvement in Indochina be completed at the earliest practicable date, and that the sole condition for our withdrawal be the release of all American prisoners of war.

The language of H.R. 6531 is precise on this point. The resolution further states: "The Congress hereby urges and requests the President to implement the above expressed policy," by taking three specific negotiating positions at Paris seeking: one, a cease-fire; two, a final withdrawal date for all military forces of the United States contingent upon the release of all American prisoners of war in Indochina; and, three, negotiation of a series of phased withdrawals subject to a corresponding series of phased releases of prisoners of war.

The crucial point I wish to call to the attention of the House, however, is that the President continues today to demand an additional point in the negotiations: The survival of the Thieu regime in South Vietnam. In this position, the President now stands against the expressed will of both Houses of Congress, and undoubtedly also against the will of the great majority of the people of the United States. The President's position was made amply clear by his action Tuesday, as Commander in Chief, in sending an armada of 250 U.S. warplanes to carry out one of the heaviest raids in North Vietnam since the bombing halt of November 1, 1968, nearly 3 years ago. At least 200 fighter bombers participated in the attack on North Vietnam. This figure did not include the B–52 strikes which were apparently likewise conducted Tuesday against targets in Cambodia and Laos.

The President talks peace but he makes war. When he took office in 1969, he commenced the withdrawal of troops from Vietnam but doubled the bombing in Laos. Almost three times as many bombs as far as tonnage is concerned have been dropped in Vietnam, Laos, and Cambodia as were dropped in Europe and the Pacific in World War II.

In the newspaper accounts of the attacks Tuesday, they were described by the Pentagon as "protective reaction strikes against military targets in North Vietnam constituting a threat to the safety of the U.S. forces."

The identity of the threatened U.S. forces has not been disclosed by the administration, and indeed, in view of the reports of the past several weeks indicating the withdrawal of U.S. forces from advanced positions, it is difficult to imagine that any real danger exists to U.S. forces in South Vietnam from the scattered enemy units in North Vietnam, Laos, and Cambodia where the bombing took place.

The true purpose of the bombing raids Tuesday can only be to seek to save as long as possible the repressive military government of the Thieu regime. Such a goal is no part of the sense of Congress resolution which is now on the President's desk awaiting signature. The omission of such goal from the congressional resolution was both deliberate and unequivocal.

That resolution, section IV of the bill, entitled "Termination of Hostilities in Indochina," makes clear to the President in no uncertain terms that the American people, through their elected representatives in Congress, "urge and request" the President to give up his insistence at Paris on the survival of the Thieu regime. The success of Vietnamization forms no part of the negotiating position Congress has requested be taken. By our action, we concede the right of the Vietnamese themselves to determine who governs them. Our action is in accord with the President's doctrine announced at Guam; if the South Vietnamese really desire independence, they alone must earn it from their fellow Vietnamese.

Admittedly, the congressional action to date is expressly only a "sense of Congress" resolution. Nevertheless, it represents a clear statement of position on the major issue of our time, our military involvement in Vietnam. The cost of that involvement remains the single largest item of Federal expenditure, an estimated $11 billion this fiscal year.

I hope, Mr. Speaker, that the President will do us the honor of an early response, indicating that he either accedes to the negotiating position we have requested he adopt, or that he intends to continue his demand as expressed in earlier speeches and press conferences that the present South Vietnam regime be preserved.

The Congress, which authorized the waging of war in Southeast Asia by the Gulf of Tonkin Resolution of August 6,

1964, has repealed that authority as of January 12, 1971, over 8 months ago.

Repeal of the Gulf of Tonkin Resolution limited the President to his inherent power as Commander in Chief to protect the lives of the Americans remaining in Southeast Asia. It did not authorize the continuance of an air war of the magnitude we witnessed Tuesday and which is apparently continuing. It is almost as if we have become a pitiful helpless giant, thrashing out in one final paroxysm of rage and anger, trying to kill and destroy for the purposes of killing and destroying alone.

As of the day that the President signs H.R. 6531 into law, however, the request of Congress that the killing and destruction stop at the earliest practicable date requires the President's immediate reaction and response. He should, in good faith, either carry out the request of the Congress, or specifically and clearly advise us that he does not intend to do so. If he meets our request, he need only change his instructions to our negotiators in Paris—asking that they reduce our demands to one: The return of our prisoners and an accounting for those captured. If he does not wish to honor our request, then he need only so advise us. It is then our responsibility to act.

We in the Congress have the power to both declare war and to terminate it. If the President declines to either pursue the course of action we have requested, or to respond within a reasonable period of time, I believe we have the obligation to implement our present request with specific legislation, making it illegal to conduct military operations in Southeast Asia after a specific date certain.

To that end, I have introduced today a resolution setting such date certain as of March 31, 1972. A copy of the resolution is appended at the conclusion of these remarks. I would propose immediate consideration of this bill should the President fail to advise us of his response to our request within a reasonable time, say October 1, 1971.

It seems to me that as Members of the world's most powerful legislative body, we now owe an obligation to stop the killing and devastation perpetrated on rural Asian peoples by the most sophisticated air power and weapons ever developed in the history of mankind. There can be no valid purpose in pursuing any longer the facade that we are protecting a democratic form of government in Saigon. We tried to create such a government; we have failed in that attempt. What we do now is solely to preserve the pride and prestige of a military government which practices on a daily basis the same denial of due process, repression of dissent, censorship, and torture which Americans have traditionally stood and fought against since our Nation was founded. When 250 planes attack North Vietnam and an unknown number of B–52's attack Laos and Cambodia, there can be no doubt but that we kill more civilians than we do enemy soldiers. It seems to me, Mr. Speaker, that the time is long past when we should admit that our purposes and efforts in Vietnam have constituted a tragic mistake, a diversion of the energies, resources, and goals of a great nation, away from the traditional principles of self-determination and anticolonialism which have formed the basis for our own historical heritage.

The immorality of killing anyone today for any purpose other than the preservation of human liberty or national sovereignty only compounds our tragic mistake. The obvious deception in using the term, "protective reaction strikes" to describe Tuesday's massive aerial bombardments only further emphasizes the enormity of the error of our past and present actions in Southeast Asia. It is one thing to fight and die for a principle; it is another to hire foreign mercenaries to fight our battles and to impersonally destroy fellow human beings by high-altitude bombardment in order to preserve a corrupt and repressive government.

It seems to me, Mr. Speaker, that the time has come for Congress to assume that constitutional responsibility which the framers of the Constitution so clearly reposed in us—to unequivically and finally end the killing which was authorized in our name over 7 years ago.

The resolution follows:

H.J. RES. 885

Joint resolution to set a termination date for United States military activity in Indochina

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, that all United States military activity in Indochina shall be terminated as of March 31, 1972, unless the President shall have been unable by that date to negotiate, as the sole conditions of such termination, the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government, and an accounting for all Americans missing in action who have been held by or known to such Government or such forces.

WINSTON L. PROUTY, FRIEND AND PATRIOT

The SPEAKER pro tempore (Mr. MATSUNAGA). Under a previous order of the House, the gentleman from Massachusetts (Mr. KEITH) is recognized for 60 minutes.

Mr. KEITH. Mr. Speaker, with your permission, and at the request of our good friend, Mr. ROBERT T. STAFFORD, I arranged this opportunity to honor the memory of the late WINSTON L. PROUTY.

Mr. STAFFORD intended to discharge this responsibility, but, as we know, the rapid flow of events has led to his appointment, by Gov. Deane C. Davis, to assume Mr. PROUTY's duties in the Senate.

In that body, this morning, eulogies were given under a special order arranged by the distinguished senior Senator from Vermont, Mr. GEORGE AIKEN.

For many years, I have enjoyed more than an average association with Massachusetts' good neighbor State of Vermont, and with the Prouty family, long associated with public affairs and the national interest.

For example, the late Senator's brother, Paul, in his own quiet way, is active in the civic affairs in the city of Brockton as was the Senator in the affairs of our Nation.

WIN PROUTY came to the House, in 1951, against a background of 18 years' combined service as a member of the Newport, Vt., City Council, as that city's mayor, and as a State representative.

Throughout his 10 consecutive years in the House, and his subsequent 12 years in the Senate, he earned the reputation of a public servant infinitely qualified to respond to the particular needs of his constituents and, at once, to contribute richly to the national policy and interest.

He was quiet, even diffident, and he was moderate. He was a man of deep personal conviction and demonstrable independence of thought. He could give himself to far-ranging international problems without losing contact with the needs of the aged, the underprivileged, or our veterans.

In short, WINSTON PROUTY was an able legislator, a determined statesman, and a dedicated patriot. But I shall remember him best as a most cherished friend.

I join with all of his colleagues—in both branches of the Congress and on both sides of the aisle—in lamenting the personal loss that is shared by his family and his friends in Washington and in his home State of Vermont.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. KEITH. I am glad to yield to our distinguished colleague from Wisconsin.

Mr. O'KONSKI. I thank the gentleman for taking this time to pay tribute to a great American.

Former Senator PROUTY served as a valued Member of this House. He was an able Member, a well-respected Member of this House. He went to the other body and carried on in a manner even greater than he did in the House.

Not only the State of Vermont but also the whole Nation and the whole world have lost a great statesman, as we have lost Senator PROUTY.

Mr. KEITH. I thank the gentleman from Wisconsin.

Mr. SPRINGER. Mr. Speaker, the death of Senator WINSTON PROUTY at the peak of his political career is a tragic loss for his beloved State of Vermont and for the Nation.

I was particularly saddened because WIN PROUTY and I came to the Congress at the same time. We both were first elected to the House of Representatives in 1950. Previously he had served as speaker of his State's House of Representatives and as chairman of the Vermont State Water Conservation Board.

WIN PROUTY's colleagues on both sides of the aisle had ample opportunity to become impressed with his statesman-like qualities. The people of Vermont were impressed, too, so much so that they elected him to four successive terms in this House and three terms in the Senate. In these critical times the Nation can ill afford to lose men of the caliber of WIN PROUTY.

Mr. McCLORY. Mr. Speaker, it is with deep sadness that my colleagues and I have learned of the passing of Vermont's junior Senator, WINSTON L. PROUTY.

One could not know Senator PROUTY for long without developing an affection and respect for him. Senator PROUTY's quiet and unassuming manner concealed

the depth of his thought and the conscientious judgment which he exercised on the great issues which he faced as a Member of the U.S. Senate.

Senator PROUTY devoted a great part of his life to public service. His knowledge of State and local government before entering the U.S. Senate contributed substantially to his senatorial service where the impact of major Federal legislation was necessarily measured by this background of rural and urban life in Vermont.

Mr. Speaker, in recalling his outstanding public service, it is appropriate to reflect also on his private and personal life. WIN PROUTY and his wife, Jennette, were always a gay and welcome addition at the social and cultural activities in our Nation's Capital. It was on a personal and friendly basis that I knew WIN PROUTY best, and it is on this friendly and personal basis that I join today in this expression of respect and affection.

Mr. Speaker, my wife Doris joins me in extending sympathy to Mrs. Jennette Prouty and to all members of the family of the late Senator WINSTON L. PROUTY of Vermont.

Mr. ROONEY of New York. Mr. Speaker, I sadly join with my colleagues today as we pay tribute to one of the fine men of our time, the late Senator WINSTON L. PROUTY of Vermont. I had the good fortune to come to know WIN PROUTY well during the 8 years he served in the House of Representatives. Although we differed somewhat in political philosophy, I had nothing but the highest respect and admiration for this soft spoken, retiring but very warm, man. WIN was a person of strong convictions and he voted those convictions be they popular or not. He was dedicated to serving the people of Vermont and the entire country. For more than three decades he devoted his life to public service both here and in his home State. The people of the State of Vermont and the entire Nation benefited from his selfless devotion to the principles of justice upon which this Nation was founded. We have all lost a good friend who will be sorely missed. To his wife and family I extend my deepest sympathy in their great loss.

Mr. MORSE. Mr. Speaker, I knew WINSTON PROUTY well, both as a good friend and a devoted public servant, and it is with great sorrow that I join with my colleagues today in paying tribute to him.

WIN PROUTY was a man of great warmth, great integrity, and great compassion. As mayor of his hometown, Newport, as speaker of the Vermont House of Representatives, and as a distinguished Member of both the House and Senate, he devoted himself totally to the work of public service. He fought diligently and tirelessly for greater educational opportunities, for the elderly, the workingman, the handicapped, and the poor. No one better understood the human needs of this country, and his efforts to better the health and welfare of all Americans will be felt and appreciated for many years to come.

His loss is profound, and I extend to his wife and loved ones my most heartfelt condolences.

Mr. BELCHER. Mr. Speaker, I would like to take this opportunity to express my feelings on the loss of a very fine gentleman, Senator WINSTON L. PROUTY.

WIN and I had known each other for more than 20 years. We were sworn into the 82d Congress together on January 3, 1951. He was one of the first people that I looked up when I came to Congress, because my father was born in his State. As a result of our early acquaintance, we became very good friends and I always cherished his friendship very highly.

I believe I can say without reservation that he was a true friend to everyone that he came in contact with. He was a great representative while serving in the 82d, 83d, and 84th and 85th Congresses. We lost a great colleague in the House of Representatives when he left the House, but the people of his State gained a Senator of grand stature. The contributions that he made to this country while serving in the Congress were so outstanding that they are too numerable to list.

With his passing I have lost a dear friend and the people of this country have lost a great statesman. I would like to extend my deepest sympathy to his wife and loved ones.

Mr. GERALD R. FORD. Mr. Speaker, all of us were saddened and shocked by the sudden passing of our dear friend, WIN PROUTY.

It was my great personal privilege to know WIN PROUTY intimately during his years from 1951 through 1958 in the House of Representatives. On first meeting WIN, one would get the impression he was somewhat restrained and aloof, but as your friendship expanded he became a warm and thoroughly charming person. WIN PROUTY will be sorely missed by his multitude of friends who had the privilege of knowing him on a personal basis and I was one so fortunate.

Historically, Vermont has a reputation of sending able, constructive, and effective legislators to the House of Representatives. WIN PROUTY, in his 8 years in the House, carried on that great tradition. His daily responsibilities in the House Committees on Foreign Affairs and Veterans' Affairs reflected his concern and expertise on problems affecting international matters and our war veterans.

On the floor of the House he stood fast for those principles in which he had deep conviction; and, likewise, he staunchly upheld the viewpoint of his constituents, whom he so ably represented. At the same time WIN PROUTY had a broad, nonpartisan point of view which reflected his deep concern for all Americans in 49 other States, and he was a solid statesman on matters concerning the national security and international problems of the United States.

Those of us who knew and worked with WIN PROUTY in the House of Representatives were certain his career in the U.S. Senate would be one of continued accomplishment and success. By thoughtful judgments and dedicated actions WIN PROUTY in his own way became one of the most respected Members in the Senate.

History will record that the Congress has lost with WIN's passing one of its most distinguished legislators. The Nation has lost one of its finest citizens. My wife, Betty, and I have lost a fine friend whom we greatly respected and thoroughly enjoyed. I extend to his lovely wife, Jennette, our deepest condolences in this time of sadness. We all grieve with his passing, but are proud of the accomplishments of this fine man who has left an indelible record of achievements on the pages of history.

Mr. COUGHLIN. Mr. Speaker, it is with sadness that I note the death of Senator WINSTON L. PROUTY, of Vermont.

For over 30 years he served his State with distinction: first as mayor of his hometown, then as a State representative, as chairman of the State water conservation board, as U.S. Congressman, and, for the last 13 years, as U.S. Senator.

As a Senator, he was known especially for his legislation in the field of elementary, secondary, and higher education, and for his work in the expansion of social security benefits. As one similarly interested in these fields, I can say that his work here will be his monument.

In the Vermont tradition, Senator PROUTY was a hard worker, reserved in manner, with a deep sense of public responsibility, a man of precision in both mind and speech, and a versatile piano player. Unquestionably we need more men like Senator PROUTY in public life. His death reminds us how rare such men are.

Mr. ANDERSON of Illinois. Mr. Speaker, the flag flies at half mast over the New Senate Office Building as his colleagues in both Houses of the Congress mourn the passing of Vermont's junior Senator, the distinguished WINSTON PROUTY. Though I was never privileged to serve with him personally, I feel myself beholden to this gentle but firm and wise man for bringing to his duties in the other body a spirit which reached far beyond the confines of the Senate Chamber and deeply influenced those of us in the House who share respect and admiration for him.

His work on the Commerce and Labor and Public Welfare Committees of the Senate, as well as the Rules Committee, will be remembered for its precision, for the responsible way in which it was conducted, and for the quiet but significant contributions which it made to much of the most important legislation which has been shaped by the Congress in recent years. We will all miss him, and I have no hesitation in saying that the loss will be felt as deeply here in the House as it will be among his colleagues in the Senate.

Mr. BOW. Mr. Speaker, the Nation's loss is also my personal loss for WINSTON L. PROUTY who came to the House when I did was a close friend with whom I shared many legislative objectives.

Senator PROUTY was my kind of conservative, the kind Ike had in mind when he spoke of being liberal where the welfare and human needs of the people are concerned, conservative in guarding their liberty and the public purse. It was in this frame of reference that Senator PROUTY was successful in establishing the small monthly payment for very old people who had never had an opportu-

nity to work for social security annuities. The same philosophy supported his long dedication to assisting with the expenses of a college education and in many other endeavors.

It is sad to see a distinguished career end so abruptly and prematurely. It is gratifying to observe how much a man of this caliber can accomplish with whatever time is given him. WINSTON PROUTY will long be remembered by all who knew and worked with him. Tens of thousands of others who never hear his name will benefit from the worthwhile programs he worked so hard to establish.

GENERAL LEAVE

Mr. KEITH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and service of the late Honorable WINSTON L. PROUTY.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EFFECTS OF THE UTU RAIL STRIKE ON THE AGRICULTURAL COMMUNITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. HARVEY) is recognized for 5 minutes.

Mr. HARVEY. Mr Speaker, continuing my series on the effects of the UTU rail strike, I would like to discuss one of the groups that was most seriously hampered by this 19-day selective strike—the agricultural community. Unfortunately, many types of agricultural commodities spoil and cannot be stored until rail service can be resumed. Since alternative transportation is either unavailable or prohibitively expensive, many farmers have no choice but to plow their crops under during a prolonged rail stoppage. Such action then becomes a total loss for the farmer. The daily loss to the California economy, for example, that resulted from the UTU strike was estimated by the United Fresh Fruit and Vegetable Association to be $11.2 million.

Various agricultural commodities were, of course, affected to varying degrees by the UTU strike. Most were fortunate in that the strike occurred just before the peak harvest season. However, the beet sugar industry experienced production cutbacks of up to 70 percent in certain areas of the country due to the inability of the refineries to receive sugar beets. Any alternative transportation proved extremely expensive, and the U.S. Beet Sugar Association reported that rerouting beet supplies added approximately 30 cents per ton to the shipping costs.

In certain areas of the Southwest, rail service is the only transpartation available to the cotton planters. While those growers east of the Mississippi could use trucks to ship their cotton to the mills, the National Cotton Council indicated that the distances from farm-to-market west of the river prohibited the use of any service other than the railroads. Grains were stockpiled in elevators or in some cases in the town square, and the lack of transportation was complicated by the record size of the harvest.

The poultry and egg farmers of the South and the West were also hampered severely by the lack of transportation services. Farmers could not obtain adequate supplies of feed for their birds, and the corn that they finally did receive was at an increased cost. In some areas, the lack of rail service also prevented the poultry men from thinning their flocks to adjust for the reduction of feed.

Not to be overlooked were the canners, who were affected on two counts by the strike. On the one hand, they could not receive raw materials for processing; at the same time, those foods awaiting shipment were stalled in the processing plant.

The very health and well-being of our Nation depends on the continuation of transportation services by the railroads. Any disruption, as these facts clearly indicate, produce intolerable situations, and only permanent rail strike legislation can eliminate these potentially disastrous conditions. It is for this reason that I continue to push for prompt congressional action on emergency strike legislation, and I now submit these selected reports by the agricultural organizations as evidence of the need for this action:

AMERICAN FARM BUREAU FEDERATION,
Chicago, Ill., August 16, 1971.

Hon. JAMES HARVEY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HARVEY: Thank you for your letter of August 9. We are very much interested and very much in support, as you know, of your endeavor to enact legislation to provide a permanent means to resolve labor-management disputes in transportation industries.

With your letter you enclosed a questionnaire. In view of the laudable purpose for which it is intended, we have tried to answer the questions set forth therein; however, we find we cannot do so. Some of the reasons are, that we have no means to assess particular losses; that often losses are contingent upon other variables of unknown impact—because there are major differences as to the effect of the rail strike on different commodities, upon the relationship of the strike period to the harvest period and upon the relationship of the production area to the market.

Furthermore, most of the losses were prospective. Actual losses were sustained by some fruit and vegetable producers in California. A continuation of the strike for a few more days would have resulted in shortages in feed supplies in certain areas. In fact, if the strike had continued for a few weeks the impact on many farmers would have been catastrophic.

In general, farmers who were unable to obtain needed transportation, were not able to obtain alternative means of transportation. Exempt, private, and common carrier trucks filled the gap to a limited degree, but the total available truck capacity was wholly inadequate. Our policy resolutions contain two paragraphs that relate directly to these issues.

"Long overdue reforms with respect to the wasteful and antiquated utilization of railroad labor resulting from labor-management agreements. Unless attention is given to this basic factor it is certain that other measures will be ineffective.

"Since a nationwide rail strike would have a far-reaching effect on the economy, arbitration of railroad labor disputes using the concept that the arbiter shall choose one of the final proposals of the two parties."

We are sorry to be unable to provide more definitive responses to your questions. We wish to express our appreciation for your efforts to accomplish legislation to deal with the issue. It seems to us that the Congress has a responsibility to respond to a clear and present problem adversely affecting the whole nation.

Sincerely,

WILLIAM J. KUHFUSS,
President.

NATIONAL COTTON COUNCIL OF AMERICA,
Memphis, Tenn., August 27, 1971.

Hon. JAMES HARVEY,
House of Representatives,
Washington, D.C.

DEAR MR. HARVEY: This refers to your letter of August 9 addressed to Mr. William Rhea Blake and to the acknowledgement dated August 16 by Mr. Blake's successor, Albert R. Russell, concerning your proposal (H.R. 9088) and others designed to provide a permanent solution to the transportation strike problem.

In the time available, I am unable to give you precise answers to the questions submitted with your letter. The attached therefore is a statement based on observations and discussions with various cotton shipping interests.

When the proposed legislation is dealt with, we would urge strongly that the Congress simultaneously enact provisions with regard to longshore and maritime operations. Continued and increasing cotton exports are vital to the U. S. economy, and important in the solution of our international balance of payments problem.

We feel that any new legislation will fail to achieve its purpose unless it also provides means whereby transportation strikes can be handled without shutting down any significant part of the nation's transportation system.

It is my view that you are eminently correct in saying that the President should be able to apply the new options successively, and not be compelled to select only one to the exclusion of the others.

Cordially yours,

JOHN H. TODD,
Traffic Counsel.

RAILROAD STRIKE IMPACT

I. The effect on the raw cotton industry of the recent selective rail strikes was minimized by at least five factors: (1) The strikes occurred during the period in which normally the cotton spinning industry is operating at the lowest level of the year—when, in fact, many spinning mills were shut down entirely for an annual vacation period; (2) A second limiting factor was the shortness of duration of the strikes, the most lengthy of which was approximately 19 days; (3) In anticipation of railroad strikes, a number of cotton spinning organizations placed orders for some of their future cotton requirements to be delivered prior to the strike date so that they had (presumably to the extent of their limited storage capacity) a backlog of raw cotton on which to operate during the strike period; (4) The strikes affected only four major cotton-carrying railroads—the Southern Pacific, the Southern Railway, the Gulf, Mobile & Ohio (the latter because of the fact that its trains can operate into Memphis only over the lines of the Southern Railway which was shut down by the strike), and the Santa Fe Lines for a very short time; (5) So far as shipments from the states of Arkansas, Louisiana, Mississippi, Missouri, and Tennessee to destinations in Alabama, Georgia, North Carolina, and South Carolina are concerned, unregulated truck transportation is

available, and in recent months approximately 43% of the total cotton tonnage moving from the origin area described to the destination area described has moved by unregulated motor carriers, rather than by railroad.

II. Unregulated motor transportation was available for a substantial volume of cotton movement from the Mississippi Valley producing area to the Southeastern mill consuming area, from portions of the Southwestern area to Texas ports and from the Mississippi Valley area to New Orleans. As a practical matter, this option was not available with respect to the cotton moving to the Southeast from states farther west than Arkansas and Louisiana because of the greater length of haul and the corresponding expense.

III. No figures are available concerning the percentage of cotton that could have been rerouted by rail, or on the time delays involved. Such time delays probably were not greater than four weeks at most. Of course, there was no feasible means of rerouting by rail cotton scheduled to move from local points on the Southern Pacific lines or to local stations on the Southern Railway.

IV. We have no means of estimating the cost of rerouting, either by rail or by unregulated motor carriers.

V. In the event of future selective rail strikes, the situation would depend entirely on which railroads were shut down. For example, the simultaneous striking of the Southern Railway and Seaboard Coastline would virtually prohibit the delivery of any cotton by rail to any Southeastern spinning mill. Any movement at all to Southeastern mills, as a practical matter, would have to be made by unregulated motor carriers. By the same token, if both the Santa Fe and the Southern Pacific lines were to shut down simultaneously, cotton movement from Arizona, California, New Mexico and large areas of Texas would be virtually impossible because truck transportation from those areas is not practicable because of the distances involved.

VI. As a practical matter, there is virtually no alternative to rail transportation from origins west of a line drawn approximately north and south through Little Rock, Arkansas, with the exception of movements to the Texas ports and New Orleans. For such movements, truck transportation to a substantial extent involves distances short enough to make its use economically feasible. As to a choice between rail carriers in West Texas, New Mexico, Arizona, and California, virtually the only alternatives are the lines of the Southern Pacific and the Santa Fe. Such alternatives would exist only at points served by both the Southern Pacific and the Santa Fe. The same is generally true in the Southeastern destination area which is pretty well blanketed by the Southern Railway system and the Seaboard Coastline system. With respect to origins in Arkansas, Louisiana, Mississippi, Missouri, and Tennessee, the availability of alternative rail routes within those states would be almost as severely restricted in the greater part of the cotton-producing areas. Alternative routes exist only at origins served by two or more railroads.

VII. The effect of the recent UTU selective strikes was felt by the raw cotton industry on a national basis.

VIII. Except to the extent that unregulated motor truck transportation might be available, similar strikes in the future would affect adversely the price of cotton to the producer, the costs of operation of cotton merchants and brokers, the operations of all cotton spinning mills, the exporting of cotton to spinning mill customers in foreign countries who might be unable to obtain their cotton requirements from other cotton-growing countries, finishing and manufacturing mills in the United States and abroad, and wholesalers and retailers of cotton products—involving in the aggregate many millions of people.

IX. There are no formal procedures for stockpiling reserves in anticipation of rail strikes, but individual spinning organizations (to whatever extent the limited cotton storage capacity at their mills would permit) would be able to stockpile cotton, but probably not enough to meet their needs for more than a very few weeks. Most cotton spinning mills have quite limited storage facilities for raw cotton, and this procedure would be of limited value.

X. Judicious stockpiling in advance of a threatened rail strike date would enable some, but not all, domestic cotton spinning mills to continue operation for a period of a few weeks. However, this would provide little, if any, relief from the economic effects upon cotton farmers, cotton merchants and brokers, forwarding agents, port terminals, steamship lines, and foreign customers. Except for this brief period, complete cessation of rail service would effectively shut down the entire U.S. cotton economy, except to the extent that cotton might be moved by unregulated motor carriers from Southwestern origins to Texas ports, from Mississippi Valley origins to New Orleans, and from Mississippi Valley origins east of a line drawn north and south through Little Rock, Arkansas, to spinning mill destinations in Alabama, Georgia, North Carolina, and South Carolina.

NATIONAL COTTON COUNCIL,
OF AMERICA,
Memphis, Tenn., September 7, 1971.

Hon. JOHN JARMAN,
Chairman, Subcommittee on Transportation and Aeronautics, Rayburn House Office Building, Washington, D.C.

DEAR MR. JARMAN: This has reference to the hearings before your subcommittee, scheduled to begin September 14, on the various proposals of new options for dealing with strikes in the transportation industries.

We are enclosing a statement setting forth our views on such proposals. We respectfully request that it be included in the official transcript of the hearings.

With a copy of this letter, 25 additional copies of our statement are being mailed today to Mr. W. E. Williamson, Clerk of your Subcommittee.

Cordially yours,

JOHN H. TODD,
Traffic Counsel.

STATEMENT OF JOHN H. TODD

The National Cotton Council, with headquarters at 1918 North Parkway, Memphis, Tennessee, is the central organization of the American cotton industry, representing cotton producers, ginners, warehousemen, cottonseed crushers, cooperatives, merchants, and cotton manufacturers in the cotton producing areas of the country.

At its 1971 Annual Meeting in Dallas, Texas, the Council, by unanimous action of all seven segments of its membership, adopted a resolution to "support legislation to set up a mechanism to prevent strikes affecting the transportation industry," and to "support legislation banning . . . strikes against the public interest . . ."

We favor providing the President with new options for dealing with transportation strikes. We strongly feel that he should have the power to employ such options successively, and not be restricted to the choice of a single option.

We favor inclusion of the option of an additional 30-day cooling-off period.

We consider "final offer selection" to be the most promising and wholesome of all the newly proposed options, and urge its approval and adoption.

We agree with Representative Harvey (C. R., July 28, 1971) that the option of "selective strikes" would be largely if not wholly ineffective unless it is carefully limited by appropriate safeguards for the public interest. For example, the simultaneous striking of the Santa Fe and Southern Pacific systems would shut down virtually all rail transportation of cotton from the producing areas of California, Arizona, New Mexico, and large portions of Texas. Similarly, the simultaneous striking of the Southern Railway and Seaboard Coastline systems would shut down virtually all rail transportation of cotton from all producing areas to the great majority of all U.S. spinning mills, which are concentrated in the states of Alabama, Georgia, North Carolina, South Carolina, and Virginia.

Cotton's only alternative to rail transportation is the service of unregulated (exempt) motor carriers. Such service is limited in available capacity, and in geographical scope. Its use as a practical matter is feasible only (a) from portions of the southwest to the Texas ports, (b) from portions of the Mississippi Valley states to New Orleans, (c) from Mississippi, Missouri, Tennessee, and the eastern portions of Arkansas and Louisiana to the southeastern spinning mill area, and (d) perhaps from some portions of California to California ports.

If employment of the new options by the President is conditioned upon a finding and notification by the Mediation Board that a particular dispute threatens substantially to interrupt interstate commerce to a degree such as to deprive any section of the country of essential transportation service, then we suggest that his invoking the successive use of such options should be mandatory rather than discretionary.

The most serious omission in a number of the proposals before your subcommittee is that they do not apply to longshore, maritime, or trucking disputes. Labor disputes in these industries are by no means unique, or different, as a practical matter, from such disputes in the railroad and airline industries. All are engaged in the transportation of property or property and people in interstate and foreign commerce. The common carrier trucking industry directly parallels the railroad industry, and the two are strongly competitive. The only distinction of the longshore and maritime industries is that they are engaged exclusively in overseas interstate and international commerce. This is a distinction without a practical difference. The U.S. railroads and truck lines also perform services essential to both land and seaborne interstate and international transportation.

The raw cotton industry, and all others engaged in exports and/or imports, suffer great losses from longshore and maritime strikes. Specific data showing the adverse effects of these strikes on cotton exports will be presented to the committee by the shipper segment of our industry in testimony of the American Cotton Shippers Association.

The current West Coast strike by the International Longshoremen's and Warehousemen's Union is their first since 1948. However, the International Longshoremen't Association, which blankets all Gulf and Atlantic ports, has struck at the expiration of every three-year contract since 1945. Another strike is contemplated at the expiration of the current contract, September 30, 1971. Such a strike would result in shutting down every seaport in the continental United States. This would be an intolerable situation.

The last I.L.A. strike (1968–1969) lasted 105 days, and caused irretrievable losses of hundreds of millions of dollars, permanent losses of overseas markets, disastrous losses of crops, bankruptcies, and damage to our balance of international trade.

Cotton is an important factor in our export commerce and our international balance of payments problem. Repeated longshoremen strikes have badly eroded the confidence on the part of our overseas customers in the United States as a dependable source

of supply. Even short strikes are critical because, typically, our overseas customers for cotton and other agricultural products have very limited storage space for stockpiling of supplies, and must depend on frequent deliveries. Our inability to deliver compels them to seek their requirements from our foreign competitors. Unless their confidence is restored in our ability to make deliveries frequently, and without delay, such trade losses will be permanent.

It is essential to the future of foreign trade generally, and specifically to our exports of cotton, that additional options being contended to disputes in the longshore and maritime industries.

UNITED FRESH FRUIT AND VEGETABLE ASSOCIATION,
Washington, D.C., August 11, 1971.

HON. JAMES HARVEY,
House of Representatives, Congress of the United States, Rayburn Office Building, Washington, D.C.

DEAR CONGRESSMAN: Replying to your letter of August 9, I have answered the ten questions dealing with the recent rail strike that you enclosed with your letter and they are returned herewith.

I hope that this information will be of help to you.

Sincerely,

ALAN T. RAINS,
Executive Vice President.

RAILROAD STRIKE IMPACT

1. To what extent was your industry affected by the rail stoppage? (We should appreciate any figures that you might have on the percentages of goods shipped or raw materials received by rail, as well as by other modes of transportation.)

The strike hit during the peak movement of melons, vegetables, and soft fruit from California. The Union Pacific, Southern Pacific, and Santa Fe railroads serve this area. The Council of California Growers has released the attached figures showing how the rail strike hurt California farmers.

2. During this past selective rail strike, where or could provisions have been made to ship or receive goods by other rail carriers or alternative means of transportation?

To the extent that trucks were available, shipments were diverted to motor carriers. Also, shipments were trucked to other rail lines. At one time, however, only one major rail line was operating out of California (Western Pacific Railroad).

3. If so, are figures available for the percentage of goods that could have been rerouted or on the time delays involved?

To our knowledge, no consolidated figures are available.

4. Have you any estimate of the cost of this rerouting?

No, we have been advised that some motor carriers charged from $800 to $1000 during the strike for transporting fresh produce to an operating railroad.

5. In future selective rail strikes, will alternative means of transportation be open to your industry, or will you be forced to rely exclusively on the railroads?

This would depend on the areas affected. Some areas have adequate truck transport that could ease the impact of a strike. For example, Florida ships 75%–80% of its fresh produce by truck.

6. If rail transportation is the only alternative, do you have a choice of carriers or are you limited to only one railroad line?

This would depend on the areas affected.

7. Was the effect of the recent U.T.U. selective strike felt by your industry on a regional or on a national basis?

Mostly on a regional basis. Had it continued for another week the national terminal markets would have suffered from shortages of all types of produce.

8. If you were forced into a production slowdown, could you estimate the secondary effects of such a reduction on other industries and on the economy of your region or the nation in general?

Not applicable—our products are all perishable.

9. Does your industry have any procedures to stockpile reserves to counter the effects of a rail strike and thus prevent shutdowns?

No. Most commodities cannot be stored, but must be harvested and shipped as they mature.

10. If so, how long could you operate effectively without rail service?

Not applicable.

DAILY LOSSES TO CALIFORNIA'S AGRICULTURE AND ECONOMY FROM RAIL STRIKE

Commodity	Daily rail car shipments	Daily dollar loss
Cantalopes	125	$595,000
Pears	100	450,000
Grapes	45	393,750
Lettuce	100	250,000
Lemons	40	245,000
Tomatoes	40	200,000
Plums	30	198,450
Oranges	55	178,750
Honeydew melons	35	75,000
Nectarines	12	72,000
Potatoes	60	60,000
Grapefruit	15	40,000
Daily total	672	2,789,450
Daily total loss to California agriculture		2,789,450
Daily loss to related and dependent industries		8,368,350
Daily total loss to California economy		11,157,800

U.S. BEET SUGAR ASSOCIATION,
Washington, D.C., September 2, 1971.

HON. JAMES HARVEY,
U.S. House of Representatives, Washington, D.C.

DEAR MR. HARVEY: The enclosed memorandum is in response to your letter requesting information relative to the effect of the recent rail strike on the beet sugar industry. I hope this background material will be helpful.

Please feel free to call on us if we can be of further assistance.

Sincerely,

DAVID C. CARTER.

RAILROAD STRIKE IMPACT

GENERAL BACKGROUND

The United States Beet Sugar Industry is comprised of some 58 processing facilities operating in 18 states. Sugarbeets to supply these facilities are grown by independent farmers in 22 states.

Both rail and truck transportation are normally utilized to supply raw materials—principally sugarbeets—to the processing plants and to deliver the finished products—refined sugar and sugarbeet by-products—to consumers throughout the country.

Geographically, the industry is widely dispersed. Therefore, the alternative means of transportation in different sections of the country vary and the impact of the recent selective rail strike on this industry differed from one part of the country to another.

Similarly, the seasonal nature of the industry would tend to dilute or magnify the impact of such a strike depending on whether or not harvest was in progress. Insofar as the strike in question was concerned, harvest was underway only in the westernmost geographical areas of the country. There, the impact was two-pronged, i.e. the supply of raw material was adversely affected as was the delivery of the finished products. In areas where harvest had not yet commenced, only the marketing of the refined sugar was seriously affected.

Herewith are answers to the specific questions posed by the memorandum:

1. To what extent was your industry affected by the rail stoppage?

The affect on the individual companies ranged from "little" to "major," depending on their location with respect to the struck rail lines.

Production cutbacks due to the curtailment of raw materials ranged up to 70 percent of normal in selected areas. Industry-wide, the strike affected less than 25 percent of the normal national production for the period of the strike. Had the rail work stoppage continued into the heavy sugarbeet harvest period in other sections of the country however, total production cutbacks due to loss of raw material supplies would have affected upwards of 70–80% of the normal production.

The shipment of refined sugar was affected by about the same relative degree. Depending on the location of the facility and the availability of alternate transportation services to that facility, the flow of refined sugar and sugarbeet by-products to consumers during the period of the strike ranged from "almost normal" to practically "zero."

2. During this past selective rail strike, were or could provisions have been made to ship or receive goods by other rail carriers or alternative means of transportation?

In most cases, alternative transportation methods were or could have been used in some degree to cope wtih part of the problems. However, in instances where no alternate rail services exist, motor carriers would, in some areas, handle less than 10 percent of the total requirements. As an example, by gerrymandering available transport capabilities, one segment of the industry maintained production at about one-third normal capacity. This slowdown had detrimental economic effects on growers, on factory workers in the processing plants and sugar consumers, the majority of which are food processors dependent on sugar as a major ingredient in their products.

3. If so, are figures available for the percentage of goods that could have been rerouted or on the time delays involved?

No complete figures are available for the industry due to the fact that the selected strike affected some facilities and had little affect on others.

4. Have you any estimate of the cost of this rerouting?

No estimate of the total cost is available. But, as an example, it was reported that rerouting beet supplies added approximately 30¢ per ton to the normal transportation costs. An average size plant capable of slicing 4000 tons of sugarbeets per day would have incurred added expenses in the neighborhood of $24,000 to the cost of raw material—if alternate methods had been available—during the 19-day strike in question.

5. In future selective rail strikes, will alternative means of transportation be open to your industry, or will you be forced to rely exclusively on the railroads?

The beet sugar industry is relatively dependent on railroads for its raw materials (including, of course, sugarbeets, but also limerock, coke, containers and other materials) and dependent also on rail transportation for the shipment of refined sugar and sugarbeet by-products.

6. If rail transportation is the only alternative, do you have a choice of carriers or are you limited to only one railroad line?

Because the industry is dispersed, it is served by several rail lines. However, individual companies, in most instances, are served by a single line.

7. Was the effect of the recent U.T.U. selective strike felt by your industry on a regional or on a national basis?

The effect was probably more regional in nature than national.

8. If you were forced into a production slowdown, could you estimate the secondary effects of such a reduction on other industries and on the economy of your region or the nation in general?

Approximately 30% of the 11,000,000 tons

of sugar sold in this country is beet sugar. Of that amount, approximately 80% of the production is used by the food processing industry as an ingredient in other food products. It is safe to say, there would be some effects on the nation's food supply from a production slowdown in the beet sugar industry caused by a transportation strike. The severity of these effects would depend on other factors, of course. If the country's entire sugar industry (beet and cane) was forced into a production slowdown and/or unable to deliver refined sugar, ultimately other food industries and then consumers would be affected.

9. Does your industry have any procedures to stockpile reserves to counter the effects of a rail strike and thus prevent shutdowns?

For a significant portion of the industry, seasonal operaing patterns calls for stockpiling quantities of sugarbeets for processing at the end of the harvest. Similarly, at the end of the processing season, substantial reserves of refined sugar are on hand. This is, however, an operating procedure and not for the purpose of countering rail strikes. A major segment of the industry does not however stockpile the raw material nor would stockpiling be practical because substantial deterioration occurs in beets stored in the warmer climes.

10. If so, how long could you operate effectively without rail service?

The seasonal nature of this industry precludes a precise answer. However, curtailment of rail service would virtually eliminate product shipment in most companies and would severely hamper delivery of raw materials necessary for production.

REVENUE SHARING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 10 minutes.

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss what I feel represents a revenue-sharing proposal that could provide direct Federal revenue sharing to finance local, county, and State government with the least amount of Government bureaucracy.

My legislation would authorize one-tenth of the individual's Federal income tax to be kept at the local level. One-third of the amount would go to the State, one-third to the county, and one-third to the city or township in which the individual resides.

In my 57-county, 2,600-mile tour of the "Big First" Congressional District in Kansas during the August congressional recess, citizens repeatedly expressed a sense of frustration and skepticism regarding the Federal bureaucracy, and a hope the goals of revenue sharing could be attained.

In short, individuals are taxed beyond their means without witnessing any tangible evidence of local progress for their sacrifice.

The views of my constituency were clearly summarized by President Nixon in his state of the Union address:

> The time has now come in America to reverse the flow of power and resources from the states and communities to Washington, and start power and resources flowing back from Washington to the states and communities, and more important, to the people all across America.

However, in view of past experiences with big government, citizens have serious reservations about the practicality of sending tax money to Washington, and are frustrated by Federal program requirements.

The rural and small-town taxpayer should be able to witness more tangible evidence of the benefits produced by his local and Federal tax dollar. Citizens have demonstrated their willingness to support government programs and services that are justified. Today, in the absence of sufficient justification, we must reform the governmental process to give the taxpayer a piece of the action. Put in another way, perhaps we can solve some of these problems by never letting the money that can be used for revenue sharing get to Washington in the first place.

This 10-percent direct revenue-sharing bill would:

Improve efficiency in government;

Provide adequate revenues to carry on the legitimate responsibilities of the Federal Government; and

Would be the cornerstone for building a new partnership in government.

Mr. Speaker, I feel very strongly that the individual citizen can provide the initiative to solve our Nation's problems without the impersonal thrust of the Federal Government. This would permit government to help people help themselves, which always provides the most successful and enduring solution to any problem. This government partnership and individual motivation could be invaluable in our efforts to chart a new course of prosperity and progress for our great Nation. I am hopeful that it will be possible to move with dispatch in accomplishing the goals and objectives inherent in this legislation.

AMENDMENT OF OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 TO EXEMPT FAMILY FARM OPERATIONS

Mr. Speaker, I appreciate this opportunity to discuss legislation to amend the Occupational Safety and Health Act of 1970 to exempt family farm operations from the requirements of Public Law 91–596, the Occupational Safety and Health Act of 1970.

In reviewing the committee reports and the CONGRESSIONAL RECORD discussion of the Occupational Safety and Health Act of 1970, it is evident that it was not the intent of Congress to impose arbitrary and stringent Federal regulations on normal farm operations.

I firmly endorse the purpose of Public Law 91–596. Certainly, we must assure safe and healthful working conditions for the Nation's wage earners and specifically those in agriculture.

Farmers who have contributed to social security have now received a 32-page booklet from the Department of Labor regarding this law. The introductory letter made only vague reference to agriculture and normal farm operations. The manual written for business and industry was used in total without modification. This disregard for the specific needs in agriculture for occupational safety and health demonstrates how the Federal bureaucracy can be insensitive to the needs of farmers and agriculture.

A negative approach relying on threats and penalties as outlined in Department of Labor regulations and the poster outlining the penalties for violation which must be prominently posted are causing employers in the farm community much concern.

I feel very strongly that the best way to provide safe and healthful working conditions for farm employees is to develop a partnership with Government whereby the Government helps people help themselves rather than dictating requirements with very little knowledge of their practical impact.

A constructive program of positive incentives to correct the safety and health hazards in agriculture would be far more successful than the present program of recordkeeping requirements, penalties, and threats.

To accomplish these objectives we must first exempt normal farm operations from the recordkeeping requirements and redtape reporting procedure required by the Occupational Safety and Health Act of 1970. I am hopeful that it will be possible to move with dispatch to provide this exemption and to consider a constructive approach including positive initiatives involving farmers and local officials to accomplish the goals and objectives of this landmark legislation.

LIMITATIONS ON CAMPAIGN SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 10 minutes.

Mr. FRENZEL. Mr. Speaker, two committees of this House are now marking up bills which will provide limitations on campaign spending. A similar bill, already passed by the Senate, now lays on the Speaker's table.

In their great zeal to accomplish election reform, many people have overlooked the negative impact of restricting election campaign spending. The idea that restrictions on spending will bring better elections is simple and appealing, but it is not necessarily correct.

Reenforcing this point is a paper written by W. F. Lott and P. D. Warner III of the economics department of the University of Connecticut. In this paper, reproduced below, Mr. Lott and Mr. Warner document their conclusion that the impact of spending restrictions is "to insulate the incumbent and for all practical purposes insure his election."

Lott and Warner argue further that remedial legislation ought to equalize election contests rather than magnify the imperfections in the present election procedure. They point out that in the last election 93 percent of the congressional incumbents who ran for office were reelected. Limiting the amount a challenger could spend only increases the probability that the incumbent will be reelected.

Mr. Speaker, all the Members of Congress are wonderful people, and they probably deserve reelection. However, they should not have their reelection handed to them on a silver platter. They already have many weapons at their disposal which are not available to challengers. If we give them any more, we can be justly accused of legislating in our self-interest. At this point in the RECORD I should like to place the paper of Mr. Lott and Mr. Warner:

Some Comments on the Limiting of Campaign Spending

(By William F. Lott and P. D. Warner III*)

The costs of campaigning for elective office are going up. Most analysts agree that two factors are responsible; the increased use of television presentation and the increased cost of television time. In 1968, for example, the broadcasting industry reported receipts of almost $59 million for "political broadcasting activity", a 70 percent increase over 1964 receipts.[1] At the same time the use of television "spot" announcements "increased from 81 percent to 91 percent of . . . political broadcasting, and the rate for "spot" advertisements rose more than 30 percent."[2] It is a fact of political life that election campaign costs are rising. It is equally evident that public dissatisfaction with the cost of election campaigns is also increasing. A national public opinion poll taken just after the 1970 election showed that 78 percent of the people interviewed favored congressional action to limit campaign expenditures.[3] The New York Times and other nationally circulated media are calling editorially for campaign spending reform.[4] It is not surprising, therefore, that three bills are currently before the Senate which propose limits to campaign spending.

The three bills now being considered by the Communications Committee of the Senate Commerce Committee all propose, in various forms, to limit the amounts a Congressional candidate can spend in an election, or primary election, campaign. While the bills vary in the details of what should be limited and to what amount, in philosophy the bills are identical: absolute and equal limits to campaign spending. The limits vary too, from $40,000 or $.07 per registered voter which ever is greater, up to $60,000 or $.10 per registered voter.

There are several important implications for this kind of legislation. Most importantly, the limiting of campaign expenditures removes one of the current "barriers to entry" which means that men of more modest means can afford to run for office. It also means that candidates need not be quite so dependent upon large contributions, and neither candidate is placed at a financial disadvantage *vis-a-vis* his opponent. In addition, this kind of legislation is attractive because it is relatively simple and straightforward, and has the advantage of being easily monitored.[5] As such, this kind of legislation appears to lead in the direction of more competitive elections, in the sense that each candidate has a more equal chance of being elected. In fact, this legislative activity has been characterized by the Executive Vice-President of the Communications Workers of America, George E. Gill, as the "Political Campaign Equal Opportunity Act."[6]

Based upon our research, however, we are prepared to argue that legislation which places absolute and equal limits on the amount which each candidate can spend may have exactly the opposite effect. Elections may not be made more competitive, they may become *less* competitive. This is partly because of the fact that the office holder has a tremendous advantage over the office seeker. Observe, for example, that 93 percent of the Congressional incumbents who ran for office in 1970 were reelected.[7] Another partial explanation lies in the fact that some districts are heavily Democratic while others are heavily Republican which gives the candidate of the "favored" party a decided advantage. Our research indicates, however, that equal limits on campaign expenditures can, in fact, reinforce the impact of incumbency and party registration upon election results. Thus, while the bills currently before the Senate Commerce Subcommittee on Communications may have as their *intent*, not only a solution to spiralling campaign costs, but also an equalization of political opportunity; in fact the *impact* of these bills could be to insulate the incumbent and for all practical purposes insure his election. Reelection of incumbents is insured because the challenger, even if he had unlimited funds, could not—by law—spend enough to overcome his opponent's advantage.

Only if the incumbent were spending more than his opponent would limiting campaign expenditures result in a more competitive election. There is a widely held belief among Political Scientists that incumbents have access to larger amounts of campaign funds. If the incumbent has access to greater sums of money and therefore has the ability to outspend his opponent, the proposed legislation will have the desired effect of making political elections more competitive. The data to support this hypothesis are weak, however. The simple correlation between incumbency and campaign spending is only 0.0729.[8] The sign is positive—indicating that incumbents tend to spend more than challengers, but with an R^2 of only 0.00531 less than 1 percent of the variation in expenditures is explained by incumbency. The central point, however, is that even though equal limits on campaign expenditures may tend to make elections more competitive, they don't go nearly far enough.

Our research indicates, for example, that an office *holder* who has 40 percent of the total eligible voters in his district registered in his party can, if he and his opponent are limited to an expenditure of $50,000 expect to receive 62.0 percent of the total votes cast. The office *seeker*, however, who has 40 percent of the total eligible voters in his district registered in his party can, with exactly the same amount of money to spend, expect to receive only 43.9 percent of the total votes cast. Furthermore if perfectly equal voter registration is assumed, i.e., where 50 percent of the total registered voters are registered with one party and 50 percent with the party of the other candidate, the incumbent can expect to receive almost 70 percent of the total votes cast.

Legislation which limits the amount of campaign spending by each candidate to a given sum, no matter what the basis for determining the amount, will not result in a "competitive" election. A competitive election is one in which each candidate has an equal *a priori* opportunity to be elected, *i.e.*, a probability of 0.5 of being elected in a two man race, a probability of 0.33 of being elected in a three man race etc . . .[9] A competitive election will not result if campaign expenditures are limited in equal and absolute amounts because of the extraordinary influence of incumbency and the percentage distribution of party registration on election results.

It is, however, possible not just to limit but to adjust the level of campaign expenditures by each candidate to compensate for differences in the percentage of total voters registered in the candidates party, and whether the candidate is currently an office holder or an office seeker. By varying the level of campaign expenditure it is theoretically possible in any given situation (i.e., an incumbent with 70 percent of the registered voters in his party versus a challenger with only 30 percent of the registered voters in his party), to have an absolutely competitive election. The level of campaign spending limits can be adjusted according to, and compensating for, (1) the percentage of voters registered for each party, and (2) incumbency, in order to insure an equal *a priori* probability of election for each candidate. All that is required is a mechanism which would determine the relevant orders of magnitude for the respective variables.

There are, of course, a number of variables which might be considered. Instead of merely examining "incumbency", considering it as a fixed factor, the "level" of incumbency (i.e., the number of terms or tenure of office) may prove to be more important. In addition, such factors as the allocation of expenditure between various types of media, the impact of the media upon the electorate, and the ability to attract and keep professional quality staff may also prove to be important. Other dimensions such as the "celebrity status" of one of the candidates, whether a candidate has national or local appeal, and a "mood of the times" factor may turn out to be of significant importance as variables in the election process. The list of such variables is very large. We have selected three variables as the focus of our study of the campaign process: incumbency, percentage of total registered voters registered in the party of the candidate, and election expenditures.

We have chosen to view the election of a political candidate as a production process which involves the use of three or more inputs. We hypothesize that the output (the percentage of votes) is functionally related to various alternative combinations of the inputs (incumbency, the percentage of the total number of registered voters registered to the candidates party, and campaign expenditures). This hypothesis implies that the same level of output (i.e., percentage of votes) can be obtained with a variety of combinations of inputs. The problem is of manageable size however, because we regard two of the inputs as fixed: the number of voters registered in the candidates party, and incumbency.[10]

Applying our model to the 1970 Congressional Elections, we can demonstrate a method by which the relative importance of

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*The authors wish to express their appreciation for the comments of their colleagues in the Department of Economics and the Department of Political Science at The University of Connecticut; especially those of Professors Frederick Grupp and Wayne Shannon. The authors, in traditional fashion accept full responsibility for any errors which remain.

[1] Statement by Senator Mike Gravel (D-Alaska) before the Communications Sub-Committee of the Senate Commerce Committee, March 2, 1971, p. 6.

[2] *Ibid.*, p. 6.

[3] *The Hartford Courant*, November 22, 1970, p. 21.

[4] *The New York Times*, Editorial, March 3, 1971.

[5] It can also be easily circumvented—a problem with all such legislation.

[6] Statement by Mr. George E. Gill, Executive Vice-President, Communications Workers of America before the Communications Subcommittee of the Senate Commerce Committee, March 4, 1971, p. 8.

[7] Statement by Mr. Russell Hemenway, National Director, National Committee for an Effective Congress, before the Communications Subcommittee of the Senate Commerce Committee, March 2, 1971, p. 6.

[8] Where t=.189, which is not significant at any meaningful level. Thus in 1970 there appears to be no relationship between incumbency and the level of campaign spending.

[9] The Twentieth Century Fund Task Force, *Electing Congress: The Financial Dilemma*. New York, N.Y., The Twentieth Century Fund, 1970, p. 10.

[10] Our model, formally stated, takes the form:

$$V_i = \alpha X_{1i}^{\beta_1} X_{2i}^{\beta_2} X_{3i}^{\beta_3} U_i,$$

where X_{1i} is equal to the incumbency factor, X_{2i} is equal to the percentage of total registered votes registered in the party of the candidate, X_{3i} is equal to campaign expenditures, U_i is a stochastic error term, and V_i is equal to the percentage of votes. We have chosen to use a production function of this type because it is a convenient tool for estimating the relative contribution of the several variables.

each of the three variables (including campaign expenditures) in the outcome of a political campaign can be established. Further, by applying what we shall call "the principle of compensating variation" and allowing the level of "permissible" campaign expenditures to vary, the relative impact of the other variables on the outcome of the election can be established. We can obtain estimates of the limits on campaign expenditure, for each candidate which will insure each an equal *a priori* probability of being elected.

We selected four states for our study; Oregon, Kentucky, Massachusetts, and Connecticut. We obtained the voting results from the *Congressional Quarterly*, while the data on campaign spending and party registration came from several different sources. The Connecticut data were provided to us by Professor David Adamany, of The Department of Government, Wesleyan University, Middletown, Connecticut. The Oregon and Massachusetts data were obtained from the Secretary of State's office for each state, while the Kentucky data came from the Registry of Election Finance.

We are aware of the hazards of accepting, at face value, the reported amounts of campaign expenditure. Actual expenditures are likely to exceed reported expenditure by a great deal.[11] In practice, however, we had no alternative, given the scope of this study. Furthermore, if campaign expenditures are under-reported then our study will overestimate their influence, which will mean that our recommendations for differential levels of campaign expenditure will be less than the actual differential needed. Note, however, that this is a self-correcting feature since both parties, especially the challenger, have a vested interest in improving the accuracy of reporting campaign expenditures.

Finally we chose to analyze the results of congressional elections because, following the Baker v Carr, "one man-one vote" decision, the "sampling units" turn out to be of roughly the same size, i.e., Congressional Districts have approximately the same number of voters in them. The magnitude of campaign expenditures would *not* vary because of variation in the number of registered voters in each district. It may cost more to finance an election campaign in a rural, sparsely settled, district rather than a densely populated urban district but this is not at all clear. We have two eastern states, one western state, and one southern state in our sample. This sampling was more the result of reporting and publishing procedure than of forethought on our part.

Our results, which are formally presented in Appendix 1, indicate that by using incumbency, party registration, and campaign expenditures we can explain almost 70 percent of the variation in percentage of voters. Our data show an extremely small marginal return for campaign expenditure. In the 1970 congressional elections, for example, a 10 percent increase in expenditures would yield an increase in the percentage of votes received by the candidate of only approximately 1.44 percent. Suppose, for example, a challenger had 40 percent of the total number of registered voters registered in his party, and that with expenditures of $25,000 he could expect approximately 40 percent of the votes. If he increases his expenditures by 100 percent, to $50,000, he could only expect to increase the percentage of votes cast for him by 14.4 percent—yielding him a total of 45.76 percent of the total vote. This is a small return on a $25,000 (or 100 percent) increase in expenditures.

Estimates of conditional median percentages of votes for congressional candidates in the 1970 election are presented in Tables 1 and 2. Comparison of Tables 1 and 2 reveals the considerable importance of incumbency as a factor in determining the outcome of election campaigns. As can be seen from Table 1, for example, only if an incumbent spends $10,000 or less and has less than 50 percent of the total registered voters registered in his party, or spends less than $40,000 and has 30 percent or less of the registered voters in his party can he expect to obtain less than 50 percent of the vote. If he spends more than $40,000, with a party registration of more than 30 percent, or has more than 40 percent of the registered voters in his party, and spends at least $10,000, then he can expect more than enough votes to win. Table 2 demonstrates, that the challenger, however, cannot expect to obtain more than 50 percent of the total number of votes cast without an increase in the rate of "use" of both party registration and expenditures.

TABLE 1.—ESTIMATES OF CONDITIONAL MEDIAN PERCENTAGE VOTE FOR CONGRESSIONAL CANDIDATES IN 1970; BY PERCENTAGE OF VOTERS REGISTERED IN CANDIDATE'S PARTY AT VARIOUS LEVELS OF CAMPAIGN EXPENDITURES—INCUMBENT

Levels of campaign expenditure	Voters registered in candidates party (as a percentage of total voter registration)				
	30	40	50	60	70
10,000	42.26	49.08	55.10	60.54	65.55
20,000	46.74	54.29	60.95	66.97	72.52
30,000	49.55	57.57	64.63	71.03	76.91
40,000	51.65	60.00	67.37	74.04	80.17
50,000	53.33	61.96	69.57	76.46	82.79
75,000	56.52	65.67	73.74	81.04	87.76
100,000	58.89	68.42	76.84	84.45	91.45
150,000	62.38	72.49	81.41	89.48	96.90

TABLE 2.—ESTIMATES OF CONDITIONAL MEDIAN PERCENTAGE VOTE FOR CONGRESSIONAL CANDIDATES IN 1970; BY PERCENTAGE OF VOTERS REGISTERED IN CANDIDATE'S PARTY AT VARIOUS LEVELS OF CAMPAIGN EXPENDITURES—CHALLENGER

Levels of campaign expenditure	Voters registered in candidate's party (as a percentage of total voter registration)				
	30	40	50	60	70
10,000	29.97	34.79	39.04	42.88	46.41
20,000	33.14	38.47	43.18	47.73	51.34
30,000	35.14	40.80	45.78	50.30	54.45
40,000	36.62	42.52	47.72	52.43	56.75
50,000	37.81	43.91	49.28	54.14	58.61
75,000	40.07	46.53	52.23	57.38	62.13
100,000	41.75	48.48	54.42	59.80	64.74
150,000	44.23	51.36	57.66	63.35	68.59

The importance of incumbancy as an input in the production process is underscored in Figure 1, where the curves for varying levels of expenditure and party registration are drawn for the expected number of votes a challenger or incumbent might receive. The 40 percent isoquant for the challenger lies to the right of the 55 percent isoquant for the incumbent. In other words to receive 40 percent of the vote at any given level of party registration the challenger must spend more than the incumbent would spend to receive 55 percent of the votes.

THE CONCLUSIONS

The results of our analysis are preliminary and incomplete, and do not do justice to the enormity or importance of the problem. On the basis of our research, however, some tentative conclusions can be drawn:

1. That there is an extremely small marginal return to campaign expenditures. This return is even smaller if, as we suspect is the case, actual expenditures exceed reported expenditures by a factor of, say, 20 percent.

2. That equal and absolute limits on campaign spending will move in the direction of a more "competitive" election but not far enough. Ordinarily by limiting the amount a challenger could spend the possibility that the incumbent will be re-elected will be increased. We would argue that remedial legislation ought to *equalize*, rather than magnify the imperfections in present election procedure.

It is clear that our analysis needs to be expanded. We have analyzed only three of a vast number of variables in the election process. Our results cannot help but benefit from further research.

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APPENDIX 1

To assist us in our analysis of election campaigns and the returns to campaign expenditure we employ a Cobb-Douglas production function such that:

$$V_i = \alpha X_{1i}^{\beta_1} X_{2i}^{\beta_2} X_{3i}^{\beta_3} U_i, \qquad (1)$$

where X_{1i} is equal to the incumbency factor, X_{2i} is equal to the percentage of total registered votes registered in the party of the candidate, X_{3i} is equal to campaign expenditures, U_i is equal to a stochastic error term, and V_i is equal to the percentage of votes.

In this formulation the coefficiencies β_1, β_2, and β_3 take on particular significance. In equation (1), the coefficient β_1 indicates the percentage amount by which output will increase when X_1 is increased by one percent; β_2, the percentage amount by which output will increase when X_2 is increased by one percent; etc. . . . In this formulation β_1, β_2 and β_3 are the output elasticities of X_1, X_2, and X_3. When X_1, X_2, and X_3 are all increased by one percent then output will increase by $(\beta_1+\beta_2+\beta_3)$ percent. When the sum of the coefficients is greater than one, *i.e.* when the output increases more rapidly than the increase in inputs, then the production function is revealing increasing returns to scale. When the sum of the coefficients is less than one the production process is showing decreasing returns to scale. Finally when $(\beta_1+\beta_2+\beta_3)$ is equal to one then the function is delivering constant returns to scale.[1]

Included in one expression of the Cobb-Douglas production function is a stochastic error term U_i. While the true model would

[11] Herbert Alexander, in a forthcoming book *Financing the 1968 Campaign*, estimates that at the Federal (i.e., Presidential) level; records required by state or Federal law account for about $40 million of the $50 million spent by Mr. Nixon and Mr. Humphrey after they were nominated (New York Times, May 17, 1971, p. 42). Given, however, the loopholes in state and Federal laws pertaining to the reporting of campaign expenditures, it is unlikely that campaigns for state or local office, even at the congressional level, achieve this high level of reporting accuracy.

[1] One of the interesting phenomena which emerges more clearly when using this particular method of expression is that it is easy to determine the scale of production of the various candidates. In the Cobb-Douglas formulation the scale of production is equal to the degree of homogeneity of the function.

not have an error term, we have included U_i because the data contain unexplained variation in the dependent variables. This is partially due to the nature of the data which are highly aggregative. But it is also due to the scope of this study which made it impossible to include all the elements in the production process.

The parameters of the production function can be estimated when the model is log-linearized and expressed in the form:

$$\text{Log } V_i = \alpha^* + \beta_1 \log X_{1i} + \beta_2 \log X_{2i} + \beta_3 \log X_{3i} + \mu_i \quad (2)$$

where

$$\alpha^* = \log \alpha,$$

and

$$\mu_i = \text{NID } (0, \sigma^2).$$

By expressing the equation in its log linear form the coefficients can be estimated using multiple regression techniques. By setting V_i equal to 51, given X_1 and X_2, we can solve for X_3. This will yield the maximum likelihood estimate of the amount of campaign expenditure necessary to insure election victory.[2] By assuming different levels of the percentage of registered votes registered in the party of the candidate we can indicate the amount by which the ceilings on campaign expenditure have to vary in order to insure a "competitive" election. By applying the principle of compensating variation an election can be conducted in which the impact of incumbency, (or "redistricting"), can be nullified, and the outcome determined solely on "the issues".

The results of the multiple regression estimation of the log-linearized form of the Cobb-Douglas production function are presented in equation (3):

$$\ln V = 2.701945 + .345056 \ln X_1 + .519961 \ln X_2 + .144027 \ln X_3^*, \quad R^2 = .6865 \quad (3)$$

(3.844) (6.025) (3.867)

*The numbers in the parentheses are the calculated t for testing the null hypothesis that the corresponding slope parameter equals zero.

All of the coefficients of the inputs tested significant at the one percent level. Our results seem to indicate what might be considered constant returns to scale even though the political production function has an upper limit of 100 percent (of the votes). However, since one of the inputs, incumbency, cannot be increased proportionally as the other inputs are increased the concept of constant returns to scale loses its meaning.[3] A more useful test is for constant returns to scale to the variable inputs, party registration and expenditures.

$$(i.e., H_o: \sum_{i=2}^{3} \beta_i = 1).$$

This null hypothesis can be rejected at the five percent level of significance in favor of decreasing returns to scale for the variable inputs (where $t = -3.855$). The coefficient of multiple determination (R^2) was high given cross sectional data, indicating that almost 69 percent of the variation within the percent of votes was explained by our three variables. The output elasticity of expenditure, (β_3), while significant was surprisingly small. Also from equation (3) it can be observed that the impact of the percentage of registration in the candidates party is significant. Our estimates of the coefficient of 0.52 is consistent with much of the work in the field.

Seventy percent confidence intervals on the level of campaign expenditures needed to obtain 50 percent of the votes are shown in Table 3. The results are presented according to the percentage of registered voters in the candidates party and incumbency.[4] While a 70 percent confidence interval represents a fairly low level of confidence, since the sample size was fixed, it was necessary to use this lower degree of confidence in order to keep the intervals to a reasonable size. Even at 70 percent the intervals are relatively wide. An increase in the sample size, with a larger number of variables would probably reduce the size of the interval and therefore allow an increase in the degree of confidence of the interval estimate.

TABLE 3.—70 PERCENT CONFIDENCE INTERVAL ON CAMPAIGN EXPENDITURE NECESSARY TO OBTAIN AN EQUAL A PRIORI CHANCE OF ELECTION

[Voter registration in the party of the candidate, as a percentage of total registration]

Percent	Incumbent		Challenger	
	Upper limit	Lower limit	Upper limit	Lower limit
30	$295,166.50	$3,300.17	$4,225,512.00	$40,620.05
40	97,437.69	1,045.36	1,272,803.00	14,100.94
50	43,088.61	410.21	524,373.25	5,939.43
60	22,712.07	186.05	261,606.31	2,846.19
70	13,440.64	93.76	148,247.88	1,497.87

In Table 4 the maximum likelihood point estimates of the level of campaign expenditures needed to obtain 50 percent of the votes are given. Since these are maximum likelihood estimates, they are consistent by definition. The point estimates of expenditure for a given percentage of voters (and incumbency) is closer to the lower limit of the corresponding 70 percent confidence intervals because of the nature of the log function.[5] These estimates, for the most part, are extremely small for incumbents and very large for the challenger. Once again, however, more information and additional variables can be expected to imporve the accuracy of the estimates.

TABLE 4.—MAXIMUM LIKELIHOOD POINT ESTIMATE OF CAMPAIGN EXPENDITURE NECESSARY TO GIVE CANDIDATE AN EQUAL A PRIORI CHANCE OF ELECTION

Vote registration in the party of the candidate, as a percentage of total registration	Expenditures	
	Incumbent	Challenger
30	$31,335.59	$343,960.69
40	11,091.46	121,747.36
50	4,955.96	54,399.96
60	2,566.08	28,167.05
70	1,470.89	16,145.54

BIG BUS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 10 minutes.

Mr. SCHWENGEL. Mr. Speaker, radio station WOC in Davenport has a unique program whereby they obtain the views of their listeners on current issues. In conjunction with this program, they recently posed the following question with respect to the big bus bill:

WOC Listens To You. . . . a dialogue with our listeners on subjects of local and national interest. Recently, the U.S. House of Representatives approved a bill allowing wider buses on the highways over the strong opposition of Congressman Fred Schwengel. Many persons feel the wider bus bill could open the door for bigger trucks as well. How do you feel about having bigger buses and trucks on the highways? Give us your comments by calling WOC at 324–0678. WOC. . . . the station that listens to you 24 hours a day at 324–0678.

The results of the responses which they received are contained in the following report:

In reference to Congressman Schwengel's interest in the "WOC Listens To You" series on the wider bus issue, we carried calls from the Code-A-Phone 11 times a day for eight days, a total of 88 calls, ten of which were, in fact, repeats, because of the high quality of the comments. Five calls out of the total represented a viewpoint in favor of the wider bus bill, the balance were entirely, and sometimes even bitterly in opposition. The response on this particular question ranked as one of the two heaviest responses since we started the program series. It equaled the response to the question on the President's visit to Red China.

There were a few side notes that might be of interest:

A large number of the respondents were women; slightly over half the total. They mainly expressed a fear of sharing the highway with longer and wider vehicles.

Approximately 90% immediately equated wider buses with longer and wider trucks.

A great many commented specifically upon the danger caused by the side draft of fast-moving, large vehicles.

Approximately ½ expressed concern over damage to our highways, and the subsequent taxpayer expense of having them repaired.

One of those expressing agreement with the wider bus bill freely identified himself as an executive with a major local trucking company.

One man who identified himself as a bus driver expressed sincere opposition to the measure.

Four of the calls referred to the fact that the decline of rail passenger service had led to this measure.

These are the highlights in as much detail as it is possible to produce now. I should point out in closing that when we ended the series on this question, we still had a backlog of approximately 18–20 unused calls which were never aired. The ratio on those remained approximately the same as above.

And one final note, the day we started the next question on the sanitary land fill, we got one call from a rather confused listener who merely said he was trying to reach the bus station to call about the bigger buses!

As a strong opponent of the big bus bill these results are most gratifying. Even more gratifying to me is the fact the results confirm my opinion as to the excellent job being done by WOC to inform and educate its listeners on current issues.

PANAMA CANAL SOVEREIGNTY AND JURISDICTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, our country today is faced with many gravely important policy questions. With the single

[2] Graybill, F. A., *An Introduction to Linear Statistical Models*, Volume 1, New York, McGraw-Hill Book Company, pp. 125–127.

[3] This is because we measured incumbency as a zero-one variable. Thus when each of the other inputs is increased by k percent, incumbency cannot be increased by k percent. The scale of the production function is therefore rendered meaningless.

[4] These estimates were obtained using a technique which we developed in a paper to be presented before the American Statistical Association annual meetings at Fort Collins Colorado, August 1971.

[5] The first partial derivative is positive but declining as expenditures increase.

exception of involvement in nuclear war against the continental United States, I can think of no subject of greater consequence than the Panama Canal now under juridical and subversive attack.

The two prime issues in the interoceanic canal problem are: first, sovereignty over the Canal Zone and Canal in perpetuity; and second, the major modernization of the existing canal as provided in pending legislation in the House and Senate. Regardless of their alleged importance, all other canal questions are of secondary significance and should not be permitted to further confuse or delay the prompt and proper handling by the Congress of the two primary ones: Sovereignty and major modernization.

Of these matters, the retention by the United States of its indispensable and undiluted sovereignty over the Canal Zone is the most pressing, for the reason that the people of our country will never approve the expenditure of large sums of their tax money for canal modernization until their sovereign rights, power and authority over, and ownership of, the Canal Zone and Canal are clarified and reaffirmed.

In testimony on September 22, 1971 before the Subcommittee on Inter-American Affairs, House Committee on Foreign Affairs, I presented in considerable detail the history of U.S. sovereignty over the Canal Zone, its erosion since 1936 and present threats; also the imperative necessity for the reaffirmation of our treaty rights as provided in House Resolution 540 and its 36 companion identical measures sponsored by some 104 Members of the House.

For the sake of emphasis, I would like to stress the fact that the perpetuity clauses of the 1903 Treaty to which Panamanian politicians so strenuously object bind the United States in perpetuity to maintain, operate, sanitate and protect the Canal.

This, Mr. Speaker, in view of the actual situation involved, is an ideal status for Panama. That country is not a great power, but small and weak. To survive, it must have some strong power behind it; and realistically such power must be either the United States or the Soviet Union. No shabby sentimentalism such as that emanating from the State Department Office of Interoceanic Canal Negotiations in its August 1971 memorandum hereinafter quoted, can obscure these grim facts from consideration.

Panamanian politicians talk glibly about the strategic geographic position of Panama being its greatest natural resource but there is another side of the picture that is never mentioned. This is that because of its strategic location Panama is coveted by predatory powers and that if the United States is driven from the Isthmus as is being proposed it is inevitable that the U.S.S.R. will take over the Canal Zone and Canal as well as Panama itself, as occurred in Cuba and Chile.

In reply to those who contend that sovereignty over the Canal is merely an emotional issue and should be ceded to Panama, I can think of nothing worse that could befall the Panama Canal, the Western Hemisphere and maritime nations that use the Canal and have to pay tolls except a nuclear attack against the continental United States.

Mr. Speaker, if the Canal Zone is to be ceded to any country it should be to Colombia, the sovereign of the Isthmus prior to November 3, 1903, and certainly not to Panama, which country is already a virtual Soviet satellite. Of course, it is unthinkable to cede the Canal Zone and Canal to any country; and thus be driven from the Isthmus.

In order that the Congress and the Nation may have my September 22 statement previously mentioned readily available, I quote it as part of my remarks along with the three documents attached thereto and the text of House Resolution 540 as follows:

STATEMENT BY REPRESENTATIVE DANIEL J. FLOOD OF PENNSYLVANIA BEFORE THE SUBCOMMITTEE ON INTER-AMERICAN AFFAIRS, HOUSE COMMITTEE ON FOREIGN AFFAIRS ON RESOLUTIONS ABOUT PANAMA CANAL SOVEREIGNTY AND JURISDICTION, SEPTEMBER 22, 1971

Mr. Chairman, as a former member of the Committee on Foreign Affairs with assignment to the Subcommittee on Inter American Affairs when first coming to the Congress, I am happy to be with you again on the vital interoceanic canal question—a subject of world importance destined to receive much attention in the future.

BASIS FOR DEEP INTERESTS IN INTEROCEANIC CANAL PROBLEMS

For many years I have been studying Panama Canal history and problems and made numerous addresses in and out of the Congress on this comlex matter. The deeper that I have delved into it the more I have been impressed with the vision and wisdom of those great leaders, who, in the early part of the century, formulated our Isthmian Canal policies. They were Rear Admiral John G. Walker, John Bassett Moore, Secretary of State John Hay, Secretary of War William Howard Taft, John F. Stevens, George W. Goethals, and above all, President Theodore Roosevelt.

Because many of my colleagues and others have asked me what is the explanation for my long time interest in interoceanic canal problems, I wish to say that during my boyhood in Wilkes-Barre, Pennsylvania, ex-President Roosevelt used to be an occasional house guest in my home. He spent many hours describing how the Canal Zone was acquired and his problems in launching the construction of the Panama Canal, which he viewed as comparable in geo-political significance with the Louisiana Purchase. Thus he became my youthful ideal and created a lifetime interest on my part in Isthmian Canal policy questions for which I have always been grateful.

CANAL ZONE AND PANAMA CANAL INSEPARABLE

The Panama Canal enterprise consists of two inseparable parts: (1) the Canal itself, and (2) its absolutely necessary protective frame of the Canal Zone territory. The two great canal issues now before the nation are: (1) the transcendent key issue of retaining United States undiluted sovereignty over the Canal Zone and (2) the important project of modernizing the existing Panama Canal by the construction of a third set of larger locks for larger vessels adapted to include the principles of the strongly supported Terminal Lake Plan, which was developed in the Panama Canal organization as the result of World War II experience. All other issues, however important, are irrelevant and should not be allowed to confuse or further delay proper consideration of the two pertinent ones.

Unfortunately, the handling of the two principle issues has been greatly complicated by radical Panamanian attacks on U.S. sovereignty over the Canal Zone and the exhumation of the corpse of the old controversy over types of canal—high level lake-lock versus sea level tidal lock. Because of the prime importance of the question of sovereignty, a knowledge of the history of its evolution is essential for reaching wise decisions.

EXCLUSIVE U.S. CONTROL IN PERPETUITY BASED ON HISTORY

The present status of the Canal Zone territory traces back to the 1901 Hay-Pauncefote Treaty between the United States and Great Britain that ended half a century of conflict over canal routes. In line with that agreement, the United States made the long range commitment to construct and operate an Isthmian canal under its exclusive control in accordance with the rules set forth in the 1888 Convention of Constantinople for the operation of the Suez Canal.

At the same time that the Hay-Pauncefote Treaty was being negotiated, our government was conducting a major investigation by an Isthmian Canal Commission for Exploration with Rear Admiral Walker, one of our ablest naval officers of his time, as president. In the supplementary report of that commission on January 19, 1902, recommending the construction of the Panama Canal, it made the following highly significant recommendation that merits study:

"The grant (for an Isthmian Canal) must not be for a term of years, but in perpetuity, and a strip of territory from ocean to ocean of sufficient width must be placed under the control of the United States. In this strip the United States must have the right to enforce police regulations, preserve order, protect property rights, and exercise such other powers as are appropriate and necessary." (Sen. Doc. No. 123, 57th Congress, 1st Session, p. 9.)

The reason for this recommendation was that this commission had studied Isthmian history and foresaw that only by such exclusive control could the project for an Isthmian canal be successfully constructed, maintained, operated and protected.

What did our government do? Under the dynamic leadership of President Roosevelt, the Congress passed the Spooner Act, approved June 28, 1902, authorizing the President to acquire by treaty with Colombia the perpetual control of the needed strip across the Isthmus and to construct thereon, and to "perpetually maintain, operate and protect," the Panama Canal. It also provided, in event of inability to secure the necessary strip from Colombia, for obtaining the needed territory for the construction of a Nicaragua Canal.

UNITED STATES ACQUIRES EXCLUSIVE SOVEREIGN CONTROL OF CANAL ZONE, 1904

Events developed quickly. When the Colombian Senate failed to ratify the Hay-Herran Treaty of January 23, 1903, Panamanian leaders, fearing that the Canal would be lost to Nicaragua, decided to secede from Colombia and thus enable the United States to make the canal treaty with Panama instead of Colombia.

In the resulting convention of November 18, 1903, following the Panama Resolution of November 3, Panama granted to the United States in perpetuity the "use, occupation and control" of the Canal Zone territory for the "construction, maintenance, operation, sanitation, and protection" of the Panama Canal with full "sovereign rights' power and authority" within the Zone to the "entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority." This was the indispensable agreement under which the United States undertook the great task of completing the construction of the Panama

Canal and its subsequent operation and defense, which is binding on the United States as fully as on Panama. (Hay-Bunau-Varilla Treaty, Articles II and III, quoted in *Foreign Relations*, 1904, pp. 543–51.)

The terms of this treaty were not accidental. Our leaders at that time had studied the history of the Isthmus and understood the problems that would be involved in such undertaking in a land of frightful disease and endemic revolution. They realized that the United States could not accept responsibility without complete authority as best stated in Article III of the 1903 Treaty. Just as the provisions of this treaty bind the United States in perpetuity to maintain, operate and defend the canal, they are likewise binding on Panama to recognize their validity. Moreover, except for the prompt recognition by the United States of the independence of the Province of Panama following the Panama Revolution of November 3, 1903, the Republic of Panama could never have survived and the Panama Canal would never have been constructed. (For additional information see Earl Harding, *The Untold Story of Panama*, New York: Athene Press, 1954.)

UNITED STATES ACQUIRED OWNERSHIP OF ALL PRIVATELY OWNED LAND AND PROPERTY IN THE ZONE

In addition to the grant of full sovereign rights, power and authority over the Canal Zone, the United States obtained title by purchase of all privately owned land and property in the territory from individual property owners, making the Canal Zone the most costly territorial acquisition in the history of the United States (Ho. Doc. No. 474, 89th Congress, p. 361.)

These purchases included all works of the French Panama Canal Company and all the stock of the Panama Railroad Company, the latter then a New York corporation.

EXCLUSIVE U.S. CONTROL OVER CANAL ZONE RECOGNIZED BY PANAMA, 1904

When was exclusive control by the United States over the Canal Zone recognized by Panama? This was done on May 25, 1904, in a note by Secretary of Government Tomas Arias, which stated: "The Government of the Republic of Panama considers that upon the exchange of ratification of the treaty for opening an interoceanic canal across the Isthmus of Panama its jurisdiction ceased over the Zone . . ." That exchange occurred on February 26, 1904, in Washington.

SECRETARY HAY CLARIFIES SOVEREIGNTY QUESTION, 1904

The ink was hardly dry on the 1903 Treaty when Minister of Foreign Affairs of Panama Jose D. de Obaldia, in a note to Secretary of State Hay on August 11, 1904, raised the sovereignty issue. (*Foreign Relations*, 1904, pp. 598–607.) In reply to the Panamanian Government's conteniton that the words "construction, maintenance, operation, sanitation, and protection" of the canal as used in the treaty constituted a "limitation on the grant," Secretary Hay, on October 24, 1904, wrote a comprehensive reply that is still classic. (Ibid. pp. 613–30.)

In this reply Secretary Hay explained that the words, "for the construction, maintetenance, operation, sanitation, and protection of said canal" were not intended as a "limitation on grant" but were a "declaration of the inducement prompting the Republic of Panama to make the grant." (Ibid., p. 614.) He then asserted that the "great object sought to be accomplished by the treaty is to enable the United States to construct the canal by the expenditure of public funds of the United States—funds created by the collection of taxes . . ." (Ibid., p. 616.) Though Secretary Hay in this note did refer to Panama as the "titular sovereign of the Canal Zone," he declared that such sovereign is "mediatized by its own acts, solemnly and publicly proclaimed by treaty stipulations, induced by a desire to make possible the completion of a great work which will confer inestimable benefit on the people of the Isthmus and the nations of the world." He also stated that it was difficult to conceive of a country contemplating the abandonment of such a "high and honorable position, in order to engage in an endeavor to secure what at best is a 'barren scepter'," (Ibid., p. 615.)

In addition, the evidence is conclusive that under no circumstances would the United States have assumed the grave responsibility maintaining, operating, sanitating, and protecting the Panama Canal in an area notorious for tropical disease and endless turmoil under a weak and helpless emergent government except for the grant of full sovereignty over the Canal Zone and Canal.

SECRETARY OF WAR TAFT EXPRESSES HIS VIEWS ON CANAL SOVEREIGNTY, 1905–06

When discussing the question of United States power on the Isthmus on January 12, 1905, in a report to President Theodore Roosevelt, Secretary of War Taft made the following statement:

"The truth is that while we have all the attributes of sovereignty necessary in the construction maintenance, and protection of the Canal, the very form in which these attributes are conferred in the treaty seems to preserve the titular sovereignty over the Canal Zone in the Republic of Panama, and as we have conceded to us complete judicial and police power and control over the Zone and the two ports at the end of the canal, I can see no reason for creating a resentment on the part of the people of the Isthmus by quarreling over that which is dear to them but which to us is of no real moment whatever." (Quoted in Hearings before Senate Committee on Interoceanic Canals, 1907, Vol. III, p. 2399.) This statement referred to Panamanian claims of being the token sovereign of the Canal Zone.

Again on April 18, 1906, when commenting on Article III of the 1903 Treaty in testimony before a Senate Committee, Secretary Taft stated:

"It is peculiar in not conferring sovereignty directly upon the United States, but in giving to the United States the power which it would have if it were sovereign. This gives rise to the obvious implication that a mere titular sovereignty is reserved in the Panamanian Government. Now, I agree that to the Anglo-Saxon mind a titular sovereignty is like . . . a barren ideality, but to the Spanish or Latin mind, poetic and sentimental, enjoying the intellectual refinements, and dwelling much on names and forms, it is by no means unimportant." (Hearings before Senate Committee on Interoceanic Canals, April 18, 1906, Vol. III, p. 2527.)

These were courteous efforts by Secretary Taft to soothe the sensibilities of our Panamanian friends but never with the thought or purpose of surrendering the actual, necessary and exclusive sovereign rights, power and authority of the United States over both the Canal and its indispensable protective frame of the Canal Zone. The term "titular sovereignty" means nothing more than a reversionary interest on the part of Panama in the sole event the United States should abandon the Panama Canal as in the case of the execution of a reversionary deed of property in Anglo-Saxon countries. Hence, there can never be any reversion of the Canal Zone to Panama unless our country abandons the canal enterprise, which includes the Zone.

Unfortunately, many writers have quoted Secretary Taft out of context and this practice has led to much public confusion as to precisely what he said and meant. Some of this confusion is not accidental especially on the part of certain officials of our government who through motives of appeasement have pursued a weak and unrealistic course.

PRESIDENT-ELECT TAFT EMPHASIZES NECESSITY FOR FULL U.S. CANAL CONTROL, 1909

After Secretary Taft's election as President, Panama Canal construction was well underway. In an address on the work at New Orleans on February 9, 1909, the President-elect made the following remarks:

"Because under the treaty with Panama we are entitled to exercise all the sovereignty [in the Canal Zone] and all the rights of sovereignty that we would exercise if we were sovereign, and Panama is excluded from exercising any rights to the contrary of those conceded to us . . . that is a ticklish argument, but I do not care whether it is or not. We are there. We have the right to govern that strip, and we are going to govern it. And without the right to govern the strip, and without the power to make the laws in that strip bend, all of them, to the construction of the Canal, we would not have been within 2 or 3 or 4 years, hardly, of where we are in the construction." (Ho. Doc. No. 474, 89th Congress, p. 52.)

Those unqualified words of President-elect Taft are even more applicable today than in 1909, for the Panama Canal has become one of the greatest maritime crossroads in the world with an estimated transit total in 1971 of 15,550 vessels, which is an average of 42.6 per day. (Hearings before Sub Committee of Committee on Appropriations for 1972, Pt. 2, p. 312.)

PRESIDENT TAFT OUTLINES U.S. POLICY ON CANAL ZONE SOVEREIGNTY AND JURISDICTION, 1910

Again as President of the United States on November 16, 1910, while attending a banquet given by the President of Panama, Mr. Taft made this significant statement:

"We are here to construct, maintain, operate, and defend a world Canal, which runs through the heart of your country, and you have given us the necessary sovereignty and jurisdiction over the part of your country occupied by that canal to enable us to do this effectively." (*Canal Record*, Vol. IV, (Nov. 23, 1910), p. 100.)

This was not an exercise in banquet comradery but an unchallenged statement of policy as to the Panama Canal enterprise by the President of the United States, which policy is now being bitterly assailed by an unconstitutional government in Panama founded by force and violence and which might be superseded at any time by a Constitutional government that would reverse the policy of the revolutionary regime.

Again on December 5, 1912, pursuant to the Panama Canal Act of 1912 and in conformity with treaty provisions, President Taft in an Executive order declared that—

"All land and land under water within the limits of the Canal Zone are necessary for the construction, maintenance, operation, protection and sanitation of the Panama Canal." (Encyclopaedia Britannica, 1971, Vol. 17, p. 206.)

There are greater needs for this area now than there were at that time. In fact the Canal Zone Territory should be extended by the purchase of the entire watershed of the Chagres River that provides the summit level water supply as was once recommended by General Clarence Edwards when he was in command of U.S. Forces on the Isthmus.

SECRETARY OF STATE HUGHES DEFENDS U.S. SOVEREIGNTY OVER CANAL ZONE, 1923

In early 1923 the Panama Government attempted to reopen negotiations for a new canal treaty (*Foreign Relations of the United States*, 1923, Vol. II, pp. 638–48). Secretary of State Hughes studied the history of our relations with Panama, called in the Panamanian Minister and, with a refreshing degree of candor, stated that the U.S. Government "could not and would not enter into any discussion affecting its full right to deal with the Canal Zone under Article III of the Treaty of 1903 as if it were the sovereign of the Canal Zone and to the entire

exclusion of any sovereign rights or authority on the part of Panama." To this he added that, "it was an absolute futility for the Panamanian Government to expect any American Administration, no matter what it was, any President or any Secretary of State, ever to surrender any part of these rights which the United States had acquired under the Treaty of 1903." (*Ibid.* p. 684.) That forthrightness on the part of Secretary Hughes met with the situation for many years. The present Secretary of State should speak out with like candor in defense of our just and indispensable authority over the Canal Zone. The argument made that the United States does not need all the Canal Zone territory to protect the Canal is unrealistic because any part of it might be needed in time of war to create defenses and to deploy the protective forces for the Canal and Panama itself.

During the construction of the Canal the State Department did not control policy as regards the Canal Zone, and construction went forward effectively and expeditiously. After the completion of the Canal the State Department got its nose into the tent and finally its body. Ever since it has muddled our Isthmian policy by weakness, timidity and vacillation, rendering some of the consequent problems almost beyond solution.

HULL-ALFARO TREATY OF 1936–1939 STARTED OUR GREAT GIVE-AWAY PROGRAM

Because of the economic support of the Panama Canal, the full effects of the Great Depression of 1929 were not felt in Panama until 1932 when they stimulated agitations for a new treaty. With the change of administrations in the United States in 1933 our government weakened as to the earlier official positions taken by President Theodore Roosevelt, Secretaries Hay and Hughes, and negotiated the Hull-Alfaro Treaty of 1936 with Panama.

Because of a strong opposition in the Senate it was not ratified until 1939 just before the start of World War II. In this treaty, the United States made important concessions to Panama, which included the construction of a Trans-Isthmian highway in Panama extending through the Canal Zone to Colón, giving Panama jurisdiction over that highway in the Zone, renunciation of the right of eminent domain in the Republic of Panama for Canal purposes, and surrender of U.S. authority to maintain public order in the cities of Panama and Colón and adjacent areas. In a realistic sense this treaty was the start of our great giveaway programs, causing serious difficulties in obtaining military bases in Panama for defending the Panama Canal in World War II and creating dangerous precedents. A positive result of the treaty, however, was that Panama recognized that the word "maintenance" in Article I of the treaty allowed "expansion and new construction" when undertaken in accordance with the treaty, that is, for the maintenance, operation, sanitation and protection of the existing Canal.

It was under this authority that the Congress enacted legislation for the Third Locks Project soon afterward and on which more than $76,000,000 was expended before it was suspended in May 1942 because of more urgent war requirements. The useful work accomplished on this project included huge lock site excavations at Gatun and Miraflores for the proposed larger locks, which could be used for the modernization of the existing canal; and for which a new treaty would be unnecessary.

CHAPIN—FÁBREGA TREATY FURTHER WEAKENS JURIDICAL STRUCTURE, 1955

By 1953 agitations were well underway in Panama for the Chapin-Fábrega Treaty, which without adequate understanding or debate, was ratified in 1955. This treaty gave further concessions to Panama, including provisions for the construction by the United States of a free bridge across the Canal at Balboa to supersede the Thatcher Ferry, relinquishment of the right to enforce health and sanitation ordinances in the cities of Panama and Colón, and the cession to Panama without any compensation whatever of the terminal yards and passenger stations of the Panama Railroad. The last was a clear violation of the Thomson-Urrutia Treaty of 1914–22 with Colombia, which gives that country important rights in the use of both the Panama Canal and the Railroad.

The 1955 Treaty completed the withdrawal of the United States from Panama to the boundaries of the Canal Zone but did not alter the basic sovereignty and perpetuity provisions of the 1903 Treaty as regards United States exclusive sovereign control in perpetuity of the Canal enterprise, which includes the Zone.

SECRETARY OF STATE JOHN FOSTER DULLES DEFENDS U.S. POSITION AT PANAMA, 1956

Following the nationalization by Egypt in 1956 of the Suez Canal, Secretary of State John Foster Dulles, whose connections with the Panama Canal dated back to World War I, issued an order that no officer of the U.S. Foreign Service, in conversation, speaking or writing, was to equate the status of the Panama Canal with that of the Suez Canal, and that violators would be disciplined (*Congressional Record*, Vol. III, Pt. 19 (Oct. 5, 1965), p. 25974). That order was the last strong statement by a Secretary of State as regards U.S. sovereignty, over the Canal Zone. Secretary Dulles' successors, less conscious of the realities involved, gradually weakened and the agressiveness of Panamanian radicals correspondingly increased. No high official of our government spoke out as they should have done. Thus matters took their retrogressive course.

U.S. FORMAL RECOGNITION OF PANAMA TITULAR SOVEREIGNTY LEADS TO HEAVIER DEMANDS, 1958

On May 2, 1958, there was an organized mob invasion into the Canal Zone called Operation Sovereignty. Red led Panamanian University students planted 72 Panama flags at various spots in the Zone, including some squarely in front of the Canal Administration Building. Instead of acting promptly to arrest and punish the trespassers, our responsible authorities naively ignored the incidents as youthful pranks. Instead of pranks they were probes of our government's will power to stand up for the just and indispensable rights of the United States at Panama.

Soon afterward, during a July 12–16 visitation in the Canal Zone by Dr. Milton Eisenhower, President Ernesto de la Guardia, Jr., told him that flying the Panama flag in the Zone would promote cooperation. That was a very suave statement.

Following the riots of November 3, 1959, which required the use of the U.S. Army to protect the Canal Zone from mob invasion, Under Secretary of State Livingston T. Merchant visited the Isthmus and, under instructions publicly announced that the United States recognized Panama's titular sovereignty over the Canal Zone but, quite significantly, did not define that term.

As predicted by me in the Congress at the time that disingenuous action did not beguile Panamanian radicals but simply whetted their appetites for more concessions.

U.S. CONGRESS OPPOSES SURRENDERS AT PANAMA, 1960

Reactions in the Congress were quickly forthcoming.

On February 2, 1960, the House of Representatives, by the overwhelming vote of 382 to 12, opposed the formal display of the Panama flag in the Canal Zone in a House Concurrent Resolution but, unfortunately, the Senate Committee on Foreign Relations did not act. As a follow up to the resolution, the House, on February 9, unanimously adopted the Gross Amendment to the 1961 Department of Commerce Appropriations Bill, prohibiting the use of any funds under that appropriation for the formal display of the flag of Panama in the Zone. The Senate accepted this amendment and it became law.

As early as April 30, 1960, I pointed in an address in the House that soon after the Congress adjourned there would be an order from the President based upon the recommendation of the State Department, authorizing the display of the Panama flag in the Zone.

Later, on June 23, 1960, I addressed the House, stressing the problems that would follow as the result of the hoisting of the Panama flag in the Zone territory and warning the Congress that elements in the State Department were planning to authorize it. Next, on June 30, I wrote Secretary of State Christian A. Herter apprising him of these facts, urging him to clean out the responsible elements in his department, and warning him that should the Panama flag be displayed in the Canal Zone under his authorization members of the House would press for his impeachment. His reply was evasive. (*Congressional Record* (86th Cong., 2d Sess.), Vol. 106, Pt. 14 (Aug. 31, 1960), p. 18872.)

PRESIDENT EISENHOWER STRIKES U.S. FLAG IN CANAL ZONE, 17 SEPTEMBER 1960

Just as I predicted, on September 17, 1960, soon after adjournment of the Congress, President Eisenhower, without Congressional sanction and using emergency funds from the Department of State, in a mistaken gesture of friendship, naively authorized the formal display of the Panama flag in one place in the Canal Zone at Shaler's Triangle as "visual evidence" of Panama's titular sovereignty over the Zone but did not define the term, which, as already pointed out, is of purely reversionary character. Also as predicted, Panamanians took this display not as evidence of titular sovereignty, but as an official admission by the United States of its recognition of Panama's full sovereignty over the Zone Territory. (G. Bernard Noble, *Christian A. Herter*, New York: Cooper Squire Publishers, Inc., 1970, p. 209.)

To avoid confusion the word sovereignty means the state of quality of having supreme power of dominion. Could there be any better status for the Panama Canal and Canal Zone than that under the full sovereign control of the United States with the avoidance of all problems of extra territoriality? For such sovereignty there can be only one flag and that is the flag of the United States.

PANAMANIAN MOBS ASSAULT CANAL ZONE, JANUARY 1964

Did the 1960 display by President Eisenhower appease Panamanian radicals? It did not but simply served to open a Pandora's Box of more unrealistic and impossible demands. The Panama flag display was extended by President Eisenhower's successors, Presidents Kennedy and Johnson. They culminated in a massive Red led mob invasion of the Canal Zone during January 9–12, 1964, again requiring the use of our armed forces to protect the lives of our citizens and the Canal itself. In retaliation, Panama broke diplomatic relations with the United States and brought charges against the United States of "aggression" against Panama.

Here I would like to stress that no one United States soldier left the Canal Zone but simply defended the lives of our citizens and the Canal with the result that there was no interruption of transit despite the magnitude of the disorders. This was the highest tribute to the wisdom of our policy of having United States citizens in security positions, and having a protective strip framing the Canal.

PRESIDENT JOHNSON ACCEDES TO RADICAL PANAMANIAN DEMANDS 1964

After President Johnson had an opportunity to get the necessary facts about the

Panamanian mob attack, on January 14, 1964, he took a strong initial stand for exercising United States sovereignty over the Canal Zone stating that our country had a "recognized treaty obligation to operate the Canal efficiently and securely, and (that) we intend to honor that obligation in the interest of all who depend upon it." (*Congressional Record*) (88th Cong., 2d Sess.), Vol. 110, Pt. 1 (Jan. 14, 1964), p. 426.) For this candor he was widely commended at home and abroad despite the position taken by the United States in 1956 in opposition to the British-French reoccupation of the Suez Canal.

Unfortunately, after this initial policy statement he apparently fell into the clutches of Department of State miners and sappers and reversed his original position. Consequently, on December 18, 1964, after restoration of normal relations with Panama, President Johnson announced that the U.S. Government had completed an intensive policy review with respect to the present and future of the Panama Canal and that he had reached two decisions:

First, to press forward with Panama and other interested governments for a sea level canal; and second, to negotiate an entirely new canal treaty for the existing Panama Canal.

Legislation to authorize an investigation of the feasibility of a canal of sea level design was obtained—Public Law 88–609, approved September 22, 1964. Robert B. Anderson was assigned to head that study. Later, Mr. Anderson was appointed as chief U.S. Negotiator for the proposed treaty negotiations, thus holding two positions at the same time.

NEW CANAL TREATIES PROPOSED, 1967

On June 1967, President Johnson and President Marco A. Robles of Panama jointly announced that agreement had been reached on three proposed new canal treaties as follows:

The first covering the operation of the present canal would have (1) abrogated the Treaty of 1903, (2) recognized Panamanian sovereignty over the Canal Zone, (3) made Panama an active partner in the management and defense of the Canal, (4) increased toll royalties to Panama, and (5) eventually given to Panama exclusive possession in 1999 if no new canal were constructed at U.S. expense or soon after opening of a sea level canal but not later than 2009 if a new canal were built.

The second treaty for a canal of sea level design would have given the United States an option for 20 years after ratification to start construction, 15 more years for construction and a majority membership in the canal authority for 60 years after opening or until 2067, whichever was earlier. Additional agreements to fix the specific conditions for its combinations would have to be negotiated when the United States should decide to execute its option.

The third treaty for defense would have provisions for the continued use of military bases by U.S. Forces in Panama for 5 years beyond the termination date of the proposed treaty for the operation of the existing canal. If a new canal in Panama were constructed the military base rights treaty would have to be extended for the duration of the treaty for the new canal. (Background of U.S. Decision to Resume Panama Canal Treaty Negotiations, Office of Interoceanic Canal Negotiations, State Department, 1971.)

PROPOSED 1967 TREATIES OPPOSED IN BOTH PANAMA AND THE UNITED STATES

Although President Johnson did make a press release outlining the general aims of the treaties, the governments of both the United States and Panama withheld publication of the proposed treaties apparently with the hope that they would be ratified by our Senate without adequate debate.

Ferreted out through the journalistic initiative of the *Chicago Tribune* and published in that paper, and later quoted in addresses to the U.S. Senate by Senator Strom Thurmond of South Carolina in the *Congressional Records* of July 17, 21 and 27, 1967, they aroused a storm of protests in both Panama and the United States as well as in Great Britain and Japan, which are large users of the Panama Canal. So strong were these protests that the proposed 1967 treaties were never signed.

SEA LEVEL RECOMMENDATION HINGES ON SURRENDER OF CANAL ZONE, 1970

On December 1, 1970, the Anderson panel submitted its voluminous report recommending the construction of a new canal of so-called sea level design entirely in Panamanian territory about 10 miles west of the existing canal at an initially estimated cost of $2,888,000,000 to be borne by United States taxpayers. This figure did not include the cost of the rights of way or of the inevitable indemnity to Panama.

Meanwhile, in line with Isthmian revolutionary history, the Constitutional government of Panama was overthrown on October 11, 1968, after only 10 days in office, by a military coup and a provisional Revolutionary Government established. This eliminated the Panama National Assembly and converted its spacious building into government offices. Eventually, the revolutionary government, after declaring the discredited 1967 treaties unacceptable, sought to negotiate new ones and our government acceded, with the designation of the same Robert B. Anderson as Chief U.S. Negotiator.

Here it should be explained that the construction of a canal of sea level design at Panama for many years has been an undisclosed objective of a small professional engineering-industrial group, including manufacturers of heavy earth moving machinery. The recommendation of the 1970 Anderson Report for a sea level canal hinges upon the surrender of U.S. sovereignty over the Canal Zone. Moreover, the holding of the position of Chief U.S. Negotiator by the same person who headed the negotiations for the discredited 1967 treaties and the sea level study creates a serious conflict of interest to which the Congress should be fully alert.

One of the great purposes of United States policy of exclusive sovereign control over the Canal Zone was the avoidance of the never ending conflicts and recriminations that always accompany extra-territorial rights. To speak so bluntly as the gravity of the situation at Panama demands, the State Department in recent years has been dominated by those who timidly accept as valid every major claim of Panamanian radicals for the surrender by the United States of its sovereignty over the canal enterprise and its transfer to Panama. Such action would undoubtedly result in the immediate dominance of the Isthmus including the Canal Zone by Soviet powers against which Panama could not cope.

LONG RANGE PANAMANIAN AIMS

Lest there be some doubt as to the long range aims of the Panama Government as to its objectives, on April 29, 1958, Ambassador Ricardo M. Arias of Panama, in a major address at the School of Foreign Service of Georgetown University, made this significant revelation:

"The foreign policy of my country during the past 50 years has been to exert every effort in order to obtain at least for Panama, conditions similar to those granted to Colombia in January 1903." (H. Doc. 474, 89th Congress, p. 23.)

The blackmailing and demogogic revolutionary government of Panama would have the world forget the history of that country: the Panama Revolution under the guaranty of the United States, the reasons for the 1903 Treaty under which the United States constructed and has subsequently operated and defended the Panama Canal, the transformation of Panama from a cesspool of disease and penury into a relatively healthy land of comparative prosperity, and the vast sums provided by our government for canal purposes. The net total of these sums including defense, as of June 30, 1968, was more than $5,000,000,000, all provided by the taxpayers of the United States.

All the facts just enumerated, Mr. Chairman, the present government of Panama would remove from the memory of mankind. The United States can well stand on the record that it has made at Panama in dealing with all of these matters and trust to history for vindication.

Manifestly, Panama cannot eat its cake and have it also. After the United States built the canal and successfully operated it for more than half a century, a fly by night and sanguinary revolutionary government would have our country neglect its duty to its taxpayers and surrender the indispensably necessary protective frame of the Canal to Panama and thus enable that country to expropriate the canal itself and drive us from the Isthmus. The present Revolutionary Government of Panama has been motivated by a complete disregard of historical verities and its policy of truculence and impossible claims has undoubtedly been induced by Soviet assurances, for Soviet experts are already in Panama. This always happens prior to the establishment of diplomatic relations.

WHY NOT SURRENDER TO COLOMBIA RATHER THAN PANAMA?

In response to the officialdom in our government who seem determined to destroy the 1903 Treaty and surrender our just rights, power and authority at Panama, why should not such surrender be made to Colombia, which until November 3, 1903, was the sovereign of the Isthmus instead of Panama?

Any surrender of the Canal Zone and Canal is unthinkable; but if any surrender should be made it should be to Colombia, of which Panama was once a province, and not to Panama.

SEA LEVEL CANAL—A POLITICAL MOVE

In the light of what has taken place it is interesting to note that Colonel John P. Sheffy, former Executive Director of the recent sea level studies and now of the Office of Interoceanic Canal Negotiations in the Department of State, made the following revealing statements before a gathering of marine scientists on March 4, 1971, at the Smithsonian Institution:

1. "That the canal investigation under Public Law 88–609 calling for consideration of the long range Canal program originated with the State Department following the 1964 riots as a means for improving treaty relationships with Panama.

2. That President Nixon had accepted the final 1964 Johnson canal treaty policy.

3. That the main purpose of the sea level proposal was to obtain "better treaty relationships" with Panama.

4. That if such relationships are not obtained the project is not warranted.

5. That the sea level proposal is not justified economically and that it "may never be constructed."

6. That because of opposition in both the United States and Panama the 1967 draft treaties would not be the basis for future negotiations.

7. That the sea level proposal was recognized as "ecologically dangerous."

8. That a decision to construct one would be a "political" decision.

Could there be more shocking admissions concerning a subject of such vast importance to the entire world than those just enumerated? (CONGRESSIONAL RECORD, vol. 117, pt. 7839.)

PRESIDENT NIXON ADOPTS THE FINAL JOHNSON POLICY

The latest information on the canal treaty situation is that President Nixon, on the advice of the same appeasement officials in the State Department who advised President Johnson and whom President Nixon in his 1968 campaign had avowed to replace, has established objectives similar to those of his predecessor as modified by events since 1967. This information is that the "renewal of violence in Panama, possibly more extensive than experienced in 1964, might be unavoidable if the treaty objectives considered by the Panamanian people to be reasonable and just are not substantially achieved." This is complete blackmail on the part of the Panama Government, which today is unconstitutional under Panamanian requirements.

Though averring that the United States has "no intention of yielding control and defense of the Canal to the threat of violence," the State Department view is that it is in United States interest to demonstrate again as in 1967 our "willingness to make adjustments" which do not significantly weaken our rights to control and defend the canal and that it would be difficult for the United States to "justify itself in world forums" in the event it is again forced to "commit" its armed forces against "Panamanian incursion into the Canal Zone." (Background . . . . 1971, op. cit.) Could there be any more obvious double talk? The United States did not commit its Armed Forces against anybody.

Such statements of policy, Mr. Chairman are an expression of willingness to surrender in advance. What could be more pusillanimous or unrealistic than this State Department pronouncement! No wonder the eyes of the world are watching us at Panama, for upon what we do there could well depend the freedom or the slavery of the world. Shabby sentimentality has no place in the consideration of the problems of the Canal Zone and Panama Canal.

Instead of surrendering the Canal Zone to Panama it ought to be extended so as to include the entire drainage area of the Chagres River basin as was first recommended by General Clarence R. Edwards, the Commanding General of U.S. troops on the Isthmus, as the result of World War I experience.

PANAMA NEGOTIATORS DEMAND FULL SOVEREIGNTY OVER CANAL ZONE

In public statement by the Panamanian negotiators just prior to their departure for the United States on June 29, 1971, they said that they would demand full sovereignty over Canal Zone or that there would be no treaty and that in event of failure to get such sovereignty they would return to Panama and explain matters to their people. In view of the anti-United States frenzy into which the people of that country have been whipped, this constitutes an open threat of violence comparable to that of January 9–12, 1964, which required the use of our Armed Forces to protect the lives of our citizens and the canal itself. Certainly there are few better examples of how appeasement begets blackmail than in the conduct during recent years of our policies at Panama. It must be borne in mind that those who made these threats overthrew by force and violence the Constitutional Government of Panama and are maintaining themselves in power by the same means. Why make treaties with the present Revolutionary Government which would in all likelihood be repudiated when Panama returns to a Constitutional government just as the present government repudiated the proposed 1967 treaties?

The greater part of the turmoil and bitterness that has evolved in Panama has been because Panamanian radicals and demagogs have failed to diagnose realistically the premises on which they base their policies and actions. Unfortunately, through continued insistence Panamanian policies now prevailing are not realistic.

Timidity and vacillation on the part of our State Department have served to induce extravagant claims and demands by Panama that have resulted in brainwashing our accredited officials who have never emphasized the genesis of Panama and the Canal.

Panama is not a great power and can never be one. It is a small and weak country—the result of a Caesarian operation that was successful because the United States as a great power supported it. While Panama's frequently mentioned geographic position is an asset it is also a great liability because predatory powers covet it. The actual confrontation now occurring is not between the United States and Panama but between the United States and the U.S.S.R. The Soivet takeover of Cuba had, and still has, for its purpose the control of the Panama Canal.

Moreover, Panama at present does not have any constitutional way to ratify treaties because the Revolutionary Government has abolished the National Assembly of Panama, which is the treaty ratifying agency of the Panamanian Government.

U.S. CONSTITUTION PROTECTS CANAL ZONE

Here I would emphasize the importance of Article IV, Section 3, Clause 2 of the U.S. Constitution, that vests the power to dispose of territory and other property of the United States in the Congress, which, of course, includes the House of Representatives. This places a high degree of responsibility on the subcommittee, for as in the case of the 1967 proposed treaties and, so far as can be ascertained, at the present time, this wise constitutional provision is being ignored by our treaty negotiators.

An examination of court decisions will disclose that the constitutionality of this provision has been upheld many times. One example of our government complying with it was in the 1955 Treaty in which the conveyance of lands and property of the United States to Panama was "subject to the enactment of legislation by the Congress." (Chapin-Fábrega Treaty of January 25, 1955, Article V.)

PANAMA CANAL IS PART OF THE U.S. COASTLINE

As foreseen by the formulators of our major Isthmian Canal policies of site, type and control, the Panama Canal is a part of the coastline of the United States. Its protection is just as vital to national defense as the protection of Delaware Bay or San Francisco Harbor.

General plans for the major increase of capacity and operational improvements of the existing canal have been developed and are covered in pending legislation but cannot proceed until the sovereignty issue is clarified and our undiluted control and ownership of the canal and the Canal Zone fully understood and recognized, for the Canal can no more be separated from the Zone than boilers from a steam power plant.

The very moment that we surrender sovereignty over the Zone to Panama as presently planned, Soviet power will take over the Republic of Panama as it did Cuba. In fact, as previously stated, Soviet experts have already arrived in Panama and are advising the University, social security organizations, and labor offices of the Panamanian Government.

Thus, also as previously indicated, the issue is not United States control of the Canal Zone versus Panamanian but continued U.S. sovereignty versus U.S.S.R. domination.

DANGERS OF SURRENDER

Before any surrender to Panama of sovereignty over the Canal Zone there are many questions that must be answered satisfactorily, among them the following:

Where would Panamanian political leaders flee for asylum to escape assassination such as has frequently occurred for many years?

How could the lives of our citizens and the Canal itself be defended against mob violence without the protective frame of the Canal Zone under the control of the United States?

How could the Canal be efficiently maintained and operated unless the undiluted control of the Zone with all its tremendous facilities remains with the United States?

How could the constant conflicts and recriminations that always feature extraterritoriality be avoided in the event of surrender of Canal Zone sovereignty?

How could the Panama Canal be modernized without further extortions through further teraty negotiations?

Why jeopardize our present treaty rights to modernize the existing canal by "expansion and new construction" by abrogating the workable 1903 Treaty?

Why should the United States abandon policies successfully tested in the operation of the existing canal based on provisions of a workable Treaty for a mere option for a new canal sea level design that even its advocates admit may never be constructed?

Why does the State Department ignore the marine ecological angle involved in constructing a salt water channel between the oceans, which recognized scientists predict would result in infesting the Atlantic with the poisonous Pacific sea snake and the predatory Crown of Thorns starfish that would have international repercussions?

Is not the Republic of Panama a small and weak country whose independence is assured only so long as the United States remains on the Isthmus?

Is not all the talk by the Revolutionary Government of Panama about the dignity of the fatherland false and demagogic?

Why has it whipped the people of Panama into a frenzy of great expectations which when not realized may result in violence?

What would be the legal complications of ending more than six decades of United States jurisdiction and the Canal Zone Code that has been enacted by the Congress?

Would not such surrender be in violation of the 1950 Panama Canal Reorganization Act (Pub. Law 841, 81st Congress) that placed the canal on a self-sustaining basis?

Would not the surrender of the Canal Zone arouse controversy with Great Britain as violative of the 1901 Hay-Paunceforte Treaty and other large maritime nations that have accepted that treaty?

Would not surrender of the Canal Zone to Panama violate the right of Colombia under the Thomson-Urrutia Treaty of 1914–22 in the Panama Canal and Railroad?

In view of terms of the 1903 Treaty ceding sovereignty over the Canal Zone to the United States how can it be legally surrendered except by the abandonment of the Panama Canal?

Would not such surrender revive the claim of Colombia not only to the Canal Zone and Canal but also to the entire Isthmus?

Should such surrender be made why not make it to Colombia rather than Panama?

What reason except a determination to acquire the Panama Canal has motivated the U.S.S.R. in the takeover of Cuba, the building of bases there, and operating submarines off both coasts of Latin America?

Instead of surrendering the Canal Zone to Panama why not extend it to include the entire watershed of the Chagres River?

Would not the cession of U.S. sovereignty over the Canal Zone to Panama facilitate the expropriation of the Canal as occurred in Egypt after the surrender of the Suez Canal Zone?

Would not such expropriation be supported by the full might of Soviet power?

Then who would operate and control this

great artery of marine transportation and world strategy?

Can you think of a worse blow against the United States short of nuclear attack than the loss of the Panama Canal?

Would not cession of the Canal Zone constitute a precedent for other nations, emboldened by such surrender to Panama, to challenge our right to Alaska, the Gadsden Purchase, the vast Southwest, Florida and the Louisiana Purchase?

The historic canal policy of the United States is for an American canal, on American soil, for the American people and world shipping as provided by law; and that is the policy that should be followed without any dilution.

PRESENT TASK BEFORE THE CONGRESS

The present task before the House of Representatives is the transcendent one of clarification and reaffirmation of our sovereign control of the Panama Canal enterprise. The resolutions now pending reflect the views of our best informed Congressional leaders and specially qualified citizens from various parts of the nation. Their adoption will serve notice in the world, especially Soviet rulers, that the United States has the will to meet its treaty obligations at Panama and that it will continue to do so and thus serve to regain the public image that our great country has lost through weak and timid policies in recent years, particularly in Latin America. It will open the way for the next great step by the Congress in the evolution of our Isthmian Canal policy—the major modernization of the existing Panama Canal. These two steps together, sovereignty reaffirmation and modernization should meet the canal situation for many years into the future.

Accordingly, I urge prompt favorable action on the Panama Canal sovereignty resolutions now pending.

Mr. Chairman, I wish to include as part of my testimony, a 1971 Memorial to the Congress by the Committee for Continued U.S. Control of the Panama Canal, which in a brief space supplies the essentials of a highly complicated problem, and a 1971 paper of the Office of Interoceanic Canal Negotiations of the Department of State that clearly outlines the policy for surrender; also the 1971 resolution of the American Legion.

COMMITTEE FOR CONTINUED U.S. CONTROL OF THE PANAMA CANAL

Panama Canal: Sovereignty and Modernization.

Honorable Members of the Congress of the United States.

The undersigned, who have studied various aspects of interoceanic canal history and problems, wish to express their views:

(1) The report of the interoceanic canal inquiry, authorized under Public Law 88–609, headed by Robert B. Anderson, recommending construction of a new canal of so-called sea level design in the Republic of Panama, was submitted to the President on December 1, 1970. The proposed canal, *initially* estimated to cost $2,880,000,000 exclusive of the costs of right of way and inevitable indemnity to Panama, would be 10 miles West of the existing Canal. This recommendation, which hinges upon the surrender to Panama by the United States of all sovereign control over the U.S.-owned Canal Zone, has rendered the entire canal situation so acute and confused as to require rigorous clarification.

(2) A new angle developed in the course of the sea level inquiry is that of the Panamic biota (fauna and flora), on which subject, a symposium of recognized scientists was held on March 4, 1971 at the Smithsonian Institution. That gathering was overwhelmingly opposed to any sea level project because of the biological dangers to marine life incident to the removal of the fresh water barrier between the Oceans, now provided by Gatun Lake, including in such dangers the infestation of the Caribbean Sea and Atlantic Ocean with the poisonous yellow-bellied Pacific sea snake (Pelamis platurus).

(3) The construction by the United States of the Panama Canal (1904–1914) was the greatest industrial enterprise in history. Undertaken as a long-range commitment by the United States, in fulfillment of solemn treaty obligations (Hay-Pauncefote Treaty of 1901) as a "mandate for civilization" in an area notorious as the pest hole of the world and as a land of endemic revolution, endless intrigue and governmental instability (Flood, "Panama: Land of Endemic Revolution . . ." Congressional Record, August 7, 1969 (pp. 22845–22848), the task was accomplished in spite of physical and health conditions that seemed insuperable. Its subsequent management and operation on terms of "entire equality" with tolls that are "just and equitable" have won the praise of the world, particularly countries that use the Canal.

(4) Full sovereign rights, power and authority of the United States over the Canal Zone territory and Canal were acquired by treaty grant in perpetuity from Panama (Hay-Bunau-Varilla Treaty of 1903). In addition to the indemnity paid by the United States to Panama for the necessary sovereignty and jurisdiction, all privately owned land and property in the Zone were purchased by the United States from individual owners; and Colombia, the sovereign of the Isthmus before Panama's independence, has recognized the title to the Panama Canal and Railroad as vested "entirely and absolutely" in the United States (Thomson-Urrutia Treaty of 1914–22). The cost of acquiring the Canal Zone, as of March 31, 1964, totalled $144,568,571, making it the most expensive territorial extension in the history of the United States. Because of the vast protective obligations of the United States, the perpetuity provisions in the 1903 treaty assure that Panama will remain a free and independent country in perpetuity, for these provisions bind the United States as well as Panama.

(5) The gross total investment of our country in the Panama Canal enterprise, including its defense, from 1904 through June 30, 1968, was $6,368,009,000; recoveries during the same period were $1,359,931,421, making a total net investment by the taxpayers of the United States of more than $5,000,000,000; which, if converted into 1971 dollars, would be far greater. Except for the grant by Panama of full sovereign powers over the Zone territory, our Government would never have assumed the grave responsibilities involved in the construction of the Canal and its later operation, maintenance, sanitation, protection and defense.

(6) In 1939, prior to the start of World War II, the Congress authorized, at a cost not to exceed $277,000,000, the construction of a third set of locks known as the Third Locks Project, then hailed as "the largest single current engineering work in the world." This Project was suspended in May 1942 because of more urgent war needs, and the total expenditures thereon were $76,357,405, mostly on lock site excavations at Gatun and Miraflores, which are still usable. Fortunately, no excavation was started at Pedro Miguel. The program for the enlargement of Gaillard Cut, started in 1959, with correlated channel improvements, was completed in 1970 at a cost of $95,000,000. These two works together represent an expenditure of more than $171,000,000 toward the major modernization of the existing Panama Canal.

(7) As the result of canal operations in the crucial period of World War II, there was developed in the Panama Canal organization the first comprehensive proposal for the major operational improvement and increase of capacity of the Canal as derived from actual marine experience, known as the Terminal Lake—Third Locks Plan. This conception included provisions for the following:

(1) Elimination of the bottleneck Pedro Miguel Locks.

(2) Consolidation of all Pacific Locks South of Miraflores.

(3) Raising the Gatun Lake water level to its optimum height (about 92').

(4) Construction of one set of larger locks.

(5) Creation at the Pacific end of the Canal of a summit-level terminal lake anchorage for use as a traffic reservoir to correspond with the layout at the Atlantic end, which would improve marine operations by eliminating lockage surges in Gaillard Cut, mitigate the effect of fog on Canal capacity, reduce transit time, diminishing the number of accidents, and simplify the management of the Canal.

(8) Competent, experienced engineers have officially reported that all "engineering considerations which are associated with the plan are favorable to it." Moreover, such a solution:

(1) Enables the maximum utilization of all work so far accomplished on the Panama Canal, including that on the suspended Third Locks Project.

(2) Avoids the danger of disastrous slides.

(3) Provides the best operational canal practicable of achievement with the certainty of success.

(4) Preserves and increases the existing economy of Panama.

(5) Avoids inevitable Panamanian demands for damages that would be involved in the proposed sea level project.

(6) Averts the danger of a potential biological catastrophe with international repercussions that recognized scientists fear might be caused by constructing a salt water channel between the Oceans.

(7) Can be constructed at "comparatively low cost" without the necessity for negotiating a new canal treaty with Panama.

(9) All of these facts are elemental considerations from both U.S. national and international viewpoints and cannot be ignored, especially the diplomatic and treaty aspects. In connection with the latter, it should be noted that the original Third Locks Project, being only a modification of the existing Canal, and wholly within the Canal Zone, did not require a new treaty with Panama. Nor, as previously stated, would the Terminal Lake—Third Locks Plan require a new treaty. These are paramount factors in the overall equation.

(10) In contrast, the persistently advocated and strenuously propagandized Sea-Level Project at Panama, initially estimated in 1970 to cost $2,880,000,000, exclusive of the costs of the right of way and indemnity to Panama, has long been a "hardy perennial," according to former Governor of the Panama Canal, Jay J. Morrow. It seems that no matter how often the impossibility of realizing any such proposal within practicable limits of cost and time is demonstrated, there will always be someone to argue for it; and this, despite the economic, engineering, operational, environmental and navigational superiority of the Terminal Lake solution. Moreover, any sea-level project, whether in the U.S. Canal Zone territory or elsewhere, will require a new treaty or treaties with the countries involved in order to fix the specific conditions for its construction; and this would involve a huge indemnity and a greatly increased annuity that would have to be added to the cost of construction and reflected in tolls, *or* be wholly borne by the taxpayers of the United States.

(11) Starting with the 1936–39 Treaty with Panama, there has been a sustained erosion of United States rights, powers and authority on the Isthmus, culminating in the completion, in 1967, of negotiations for three proposed new canal treaties that would:

(1) Surrender United States sovereignty over the Canal Zone to Panama;

(2) Make that weak, technologically prim-

itive and unstable country a senior partner in the management and defense of the Canal;

(3) Ultimately give to Panama not only the existing Canal, but also any new one constructed in Panama to replace it, all without any compensation whatever and all in derogation of Article IV, Section 3, Clause 2 of the U.S. Constitution. This Clause vests the power to dispose of territory and other property of the United States in the entire Congress (House *and* Senate) and not in the treaty-making power of our Government (President and Senate)—a Constitutional provision observed in the 1955 Treaty with Panama.

(12) It is clear from the conduct of our Panama Canal policy over many years that policy-making elements within the Department of State, in direct violation of the indicated Constitutional provision, have been, and are yet, engaged in efforts which will have the effect of diluting or even repudiating entirely the sovereign rights, power and authority of the United States with respect to the Canal and of dissipating the vast investment of the United States in the Panama Canal project. Such actions would eventually and inevitably permit the domination of this strategic waterway by a potentially hostile power that now indirectly controls the Suez Canal. That canal, under such domination, ceased to operate in 1967 with vast consequences of evil to world trade.

(13) Extensive debates in the Congress over the past decade have clarified and narrowed the key canal issues to the following:

(1) Retention by the United States of its undiluted and indispensable sovereign rights, power and authority over the Canal Zone territory and Canal as provided by existing treaties;

(2) The *major* modernization of the existing Panama Canal as provided for in the Terminal Lake Proposal.

Unfortunately, these efforts have been complicated by the agitation of Panamanian extremists, aided and abetted by irresponsible elements in the United States, aiming at ceding to Panama complete sovereignty over the Canal Zone and, eventually, the ownership of the existing Canal and any future canal in the Zone or in Panama that might be built by the United States to replace it.

(14) In the 1st Session of the 92nd Congress identical bills were introduced in both House and Senate to provide for the *major* increase of capacity and operational improvement of the *existing* Panama Canal by modifying the authorized Third Locks Project to embody the principles of the previously mentioned Terminal Lake solution, which competent authorities consider would supply the best operational canal practicable of achievement, and at least cost without treaty involvement.

(15) Starting on January 26, 1971 many Members of Congress have sponsored resolutions expressing the sense of the House of Representatives that the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal enterprise, including the Canal Zone, and not surrender any of its powers to any other nation or to any international organization in derogation of present treaty provisions.

(16) The Panama Canal is a priceless asset of the United States, essential for interoceanic commerce and Hemispheric security. The recent efforts to wrest its control from the United States trace back to the 1917 Communist Revolution and conform to long range Soviet policy of gaining domination over key water routes as in Cuba, which flanks the Atlantic approach to the Panama Canal, and as was accomplished in the case of the Suez Canal, which the Soviet Union now wishes opened in connection with its naval buildup in the Eastern Mediterranean and Indian Ocean. Thus, the real issue at Panama, dramatized by the Communist takeover of strategically located Cuba and Chile, dent, Committee on Pan American Policy, is not United States control versus Panamian but United States control versus Soviet control. This is the issue that should be debated in the Congress, especially in the Senate. Panama is a small, weak country occupying a strategic geographical position that is the objective of predatory power, requiring the presence of the United States on the Isthmus in the interest of Hemispheric security and international order.

(17) In view of all the foregoing, the undersigned urge prompt action as follows:

(1) Adoption by the House of Representatives of pending Panama Canal sovereignty resolutions and,

(2) Enactment by the Congress of pending measures for the major modernization of the existing Panama Canal.

To these ends, we respectfully urge that hearings be promptly held on the indicated measures and that Congressional policy thereon be determined for early prosecution of the vital work of modernizing the Panama Canal, now approaching saturation capacity.

SIGNATURES

Dr. Karl Brandt, Palo Alto, Calif., Economist, Hoover Institute, Stanford, CA. Former Chairman, President's Council of Economic Advisers.

Comdr. Homer Brett, Jr., Chevy Chase, Md., Former Intelligence Officer, Caribbean Area.

Hon. Ellis O. Briggs, Hanover, N.H., U.S. Ambassador retired and Author.

Dr. John C. Briggs, Tampa, Fla., Professor of Biology, University of South Florida, Tampa.

William B. Collier, Santa Barbara, Calif., Business Executive with Engineering and Naval Experience.

Lt. Gen. Pedro del Valle, Annapolis, Md., Intelligence Analyst, Former Commanding General, 1st Marine Div.

Herman H. Dinsmore, New York, N.Y., Former Associate Foreign Editor, *New York Times*, Editorialist.

Dr. Lev E. Dobriansky, Alexandria, Va., Professor of Economics, Georgetown Univ.

Dr. Donald M. Dozer, Santa Barbara, Calif., Historian, University of Calif., Santa Barbara. Authority on Latin America.

Lt. Gen. Ira C. Eaker, Washington, D.C., Former Commander-in-Chief, Allied Air Forces, Mediterranean, Analyst and Commentator on National Security Questions.

K. V. Hoffman, Richmond, Va., Editor and Author.

Dr. Walter D. Jacobs, College Park, Md., Professor of Government and Politics, University of Maryland.

Maj. Gen. Thomas A. Lane, McLean, Va., Engineer and Author.

Edwin J. B. Lewis, Washington, D.C., Professor of Accounting, George Washington University, Past President, Panama Canal Society of Washington, D.C.

Dr. Leonard B. Loeb, Berkeley, Calif., Professor of Physics Emeritus, University of California.

William Loeb, Manchester, N.H., Publisher and Author.

Lt. Col. Matthew P. McKeon, Springfield, Va., Intelligence Analyst, Editor and Publisher.

Dr. Howard A. Meyerhoff, Tulsa, Okla., Consulting geologist, Formerly Head of Department of Geology, University of Pennsylvania.

Richard B. O'Keefe, Asst. Professor, George Mason College, University of Virginia, Research Consultant on Panama Canal, The American Legion.

Capt. C. H. Schildhauer, Owings Mills, Md., Aviation Executive.

V. Adm. T. G. W. Settle, Washington, D.C., Former Commander, Amphibious Forces, Pacific.

Jon P. Speller, New York, N.Y., Author and Editor.

Harold Lord Varney, New York, N.Y., Presi- New York, Authority on Latin American Policy, Editor.

Capt. Franz O. Willenbucher, Bethesda, Md., Lawyer and Executive.

Dr. Francis G. Wilson, Washington, D.C., Professor of Political Science Emeritus, University of Illinois, Author and Editor.

Institutions are listed for identification purposes only.

BACKGROUND ON PANAMA CANAL TREATY NEGOTIATIONS

DEPARTMENT OF STATE,
Washington, D.C.

1. Panama has been discontent with the Treaty of 1903 since its inception and has sought more generous terms with increasing intensity in recent years. Revisions were made in 1936 and 1955. But the most objectionable feature from Panama's viewpoint—US sovereignty over the Canal Zone in perpetuity—remained unchanged. Neither did the increases in payments and other economic benefits for Panama in the two revisions provide what Panama considers to be its fair share.

2. Panama's discontent led to destructive riots along the Canal Zone border in 1958 and 1964. The 1964 upheaval and subsequent criticism of US policy in the OAS, the UN, and in other international forums underscored the timeliness of President Johnson's decision that the reasonable aspirations of Panama could be met in a new treaty that continued to protect vital United States interests. On December 18, 1964, the President stated:

"This Government has completed an intensive review of policy toward the present and the future of the Panama Canal. On the basis of this review, I have reached two decisions.

"First, I have decided that the United States should press forward with Panama and other interested governments, in plans and preparations for a sea-level canal in this area.

"Second, I have decided to propose to the Government of Panama the negotiation of an entirely new treaty on the existing Panama Canal.

"Today we have informed the Government of Panama that we are ready to negotiate a new treaty. In such a treaty we must retain the rights which are necessary for the effective operation and the protection to the Canal, and the administration of the areas that are necessary for these purposes. Such a treaty would replace the Treaty of 1903 and its amendments. It should recognize the sovereignty of Panama. It should provide for its own termination when a sea-level canal comes into operation. It should provide for effective discharge of our common responsibilities for hemispheric defense. Until a new agreement is reached, of course, the present treaties will remain in effect."

3. The basic US treaty objectives established by President Johnson in 1964 and supported by Presidents Hoover, Truman, and Eisenhower were to maintain US control and defense of a canal in Panama while removing to the maximum extent possible all other causes of friction between the two countries. To this end, new treaties were negotiated between 1964 and 1967 which contained the following major provisions (as summarized in the December 1970 final report of the Atlantic-Pacific Interoceanic Canal Study Commission):

The first of the proposed treaties, that for the continued operation of the present canal, would have abrogated the Treaty of 1903 and provided for: (a) recognition of Panamanian sovereignty and the sharing of jurisdiction in the canal area, (b) operation of the canal by a joint authority consisting of five United States citizens and four Panamanian citizens,

(c) royalty payments to Panama rising from 17 cents to 22 cents per long ton of cargo through the canal, and (d) exclusive possession of the canal by Panama in 1999 if no new canal were constructed or shortly after the opening date of a sea-level canal, but no later than 2009, if one were built.

The second, for a sea-level canal, would have granted the United States an option for 20 years after ratification to start constructing a sea-level canal in Panama, 15 more years for its construction, and United States majority membership in the controlling authority for 60 years after the opening date or until 2067, which was earlier. It would have required additional agreements on the location, method of construction, and financial arrangements for a sea-level canal, these matters to be negotiated when the United States decided to execute its option.

The third, for the United States military bases in Panama, would have provided for their continued use by United States forces 5 years beyond the termination date of the proposed treaty for the continued operation of the existing canal. If the US constructed a sea-level canal in Panama, the base rights treaty would have been extended for the duration of the treaty for the new canal.

The Panamanian President did not move to have these treaties ratified. Consequently, no attempt to ratify them was made in the United States.

4. President Nixon has established negotiating objectives similar to those of President Johnson in 1964, modified by developments since 1967. Primary US objectives are continued US control and defense of the existing canal. The rights (without obligation) to expand the existing canal or to build a sea-level canal are essential to US agreement to a new treaty, with the exact conditions to accompany these rights to be determined by negotiation. The US is willing to provide greater economic benefits from the canal for Panama and release unneeded land areas, again with the exact terms to be developed by negotiation.

5. Panama has expressed willingness to negotiate arrangements for continued US control and defense of the existing canal though it remains to be seen what they mean by this. Panama has not indicated its specific views on the acceptable duration of a new treaty. Panama is determined to terminate current US treaty rights "as if sovereign" and extend the jurisdiction of the Government of Panama into what is now the Canal Zone. The 1967 draft treaties would have terminated US jurisdiction in the canal area (but not control and defense of canal operations) with the construction of a sea-level canal. While the United States is now prepared to negotiate for the reduction in the extent of US jurisdiction in the canal area, it remains to be determined whether a mutually acceptable compromise can be worked out between US and Panamanian objectives in this area.

6. In the area of economic benefits Panama has indicated intent to seek a greater direct payment than it now receives ($1.93 million annually), the opening of the present Canal Zone to Panamanian commercial enterprise, increased employment of Panamanian citizens, and increased use of Panamanian products and services in the canal operation. All of these points were agreed upon in 1967, and the US remains willing to negotiate new arrangements along similar lines, provided they do not hazard US control of canal operations, the continuation of reasonable toll levels, and the continued financial viability of the canal enterprise.

7. Renewal of violence in Panama, possibly more extensive than experienced in 1964, might be unavoidable if the treaty objectives considered by the Panamanian people to be reasonable and just are not substantially achieved. While the US has no intention of yielding control and defense of the canal to the threat of violence, it is certainly in the US interest in Panama, in Latin America, and worldwide again to demonstrate, as in 1967, our willingness to make adjustments in our treaty relationship with Panama that do not significantly weaken the United States' rights to control and defend the canal.

8. It is our intent to show Latin America and the world that the United States as a great power can develop a fair and mutually acceptable treaty relationship with a nation as small as Panama. Such a trety must, therefore, be founded upon common interests and mutual benefits.

9. The Provisional Government Junta of Panama has expressed intent to ratify a new treaty by plebiscite to ensure that it is acceptable to the Panamanian people.

10. The negotiators for the United States are Ambassador Robert B. Anderson, former Secretary of the Treasury and Secretary of the Navy. Ambassador Anderson is chief negotiator. His deputy is Ambassador John C. Mundt, formerly a senior vice president of Lone Star Industries and presently on leave from the State of Washington as State Director for Community College Education.

The Panamanian negotiators are Ambassador Jose Antonio de la Ossa (Panamanian Ambassador to the United States), Carlos Lopez Guovara, and Fernando Manfredo.

OFFICE OF INTEROCEANIC
CANAL NEGOTIATIONS.

August 1971.

FIFTY-THIRD ANNUAL NATIONAL CONVENTION OF THE AMERICAN LEGION, HOUSTON, TEX., AUGUST 31–SEPTEMBER 1, 2, 1971

RESOLUTION NO. 494

Committee: Foreign Relations
Subject: Panama Canal

Whereas, under the 1903 Treaty with Panama, the United States obtained the grant in perpetuity of the use, occupation, and control of the Canal Zone territory with all sovereign rights, power, and authority to the entire exclusion of the exercise by Panama of any such sovereign rights, power, or authority as well as the ownership of all privately held land and property in the Zone by purchase from individual owners; and

Whereas, the United States has an overriding national security interest in mantaining undiluted control over the Canal Zone and Canal and its treaties with Great Britain and Colombia for the efficient operation of the Canal; and

Whereas, the United States Government is currently engaged in negotiations with the government of Panama to grant greater rights to Panama both in the Canal Zone and with respect to the Canal itself without authorization of the Congress, which will diminish, if not absolutely abrogate, the present U. S. treaty-based sovereignty and ownership of the Zone; and

Whereas, these negotiations are being utilized by the U. S. Government in an effort to persuade Panama to agree to the construction of a "sea-level" canal eventually to replace the present canal, and by the Panamanian government in an attempt to gain sovereign control and jurisdiction over the Canal Zone and effective control over the operation of the Canal itself; and

Whereas, similar concessional negotiations by the U.S. in 1967 resulted in three draft treaties that were frustrated by the will of the Congress of the United States because they would have gravely weakened U. S. control over the Canal and the Canal Zone; and

Whereas, The American people have consistently opposed further concessions to any Panamanian government that would further weaken U. S. control; and

Whereas, The American Legion believes that a treaty or contract is a solemn obligation binding on the parties and has consistently opposed the abrogation, modification, or weakening of the treaty of 1903 by which the rights of the United States thereunder would be weakened, limited or surrendered, the United States having fully performed its obligations under such treaty since its adoption; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Houston, Texas, August 31–September 1, 2, 1971, that the Legion reiterates its uncompromising opposition to any new treaties or executive agreements with Panama that would in any way reduce our indispensable control over the Panama Canal or the Panama Canal Zone; and be it further

Resolved, that The American Legion opposes the construction of a new "sea-level" canal, as advocated by the recently completed study of the Atlantic-Pacific Canal Study Commission as needlessly expensive, diplomatically hazardous, ecologically dangerous, and subject to the irresponsible control of a weak Panamanian government; and be it finally

Resolved, that The American Legion reiterates its strong support for resuming the modernization of the present Panama Canal as provided in the Third Locks-Terminal Lake plan advocated by so many Members of Congress.

H. RES. 540

Resolution: Whereas it is the policy of the House of Representatives and the desire of the people of the United States that the United States maintain its indispensable sovereignty and jurisdiction over the Canal Zone and Panama Canal; and

Whereas under the Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for the operation, regulation, and management of said canal; and

Whereas by the terms of the Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the Canal Zone for the construction, maintenance, operation, sanitation, and protection of the Panama Canal and to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

Whereas under the Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between Republic of Colombia and the United States, the Republic of Colombia recognized that the title to the Panama Canal and Panama Railroad is vested "entirely and absolutely" in the United States and the United States granted important rights in the use of the Panama Canal and Railroad to Colombia; and

Whereas from 1904 through June 30, 1968, the United States has made an aggregate net investment in said canal, including defense, of over $5,000,000,000; and

Whereas said investment or any part thereof could never be recovered in the event of Panamanian seizure, United States abandonment of the canal enterprise, or under any other circumstances; and

Whereas, under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress; and

Whereas 70 per centum of Panama Canal traffic either originates or terminates in United States ports; and

Whereas said canal is of vital strategic importance and imperative to the hemispheric defense and to the security of the United States as well as of Panama itself; and

Whereas, during the preceding administration, the United States conducted negotiations with the Republic of Panama which resulted in proposed treaties under the terms

of which the United States would relinquish its control over the Canal Zone and Panama Canal with the gift of both to Panama; and

Whereas the present revolutionary Government of Panama seeks to renew negotiations with the United States looking toward a similar treaty or treaties; and

Whereas the December 1, 1970, report by the Atlantic-Pacific Interoceanic Canal Study Commission revives the entire canal situation, including surrender of the Canal Zone to Panama and operation of the Panama Canal by an international organization not subject to laws of the United States.

Whereas the recommendations of said commission would place the United States in a position of heavy responsibility without requisite authority and invite a takeover by Soviet power of the isthmus as occurred in Cuba, other Latin American countries, and at the Suez Canal: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over said Canal Zone and Panama Canal and that the United States Government should in no way forfeit, cede, negotiate, or transfer any of these sovereign rights, jurisdiction, territory, or property to any other sovereign nation or to any international organization, which rights, sovereignty, and jurisdiction are indispensably necessary for the protection and security of the entire Western Hemisphere including the canal and Panama.

ECONOMIC APPROACH TO CURB POLLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, 15 Congressmen have joined me in introducing legislation that would tax air pollution. The 15 Members are:

Representative JONATHAN BINGHAM.
Representative JAMES CORMAN.
Representative RONALD DELLUMS.
Representative JOSHUA EILBERG.
Representative SEYMOUR HALPERN.
Representative LEE HAMILTON.
Representative RICHARD HANNA.
Representative MICHAEL HARRINGTON.
Representative HENRY HELSTOSKI.
Representative ELWOOD HILLIS.
Representative DAVID OBEY.
Representative CHARLES RANGEL.
Representative THOMAS REES.
Representative LOUIS STOKES.
Representative CLEMENT ZABLOCKI.

This legislation would place a tax on all sulfur emissions from stationary sources. It would place a 5-cents-per-pound tax on sulfur emissions during 1972, 10 cents during 1973, 15 cents during 1974, and 20 cents after 1974.

A tax on sulfur emissions would reverse the present incentive system which makes it more profitable for polluters to continue to pollute rather than install pollution abatement equipment or take other action. This legislation would make it profitable in virtually every case for the polluter to take the most effective action possible in order to reduce the amount he pollutes and, therefore, the amount of tax he has to pay.

As an example: The average steam electric powerplant presently emits 14,500 tons of sulfur annually. If this legislation were passed and the average steam electric powerplant continued to pollute at its present level, it would pay a tax of about $6 million per year. The initial investment cost for pollution abatement equipment for that steam electric powerplant would, however, run only about $3.5 million, with a total annual cost of $1.5 million. Thus, it would obviously be much more profitable for a steam electric powerplant to install pollution abatement equipment rather than continue to pollute. The average cost to the consumer would be only about 2 percent, which would increase his monthly electric bill from $8 to $8.16.

There are several advantages this air pollution tax would have over other approaches, such as direct regulation or subsidies to polluters:

First, pollution taxes would provide continuing and strong incentive for polluters to keep reducing the amount of sulfur they emit. Polluters would be encouraged not only to apply the latest techniques of pollution abatement but, in many cases, to actually develop new techniques.

Second, the tax would apply equally to all sulfur polluters. The incentive for them to reduce their pollution would be equal, but the methods for achieving that end would be left up to their own initiative.

Third, a minimum of enforcement would be needed. The tax would be collected by the Internal Revenue Service and the burden of proof would be placed on the polluter to show that he has reduced sulfur emissions in order for him to receive a rebate on the tax.

I want to emphasize that this legislation is not a license to pollute. The tax rates in our legislation are set at a high enough level to encourage industry to utilize and develop the most efficient and least costly techniques of pollution control. Also, a new organization, the Coalition To Tax Pollution, has been formed and is actively backing the passage of our air pollution tax bill. Among the member groups of the coalition are the Sierra Club, Friends of the Earth, the Wilderness Society, Environmental Action, and Zero Population Growth. The coalition feels, as I do, that legislation such as our air pollution bill, which taxes pollution at the proper level, is potentially one of the most effective approached for combating pollution.

NARCOTICS CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 30 minutes.

Mr. HAMILTON. Mr. Speaker, this Nation is experiencing a terrible epidemic of narcotics addiction, especially addiction to heroin, that is rapidly spreading through urban and rural communities alike.

THE EXTENT OF THE PROBLEM

The hard statistics about heroin addiction are brutal.

The National Institute of Mental Health estimates that there are 250,000 heroin addicts in the United States today. This number could double by the end of next year if illegal opium production abroad is not sharply curtailed.

The number of addicts increases when our military forces abroad are considered. Heroin addiction among our servicemen stationed overseas is expanding rapidly, according to a recent congressional study, particularly in South Vietnam where up to 40,000 troops are estimated to be addicted. In some U.S. military units in Vietnam, as many as 25 percent of the soldiers may be addicted.

Since opium is not grown or processed into heroin in the United States, it must all be imported. Current estimates are that it takes 4 to 5 tons of heroin annually to support the U.S. addict population.

The average addict requires from $30 to $100 worth of heroin daily to support his habit. The vast majority of addicts must steal to obtain this money, and they must steal about five times what they need since the "fences" give only 20 cents on the dollar.

If 75 percent of those addicted resorted to crime, the cost in stolen goods to support even a $30 habit would be $8 billion annually. This is regarded as a conservative figure. It is still, however, more than 60 times the $166 million the Federal Government spent in fiscal 1971 to combat all forms of drug abuse. The economic cost of a crime related to illegal hard drugs exceeds the cost of all forms of Federal law enforcement, the Federal courts and prisons, the FBI, and all activities of the Justice Department combined.

The social impact of heroin addiction cannot be quantified, but is no less staggering and disheartening. The addict's frantic search for heroin affects everyone within his reach, spreading fright and violence. Columnist Stewart Alsop recently commented on the effects of heroin addiction on New York City:

> The real cost is the death of New York as a city in which people will be willing to live. Rather than live out their lives in fear, those who can afford it are leaving the city. In time, unless the malignancy can be brought under control, New York will be a shell.

The initial temptation to discount this drastic statement must be tempered by the fact that the leading cause of death among 15- to 35-year olds in that city is narcotic addiction.

The most tragic aspect of this addiction is the human cost, in terms of lost talent and potential, family anguish and personal suffering. Once a person is hooked on heroin, he requires larger amounts of it to get high. Overdoses can cause death. The life expectancy of a heroin addict is 15 to 20 years less than a nonaddict's. Addiction produces mental and physical dependence and precludes a productive role in society for the user.

These statistics point up the fact that heroin addiction is one of the most severe social problems this Nation faces. Both the Congress and the administration realize that present procedures against heroin addiction must be improved and strengthened. Our approach must encompass several methods.

ENFORCEMENT

The Comprehensive Drug Abuse Prevention and Control Act of 1970 provides the initial means with which to expand and improve Federal enforcement pro-

cedures and to deal with drug related cases in the courts. Under the act, severe penalties are authorized for drug pushers and more realistic penalties are provided for users. A State drug control law also has been drafted and recommended to the States and, if enacted, will improve and make uniform State enforcement and court procedures.

The drive for increased enforcement efforts has been realized as well through larger budgets for the major Federal offices involved in drug control: the Bureau of Narcotics and Dangerous Drugs—BNDD—at the Justice Department, and the Bureau of Customs at the Treasury Department. Appropriations for these two offices in fiscal 1972 total $254 million, a 36-percent increase over the preceding year. Manpower levels have also risen: An 85-percent increase from fiscal 1969 to fiscal 1971 at BNDD and a 30-percent increase at Customs during the same period, including 344 new agents patrolling our ports of entry.

This personnel increase has resulted in a steadily rising number of narcotic and drug seizures in the past 3 years. Total seizures have more than doubled since fiscal 1969, and seizures of heroin have risen from 311 pounds in 1969 to 906 pounds in 1971. Yet, these are tiny amounts when compared with the many tons of heroin entering the country each year, smuggled in everything from ski poles to official diplomatic mail.

Clearly, we need to improve our sources of information about drug trafficking, and legislation is needed to permit the United States to utilize information and evidence accumulated in foreign countries in bringing to trial the principal drug traffickers in this country.

The Treasury Department should implement as rapidly as possible a program for tax investigations of major narcotics traffickers. Congress has provided $7.5 million for this in fiscal 1972, and authorized over 500 additional positions. By utilizing the civil and criminal tax laws, the objective is to prosecute violators and drastically reduce the profits of narcotics distribution by attacking its illegal revenues.

A further enforcement effort that should be implemented is contained in a bill I am introducing today, dealing with drug paraphernalia. While the Comprehensive Drug Abuse Prevention and Control Act provides adequate sanctions for unlawfully dealing in drugs themselves, the drug trade is broader and more complicated than that. Supposedly legitimate businessmen who might never see illicit drugs are essential to the trade. These persons provide needles to the heroin addicts and speed freaks. They provide the pusher with essential tools of his trade: Cutting agents for the drugs and containers, such as empty capsules, to package drugs for the street.

The bill provides that trafficking in drug paraphernalia shall be subject to the same penalty that applies to trafficking in the drug itself. It also makes the penalty for possession of drug paraphernalia identical to that for possession of the drug with which it is used. There are adequate safeguards in the bill to protect businessmen dealing lawfully with drug paraphernalia and not promoting illegal drug traffic. While the measure is directed at the District of Columbia, it can serve as a model for the States to emulate.

COORDINATED FEDERAL EFFORT

The President has proposed the creation of a Special Action Office of Drug Abuse Prevention to coordinate the efforts of all nine Federal agencies which now deal in some manner with drug-related problems. The Director of the office is to strengthen Federal leadership in developing solutions to drug abuse problems, taking into consideration programs developed by State and local governments.

As the President noted:

> By eliminating bureaucratic redtape and jurisdictional disputes between agencies, the Special Action Office would do what cannot be done presently: it would mount a coordinated national attack. It would use all available resources of the Federal government to identify the problems precisely and allocate resources to attack those problems.

The House and Senate have held hearings on this proposal. It is an emminently reasonable approach, since the office would have overall responsibility for all drug abuse prevention, education, treatment, rehabilitation, training, and research programs in all Federal agencies. These fragmented activities need to be centralized. The Congress should proceed to pass the proposal.

INTERNATIONAL COOPERATION

A third method for attacking heroin addiction in this country is through international cooperation. Although America has the largest number of heroin addicts, it neither grows the opium poppy, from which heroin comes, nor refines opium into morphine, codeine or heroin. The last opium derivative, heroin, is the most addictive and all of it consumed in the United States is smuggled in.

The head of the Bureau of Narcotics and Dangerous Drugs, John Ingersoll, has pointed out that the only limitation on the smuggling of illegal narcotics such as heroin into this country is the imagination of the smuggler. It has been estimated that there are 32,000 places on a freighter where drugs could be hidden. Similarly, there are about 220 million people passing through our ports of entry each year, hopelessly more than can be examined by our customs agents.

The approach, then, should be to dry up the sources of opium, to curtail its refining before it even reaches our shores. Even this challenge is formidable. Most countries view the heroin problem as essentially an American issue. Moreover, there is no sense of urgency on the part of most governments that action must be taken immediately to stop the illegal production of and traffic in heroin. Nevertheless, action must be taken on both multilateral and bilateral fronts.

Multilateral: Additional contributions are needed to the United Nations Fund for Drug Abuse Control, which is seeking to draw up an integrated global attack on drug abuse. The United States has already contributed $1 million of its $2 million pledge, but only a handful of other countries have followed suit. The U.N. fund will work with medical treatment, crop substitution, addict rehabilitation, and drug abuse education programs. Crop substitution is a particularly thorny problem because of local soil conditions, centuries-old agricultural traditions, and lower yields of crops other than opium. The average yield from an acre of land planted in Mexican wheat is $50 in Pakistan, but the yield on the black market of an acre of opium is from $180 to $250.

The administration should intensify its campaign to gain international support for proposed amendments to the 1961 Single Convention on Narcotics which will enable the International Narcotics Control Board, a part of the U.N., to acquire more extensive narcotics information, conduct public and private inquiries on drug activities, and require signatories to embargo legal drug trade with a country which fails to meet its obligations under the Convention. These obligations include restricted growth and processing of opium and licensing of growers.

The Foreign Assistance Authorization Act, which the House passed in early August, permitted the President to assist any international organization in the control of the production and processing of, and trafficking in, narcotic and psychotropic—or mind-altering—drugs. This authority, when enacted, should be fully utilized.

Bilateral: The Foreign Assistance Act also provides that—

> The President shall suspend economic and military assistance furnished under this or any other Act with respect to any country when the President determines that the government of such country has failed to take adequate steps to prevent narcotic drugs produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally to U.S. Government personnel or their dependents, or from entering the U.S. unlawfully.

This bilateral move is unprecedented, and, if applied or threatened, can be quite effective in curtailing the flow of heroin into this country. While not as strong as a similar measure I introduced with 63 of my colleagues last spring, it offers a forceful means of attacking narcotics addiction at the source—the foreign poppy field.

The single most recent success in bilateral cooperation has been the June 30, 1971, announcement by the Turkish Government that all opium cultivation will be banned after the harvesting of the fall 1972, crop. This announcement followed years of negotiations with American officials, and it can have a substantial effect on the availability of heroin in the United States, since from 60 to 80 percent of the heroin consumed in this country originates in Turkish poppy fields. In a complementary move, the Turkish Government recently almost doubled the price it will pay farmers for legally grown raw opium. This step was taken to prevent large-scale illicit diversion from the 1971 and 1972 crops.

Bilateral consultations and programs are also underway between the United States and Mexico, France, Laos, Thailand, and South Vietnam. Although minor successes have been achieved in

the enactment of restrictive narcotics legislation in many of these countries, this legislation must be accompanied by vigorous enforcement policies and comprehensive campaigns to root out the governmental infrastructure than supports the trade in drugs. A corrupt foreign customs official or military officer can undo the diligent work of several narcotics agents.

The major task at hand in these bilateral consultations is to convince the countries that drug control is in their national interest, and not just a favor to a key ally, the United States. Increasing internal problems with drug addicts may do more to prompt this realization than the efforts of American officials. A clampdown is all the more important in Southeast Asia, since that region is increasing its opium production, possibly as a reaction to the recent Turkish announcement.

REHABILITATION

Destroying the market for narcotics involves more than curtailing their illegal flow into the United States. It also means the prevention of new addicts and the rehabilitation of those already addicted. Successful treatment and rehabilitation programs can reduce the demand for narcotics, which in turn will reduce the incentive for smugglers to risk imprisonment to supply the addicts.

As the President noted in his June 17, 1971, statement on narcotics, all Federal legislation pertaining to rehabilitation needs to be reviewed to determine how Federal efforts can be improved and, where necessary, reorganized to eliminate overlapping authorities. Most of the treatment and rehabilitation programs are administered by the National Institute of Mental Health, whose budget for drug abuse more than doubled from fiscal 1971 to fiscal 1972. This is a healthy sign of the rising concern for our addict population, and appropriations levels in future years should continue to reflect this concern.

Community facilities and programs funded through NIMH are directed toward the civilian addict. Addicts in the Armed Forces must not be forgotten, however, and funds for rehabilitation units in Veterans' Administration hospitals were substantially increased in recent legislation. In addition, Defense Department programs for the addicted military personnel in Vietnam are multiplying rapidly. These "detoxification" efforts are quite extensive, but should be based on something more than a departmental directive.

For this reason, I am introducing permanent legislation that—

First, requires the Department of Defense to identify military heroin addicts through an extensive urinalysis program and to provide detoxification and rehabilitation services to all military addicts during their regular enlistment period, and

Second, provides that in cases where military rehabilitation efforts prove unsuccessful, the unrehabilitated addict could be civilly committed to the Administrator of Veterans' Affairs for a period of not more than 3 years for additional treatment.

By enacting this legislation, the country would be assured that the impact of drug abuse on local communities through the returning addicted veteran would be minimized.

EDUCATION AND RESEARCH

A comprehensive approach to curbing heroin addiction should also include drug abuse education projects. Since drugs seem to hold a tempting and fascinating outlet for young people, the dangers of addiction should be fully documented and portrayed in school and community projects. The 91st Congress passed a Drug Abuse Education Act which authorized grants to local educational agencies and other private and nonprofit organizations for community information programs. I am pleased that funds provided under this act have increased from $6 million in fiscal 1971 to $13 million in fiscal 1972.

The latter amount is still about 33 percent below the authorized level, however. Full funding of these programs is needed if we are to do a proper job of showing the disastrous results of drug abuse.

As a final aspect of the Federal fight against drug abuse, research efforts should be intensified with the aim of developing synthetic substitutes for all opium derivatives. These efforts should be coordinated with those of the World Health Organization. As columnist D. J. R. Bruckner recently pointed out:

> There is still very little interdisciplinary research into all types of drugs. Government funded studies are inhibited by legal restrictions on experimenting, and private researchers have no national center for pooling not only results, but planning.

The Ford Foundation is considering a proposal to establish an independent National Drug Abuse Center which would have as one of its functions the coordination of research on drugs and drug use. To the extent feasible, the Federal Government should assist in the operation of this proposed center.

Methadone is currently one of the few drugs now used to halt heroin addiction. It can only block an addict's craving for heroin for up to 8 hours, however. A nonaddictive substitute must be developed which can block the craving for much longer periods of time.

CONCLUSION

Narcotics abuse, in all of its forms, is one of the most persistent and perplexing social problems facing this Nation. Narcotics are not only threatening the mental and physical health of the youth of this country, but are directly related to the increase in crime. The "living death" of heroin addiction must be curtailed if the social fabric of several of our largest cities is to be maintained.

Despite these stark facts, the Congress and the administration have only just begun to establish a comprehensive, high-priority national program to meet the awful ravages of drug abuse. While all of us have become experts in describing the gravity and extent of the problem and its disastrous effects, our efforts to control them are comprised of more posturing than planning, more rhetoric than results.

I have recommended a series of steps today which, if implemented, will go a long way toward eradicating the evil of narcotic addiction.

THE SHARPSTOWN FOLLIES—XXXVIII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, reporters seem to have a hard time determining whether the Assistant Attorney General is malevolent or just a very naive man. However, most of them seem to agree that Mr. Wilson is hardly the ideal man to sit in the Assistant Attorney General's chair. Take for instance the story in this week's edition of Life magazine. That story makes it all too clear why Will Wilson should not be Assistant Attorney General, not only because he is at best naive, but also because he has not even tried very hard to do a decent job. I recommend this story to my colleagues, and I include it in the RECORD at this point:

THE PROMOTER AND THE CRIME BUSTER

(By Donald Jackson)

Texas is a state where a swindler's dreams, like everything else, come big. In recent months the state has spawned, even by its own outsize standards, one of the biggest swindles ever. The central figure is 64-year-old Frank Sharp, a Houston builder-financier whose gradually unfolding business dealings have embarrassed a rotunda full of politicians. Among them is Will Wilson, chief of the U.S. Department of Justice's Criminal Division, *ex officio* the nation's leading law enforcement officer. This is the story of the relationship between the operator and the crime buster.

The American political woods in 1946 were alive with the sound of a generation of ambitious young war veterans making their first try for public office: John Kennedy was running for Congress in Boston, Richard Nixon was doing the same in Whittier; and in Dallas, Will R. Wilson Jr. was running for district attorney.

Wilson's credentials were better than most. As an army major, he had accepted the sword of Japanese Gen. Tomoyuki Yamashita in the Philippines. He was the grandson of a Confederate Army surgeon and the son of a prosperous Dallas businessman. He was aggressive and dynamic, and his integrity was unassailable.

And he was a winner. He became a popular, successful district attorney, making well-publicized forays against illegal gambling clubs and organized crime. He won a second term in 1948 and rode his reputation as a crusader into a seat on the Texas Supreme Court in 1950, becoming, at 38, one of the youngest justices in the court's history.

But temperamentally Wilson was a crime buster, more prosecutor than judge, and he resigned from the bench in 1956 to run for state attorney general. He won again, and again he was good at his job.

His associates remember him as an unswerving soldier of justice. As attorney general he had a whole state as the stage for his allegorical dramas, and he pursued evil wherever he detected it; he routed organized crime in squalid Galveston on the Gulf; he went after the slant-hole oil drillers who robbed their neighbors' fields in East Texas; he prosecuted hundreds of high-interest loan sharks; and he drew blood from one of the gaudiest in the grand march of Texas swindlers, Billie Sol Estes. His fellow attorneys general were impressed enough that in 1960 they selected him as the best in the Nation.

Wilson summed up his approach to crime in a gloriously mixed martial metaphor: "Like the old cavalry general. I've always believed in riding straight for the sound of the guns. Certainly I know that I am deliberately turning my back on the security of a quiet harbor and certainly the course we steer lies through troubled waters. But that's where need is greatest."

He also perceived subtler menaces, in influence-peddling and the intricate relations between self-serving Texas business operators and politicians. "Bribery," he said in 1962, "is the greatest internal threat to government which we face . . . the practice of influence as a means of getting things done in government is increasing." He warned that "business crime—fast-buck promoters in insurance, oil, real estate—seems to be increasing," and that "Texas has not held her officials to a high enough minimum standard of honesty in office."

Wilson won three terms as state attorney general, the last one in 1960, and by 1961 he felt ready for larger things. He ran for the U.S. Senate seat vacated by Lyndon Johnson, and made his first acquaintance with political defeat, finishing fourth in the special election won by John Tower. In 1962 he tried for governor and was again fourth, in the Democratic primary won by John Connally.

Around that time his friends noticed a change in Wilson. He seemed bitter; resentful that the Democratic establishment in Texas had not helped him when he needed it. He had, after all, paid his dues: 16 years of faithful party service, capped by a major role in the Kennedy-Johnson campaign of 1960. And he felt betrayed.

"He became obsessive about it," one associate recalls. "He was bitter at the entire Democratic party." He had been an easy winner for years and now he was a loser. He blamed Johnson, Connally, Sam Rayburn and the party nabobs in general. Another Democrat thinks that television contributed to his sudden collapse. "He was terrible in TV and that's what really hurt him," he said. His friends sensed an "anxiety" about Wilson they hadn't seen before. He dropped out of politics for a few years, and when he resurfaced, in 1966, it was as a Republican.

In 1963 he set up a law firm in Austin and began representing some of the biggest corporate names in Texas. One client was Humble Oil Company, a victim of the slant-hole drillers Wilson had effectively prosecuted. "I brought Humble into the firm," he said in an interview last week. "I see no impropriety in that. Other oil companies had been hurt by the slant-hole drillers as well."

Another client was Frank W. Sharp of Houston, a millionaire land developer who had built several subdivisions during Houston's explosive growth in the 1940s and '50s.

Wilson and Sharp had known each other, by Sharp's reckoning, since the early 1950s. In 1960 Wilson had been a member (as attorney general) of the three-man state banking board when it passed on a bank charter application filed by Sharp for his Sharpstown State Bank, located in a Houston subdivision he named for himself. The state bank examiner had recommended the application be denied on grounds that there was no need for another bank in the area. Wilson and State Treasurer Jesse James voted in favor of the application, which was duly granted. Wilson, at Sharp's invitation, later cut the ribbon at the bank's opening.

A year later Sharp got into a wrangle with the city of Houston over water, sewerage and drainage projects in Sharpstown. Sharp maintained that the city should finance construction of the utilities, the city argued that Houston and the developer should split the cost. When the suit reached the court of civil appeals, Attorney General Wilson's office filed a brief supporting Sharp. The suit was later settled by a plan calling for the city to spend $4.2 million and Sharp to pay a $5-a-foot fee for every new home connected to the system.

Sharp was a tough, autocratic baron with a weakness for celebrities. He had built a real estate empire which he was busily expanding into finance, first in banking and later in insurance. He enjoyed the company of famous names, of well-known politicians like Wilson and of Houston's resident heroes, the astronauts. In 1962 he had offered free homes to the seven original Mercury astronauts, an offer at first accepted and later rejected after intervention by the Kennedy White House.

Sharp was also a patron of the Society of Jesus. Although a Methodist, he contributed land for the construction of a Jesuit preparatory school in Sharpstown and frequently donated money and stock to the order. In 1969 he was invited to the Vatican to receive the highest honor the Jesuits can offer a Protestant, designation as a "founder" of the Society of Jesus. He is the only American Protestant ever to hold that honor.

Wilson had traded in chunks of Texas real estate for years, with consistent success. In his 1962 gubernatorial campaign he had criticized Governor Price Daniel as a "moonlighter" governor who averaged "one land deal every ten days" while in office. During the 12 years Wilson was on the state payroll in Austin, first as supreme court justice and later as attorney general, he was involved in 100 real estate transactions—an average of one every 45 days.

Wilson owned property in the black ghetto of Austin as far back as the late 1940s. He built a number of houses in East Austin in the 1960s and sold them to blacks at 7% interest. White homeowners in Austin were paying as little as 4% on home loans at that time. "I was trying to help blacks get housing," Wilson said. "A lot of them had to pay higher interest rates, or couldn't get loans at all. But I had a phobia about interest—I wouldn't charge higher than 7%."

As to his land-dealing over the years, Wilson claims: "There was nothing wrong with it. Hell, I'm proud of it. It used to be thought a worthwhile thing in this country to make money. Looking back now, the only thing I'd do differently is buy more property." He said that his land transactions amounted to "very little" while he was attorney general.

Once he became associated with Frank Sharp, Wilson had a gifted land operator on his side. During the six years he worked for Sharp (1963–1969), Wilson has calculated that his net worth increased from $500,000 to "approximately $1.3 million." Most of his wealth was in land.

"Sharp steered Wilson into good land deals," said a Sharp associate. "He would set it up so a profit was practically guaranteed. Hell, he'd buy the land himself if he had to."

Sharp paid Wilson a $1,000 monthly retainer for representing his Sharpstown Realty Company. Wilson, in addition, frequently borrowed money from Sharp-controlled firms, sometimes without collateral. In 1964 he was granted two loans of $50,000 each by the Sharpstown Realty Company, one at 4½% interest and the other at 5%. The loans were for land purchases. Wilson received several additional loans from the Sharpstown bank, consolidating them in 1966 into one note for $200,000. This loan was in turn secured by the land he had purchased in 1964. The note was repaid in 1969.

Sharp, meantime, was dreaming ever more grandiose dreams. He discussed buying Braniff Airlines and installing astronaut James Lovell as chairman of the board. He talked of gaining control of Royal Dutch Shell Corp., one of the world's largest. He cashed in on the gratitude of the Jesuit fathers, borrowing large sums of money from the Houston Jesuit school and shuttling it from one of his companies to another.

In 1968, at Sharp's urging, Wilson's firm opened an office in the Sharpstown bank building (rent-free), and the firm began collecting another $1,000 retainer for representing the bank.

Early in the same year, Sharp decided he wanted National Bankers Life Insurance Co., a Dallas firm owned by former Governor Allan Shivers. (Sharp was later asked why he bought it, and his reply was simple enough: "I don't know that anyone has to answer why they buy something. If they want something they buy it.") Wilson negotiated the purchase for Sharp at a price of $7.5 million. Sharp financed the deal partly through $4 million in loans from his bank, even though it had a legal loan limit of only $3 million. The remaining $3.5 million was borrowed from National Bankers Life itself—a bit of financial legerdemain where the company is purchased with its own money. Sharp has testified that his principal advisers on the NBL deal were Wilson and Sharpstown bank president Joseph Novotny. Wilson disagrees. "I did not know then and I don't know now how Sharp got the money to pay for it," he says. "He didn't consult me about that."

Sharp's friends agree that he was not an easy man to advise, especially on business matters. Former NBL executive Sam Stock recalled a conversation with Wilson about Sharp in 1968. "I asked Mr. Wilson if Sharp was for real," meaning "financially solid." Stock said, "Mr. Wilson replied that he probably knew more about Mr. Sharp's dealings than anyone in the world, but he probably didn't know 10% of them."

After NBL was in Sharp's portfolio, Wilson began collecting another $1,000 monthly retainer as general counsel for the insurance company. "I actually did very little work for the company," he said. "I was disappointed." He also had began buying NBL stock in early 1968.

Wilson had a role in two even more questionable Sharp transactions, although he contends his role in both was as a "patsy." The first, in late 1967, was Sharp's use of Wilson to pay for the installation of eaves dropping devices in offices that were being used by examiners who were investigating the Sharpstown bank. Sharp hired the bugging expert and asked Wilson to pay the $2,500 bill through his law firm. Wilson contends that he did not know what the money was for but was assured by Novotny that "it was all right."

"I feel I was used," Wilson says. "All I knew was that if Frank told me to pay it I'd get my money back." Wilson said that he was reimbursed the $2,500 by Sharpstown State Bank for the "construction work."

The second incident involved the use of Wilson's brokerage account to purchase NBL stock for the wife of Ted Bristol, a bank examiner for the Federal Deposit Insurance Corporation. "I asked Wilson," Sharp said, "if Mrs. Bristol's stock could be bought through his account, inasmuch as Bristol did not have an account in a brokerage firm there in Austin." Bristol was financed by a loan from Sharp.

Sharp said that Wilson agreed, and brokerage house records show 700 shares of NBL stock purchased in Wilson's name on Feb. 20, 1968. A copy of the confirmation records obtained by LIFE contains the name "Ted Bristol" written in longhand on the form. Wilson verifies that the handwriting is his, but he claims he had no knowledge of Bristol's identity. "It never occurred to me to ask," he says. "It may sound naive, but I didn't think about it. I did a favor for a client." Other stock records obtained by LIFE show that Bristol had a stock account in his own name as early as May 1968.

Bristol, who has refused to comment on the transaction, told LIFE last week that he "had met Wilson only once, casually, about three or four years ago." He added, "I doubt if he even remembers me." Wilson says he doesn't.

Will Wilson moseyed back into Texas politics in 1966 as a Republican, supporting John Tower against Democrat Waggoner Carr in the Senate race. In 1968 he led a Republican campaign task force on crime and law enforcement, and he let it be known that he was willing to run for governor on the GOP ticket. Instead he managed gubernatorial candidate Paul Egger's campaign.

But in January 1969, Wilson rose again. On the recommendation of Senator Tower, President Nixon selected him to be assistant attorney general in charge of the Justice Department's Criminal Division, the top federal law enforcement job. The old crime buster was back at it. In the Justice Department he quickly became known to career lawyers as "the sheriff," a shoot-from-the-hip lawman who often charged first and got the facts later.

Wilson closed his legal business in Texas, though he continued to deal in land and stock even after moving to Washington. He took charge in his new job confidently, assuring early visitors that he expected to "wipe out organized crime in a year or two," directing the special organized crime "strike forces," and investigating everyone from former Supreme Court Justice Abe Fortas to fugitive love child Timothy Leary. The heart of a Puritan beat on, however. On one occasion he tried, unsuccessfully, to prevent an art dealer from importing an exhibit of erotic paintings by European masters. Wilson confronted the dealer and demanded, "When are you going to get out of this obscenity racket?"

He was intensely partisan. Career lawyers were stunned to learn that he was asking job applicants about their views on the Vietnam war. He was suspicious of men who had served under the Democrats, apparently failing to realize that many had served administrations of both parties.

Wilson's interest in his job seemed to lag as time went on. He returned to Texas more and more frequently, and devoted much of his Washington time to private business dealings. Staff members conferring with him were often interrupted while he took telephone calls from his broker. He soon had the worst absentee record of any assistant attorney general.

In early 1969 he quizzed several Criminal Division lawyers about his old friend Frank Sharp. Sharp had been under investigation (but never prosecuted) in the mid-'60s. Only after his subordinates told him they considered Sharp a swindler did Wilson reveal that he had represented him.

Wilson sold his remaining shares of NBL stock just after taking office in January. The stock remained listed in his name at the brokerage, Goodbody & Company, until November of that year, but Wilson's sales slips confirm that he closed out his interest in February.

He did, however, receive a $30,000 unsecured loan from the Sharpstown bank in August of 1970, when the Sharp empire was already beginning to wobble. Wilson repaid the loan by March of 1971, by which time charges had been filed against Sharp. "If I'd thought about it or about being in this position" (his Justice Department post), Wilson says now, "I wouldn't have done it. But that didn't even occur to me." Wilson says that "as far as I remember" he did not know of any federal investigation of Sharp at the time he got the loan.

Back in Houston, Frank Sharp was demonstrating that his reach exceeded his grasp. In 1969 and 1970 he began to spin so many financial webs that it will take a generation of attorneys to explain them. (And no one but other attorneys will understand even then. The case will be a "moveable feast" for lawyers, Wilson says.) Sharp created new companies, propped up one firm with the questionable assets of another, shifted figures from one sheet to another like some deranged chess player.

It all began to come apart in 1970. In January of this year the Securities and Exchange Commission charged Sharp with several varieties of fraud, and specifically with conspiring with others to manipulate (artificially inflate) the price of National Bankers Life Insurance stock.

Sharp testified before the SEC that he had in effect bribed several prominent leaders of the Texas Democratic party, including Governor Preston Smith, House Speaker Gus Mutscher and others, by arranging for them to make a profit on NBL stock in exchange for passage of a bill which would exempt his bank from certain federal restrictions. He considered such restrictions pesky. Sharp stated that he felt he had a "tacit understanding" with the legislators that they would help pass his bill, which was eventually passed—and then vetoed by Governor Smith. The SEC suit was filed the day before Governor Smith was inaugurated for his third term.

The Sharpstown bank promptly collapsed, the first Houston bank in memory to do so. NBI and another Sharp-controlled insurance company went into receivership, half a dozen state and federal investigations began revving up, and Democratic politicians began screaming like wounded razorbacks. Hundreds of innocent investors and bank depositors were in danger of losing their money. And the biggest loser of all was the Jesuit preparatory school, which the SEC said had been taken for a holy $6 million.

"Sharp conned everyone," said a former officer of his empire. "He conned the Jesuits, he conned the pope, he conned the astronauts [Lovell was a director of NBL, and other astronauts had been given stock], he conned the politicians, and then he conned the Justice Department."

The last charge brought the issue right back around to Will Wilson. The Justice Department, it developed, had agreed to withdraw all charges against Sharp except for two relatively minor ones (selling unregistered stock and making a false entry in a ledger book) in exchange for his cooperation in the federal investigation. Sharp was quietly sentenced to three years' probation and a fine of $5,000. At this news, Texas Democrats sent up a new chorus of howls in the prairie night.

The Democrats suspected Wilson of masterminding the federal case in an exercise of deferred but delicious political revenge. Wilson claimed no knowledge of the SEC investigation prior to November 1970, and said he disqualified himself from the case as soon as he learned of it. The decision to grant immunity to Sharp was made by Deputy Attorney General Richard Kleindienst, after it was arranged by Houston U.S. Attorney Anthony Farris.

In June 1970, however, Wilson was visited at his Washington home by Sharpstown bank president Joe Novotny. "He asked if I knew about an SEC investigation," Wilson said, "and I said I didn't. I wouldn't have known even if there had been one." Novotny told him, Wilson said, about recent Sharp maneuvers involving NBL and a series of holding companies. "I told Novotny that I saw trouble coming out of it," he said. The visit lasted only 30 minutes or an hour. Wilson said, and then Novotny went on to New York.

Will Wilson, the crusading district attorney, the attorney general with righteous zeal burning in his eyes, may be nothing more than a victim of his environment. The "practice of influence as a means of getting things done in government," which he condemned in 1962, the whole network of connections between politicians and businessmen, the machinations of men motivated by vanity and greed and power, may have snared him as it has so many before him, in Texas and elsewhere.

Wilson sits in his large office in the Justice Department now and thinks about Frank Sharp—and his thoughts collide.

"You've got to understand Sharp," he says. "He is a generous sort of man. He liked to help people. He helped literally thousands of people one way or another. He was kind of the little guy's capitalist. He was generous to churches.

"There's a Greek tragedy in this thing. Sharp was a Horatio Alger story until . . . I've watched it in people. As long as they stick to what they know, they do well. Frank should have stuck to real estate.

"I can't think of him as a swindler. In hindsight I should have known that he didn't have the restraints it takes to . . ." Wilson did not finish the sentence. "He's not the kind of man who runs off with other people's money. He's a power man, not greed.

"What I regret is that I didn't push him against the wall and tell him to stay out of the insurance business. I feel like I failed him that way.

"You don't have to believe me," Wilson went on, "but I spent 30 years in public life and never did anything dishonest and I haven't done anything dishonest in this thing." At the moment no charges have been brought against him, but whether he will keep his job or not is an open question.

A brother attorney, a Texan, sees Wilson as more naive than corrupt. "Will Wilson," he says, "is finding out things about himself that he didn't know." To another attorney. "Wilson made the classic lawyers' mistake. He went into business with his client."

JOHN STENNIS: STATESMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. GRIFFIN) is recognized for 5 minutes.

Mr. GRIFFIN. Mr. Speaker, the unimpeachable character and unexcelled ability of Senator JOHN C. STENNIS has been known to Mississippians for many years. He truly is one of the outstanding statesmen of our time.

Senator STENNIS has the reputation for fighting for what he thinks is right for this Nation. He is convincing, forceful, tireless, and determined in legislative battles. Yet, he always conducts himself as the gentleman that he is.

The Washington Evening Star of September 22, 1971, contained an article examining Senator STENNIS' leadership role in obtaining Senate approval of the draft bill. Written by James Doyle, Star staff writer, I think the article accurately describes the forceful character of this outstanding statesman.

Also, the article points up that good legislation is written only through long and hard mental and physical labor. Mr. Doyle wrote of Senator STENNIS:

He stood by his chair each day while his opponents held news conferences and outlined their strategy to the press.

Mr. Speaker, I include the aforementioned article in the RECORD at this point:

SEVEN-MONTH EFFORT: STENNIS PLOWS UNDER THE DRAFT OPPOSITION

(By James Doyle)

There had been seven months of talking and maneuvering on the draft bill, first in committee, then on the floor and then back in committee.

It all ended yesterday with John Cornelius Stennis, the 70-year-old junior Senator from Mississippi, standing by his desk and allowing a nervous smile as time ran out on the opposition.

During all those months, the opponents had come and gone, floating their amendments, gathering some headlines and passing on to less boring or strenuous exercise.

Stennis went the distance.

A STRAIGHT FURROW

In the new cities and the dusty towns of Mississippi, John Stennis is remembered for his constant campaign slogan: "I will plow a straight furrow right down to the end of my row."

It's a bit unwieldly on a roadside billboard, but it perfectly fits the man who heads the Senate Armed Services Committee.

The draft bill was John Stennis' latest furrow. He had predicted last spring that the fight over the draft would be long and bitter.

And although the interruptions were many and the detours boldly marked, Stennis was on the floor every day seeing that the Senate did not stray from the path he had planned.

In all there were 54 amendments offered, most of them defeated on roll call votes. Some days, Stennis held the floor and debated against five different amendments in an afternoon.

Almost always, when the day drew to a close, Stennis was the only man who had been on the Senate floor almost continuously. And almost always he had won his way.

STENNIS STRATEGY

He stood by his chair each day, often in a navy-blue suit and a red necktie, while his opponents held news conferences and outlined their strategy to the press.

Stennis suffered all the insults to his body and his soul, although not always cheerily. He negotiated with the opposition and cajoled friends. He whipped his staff to turn out more speeches, to keep up with the latest moves of the opposition.

On May 19, two weeks into the debate, majority leader Mike Mansfield offered his amendment calling for a 50-percent reduction in European forces. After a debate that sent the White House into a frenzy of activity, it was defeated 36 to 61.

On June 16, the most publicized of the anti-war amendments, the McGovern-Hatfield proposal calling for a Dec. 31 troop withdrawal deadline, was voted on after a public campaign and lobbying effort. It was defeated 42 to 55.

Stennis had debated 26 amendments. He was to handle 16 more before the passage of the Mansfield amendment on June 22 which called for the withdrawal of U.S. forces from Indochina within nine months. And there were more to come.

On June 24, the Senate passed the draft bill for the first time, and Stennis commenced a series of negotiations with his counterpart in the House, Rep. F. Edward Hébert, D-La. Stennis tried to salvage the Mansfield amendment from Armed Services Committee hawks. He failed to salvage much, and many of his Senate colleagues suspected that Stennis wasn't troubled by that.

The actions of the conference committee—slashing both servicemen's pay raises and the Mansfield amendment—offered the draft opponents their greatest opening.

PREDICTION OF DEFEAT

When the matter came to the floor last Thursday, Stennis' lieutenants advised him he would lose by four or five votes.

In the cloakroom he went to Mansfield and requested—almost demanded—a postponement as a matter of courtesy for a senior committee chairman.

Mansfield left it up to the Senate and Stennis made his plea to his colleagues.

"I am not asking for any favors," Stennis told the overflowing chamber. "This is not a personal matter, I repeat. But I do not hesitate to make this an official request . . . Give me just a little more time . . . just two or three or four more calendar days."

Stennis won a single day's delay, and with the aid of the White House and the top brass of the Pentagon, he mustered his forces, split his foes, and managed to get a new senator, Robert T. Stafford of Vermont, sworn in a day early.

He won by 11 votes.

WORLD PARLIAMENTARIANS PETITION FOR U.S. WITHDRAWAL FROM VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. ABZUG) is recognized for 5 minutes.

Mrs. ABZUG. Mr. Speaker, I wish to call the attention of the Members of this distinguished body to the significant presentation which took place yesterday.

Three Members of Congress, Representatives RIEGLE, MITCHELL, and myself, had the very great privilege of receiving two members of the British Parliament representing 635 parliamentarians from the legislatures of nine countries. Messrs. Frank Allaun and John Mendelsohn were here to present the petition which urged the withdrawal of all U.S. military forces from Vietnam, the cessation of all bombing attacks, and a fixed and early withdrawal date in 1971. We were joined by Mr. RYAN, Mr. BURTON, and Mr. BINGHAM on the Capitol steps, and the two members of Parliament later presented the petition, on behalf of its 635 signers, to the Honorable Speaker of the House, Mr. CARL ALBERT.

The delegation could not have come at a more opportune time: Urging the cessation of bombings as the United States resumed bombings on North Vietnam on September 20, urging the early 1971 withdrawal from Vietnam as the Senate and the House continued their failure to legislate a date certain for withdrawal, and when the upcoming rigged South Vietnamese election removes the last prop for President Nixon's refusal to set a date.

Each successive Gallup poll, each congressional questionnaire response from constituents, reaffirms that Americans no longer wish to be pawns in the chess game of political suicide. Undoubtedly a Gallup poll taken of a worldwide constituency would demonstrate the same conclusion: The United States must disassociate itself from the savage fighting taking place in Indochina and it must do so now.

Six hundred and thirty-five legislators from nine countries want their counterparts in the United States to unite to end this outrageous war. I beg the Members of this distinguished Chamber to heed their sentiments.

We can end the war. We have the power and the obligation to do so. We will have half a dozen opportunities to stop the funding for the war in our votes on a series of defense appropriations and conference reports coming to the floor before this session of Congress adjourns.

Let us respect and respond to the wishes of the American people, the outcries of civilized people everywhere, and the petitions of our respected colleagues and act to end the war in Indochina.

At this point I present the petition to Congress:

BRITISH PARLIAMENTARIANS PETITION FOR PEACE IN VIETNAM

We, the undersigned members of the British Parliament, share with parliamentarians in other countries, a growing dismay at the prolongation and extension of the war in Indochina.

We call on members of parliament throughout the world to join us in signing and sending to the United States Congress this declaration that:

We urge the withdrawal from Indochina of all American military forces and materials including air and naval forces, and the cessation of all bombing attacks from bases either within or outside Indochina—at an early and fixed date during 1971.

LORD BROCKWAY,
IAN MIKARDO,
Members of Parliament.

MEMBERS OF PARLIAMENT

Andrew Faulds, Sir Myer Galpern, Tom Driberg, Stan Orm, Tom McMillan, T. Alec Jones, Marcus Lipton, Raphael Tuck, Eric Heffer, Will Griffiths, Maurice Orbach, Albert Booth, Kevin McNamara, Lewis Carter-Jones, Jim Sillars, David Reed, John A. Cunningham, Hugh Jenkins, Frank McElhone, Alfred Morris, Arthur Davidson, and Gerald Kaufman.

Robert Shelden, Renee Short, Robert Parry, Robert Hughes (Aberdeen North), Maurice S. Miller, Fred Evens, Neil Kinnock, Michael Foot, James Bennett, A. W. Stallard, John Rankin, Joan Lester, Michael O'Halloran, Robert Hughes, Dennis Skinner, Geoffrey Rhodes, John Mendelson, Arthur Latham, Michael English, Tom Swain, John Fraser, and David Stoddart.

Bruce Douglas Mann, Reg. Freeson, Alex Eadie, Leslie Huckfield, David Weitzman, Paul Rose, Ken Lomas, David Lambie, Reg Prentice, John Parker, Laurie Pavitt, Brian O'Malley, John Silkin, Arthur Blenkinsop, James Sillars, Sidney Bidwell, Norman Atkinson, Russell Kerr, Frank Allaun, Ray Carter, and Lena Jeger.

Caerwyn E. Roderrick, Ted Fletcher, Mrs. Joyce Butler, Leo Abse, M. Bearry, E. Fernyhough, D. Clark, J. Silverman, Tom Pendry, L. Spriggs, R. Kelley, A. E. P. Duffy, William Molloy, Tom Torney, R. Woof, Tom Dalyell, Michael Barnes, John Prescott, Hugh O. Brown, Will Wilson, and Bernadette Devlin.

(The following is an extract from letter of June 15, 1971 from Mr. J. F. Cairns, M.P. (Member of Labor), House of Representatives, Parliament of Australia.)

"Hereunder the names of the Australian Members of Parliament who have signed the British Parliamentarians Petition for Peace in Vietnam. Should you require the actual signatures, would you please advise and I will send them to you:

L. H. Barnard, M.H.R. (Deputy Leader of the Opposition); L. J. Reynolds, M.H.R., B. Cohen, M.H.R., Senator J. Keefe, F. Crean, M.H.R., F. M. Kirwan, M.H.R., R. A. Patterson, M.H.R., T. Uren, M.H.R., Senator J. M. Wheeldon, Dr. M. H. Cass, M.H.R., and G. W. A. Duthie, M.H.R.

G. M. Bryant, M.H.R., Senator G. Poyser, Senator J. P. Toohey, A. D. Fraser, M.H.R., H. J. Garrick, M.H.R., Senator J. A. Mulvihill, R. Connor, M.H.R., N. K. Foster, M.H.R., L. Johnson, M.H.R., W. G. Hayden, M.H.R., and C. J. Hurford, M.H.R.

M. H. Nicholls, M.H.R., L. G. Wallis, M.H.R., Senator A. G. Poke, Senator D. N. Cameron, F. R. Birrell, M.H.R., Senator C. F. Ridley, Senator J. L. Cavanagh, K. L. Johnson, M.H.R., H. J. McIvor, M.H.R., H. A. Jenkins, M.H.R., C. E. Griffiths, M.H.R., and Senator J. O'Byrne.

(The following is an extract from letter of June 18th, 1971 from Mr. Andrew Brewin, Member of Parliament, House of Commons, Ottawa, Canada.)

"A group of Canadian Parliamentarians wish to endorse your petition. I enclose the petition and list of names for you to send on to the appropriation authorities in the U.S. Congress."

MEMBER OF PARLIAMENT, CONSTITUENCY, AND PROVINCE

Thomas S. Barnett, Comox-Alberni, British Columbia.

Les. G. Benjamin, Regina-Lake Centre, Saskatchewan.

Derek Blackburn, Brant, Ontario.
Andrew Brewin, Greenwood, Ontario.
J. Edward Broadbent, Oshawa-Whitby, Ontario.
John Burton, Regina East, Saskatchewan.
T. C. Douglas, Nanaimo-Cowichan-The Islands, British Columbia.
R. Gordon Fairweather, Fundy-Royal, New Brunswick.
John Gilbert, Broadview, Ontario.
A. Gleave, Saskatoon-Briggar, Saskatchewan.
Randolph Harding, Kootenay West, British Columbia.
Frank Howard, Skeena, British Columbia.
Stanley Knowles, Winnipeg North Centre, Manitoba.
David Lewis, York South, Ontario.
David MacDonald, Egmont, Prince Edward Island.
Grace MacInnis, Vancouver-Kingsway, British Columhbia.
Barry Mather, Surrey, British Columbia.
Lorne Nystrom, Yorkton-Melville, Saskatchewan.
David Orlikow, Winnipeg North, Manitoba.
Arnold Peters, Tamiskaming, Ontario.
Mark W. Rose, Fraser Valley West, British Columbia.
Douglas C. Rowland, Selkirk, Manitoba.
Max Saltsman, Waterloo, Ontario.
John L. Skoberg, Moose Jaw, Saskatchewan.
Rod Thomson, Battleford-Kindersley, Saskatchewan.
Harold E. Winch, Vancouver East, British Columbia.

(The following is extract from letter of June 3rd, 1971, from Helsinki, Finland)

"Your Petition has been unanimously signed by all Members of the Finnish Social Democratic Group present in Parliament. Please find attached a list of the signatories.

"Yours sincerely,

"ESKO NISKANEN,
"Chairman."

MEMBERS OF FINNISH PARLIAMENT

Esko Niskanen, Kalevi Sorsa, Valde Nevalainen, Ralf Friberg, Bror Lillqvist, A–V. Perheentupa, Ulf Sundqvist, Erkki Tuomioja, Matti Ahde, Kaisa Raatikainen, Osmo Kaipainen, Paavo Tillikainen, Ilmo Paananen, Seija Karkinen, Mauno Forsman, Sulo Hostila, Akseli Roden, Edit Terasto, Sylvi Siltanen, Tyyne Paasivuori, K. F. Haapasalo, and Waito Kakela.

Vaino Vilponiemi, Taisto Sinisalo, Matti Koivunen, Anna-Liisa Tiekso, Ele Alenius, Lauri Kantola, Heikki Mustonen, Kauko Tomminen, Toivo Asvik, Kaisu Weckmen, Lauha Mannisto, Terho Pursiainen, Pauli Rasanen, Heimo Rekonen, Anna-Liisa Jokinen, Niilo Koskenniemi, Matti Jarvenpaa, Ensio Laine, and Rainer Virtanen.

Tellervo Koivisto, Salme Myyrylainen, Aune Salama, Kaarle Salmivuori, Anni Flinck, Reino Breilin, Sinikka Luja, Uljas Makela, Eero Salo, Eeli Lepisto, Sakari Knuuttila, Urho Knuuti, Veikko Helle, Margit Eskman, Vaino Turunen, V. O. Mainen, Keijo Suksi, Eino Loikkanen, Uki Voutilainen, Heikki Hykkaala, Arvo Ahonen, and Valdemar Sandelin.

Paavo Aitio, Kauko Hjerppe, Hertta Kuusinen, Irma Rosnell, Niilo Nieminen, Kuuno Honkonen, Siiri Lehmonen, Pentti Liedes, Pekka Salla, Helvi Niskanen, Veikko Saarto, Pauli Puhakka, Oili Suomi, Aarne Koskinen, Veikko Salmi, Aulis Juvela, Mirjam Tuominen, and Veikko J. Rytkonen.

AUGUST 5, 1971.

Lord BROCKWAY,
IAN MIKARDO, M.P.
Parliament House,
London.

We, the undersigned members of the Maltese Parliament wish to endorse your petition, which appears hereunder, and to send our names to the appropriate authorities in the U.S. Congress.

We urge the withdrawal from Indochina of all American military forces and materials including air and naval forces, and the cessation of all bombing attacks from bases either within or outside Indochina, at an early and fixed date during 1971.

John Buttigieg. M.P.—Malta Labour Party.
Evelyn Bonaci. M.P.—Malta Labour Party.
Joseph M. Baldacchino. M.P.—Malta Labour Party.
Joseph P. Sciberras. M.P.—Malta Labour Party.
John Dalli. M.P.—Malta Labour Party.
Paul Carachi. M.P.—Malta Labour Party.
Calcidon Agius. M.P.—Malta Labour Party.

FORCED SCHOOL BUSING IS CREATING A CLIMATE OF VIOLENCE

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

Mr. BROYHILL of Virginia. Mr. Speaker, L. Brooks Patterson, attorney for the National Action Group opposing the court-ordered busing plan in Pontiac, Mich., has disclaimed responsibility for the bombing of 10 school buses and the violence which took place during the first 2 days of putting the plan into effect. Mr. Patterson blamed radical groups and, as reported by the UPI declared:

We disclaim them; we don't need them; we don't want them.

Violence, by whomever perpetrated, is of course to be deplored. Neither the bombing of the buses nor any other violence that occurred in Pontiac is excusable. But violence in Pontiac has drawn attention to several significant facts: First, the Supreme Court decision on the Swann case has fermented strong protest in a Northern city; second, the Swann case has fermented protest against forced school busing in the very city which builds most of the country's buses; third, because it demands forced busing, if necessary, to achieve desegregation, the Swann decision has touched the sensitive American "freedom nerve"; it has created a climate of violence in which violence, by whomever perpetrated may easily occur.

The Pontiac story points very obviously to the need for passage of House Joint Resolution 651 to initiate action to re-create a climate of reason and freedom. I am proud to be one of the sponsors of this joint resolution.

Mr. Speaker, I insert in the RECORD at this point a news article from the New York Times relating to the subject of these remarks:

[From the New York Times, Sept. 9, 1971]

NINE STUDENTS HURT IN PONTIAC CLASH

Protesters carrying American flags and daring bus to run over them demonstrated today against a court-ordered school busing plan. A leader of the opposition demanded that all schools be closed "until they can be made safe for our children."

Eight white students and one black were injured in scuffles at the Lincoln Junior High School on this second day of protests against the desegregation plan.

Nine persons were arrested at the school bus depot—five men for blocking buses, two men for throwing stink bombs into buses and two women for disorderly conduct.

Mrs. Irene McCabe, a 36-year-old mother of three, demanded that the school in the 24,000-pupil system be closed. She made the demand in a confrontation with the school superintendent, Dana Whitmer.

Mrs. McCabe is head of the National Action Group, the center of the white opposition to busing in this city, which builds most of the country's school buses.

WOMAN WITH FLAG

One woman carrying an American flag and taunting a bus driver with "you can't run over the American flag" was moved from the bus's path by the police. Other protesters chanted the Pledge of Allegiance and sang "God Bless America."

Superintendent Whitmer said attendance on the second day of classes was about the same as yesterday, when about 60 percent of the children reported for classes. But figures presented by him showed that a high percentage of white parents 50 per cent over-all and even higher in the elementary schools were heeding the boycott while more than 75 percent of the city's 8,000 black students were in classes.

At a short news conference on the lawn in front of the Board of Education, Mrs. McCabe denounced radical groups who she said caused the violence. Then she met briefly with Mr. Whitmer in his office.

She demanded that he use his emergency powers to close the schools or ask the school board to do so. Mr. Whitmer said he would discuss the matter with the board, but said it was his personal opinion that the events did not warrant closing.

Mrs. McCabe, wearing a wine-colored minidress, stormed out of his office cursing. Asked by reporters if she was satisfied, she answered, "That man can't satisfy me. He doesn't have the guts."

L. Brooks Patterson, attorney for the National Action Group, said the violence of the last two days and the earlier bombing of 10 empty buses in a school parking lot had been the work of radical groups such as the American Nazi party, now called the National Socialist White People's party, the Ku Klux Klan and the ultra right-wing organizations Statecraft and Breakthrough.

"We disclaim their help; we don't need them; we don't want them." Mr. Patterson said. "We tell these people to crawl back under the rocks they came out of."

HATS OFF TO FRANK SULLIVAN ON HIS "NATAL DAY"

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

Mr. MONAGAN. Mr. Speaker, September 22 was a red letter day for fans of American humor, for yesterday the creator of Mr. Arbuthnot, Frank Sullivan, became 80 years young. Millions of people have roared with laughter until their sides split over the columns in the World and the New Yorker that have flowed from the pen of Mr. Sullivan. His New Yorker Christmas Carol is an annual fixture that is the cynosure of all eyes in the yule season. Wearing his typewriter to the bone, with tongue-in-cheek articles demonstrating how Americans devitalize the English language, Mr. Sullivan gave birth to a character who tossed trite phrases about like a whirlwind of leaves in autumn. Now, at the ripe old age of 80, still feeling that the world is his oyster, he keeps his pot of wit boiling, and his creative sap still flowing in occasional articles and a book about to be published. May we all join hands in hoping that Mr. Sullivan continues to see the world through rose-colored glasses as he navigates the stream of life.

FRANK SULLIVAN, AT 80, FINDS LIFE IS A BOWL OF CHERRIES

(By Alden Whitman)

SARATOGA SPRINGS, N.Y., Sept. 21.—Frank Sullivan, the humorist who created Mr. Arbuthnot as the ultimate cliche expert on every subject under the sun, enters his 80th year tomorrow in this city of his birth.

In recognition of the event, Mr. Sullivan, who, out of deference to his white hair and Nestorian manner, is often called the Sage (or, sometimes, The Grand Old Man) of Saratoga Springs, consented to be interviewed. Following is a faithful transcript:

Q. Happy birthday, Mr. Sullivan. Can you tell me how it feels to be 79 going on 80?

A. I'm overwhelmed, just overwhelmed, to have reached this ripe old age, to have exceeded my Biblical three score and 10, to bask in what I like to think of as my sunset years in which I enjoy the fruits of senior citizenship.

Q. You seem in excellent health.

A. Fit, young man, fit as a fiddle, although I'm not as spry as I used to be. The spirit is willing, but the flesh is weak. Otherwise I'm in the pink.

"THERE'S NO FOOL . . ."

Q. And to what do you attribute your longevity?

A. Vice? Nothing so ill prepares a man to look down memory lane as a life of early rising, clean living and three square meals a day. It is far, far better to slumber until noon after nights on the town. How else could I now look back on those wonderful hours of sloth with Harold Ross, Jim Thurber, Heywood Broun, Corey Ford, Dorothy Parker, Russell Crouse and Prince Mike Romanoff.

Q. Have you found other virtues in vice?

A. Yes, indeed, it builds character and makes fortitude. Many's the story I wrote for The World and The New Yorker while battling a hangover, and this has given me the ability to see the ups and down of life in perspective, to roll with the punches, to take adversity as it comes, to realize that there's a silver lining in the blackest cloud.

Q. I imagine, Mr. S., that you've seen many changes over the years?

A. Mostly for the worse. Things aren't what they used to be, that's for certain. You can't get Maryland rye anymore, and they're watering my Scotch. Making frankfurters out of chicken, too, and putting whipped cream in cans. I once laughed about ersatz, and said it couldn't happen here, but now the dollar isn't even worth its weight in paper.

Q. Come, come, things can't be all that bleak on your birthday.

A. Oh, I suppose on such an auspicious occasion as my natal day I should look on the bright side. The ladies, for examples. They've definitely improved—less demure, more winsome, not to mention lissom. And I see more of them, too.

Q. You mean . . .?

A. Yes, I do. Nothing gladdens an old man's heart like hot pants. Oh, to be 77 again!

Q. But aren't you being sexist, sir? Won't Gloria Steinem descend on you for thinking of women as sex symbols?

A. You mistake me, sir. I'm all for women's lib. Isn't that what hot pants is all about? And I'd welcome Miss Steinem (glorious creature, isn't she, and what a mind) provided she ditches that Henry Kissinger. He's much too old for her.

Q. What are you up to these days, Mr. Sullivan?

A. I'm working on my "Christmas Carol" for The New Yorker. There's been one every year since 1932, but never before have I had to search for a rhyme for Evonne Goolagong. But I'll do it. Tom Seaver almost stumped me until I thought of joie de vivre.

Q. Anything else flowing from your pen?

A. I'm glad you brought that up. Do you suppose you could say that "There's No Harm Laughing," a collection of some of my letters and occasional pieces is being published soon by Doubleday?

Q. You mention this with . . . .?

A. Becoming modesty is the phrase you're looking for. Authors should let the critics bestow praise rather than blow their own horns. They should let their words speak for themselves.

Q. That reminds me, what advice do you have for a young man starting out to be a humorist?

A. The secret of success, that what you want? The neophyte, the tyro, must start, from the time he is knee-high to a grasshopper, to guard his own funny lines while stealing every quip he can lay his hands to. There's nothing so creative as another man's gag.

Q. And what should a practicing humorist do?

A. Seek out the foibles of his times and hold them up to gentle ridicule. He should provoke laughter, but never forget that mirth has a serious side. Just as there should be a pearl in every oyster, there must be a rock in every snowball. In its own merry way, humor tells a dreadful truth.

Q. Having lived to become a sage as well as a humorist, Mr. S., what are your thoughts about today's youth?

A. They're just like the youth of my day, eager to kick over the traces, to bite the hand that feeds them, to tell the older generation what's wrong, to shock the oldsters. If I may lapse into seriousness, I'd love to be young again and join them. Besides, I've always wondered how I would look in a beard and jeans. To swipe a line from another humorist, it's a pity that youth is wasted on youth.

Q. When you blow out the candles on your birthday cake, what wishes will you make for your 80th year?

A. To be healthy, wealthy and wise. What else?

SUPPORT FOR A DISCHARGE REVIEW BOARD

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

Mr. MONAGAN. Mr. Speaker, on July 26 of this year I introduced H.R. 10080, a bill to establish a separate board to review the discharges and dismissals of servicemen for narcotic-related causes. Subsequently Secretary of Defense Laird directed the various branches of the Armed Forces to review the cases of ex-servicemen who have received undesirable discharges solely because of drug use or possession. But his directive fails to extend this review to the large number of ex-servicemen who have already received a dishonorable discharge for drug-related causes. These persons suffer the disabilities of a loss of separation pay, education assistance, and in many instances, a continuing discrimination on the part of employers. In many cases, due to the fact that this original discharge was processed by the respective branch of the armed services to which the serviceman belonged, the same type of offense might be given a different treatment; for example, one branch might give a dishonorable discharge while another would give an undesirable discharge for the same offense. Such was the cases when the services instituted drug amnesty policies. If the ex-servicemen had been a member of the Army, he might have received treatment and undergone rehabilitation without receiving the permanent disability of a dishonorable or undesirable discharge; if he were a member of the Marines, he might have received a dishonorable discharge; and if a member of the Navy, he might have received an undesirable administrative discharge. Therefore, Mr. Laird's directive has not been adequate to bring a viable solution to this inequitable situation. My bill would provide a remedy for these men by making provision for the review of both undesirable and dishonorable discharges.

An editorial recently appeared in the Bridgeport Post which supports my bill, and I include it here as a graphic statement of my position:

CLEARING THE RECORDS

A dishonorable discharge from the military can handicap an errant young man for as long as he lives. The loss of veterans' benefits is only a part of the high penalty which is paid. Many employers, especially companies engaged in sensitive defense work, discriminate against jobseekers with bad service records. Life can be extremely rough for the ex-soldier who went astray.

Representative John S. Monagan of Waterbury is convinced thousands of young men are being unjustly penalized because of their use of drugs while members of the Armed Services. He introduced legislation in Congress a few days ago which would permit former servicemen who received less than honorable discharges for drug abuses to have their records changed. The measure calls for creation of a Military Drug Abuse Review Board which would consider individual cases.

Mr. Monagan does not envision a blanket absolution for all drug offenders. A person would have to show he has submitted to treatment and been rehabilitated. There would be no clemency for those who were pushers of narcotics.

This is an enlightened proposal. The seamy conspiracies which thrust addictive drugs into the hands of American soldiers are being revealed day by day. Especially in Southeast Asia, some of our so-called allies stand accused of fostering or at best winking at the drug traffic. Must the lonely young soldiers who fell victim to narcotics after being sent to fight an unpopular war in a distant land be punished for the rest of their lives?

If they are willing to overcome their addiction and pursue a life of decency the answer should be a resounding "No."

ABA, OTHERS ENDORSE CRIME REVIEW ACTION

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

Mr. MONAGAN. Mr. Speaker, on May 11 of this year I introduced H.R. 8294, a bill to amend title VIII of the Organized Crime Control Act of 1970 to provide that the Commission To Review National Policy Toward Gambling be established by October 15 of this year instead of 1972 and that it submit interim reports containing legislative and administrative proposals by December 1972 and each year thereafter through December 1976 instead of "within the 4-year period following the establishment of the Commission."

It is essential that a nationally uniform and coherent policy toward all forms of gambling be promulgated. The IRS has stated in testimony before the Sub-

committee on Legal and Monetary Affairs of the House Committee on Government Operations that during 1968 organized crime derived more than $600,000 an hour in untaxed profits from illicit gambling. As a result, an annual total of over $5.2 billion in profits escape taxation. The citizens of this country and legitimate business are adversely affected by the loss of revenue for they must assume a greater share of the tax burden.

These illegally acquired funds are used to finance numerous antisocial activities and as a result there has been an ever-increasing trend in the incidence of criminal activity in this country; a phenomenon which has been emphasized by the recent FBI Uniform Crime Report for 1970.

Financed by the receipts of gambling activities has been the illicit traffic in drugs. Estimates have been made that a major portion of crime committed in the United States is drug-related. The citizens of the United States therefore suffered an economic loss of between $5 and $10 billion—including goods stolen and productivity lost—due to the illicit drug problem. Also in 1970 there were 1,825 drug related deaths in our country.

These funds from illicit gambling are also used to purchase and operate legitimate businesses thus offering organized crime the opportunity to "clean" funds which have been illegally acquired. Also these businesses may consume hot goods themselves or offer conduits through which such goods may be directed into legitimate channels.

Funds from illegal gambling have also been used to corrupt public officials and law enforcement officers. Several weeks ago the New York Times carried an article concerning the unsuccessful bribery attempt of a New York City Police Department captain and sergeant. These men were offered an initial $300 a month to ignore the operations of four numbers racket runners in the central part of the Bronx. The officers had been told that for each additional runner they ignored they would receive $75 a month. Unfortunately, all lawmen are not untouchable.

This source of funds from illegal gambling must be cut off. The national policy which would be promulgated by this Commission To Review National Policy Toward Gambling could do much toward this end.

The American Bar Association at its 94th annual meeting in New York City on July 6, 1971 adopted an excellent report concerning organized crime and illegal gambling which supported the purpose of H.R. 8294 and I urge my colleagues to give this report due consideration.

The Christian Life Commission on June 9, 1971, and the National Council on Crime and Delinquency on June 18, 1971 expressed support for my bill.

Following these remarks I append correspondence and a report from the American Bar Association, National Council on Crime and Delinquency, and the Christian Life Commission concerning support and endorsement of my bill, H.R. 8294.

I urge support of H.R. 8294.

AMERICAN BAR ASSOCIATION,
Chicago, Ill., August 3, 1971.

Re H.R. 8294, 92d Congress, first session.

Hon. EMANUEL CELLER,
Chairman, House Committee on the Judiciary, Rayburn Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I felt you would be pleased to know that the House of Delegates of the American Bar Association at its 94th Annual Meeting in New York City, July 6, 1971, approved a recommendation of the Section of Criminal Law which supports in principle the captioned bill, introduced May 11, 1971 by Congressman Monagan "To amend the Organized Crime Control Act of 1970 to provide for an acceleration of the date on which the Commission to Review National Policy Toward Gambling shall be established and shall submit interim and final reports."

The specific recommendation of the Section of Criminal Law is quoted as follows:

"Be it resolved, that the American Bar Association recommends that the Congress amend Section 804(a) of Part D of Public Law 91–452 to provide for the *immediate* establishment of a Commission on the Review of the National Policy Toward Gambling, rather than waiting until October 15, 1972 as now provided in the Act; and further, that Section 805(b) of said act be amended to direct said Commission to make a final report of its findings and recommendations within a two-year period following the establishment of the said Commission, rather than 'within the four-year period following the establishment of the Commission,' as currently provided; and that the Section of Criminal Law be authorized to urge the adoption of this recommendation before the appropriate Committees of the Congress."

The portion of the Section's report pertaining to this recommendation is enclosed for your information.

Sincerely,

SAMUEL DASH.

REPORT ON RECOMMENDATION NO. II (TO ACCELERATE ESTABLISHMENT OF AND REPORTING DATE FOR COMMISSION ON REVIEW OF NATIONAL POLICY TOWARD GAMBLING)

In Public Law 91–452, Section 804(a) provides "There is hereby established two years after the effective date of this Act a Commission on the Review of the National Policy Toward Gambling." This means that such Commission would be established on October 15, 1972, in view of the fact that the Act was approved October 15, 1970.

Furthermore, Section 805(b) provides "The Commission shall make such interim reports as it deems advisable. It shall make a final report of its findings and recommendations to the President of the United States and to the Congress within the four-year period following the establishment of the Commission." Thus, the final report conceivably would not be submitted until October 15, 1976.

The Section of Criminal Law is of the opinion that both the establishment of and the final reporting date for the Commission should be greatly accelerated.

Illegal gambling activity has been repeatedly designated as the principal source of revenue for organized crime in the United States. As recently as 1967, the President's Commission on Law Enforcement and the Administration of Justice reported that:

". . . Legal betting at racetracks reaches a gross annual figure of almost $5 billion, and most enforcement officials believe that illegal wagering on horse races, lotteries, and sporting events totals at least $20 billion each year. Analysis of organized criminal betting operations indicates that the profits is as high as one-third of gross revenue—or $6 to $7 billion each year." The Challenge of Crime in a Free Society, February 1967, p. 189.

Presently the range of estimates of the profits from illegal gambling is so large as to be of little utility in the formulation of public policy. Illegal gambling proceeds are used to corrupt public officials and thereby reduce the pressures upon the operators of illegal gambling enterprises; such monies provide the capital for loan-sharking and narcotics traffic; gambling profits are a major means by which organized criminals penetrate legitimate businesses. The major part of public corruption results directly from the corrosive presence and corruptive activities of persons who conduct illegal gambling enterprises. Enforcement officers, particularly those in urban areas, are in a dilemma; on one hand, they are directed to enforce anti-gambling statutes while confronted by a powerful demand by citizens who wish to gamble in a variety of ways.

States and cities are finding it increasingly difficult to provide the resources necessary to meet growing governmental responsibilities. With growing frequency, they are exploring the possibility of legalizing various forms of gambling to provide needed revenue. It is reasonably anticipated that such pressures will increase. Currently, little verified data is available to support the positions of either proponents or opponents of legislation. The results of the thorough study proposed in Part D of Public Law 91–452 will be highly relevant for legislators who are or will consider this issue.

It is obvious that the present near-immunity from tax liability which successful gamblers enjoy is a critical issue in the debate about legalized gambling. Only a federal commission with state and local representation, as opposed to a state or local body, is appropriate to address the issue of federal tax exemption for the proceeds of legalized gambling. Thus, it is both appropriate and essential that a National Commission to Review Policy Toward Gambling be initiated more rapidly than as presently provided in Public Law 91–452 and that it complete its work within a shorter time than is presently provided.

NATIONAL COUNCIL ON
CRIME AND DELINQUENCY,
Paramus, N.J., July 18, 1971.

Congresssman JOHN S. MONAGAN,
Chairman, House Government Operations Subcommittee on Legal and Monetary Affairs, Rayburn House Office Building, Washington, D.C.

DEAR MR. MONAGAN: The National Council on Crime and Delinquency wants to add our support to that of others urging immediate study by an appropriate federal commission of federal and state public policy and current legal and illegal practices relating to gambling. With many states, now considering different forms of legalized control of gambling, there is a great need for such a study to provide guidelines for both federal and state legislation.

If legislation for the study of gambling in American is introduced by your subcommittee, I should appreciate notification of hearings in its behalf.

Cordially yours,

MILTON G. RECTOR,
Executive Director.

CHRISTIAN LIFE COMMISSION,
Dallas, Tex., June 9, 1971.

Hon. JOHN S. MONAGAN,
House Office Building,
Washington, D.C.

DEAR MR. MONAGAN: May I express to you both personally and officially our sincere appreciation for your forthright statement concerning the danger of legalized gambling in this nation.

We have worked at this problem for several years and so far have succeeded in some measures in our attempts to keep legalized

racetrack betting out of Texas. In our last major statewide campaign General Will Wilson, now in the Justice Department, was the statewide chairman of the Anti-crime Council of Texas. This group was a coalition of many concerned citizens who worked together to oppose gambling.

We are anxious to support you in your call for a gambling commission. We would be willing to come to Washington at our expense to testify for such a commission. We would like very much to be kept on your mailing list for materials related to gambling and to be kept up to date on developments toward the establishment of the commission.

Enclosed is a copy of the basic work paper which we used in our 1968 campaign here in Texas.

Keep up the fight.

Sincerely,

JAMES M. DUNN.

WHAT IS HAPPENING TO VA DRUG TREATMENT PROGRAM?

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

Mr. MONAGAN. Mr. Speaker, in the last half year, the Nation has made the rehabilitation of drug-addicted GI's one of its top priority objectives. However, while all have agreed on the need for treatment, numerous differences have arisen concerning the most effective way to administer that treatment.

President Nixon and others have suggested that greater use be made of Veterans' Administration drug centers.

I have maintained, however, that VA facilities are inadequate to treat the large number of addicted servicemen, and that rehabilitation could best be accomplished by the Armed Forces themselves. I have introduced legislation to this effect, requiring that no addicted GI be discharged until judged free from habitual dependence by competent medical authorities. Over 50 Members of the House have supported my point of view in cosponsoring this bill, H.R. 8216.

In May, I received a report from Dr. M. J. Musser, Chief Medical Director of the Veterans' Administration Department of Medicine and Surgery, that VA hospitals would be able to treat a maximum of 6,000 drug dependent veterans. This is of course completely inadequate. There are no accurate measurements of the number of addicted servicemen, but most estimates place 15,000 to 30,000 drug-dependent soldiers in Vietnam alone.

Now, by calling a moratorium on staffing its drug treatment centers, the Veterans' Administration provides further evidence its facilities and funds are insufficient to administer a comprehensive drug treatment program. Despite the increasing requests for treatment, and despite the new national commitment to drug rehabilitation, the VA was forced in early September to send telegrams to directors of its hospitals with drug treatment centers telling them to hire no more staff until further notice.

How long this moratorium will last is still unclear. What is clear, however, is that VA facilities are not now, and will not be for some time, sufficient to handle service drug problems. I feel that the armed services would be better able to handle drug addiction treatment. The GI addict is more easily identifiable for treatment while in the service, and should be given the proper treatment before returning to civilian life where otherwise he places a greater burden on society. By placing full responsibility on the military itself, servicemen would not bring home an expensive habit which they would most likely support through criminal activity.

I am pleased that the administration, in recommending retention of addicted servicemen for 30 days beyond discharge, has come around to the basic thrust of my position. I am also pleased that professional drug treatment experts have supported the idea of retention. Dr. Judianne Densen-Gerber, executive director of Odyssey House, a drug rehabilitation project in New York, recently warned that unless addicted veterans were rehabilitated before discharge, they would cause a "massive increase" in the Nation's heroin problem. Dr. Densen-Gerber stated:

> The Federal Government must hold these men—even beyond the expiration of their term of service—until they are completely cured. Anything less is criminal negligence.

Dr. Densen-Gerber warned of a ripple effect, in which addicts returning from Vietnam would produce additional addicts in the United States. Treatment of GI's in the service under the terms of my legislation would of course avoid such an effect. I include at the close of my remarks a New York Times article on Dr. Densen-Gerber and a Hartford Courant account of the VA hiring moratorium. I ask my colleagues to consider the implications of these articles and then join me in working for passage of H.R. 8216.

[From the New York Times]

U.S. GETS WARNING ON ARMY ADDICTS—DOCTOR URGES REHABILITATION BEFORE DISCHARGE

(By Richard Severo)

The executive director of Odyssey House warned yesterday that unless drug-addicted veterans of Vietnam were rehabilitated before their release from the armed services they would contribute to a "massive increase" in America's growing heroin problem.

Dr. Judianne Densen-Gerber issued the warning to Senator Harold E. Hughes, Iowa Democrat who is chairman of the Senate's alcoholism and narcotics subcommittee. He visited The Odyssey House female adolescent treatment unit at 229 East 52d Street as part of his two-day investigation of New York's drug problem.

Dr. Denson-Gerber called heroin addiction a "communicable disease" easier to get than either leprosy or diphtheria. She called present government plans to treat addicted veterans for 30 days before discharge "totally inadequate."

"Through a natural ripple effect 75,000 new addicts from Vietnam will produce an additional 250,000 to 750,000 addicts in the United States within a year," she declared.

"The Federal Government must hold these men—even beyond the expiration of their term of service—until they are completely cured," her statement said. "Anything less is criminal negligence."

JOINED BY JAVITS

Later in the morning Senator Hughes was joined by a subcommittee member, Senator Jacob K. Javits, at a treatment facility in the Hunts Point-South Bronx area. There he heard a similar warning, from addicts undergoing rehabilitation, that the Government's present 30-day program would not be enough.

Several addicts at Sera, the residential treatment center of the Hispanic Association for a Drug-Free Society, 1010 Hoe Avenue, said they believed that if servicemen were simply given a perfunctory period of detoxification they would probably return to heroin use.

Frank Garcia, a former addict who is executive director of Sera, did not agree that addicted veterans should be kept in the service, but thought they should be committed to a civilian facility specializing in rehabilitating addicts.

APPROACH IS LIMITED

Mr. Garcia made it clear that he held little hope of reaching unmotivated addicts with his group-encounter approach and that addicts of this type might be "safer in jail."

"It may sound cold, but it comes from long experience," he said.

Senator Hughes said he was trying to keep his mind open to all approaches, but underscored his belief that prison was not a cure for addicts and that other avenues had to be developed.

Both Mr. Hughes and Mr. Javits—who held a news conference at the end of their tour rejected the suggestion that the armed services could hold onto addicts indefinitely.

[From the Hartford Courant, Sept. 12, 1971]

DRUG CENTERS STOP HIRING

WASHINGTON.—At a time when President Nixon has placed priority on the treatment of GI drug addicts, the Veterans Administration has placed a moratorium on staffing its drug-treatment centers, leaving the immediate future of the program in question.

Declaring drug abuse as "Public Enemy No. 1," the President launched last June 17 a coordinated program to rehabilitate addicts and cut off the supply of illicit narcotics. As part of the program, he proposed greater use of Veterans Administration treatment centers, and asked Congress to authorize the VA to open the facilities "to all former servicemen in need of drug rehabilitation."

The VA had planned on having 32 centers in operation by the first of next month and eventually increasing that number to 90 if necessary.

HIRING STOPPED

But last week, if was learned, the VA sent telegrams to directors of its hospitals with drug treatment centers telling them to hire no more staff for the units until further notice.

"It was an executive decision," a VA official said, adding that VA hospital directors had not been consulted.

"I'm sure it came as a complete surprise," the official said. "But it's not a cutback program. We simply want to hold off staffing until we see where our case load will level off."

He said he didn't know how long the moratorium would last. Two treatment-center administrators said the decision left them confused.

CRITICAL VACANCIES

"I don't know what's going on," said Dr. Norman Tamarkin at the VA hospital in Washington. "If you find out, I wish you would tell me. I've got three or four critical staff vacancies that I'm not going to be able to fill now, let alone expand the program.

"Applications for admission have been zooming. We had 18 or 20 last week alone. This action just doesn't make any sense to me."

Dr. Joseph McFadden, who supervises the drug-treatment center at the VA hospital in Atlanta, said of the freeze on hiring: "I'm confused about it. I'd been planning to go ahead with the program and we need more personnel." He has five vacancies. McFadden said, however, that he didn't believe a temporary freeze would damage the program.

The Atlanta center was scheduled to go into full operation this month, but only eight patients are being treated, and they are in the psychiatric ward. Plans for renovation of the hospital's fifth floor into a 16-bed drug-treatment center still are awaiting approval from Washington.

The hospital's director, Dr. Julian Jarman, said the moratorium on hiring came at a time when requests for treatment were growing.

BEWARE CLASSIFICATION OF GOVERNMENT DOCUMENTS

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

Mr. MONAGAN. Mr. Speaker, the overclassification of Government information has repeatedly been criticized and challenged because of the blatant inconsistencies in the procedures utilized by the various departments and agencies of the executive branch. There have been frequent claims that the power of classification has been abused in an attempt to suppress information which the public has a right to know.

The classifying of Government information has not been exercised solely by those departments and agencies which concern themselves with matters of national security or foreign relations. Recently a Ph. D. candidate was refused access to 70-year-old documents in the National Archives which concerned a pollution investigation conducted by the Federal Bureau of Investigation. I cannot see where there is any justification based upon military security or foreign relations for prohibiting public access to such documents. The absurdity of the present classification procedures is quite evident. This incident and numerous others are recounted in an article by Morton Mintz which appeared in the July 20, 1971 issue of the Washington Post.

By the calculated classification of specific information public officials can shield themselves from public criticism. The classification appears ridiculous when every day we read and hear reports in the news media which are attributed to "leaks of inside information." Decisive action must be taken to make classification procedures comply with a policy of free availability of Government information which will not jeopardize our national security. The public's right to know must not be restricted. Decisive action must be taken to find a viable remedy to this situation.

I have been concerned with the public's right to know for some time. While I was a member of the Subcommittee on Foreign Operations and Government Information I submitted a bill dealing with freedom of information which was enacted into law. I feel that it is again necessary to submit legislation concerning this problem.

I have today filed a bill to establish a joint committee to conduct a complete investigation of the practices and methods used in the executive branch of the Government for the classification, reclassification and declassification of Government information in order to determine whether such practices and methods are exercised for purposes contrary to the public interest, and to determine appropriate procedures for the discovery, reclassification and declassification of Government information.

The membership of the joint committee would be composed of the chairman and ranking minority member of the Senate and House Committees on Armed Services, Foreign Affairs, and the Appropriations Subcommittee on Defense, and an additional three Senators appointed by the President of the Senate and three Representatives appointed by the Speaker of the House.

The joint committee would carry out its activities for the period of 1 year and at its termination it would submit a report of its findings and recommendations to the Senate and House of Representatives. If the joint committee had not completed its investigation and report within the year an extension for an additional year might be made by concurrent resolution. Any sensitive information which the joint committee might acquire through its activities might be kept secret by the committee.

The result of the efforts of the joint committee would be the availability of ample data and resulting recommendations for the proper classification of Government information. It would then be possible to formulate and put into effect an efficient, effective, just and uniform classification procedure.

I wish to append to my remarks the editorial entitled "The Right To Know" which appeared in the July 10, 1971, edition of the Christian Science Monitor and an editorial entitled "Secrets of the Bureaucracies" which appeared in the July 20, 1971, edition of the Washington Post:

THE RIGHT TO KNOW

The current controversy over classification of government documents centers on one key question: Can government by consent have any real meaning if those governed do not know to what it is that they are consenting? It was only the right, indeed the absolute need, of the people to know what their government is doing and has done, and why, that could have justified the recent publication by several newspapers, including this one, of documents bearing a "top secret" classification.

The rightness or wrongness of the decision by the particular newspapers to go ahead with that publication is now in the hands of history to determine.

But the need of the people to know goes on. So does the government classification procedure system that kept the Pentagon papers hidden so long. That system needs to be drastically overhauled, as recognized by the recent six-day hearing of the House Government Operations subcommittee, which sought to find out just how much classified material actually exists, who classifies it, and by what criteria. Not surprisingly, the subcommittee found out what everybody has long recognized, that overclassification is a perennial fact of government.

There are estimates of something like 100 million pages of classified wartime records, dating back to World War II, and 20 million classified documents in the Pentagon's machine-operated files. One former CIA official estimated that only 10 percent of the classified documents he handled over the years were "really sensitive."

The criteria by which classification takes place appears all too vague. It is clear that in wartime, any hard information about troops, armaments, and plans must be kept out of enemy hands. But it is equally clear that 100 million pages of records from a war which ended in victory a quarter of a century ago hardly fall into that category.

And any Washington newspaper reporter knows firsthand how the classification system is used by bureaucrats to shield themselves from public surveillance, to serve their personal political aims, or to leak out "inside information" to chosen segments of the mass media at a tempo designed to build support for a particular policy. And the habitual breaking of security by the very officials who order documents classified—often in memoirs—only confirms the absurdity of the system.

Hopefully the House subcommittee will come up with some meaningful solutions. Worth considering is the suggestion of Rep. Sam Gibbons (D) of Florida, that Executive Order 10501—issued by President Eisenhower in 1953, and the basic law governing the system today—be scrapped. It is too vaguely worded, allowing as it does that any "extremely sensitive information or material" be kept from declassification for an unlimited time. One must ask, sensitive to whom, and for what reasons?

Mr. Gibbons would declassify everything that cannot be proven essentially confidential, and publish an annual list of what remains classified. Within three years, these holdovers would be automatically declassified unless a person of at least cabinet rank ordered to the contrary.

We believe the public's right to know is more basic and vital to the continued democratic operation of the United States Government than is the government's right to withhold, although secrecy has its obvious necessities. But the burden of proof for this necessity should lie on the government, and it should be the exception rather than the rule.

SECRETS OF THE BUREAUCRACIES

(By Morton Mintz)

"I am from Missoula, Montana, and I have been in Washington doing research on pollution for a Ph.D. dissertation in history," Donald MacMillan said in a letter to Sen. Lee Metcalf (D-Mont.) the other day. "At the National Archives I was advised that I could not use anything that was stamped 'Bureau of Investigation.' The period I was interested in was essentially the first decade of the twentieth century . . . I feel ridiculous even suggesting that the Nation's security could be threatened by information seventy years passed, but apparently somebody does. . . . If we cannot have an honest and rigorous search for the truth our future as a self-governing democracy is indeed bleak."

MacMillan's astonished discovery that he could not have access to—it bears repeating—files on pollution seven decades old serves to make a point which, quite understandably, drew scant attention in the recent momentous struggle over the Pentagon Papers. The point is that secrecy seems to be endemic in all bureaucracies—not just those occupied with national security—and it is manifested, almost always, against the very public supposedly being served; this happens readily and pervasively even when no justification in military security or foreign relations is so much as claimed.

The evidence of this, regrettably, is as easy to come by in the "open administration" of President Nixon as it ever was in those of his predecessors. Here are some examples:

The Walsh-Healy Act empowers the Department of Labor to make federal contractors comply with the job-safety standards it has approved. The department had traditionally refused to make public inspection reports and notices of violation. It claimed that the Freedom of Information Act, en-

acted to protect "the public's right to know," somehow authorized secrecy and that publicity would discourage employer cooperation with department inspectors. Ralph Nader's Center for the Study of Responsive Law challenged the department in court. Last January, U.S. District Judge John Lewis Smith ruled for the Center.

The Department of Agriculture's Consumer and Marketing Service routinely had suppressed records on meat and poultry products it detains on the suspicion that they are adulterated, unwholesome or unfit for human consumption, as well as the warning letters it sends to packers suspected of doing business in two or more states (packers doing business exclusively within a single state are immune from federal inspection of meat and poultry products).

In 1969, the department denied access to the records and letters to a consumer of meat and poultry products, Harrison Wellford, an associate of the Nader Center. Under the Freedom of Information Act, the records were an exempt "investigatory file," the department said. In the case of the letters, it argued, their release would deter packers from cooperating.

Wellford sued in Baltimore, where U.S. District Judge Edward S. Northrop ruled for him. The department appealed. In May, the U.S. Court of Appeals in Richmond upheld Judge Northrop, ruling that the purpose of the information law was not to increase administrative efficiency, "but to guarantee the public's right to know how government is discharging its duty to protect the public interest." (In opposing a consumer's effort to find out how well the government may be protecting the public from unwholesome meat, it may be said in passing, the Agriculture Department behaved much like those city health departments, including Washington's, that withhold the identity of restaurants that violate sanitary regulations from those who eat in them.)

The Department of Commerce has a National Industrial Pollution Control Council, which President Nixon created by Executive Order. Last October, the Council, meeting at Commerce, refused to admit representatives of 10 environmental and consumer groups, and refused to give them a transcript of the proceeding. This year, to escape such groups, the Council met in the New State Department Building, where security regulations prohibit entry of any visitor who has not made special arrangements. Larry Jobe, an Assistant Secretary of Commerce, argues that the department could not get industry representatives to serve if public-interest groups were to be represented and if the Council's meeting were to be open to the public.

At the Civil Aeronautics Board, Chairman Secor D. Browne last year appointed an Advisory Committee on Finance and named as chairman James P. Mitchell, a vice president of the Chase Manhattan Bank who has primary responsibility for financial dealings with airlines. At the organizational meeting, held in Mitchell's office, the committee decided that all meetings "would be closed to the press and the public" and that a verbatim transcript" was not necessary to the conduct of business."

Within the Department of Health, Education and Welfare, the agency with an unexcelled disposition toward secrecy is the Food and Drug Administration. For example, when the FDA summons a company to a hearing to show cause why it should not be prosecuted for a law violation, the agency closes the hearing and refuses to release the transcript or disclose the recommendation made by hearing officers. A decade ago, FDA was not only refusing to turn over to Congress files on an anti-cholesterol drug that caused cataracts in thousands of patients, but actually tried to have written into the law a prohibition against releasing most any information it acquired under the Food, Drug, and Cosmetic Act.

The White House, to suppress information, has invoked the "Executive Privilege" with such frequency down through the years that Clark Mollenhoff once wrote an angry book about it. Currently, the endless blanket of "Executive privilege" lies atop a report by the White House Office of Science and Technology that is understood to predict serious environmental damage to the United States should supersonic transports ever be permitted to fly across it at supersonic speeds.

Congress now and then pries valuable suppressed information out of agencies, but it must be noted that, by calculation of Congressional Quarterly, 41 per cent of all congressional committee meetings were held behind closed doors last year, an increase of 5 percentage points over 1969.

In his letter to Senator Metcalf, Donald MacMillan said, "As I approached the National Archives for the first time I was struck by the noble and inspiring ideas inscribed in its concrete walls. One I recall was most impressive: 'The heritage of the past is the seed that brings forth the harvest of the future.'"

A future substantially freer of governmental secrecy than is the present is not beyond our grasp. We may yet achieve the "deep sense of pride" that President Johnson spoke of when, on July 4, 1966, he signed the Freedom of Information Act in the belief "that the United States is an open society in which the people's right to know is cherished and guarded." One reason for a cautious optimism is that the lawsuits won by the Center for Study of Responsive Law, against the Labor and Agriculture Departments, indicate a willingness in the courts to come down on the side of openness.

In the FDA, a new general counsel, Peter Barton Hutt, takes over on September 1. Rather than cling to the secrecy orientation of the past, maybe he and others in federal agencies will heed the instruction of Attorney General Ramsey Clark when he announced the rules to implement the law only four years ago: "that disclosure be the general rule, not the exception," and "that there be a change in government policy and attitude."

And Congress would take a major step forward by enacting at least two pending bills: one for an independent consumer protection agency empowered to intervene in administrative and court proceedings in behalf of the public (and against federal agencies, if need be), the other, sponsored by Senator Metcalf, to open the proceedings of the possibly 1,800 government advisory committees—such as the Commerce Department's and the CAB's—to public scrutiny.

YOUTH CONSERVATION CORPS: IMPROVING THE HUMAN AND NATURAL CONDITION

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

Mr. MEEDS. Mr. Speaker, when Congress created the Youth Conservation Corps last year, it built a highly successful bridge between the human and natural condition. Young people who needed work were given jobs that needed doing.

For 8 weeks during the past summer 2,200 youths in 63 camps located in 36 States spent hours refurbishing campsites, planting trees, clearing brush, blazing trails, restoring historic structures, and performing a variety of tasks for the public benefit.

Writing in the August 12, 1971, issue of the Christian Science Monitor, Mr. Peter Stuart described the YCC pilot program as "a stunning success." I agree. I visited camps in Maryland and Washington and came away impressed by the enthusiasm and accomplishments of corps members.

Now it is time to expand on success. With several dozen cosponsors of both parties I am today reintroducing the YCC expansion bill first entered on August 5. The legislation has three basic features.

First, it increases the annual authorization level from $3.5 million as contained in Public Law 91–378 to a new figure of $150 million. We estimate that boosting the authorization to this level would make it possible to hire 100,000 youths for the summer projects.

For the 2,200 positions open last summer, the Government received more than 124,000 applications.

Second, the bill allows the States to operate Youth Conservation Corps projects. Heretofore the programs had been conducted solely by the U.S. Department of Agriculture and the U.S. Department of the Interior.

The legislation furnishes 80 percent Federal matching funds for the State-administered program. It specifies that not less than 10 percent and not more than 25 percent of all YCC enrollees shall be employed in the State efforts.

Third, the bill directs that YCC facilities during periods of nonuse shall be available to educational institutions for the purpose of environmental education centers. Costs during periods of official nonuse would be borne by the educational agencies. The provision speaks for itself and is in keeping with passage last year of the Environmental Education Act.

Learning is one of the priority goals of the Youth Conservation Corps. I use the term "learning" to describe many facets of human experience, for a prime objective of the Corps is to bring youths of all backgrounds together in a shared environment.

By the provisions of Public Law 91–378 the YCC "shall be open to youth of both sexes and youth of all social, economic, and racial classifications." Youth of all walks need summer jobs, and there is much to be gained by working closely with diverse members of one's peer group. YCC enrollees learn about nature, about themselves, and about each other.

I am hopeful of obtaining early hearings on the bill to expand the Youth Conservation Corps. Having testimony from those who participated in last summer's YCC would underline eloquently the compelling need for the bill I and several dozen colleagues are introducing this afternoon.

CONGRESSMAN HALL OPPOSES PANAMA CANAL ZONE GIVEAWAY

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

Mr. GROSS. Mr. Speaker, my colleague and friend, Dr. DURWARD G. HALL, who represents the Seventh Congressional District of Missouri, testified today before the Inter-American Affairs Subcommittee of the House Committee on Foreign Affairs. The subject of his testimony was

the current negotiations between the United States and the Republic of Panama relating to the status of the Panama Canal Zone. Dr. HALL's remarks are a clear and concise statement of facts and express the views of the vast majority of Americans who oppose the surrender of U.S. sovereignty over the Panama Canal Zone. His remarks follow:

TESTIMONY OF REPRESENTATIVE DURWARD G. HALL BEFORE THE HOUSE FOREIGN AFFAIRS SUBCOMMITTEE OF INTER-AMERICAN AFFAIRS

Mr. Chairman, it's been some four years since I had the opportunity to appear before this distinguished subcommittee, and you may remember at that time the proposed 1967 Canal Zone treaties were making headlines in the papers, and there was a great deal of excitement and apprehension both here and in the Republic of Panama regarding the terms of this proposed treaty. You will also recall, that over one hundred and fifty members of the House of Representatives introduced resolutions in 1967 expressing "the sense of the Congress," that United States control and sovereignty be maintained over the Panama Canal Zone. As a result of resolutions and general public outcry President Johnson's administration did *not* execute the treaties nor were they sent to the Senate for ratification.

Here today, in another administration it seems that history is repeating itself. I am sure that this subcommittee is aware of the fact that treaty negotiations have once again resumed with the Republic of Panama over the status of the canal zone. I am also sure that this committee is aware that the chief negotiator is the same Robert Anderson who negotiated the abortive, unsuccessful, and unsatisfactory proposed 1967 treaty. Also, I am sure this committee is aware that there are now over one hundred Members of the House of Representatives who have again introduced resolutions expressing "the sense of the House of Representatives" of the United States to maintain sovereignty and control over our Panama Canal Zone.

I think it goes without saying that the subcommittee is wise in holding these hearings, and I feel it is time for the House of Representatives to go on record expressing not only *its sense*, but the sense of the vast majority of American people that we maintain our control and sovereignty over this strategic piece of American real estate. Real estate disposition = ours and Constitution.

You are aware, Mr. Chairman, that although the Senate has the power of advice and consent in the making of treaties, article IV, section 3, clause 2 of the Constitution vests the power to dispose of territory and other property of the United States in the Congress, which includes both the House and Senate. Thus the people of our country through their elected Representatives in the Congress have a controlling voice in the disposal of their territory and property regardless of what may be provided in any new treaty or treaties with Panama.

I do not wish to belabor this committee with a historical account of the events in Panama because I think you all are aware of these various facts. As a member of the House Committee on Armed Services, subjects of national security and hemispheric defense are paramount in my mind. The importance of the Canal Zone as bastion of our "southern flank" cannot be overrated. Without our control of the Canal Zone, the possibility of a potentially hostile regime in Panama denying access of the transferring of our naval forces from one ocean to the other, and of our men and material from one ocean to another, ever increases! The loss of this access could destroy a link in our defense chain and could produce military and national disaster.

Also intertwined with this aspect of national security, Mr. Chairman, is the equally important area of hemispheric defense. The Canal Zone under our control and jurisdiction serves as an outpost warding the perverted ambitions of communist takeover in Latin America. Our presence serves as a constant reminder of the "Castros" of the world, that we are determined to stop subversion and revolution in Latin America. I think there is no doubt in one's mind that Panamanian control of the canal would certainly aid and abet the forces of communism, and especially of Fidel Castro in Latin America. All one has to do is to look at the makeup of the present Panamanian government. General Torrigas, the dictator of Panama, has been regarded by many as just another "left wing idealist." The truth of the matter is, that since he took over the military coup in 1968 he has exiled a popular freely elected president, installed a puppet president, suspended the constitution, discharged the congress, and appointed a congress and judiciary composed of close friends and fellow revolutionaries. Beyond that Torrigas has been reported to be a friend and admirer of the late Cuban revolutionary Che Guevara. He has been collaborating and conspiring with Castro, and Cuban guerrilla teams have been training native sabotage teams in Panamanian jungles adjacent to the Canal.

Compounding the "felony," Russian technicians have been reported lately to have been arriving in Panama, no doubt to train Panamanians in the operation of the Canal, as they trained Egyptians in the management of the Suez Canal. So win, lose, or draw in the negotiations, this petty Panamanian dictator is readying himself for some type of eventual takeover of the canal and hence—self aggrandizement. He will no doubt first try through the negotiating table method, but if that reaches an impasse or process to no avail I think it is safe to say that he will follow the Egyptian example in their Suez takeover.

Mr. Chairman, I think it is imperative and indeed more than timely for this subcommittee to favorably report out one of the Canal Zone "sense of the House of Representatives's" resolutions that has been introduced in this session of the Congress. We owe it especially to the negotiators since they need to be armed with American public opinion via their elected representatives in the House. Hopefully, it will give them the necessary backbone and stamina to stand firm and protect U.S. interests in the Canal Zone. Even more important it would show the American people that the House of Representatives is indeed responsive to their wishes and that the representative process is properly functioning. It would show the American people that the House is concerned and is willing to take a strong and firm stand about maintaining our rights abroad. We owe nothing less to the negotiators and even more importantly we owe nothing less to our duty as the peoples' elected representatives.

FEDERAL JUDGES IN NEW SCANDALS

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

Mr. GROSS. Mr. Speaker, I have been shocked to learn that in the last few weeks a Federal grand jury has been investigating the highly questionable secret race track holdings of a number of Illinois officials including two members of the Federal judiciary—U.S. Appeals Court Judge Otto Kerner and U.S. District Judge William J. Lynch.

These are only two of the Illinois political figures linked to the questionable stock transactions in the news stories that deal with the Federal grand jury and its investigation. Others include George W. Schaller, now a circuit court judge in Illinois, and George W. Dunne, Cook County Board president, as well as Theodore J. Isaacs, the former State revenue director under the Kerner administration.

I am pleased that the Nixon administration is taking its job seriously in running down all of the evidence on these transactions even when it involves the Federal judiciary. However, I would want to point out that the House also has some responsibilities on this matter that is in addition to the administration's duty to investigate and prosecute.

The scandals involving the purchase of race track stock took place in the period prior to the time Judge Kerner and Judge Lynch were appointed to the bench by President Johnson. I am pleased that Federal grand juries are making every effort to unwind these sordid transactions that represent a blemish on the operations of Kerner as Governor and also represent a black mark on Judge Lynch and other public officials.

It appears Attorney General John Mitchell has his Chicago strike force actively investigating these transactions to determine if the officials involved have paid all of their Federal taxes or have otherwise violated the Federal laws. In addition to the responsibility the Nixon administration has to assure that all of the crimes are unearthed and prosecuted, the Congress also has responsibility involving the ethical standards as to who are seated on our courts.

I would suggest that the House Judiciary Committee immediately assign investigators to the job of seeking the facts. Regardless of whether the Federal laws are violated, there is a vital responsibility to keep the Federal bench free from any and every hint of scandal.

On the basis of what is printed in the Chicago newspapers as having been admitted by Judge Kerner and Judge Lynch and other participants, it would seem to me that there should be an impeachment started. If we are going to let this conduct pass unnoticed or without criticism then we will share in the responsibility if others later arrive at the conclusion that they can get by with it.

As Governor of Illinois, Otto Kerner had the control of the Illinois Harness Racing Commission and an authority that entailed a responsibility to keep himself out of such transactions. If this had been unearthed before he went on the bench, it is extremely doubtful he would have been confirmed. The fact that he is presently sitting as an appeals court judge in our Federal court system does not make this spectacle any less sordid as far as I am concerned. I would think that our Judiciary Committee chairman, Mr. CELLER would feel the same way about this. Perhaps it has not yet been called to his attention. I hope he will consider this a formal request for an investigation.

Articles above-mentioned, follow:

[From Chicago Today, Sept. 15, 1971]

THE INSIDERS' ROLL-CALL

Judge Otto Kerner of the United States Appeals court, former governor of Illinois. George W. Dunne, president of the Cook County board and former Democratic major-

ity leader of the Illinois House. Illinois Secretary of State John W. Lewis, a Republican, and his Democratic predecessor, the late Paul Powell. Theodore J. Isaacs, former state revenue director under Kerner. Joseph E. Knight, former state director of financial institutions. It's quite a list, and it may grow longer.

These men have more in common than being holder of powerful political offices past and present. They are also men who, through their connections in state government, made an astonishing bundle by investing in race track stocks. They are insiders, men whose public office put them in a position to snap up advantageous deals that other people don't hear about, and they apparently made full use of it.

Finally, they all seem to have thought it prudent to keep these deals out of the public eye as long as they could. Dunne, for instance, "revealed" his $20,000 proft from race track holdings only after two Chicago Today reporters, Joel Weisman and Edward T. Pound, told him they'd already learned of it and were about to disclose it anyway.

Secrecy seems so well-established a practice, in fact, that Federal District Court Judge William J. Lynch served Dunne and other investors as a "nominee," meaning he held stock for them so that their ownership of it would stay conveniently hidden.

There is nothing unethical about a public official owning a profitable stock. The questions are these: Why were these immensely profitable favors done for men in high state offices? Whom did they have to know to get these valuable tips, and what if anything were they expected to do in return? If there's all this money in race track stocks, how does an ordinary investor with no political clout get a chance at it?

And the final question: When do we start getting some answers?

[From Chicago Today, Sept. 15, 1971]

NOW'S THE TIME FOR ETHICS BILLS

The long, painful process of prying information from Illinois' secretary of state about his race track interests is not finished yet. The Internal Revenue Service, two federal grand juries, and this newspaper, among others, want to know more about holdings by John W. Lewis, members of his family, and other state officials that indicate too close a tie between race track money and political influence.

Even the difficulty of getting information on this point, tho, should have one good side-effect: The struggle won't be soon forgotten. Our General Assembly, which would rather think about almost anything else than ethics legislation, will not be able to overlook the subject when it comes up next month; there will be too many urgent reminders.

Effective legislation is on tap. It includes a bill supported by Gov. Ogilvie which would require state and local officials to disclose sources of income over $5,000, gifts of more than $100, and debts of more than $500. The need for this bill could be pretty well gauged by the cynical and shabby attempts to kill it made in the earlier session; the Senate Executive committee adopted an amendment by Sen. Thomas G. Lyons [D., Chicago], which would have made the bill both unenforceable and impossible to pass. The Senate later dropped that amendment.

Even tougher legislation has been drafted by the Republican majority of a House ethics commission. Besides requiring detailed statements on income from all elected public officials in the state, it would forbid political gifts by corporations or labor organizations. It would also require candidates and "political committees"—including ward organizations in Chicago—to file with the state the names of campaign contributors. Before any election, primary or general, they'd have to file a weekly report on campaign contributions.

Statements from officeholders would have to show, among other things, all income and assets worth more than $50 and any holdings in the name of a wife or minor children. The need for that hardly needs emphasizing in the wake of the Lewis disclosures.

Certain other tidying-up measures are needed as well. We hope for tough legislation to get rid, once and for all, of the secret land trust arrangements under which ownership of real estate can be kept hidden. The latest discovery of checks hoarded by the late Paul Powell, Lewis' predecessor, shows the need for a change in procedure: Checks for a public office will be made out to that office, not to the individual holding it. A bill by Rep. Brian Duff [R., Wilmette], aimed at deemphasizing any cult of personality in public office, would make a good vehicle for such a change.

The erosion of public confidence in elected officialdom is a fact. Our legislators will go on disregarding it at their own risk.

[From the Chicago Daily News, Sept. 16, 1971]

IT PAYS TO HAVE FRIENDS

Who was it that said it's tough to make a buck in these parts? It's as easy as watching a horse race if you've got the right friends.

Take the case of George Dunne, president of the County Board. He has now come forward with his own amazing tale of good fortune to add to the others in the anthology of short stories about Illinois racing.

It seems that once upon a time, not long after Dunne had left the Legislature, he chanced upon his good friend Paul Powell, who had a stock tip. A couple of phone calls, and Dunne owned $5,000 worth of stock. In what? He didn't know. A nominee—in this case the prominent attorney and now judge William Lynch—took care of things. Imagine Dunne's surprise, when he sold back the mystery stock two years later, to find that it was then worth $25,000 and consisted of 5,000 shares in the Washington Park Trotting Assn.

Well, never look a gift horse track stock in the mouth, as they always say. And Dunne points out that he did nothing illegal, which is probably the case. The disclosure rules were even looser then than they are now.

But the episode at least underlines the desirability of toughening up the ethics and disclosure rules still further. And it certainly speaks for the cash value of keeping up political friendships—keeping them on the track, so to speak.

[From the Chicago Sun-Times, Sept. 16, 1971]

POLITICIANS STRIKE IT RICH

The stories about the quick and easy profits several Illinois politicians made in secret racetrack deals may give the average man on the street, or at the $2 betting window, the impression that something kinky has been going on at high levels of state government. Why else should a governor or secretary of state or anyone else with political influence be given the opportunity to buy unlisted racetrack stock at a low price and turn it over at a high price a year or so later? Why indeed? To ask the question is to answer it. Racetracks are regulated by the state.

Former Gov. Otto Kerner, now a federal judge, and his state revenue director, Theodore Isaacs, each turned a profit of $22,400 in one such deal in 10 months in 1967. In another deal they netted $125,000. They have yet to discuss the revelations.

County Board President George W. Dunne, faced with a similar disclosure, has acknowledged that he invested $5,000 in a racetrack stock in 1964 and sold it in 1966 for $25,000. He said the tip to buy came from the late Paul Powell, secretary of state, whose shoebox full of money still remains unexplained. Powell's successor, Republican John W. Lewis, also has revealed, after denying it, that his family has profited from secret racetrack stock deals. Lewis is doubly discredited for foolishly trying a coverup.

Dunne's stock was listed not in his own name but of a "nominee," in this case the lawyer for the racetrack, another political figure. Dunne says he did this because "some members of the public oppose anything connected with gambling." As a public figure, Dunne didn't want the voters to know he was investing in a racetrack. That's a weak excuse for secrecy and says a good deal about the prevailing political morality in Illinois by members of both parties. We are particularly disappointed in Dunne because he has been an able public official with potential for even greater responsibility.

Although technically legal at the time, Dunne's deal and the others could not be kept secret under present Illinois Racing Commission rules. True ownership of all stock must now be listed. That's a step in the right direction, but what's needed is a state law on ethics.

Gov. Ogilvie has supported a bill to require state and local officials to disclose sources of income over $5,000, gifts of more than $100 and debts of more than $500. There are other, even more specific disclosure proposals on file in the Legislature. It appears to us that political leaders have an even more pressing obligation now to support ethics legislation.

MRS. EVERETT GAVE STOCK DEALS, U.S. JURY TOLD

(By Ronald Koziol and Thomas Powers)

Mrs. Marjorie [Marje] Everett, onetime operator of Arlington Park and Washington Park Race Tracks, received preferential treatment in the awarding of lucrative racing dates by the Illinois Racing Board after she made bargain stock available to certain state politicians, federal authorities disclosed yesterday.

Details of the bargain stock purchases by the politicians have been told to a federal grand jury here by Mrs. Everett, who has cooperated fully in the investigation.

Mrs. Everett, often referred to as the "Queen of Illinois Racing," reportedly has detailed the intricate stock manipulations which allowed politicians to buy certain stock in the names of nominees for a short time at bargain prices and then selling the stock back to her at large profits.

COMPLICATED SYSTEM

"It was a complicated system to cover the names of the politicians and at the same time pay off her debts to the state officials who gave her racing interests the best dates available," said one investigator. "Mrs. Everett was around Illinois racing a long time and she knew that an edge was needed to get the best racing dates."

All of the alleged stock deals were made between 1961 and 1967.

Federal investigators have already linked former Gov. Otto Kerner, now a United States Court of Appeals judge, to two of the stock deal profits. Also linked to the stock deals with Kerner is Theodore J. Isaacs, Kerner's state revenue director from 1961 to 1963 and one of his major politicial advisers.

LOST CONTROL OF TRACKS

Mrs. Everett, considered the key to any federal prosecution of former state officials, was vacationing in California and could not be reached for comment. A spokesman at Rancho LaCosta Health Spa near San Diego, where she had been renting a villa, said she was not available.

Mrs. Everett and her husband, Webb, who aided her in the racing operations, lost control of the two major racetracks after she agreed to merge her Chicago Thoroughbred Enterprises, Inc., with an Eastern conglomerate. Control of the tracks eventually wound up in the hands of the Madison Square Garden Corp.

TELLS OF TRANSFERS

The intricate measures used to conceal the stock transfers was borne out yesterday by Ralph T. Atlass, a veteran Chicago radio executive and now president of WGRT radio station.

Atlass said he became a nominee of racetrack stock for several persons, including Kerner, Isaacs and the son of powerful State Sen. Arthur J. Bidwill [R., River Forest]. But he said he did not know beforehand who was to receive the stock.

"Mrs. Everett called me before publicly announcing the formation of any new racing organizations and asked me if I would be nominee for certain persons who would be offered stock for purchase and I agreed," said Atlass. "I never knew anything about Kerner or Isaacs getting the stock until I read it in the newspapers."

SHARES HELD BY SON

The Bidwill shares were held by his son, Neal, of Oak Brook, who acquired the stock for $1 a share. According to Atlass, he first learned of Neal Bidwill's acquisition when he received a cashier's check for $20,000 from Neal to cover the cost of 20,000 shares.

Atlass, who appeared before the federal grand jury twice to tell of his stock holding role, said the use of nominees is common practice in setting up new enterprises.

The Bidwill shares, in the Washington Park Trotters Association, which was organized in 1961, so far is the largest block of hidden stock already linked to a group of politicians. The senior Bidwell was the Senate majority leader in 1962 and 1963.

NINE RECEIVE STOCK

At least nine politicians were cut in on large blocks of stock by Mrs. Everett in the early stages of the Washington Park Trotters formation. Among those earlier disclosed as having received the stock are the late Secretary of State Paul Powell; a daughter of John W. Lewis, Powell's successor; and George Dunne, president of the Cook County Board.

Kerner and Isaacs have been tied into stock purchases from Chicago Thoroughbred Enterprises, which reportedly netted them each a fast $125,000 profit, and Chicago Harness Racing, Inc., which resulted in a $22,400 profit for each.

Dunne's profit from the Washington Park Trotters venture was $20,000. He said he bought the stock on the advice of Powell in 1964 and sold it in 1966. All of those involved in the Washington Park Trotters stock received the "insiders" tip from Powell, investigators have disclosed.

Meanwhile, David Robinson, president of East-West Enterprises, operators of Aurora Downs Race Track, said yesterday that the track no longer employs the services of Emprise, Inc., as concessionnaire. He said that when Knox College acquired the racing interest in 1969, the Emprise contract was terminated.

Emprise, a Buffalo company, is alleged to have criminal ties and is under investigation by the Illinois Racing Board. Either Emprise or its subsidiaries are large stockholders in the Cahokia Downs Race Track in East St. Louis and a secret land trust which owns the track property.

HE AND ISAACS EACH MADE $22,400 GAIN

A second racetrack stock deal profit made by Judge Otto Kerner of the Federal Court of Appeals while he was governor of Illinois was disclosed yesterday.

Federal authorities are investigating Kerner's acquisition of 14,000 shares of Chicago Harness Racing Inc. stock in 1966 for 40 cents a share and his subsequent sale of the stock 10 months later for $2 a share. He netted a $22,400 profit.

Linked to the new stock profit along with Kerner was Theodore J. Isaacs, Kerner's state director of revenue from 1961 to 1963 and one of his major political advisers. Isaacs reportedly made an identical profit on the stock.

The new disclosure, part of a continuing federal grand jury probe into racetrack stock ownership, follows revelations last July that Kerner and Isaacs each reaped $125,000 in profits from stock they held in Balmoral Jockey Club and sold in 1967.

BOTH TRADE STOCK

The $125,000 profit resulted when Kerner and Isaacs each bought 25 shares in Chicago Thoroughbred Enterprises, Inc., for $1,000 a share and traded their C. T. E. stock for 5,000 shares in Balmoral Jockey Club in a deal arranged by Mrs. Marje Everett. Mrs. Everett, former owner of Arlington and Washington Parks, at the time controlled the Balmoral Jockey Club.

The Balmoral stock was sold by the two in 1967 for $50 a share to a group headed by William S. Miller, former Illinois racing commission chief, resulting in a profit of $125,000 for each.

When asked for comment, Kerner's office said the judge was out of the state for the week but refused to say where.

"I don't want him to be bothered," a secretary told reporters.

Isaacs said he could not talk about the stock report because of a continuing federal grand jury investigation.

SUBJECT OF JURY PROBE

Judge William J. Lynch of Federal District Court confirmed yesterday that it was in his name that George W. Dunne, president of the Cook County Board, held racetrack stock that Dunne bought on a tip from the late Secretary of State Paul Powell.

The track holdings of Democrats Kerner and Dunne, in addition to those of other present and former state politicians of both parties, are the subject of federal grand jury tax-profit investigations.

Lynch, a former state legislator and law partner of Mayor Daley who was appointed to the federal bench in 1966, said he saw nothing unusual in his role for Dunne.

He told reporters in his chambers that he also has acted as nominee in track stock holdings for others. He named only one, Mrs. Everett.

Asked if the others included Kerner, Lynch replied, "That question has been asked and answered before the federal grand jury." [Lynch, Kerner and Dunne have appeared before the grand jury].

Dunne on Tuesday revealed that he has turned a $5,000 investment in the Washington Park Trotting Association into a $20,000 profit. He said he bought the stock in 1964 and sold it in 1966.

Lynch was attorney for the trotting association at the time he acted as nominee for Dunne's stock.

[From the Chicago Sun-Times, Sept. 16, 1971]

NEW PROBE OF KERNER TRACK DEALS

(By Hugh Hough and Larry Weintraub)

Federal authorities disclosed Wednesday that they are investigating a new case of windfall profits gleaned by Otto Kerner on a secret racetrack stock deal when he was governor of Illinois.

Under scrutiny is the 1966 acquisition by Kerner of 14,000 shares of Chicago Harness Racing Inc. stock at the bargain price of 40 cents a share.

Kerner reportedly sold the stock 10 months later for $2 a share, turning a quick $22,400 profit.

Federal sources said Theodore J. Isaacs, Kerner's top political adviser, gained the same profit on an identical stock deal.

EARLIER CASE BARED IN JULY

In July, it was revealed that Kerner and Isaacs each scored $125,000 profits in the stock of Balmoral Jockey Club in 1967.

Kerner, a Democrat, served as governor from 1961 until May, 1968, when he resigned to become a U.S. Court of Appeals judge here.

The racetrack stock deals involving Kerner, Isaacs and other Illinois politicians are under a continuing investigation by a special federal grand jury here.

Disclosure of the additional Kerner stock profit followed by a few hours the acknowledgment by Cook County Board President George W. Dunne that he, too, once struck it rich in racetrack stock.

FORMER TRACK ATTORNEY AIDED HIM

Dunne said he acquired 5,000 shares of Washington Park Trotting Assn. stock for $1 a share in 1964 and sold it for $5 a share in 1966, for a profit of $20,000.

Dunne said he concealed his holding of the stock by placing it in the name of William J. Lynch, who when then was attorney for the track.

Lynch, now a U.S. District Court judge, was interviewed in his chambers in the Federal Building and conceded that he acted as Dunne's nominee in the stock deal.

Asked how many persons he served as nominee in the stock deal.

Asked how many persons he served as nominee in racetrack stock dealings when he was in private practice, Lynch said:

"That has been asked and answered before the special federal grand jury."

Lynch declined to elaborate. He cited the rules of secrecy surrounding grand jury proceedings.

SCHALLER MENTIONED AGAIN

Regarding Kerner's $22,400 profit on the Chicago Harness Racing Inc. stock, one source reported that the former governor and Isaacs sold the stock for the $2-a-share price to Chicago attorneys Joseph and Norman Becker.

Joseph Becker acknowledged that he and his brother purchased 28,000 shares of the stock in 1967 for $2 a share.

"But we bought it from George Schaller," he said. (Schaller, now a Circuit Court judge, formerly was a law partner of Lynch and also formerly served as a racetrack attorney.)

Asked if Schaller was acting as the nominee for Kerner and Isaacs, Becker replied, "I wouldn't know."

Schaller's name also cropped up in Dunne's story of racetrack stock buying. Dunne said it was Schaller who arranged the sale as attorney for Mrs. Marjorie Lindheimer Everett, then majority stockholder in the Washington Park and Arlington Park track operations.

Dunne said he learned that the stock was available from Paul Powell, former Democratic secretary of state who died last October with racetrack stock holdings of more than $750,000.

KERNER EX-AIDES REPORTED INVOLVED

The Kerner-Isaacs stock dealings were described by federal sources as complex transactions involving at least two key figures in the Kerner administration.

They are William S. Miller, whom Kerner appointed chairman of the Illinois Racing Board in 1961, and Joseph E. Knight, who was state director of financial institution under Kerner.

Knight reportedly acted as the nominee for Kerner and Isaacs in their acquisition of the 28,000 shares of Chicago Harness Racing at 20 cents a share from Miller, who controlled all the Chicago Harness stock.

Knight reportedly still holds 12,000 shares of the bargain stock worth some $80,000.

Knight could not be reached for comment, nor could other principals in the reported stock deals. Judge Kerner's secretary said he was out of the state and could not be reached for the remainder of the week.

TRACE BEGINNING TO 1962

The Kerner-Isaacs $125,000-profit deals in Chicago Thoroughbred Enterprises were de-

scribed by federal authorities as being even more complex than the Chicago Harness Racing transactions.

Investigators said it all began in 1962 when Mrs. Everett granted Kerner a letter of agreement permitting him to purchase $50,000 worth of CTE stock.

It was in July, 1966, that Kerner and Isaacs exercised the right to purchase 25 shares each of the CTE stock, the federal sources said.

Within a few months, it was reported, an agreement was worked out that enabled Kerner and Isaacs to swap the CTE stock for 10,000 shares in Balmoral Jockey Club, which Mrs. Everett also controlled at that time.

[From the Chicago Sun-Times, Sept. 17, 1971]

U.S. JURY GETS MARJE'S STOCK FILES

(By Ray Brennan and Larry Weintraub)

Mrs. Marjorie Lindheimer Everett is a key witness in a federal investigation of secret racetrack stock deals on which Illinois politicians pocketed big profits, it was learned Thursday.

Mrs. Everett, once known as the "First Lady" of Illinois horse racing, has given federal grand jury testimony and supplied investigators with financial records, a government source said.

Among the beneficiaries of stock transactions involving Mrs. Everett was U.S. Court of Appeals Judge Otto Kerner, former governor of Illinois.

Others include Neal Bidwill, son of a widely known state senator, and Theodore J. Isaacs, Illinois director of revenue during Kerner's state administration.

Mrs. Everett formerly operated Arlington Park and Washington Park race tracks in the Chicago area, but sold the properties for $24 million in 1969 to the Gulf and Western conglomerate.

She now is the biggest individual stockholder of Hollywood Race Track in California.

Her grand jury testimony reportedly has been corroborated in part by Ralph Atlass, president of radio station WAAF and formerly an official of WBBM and WIND. Mrs. Everett could not be reached for comment.

Statements by Atlass to government agents reportedly concerned a purchase by Bidwill in 1963 of 20,000 shares of stock in the Washington Park Trotting Assn.

Bidwill is the son of Arthur J. Bidwill, a powerful figure in the Illinois General Assembly. The son, like his father is a suburban Republican leader.

Atlass has reported that he bought the stock at $1 a share and the younger Bidwill paid for it with a check for $20,000.

He held the stock in his own name, Atlass reportedly told investigators before his grand jury testimony, "because Marje (Mrs. Everett) asked me to."

Another buyer of Washington Park Trotting stock was George Dunne, Cook County Board president and mentioned as the possible Democratic nominee for governor in 1972.

Dunne has conceded that he bought 5,000 shares of the stock for $5,000 in 1964 and sold it two years later for $25,000.

The federal investigation is aimed at developing evidence that Dunne, a former state legislator, and other politicians received stock bonanzas in exchange for favors granted to racetrack interests.

If so, the government contends, the stock beneficiaries should have reported the profits as earnings, instead of capital gains, which they presumably did in most cases.

Atlass also has been disclosed as the nominee in a deal in which Kerner and Isaacs obtained 40,000 shares of stock in Chicago Harness Racing Inc. stock.

Records show that Atlass transferred the stock certificates to a LaSalle St. brokerage house and that the two Democratic politicians made profits of $22,400 each.

Kerner and Isaacs added a total of $250,000 to their bankrolls through a deal in Chicago Thoroughbred Enterprises Inc. (CET), the corporation through which Mrs. Everett operated the Arlington Park and Washington Park tracks.

[From the Chicago Daily News, Sept. 16, 1971]

JURY PROBES RISE IN HER TRACK PROFITS

(By Charles Nicodemus and William Clements)

A prominent Chicago broadcast executive who helped arrange some of former Gov. Otto Kerner's secret windfall profits on racing stock said Thursday he had acted "at the personal direction" of Mrs. Marjorie Everett, then the operator of Arlington Park and Washington Park racetracks.

Ralph Atlass said he became involved "at the direct request" of Mrs. Everett, often called the "Queen of Illinois Racing" because of her control of Washington and Arlington parks.

A federal grand jury here is probing the phenomenal, multimillion-dollar spurt in profits enjoyed by Mrs. Everett's complex of racing interests during the 1960s, as a direct result of favorable rulings made by the Kerner-controlled Illinois Harness Racing Commission.

Once that commission gave the go-ahead to start harness racing at Washington Park in 1962, analysis of commission records shows that two new harness groups owned or substantially controlled by Mrs. Everett's interests made added profits of some $17 million between 1962 and 1968.

Mrs. Everett declined to discuss any of these matters with The Daily News.

Among the documents the grand jury is scrutinizing is a "letter of intent"—in effect, an option—dated in 1962, through which Mrs. Everett assured Kerner and his top aide, Theodore Isaacs, that they could buy $50,000 worth of Mrs. Everett's Chicago Thoroughbred Enterprises (CTE) at a later date, while paying only the 1962-level prices plus a small interest charge.

In 1966, four years later, Kerner and Isaacs each bought 25 shares of CTE, at $1,000 a share, even though the stock's value had soared by then to $6,000 a share.

The skyrocketing value was due substantially to decisions by Kerner's harness commission that benefited CTE's Washington Park Trotting Assn. and Chicago Harness Racing Inc., controlled by friends of Mrs. Everett and by CTE.

The groups not only were permitted to conduct harness meets at Washington, but were given increasingly choice dates that were taken away from other Chicago-area harness tracks, particularly Maywood Park.

Under study by the grand jury is the question of whether the CTE stock deal—which eventually brought Kerner a 400-percent, $125,000 profit, and another lucrative Kerner-Isaacs transaction in Chicago Harness Racing Inc. stock—involved a conspiracy among four top Kerner administration officials to line up guaranteed stock profits in return for actions benefiting the CTE tracks.

The concern of federal investigators is whether any of the transactions involved in the maneuvering should have increased the income tax liability of any of the officials involved.

After further transactions involving Balmoral Jockey Club stock, the deal that began with CTE stock finally ended when a $300,000 check drawn on Chicago Harness Racing funds was cashed by another Kerner crony, Joseph E. Knight, at the Civic Center Bank. The money was divided between Kerner and Isaacs.

Knight, director of financial institutions under Kerner, is a stockholder in the Civic Center Bank, along with Kerner and Isaacs.

Mrs. Everett, who has appeared before the grand jury and has supplied her books and records, repeatedly declined to discuss the stock deals with Daily News reporters. The Everett family was contacted both through her Scottsdale (Ariz.) home and at a vacation site in LaCosta, Calif., near the Del Mar racetrack.

Mrs. Everett and her husband, Webb, who helped run the racing empire, were squeezed out of their control of the Washington and Arlington track in 1969, after she agreed to merge CTE into the Gulf & Western conglomerate in a search for more working capital.

In the other stock deal being probed by the jury, William S. Miller, the Kerner-appointed chairman of the Illinois Racing Board (which absorbed the harness commission in 1965) provided Atlass with $20,000 to acquire 50,000 shares of Chicago Harness stock—much of which ultimately went to Kerner and Isaacs at bargain rates.

Atlass, a former local official of radio stations WIND and WBBM who is now president of radio station WAAF, was at that time on the board of directors of CTE.

After acquiring the Chicago Harness stock for Miller in 1965, Atlass said he followed instructions and transferred it to a La Salle St. brokerage firm, Sincere & Co., which sold it over a one-year period to Knight.

Knight, in turn, secretly sold 14,000 shares each to Kerner and Isaacs at 40 cents a share. Shortly afterward they sold out for $2 a share, turning a quick $22,400 profit.

Although it has so far escaped public attention, they each also received an additional $2,800 in dividends during the short time they held the stock.

"I did it because I did whatever Mrs. Everett asked me to do," Atlass said in explaining his role.

"I did it as an accommodation to her. Yes I wasn't the real owner, I acted as a nominee. But I did not know then that the stock would eventually end up with Kerner and Isaacs," he added.

Miller has said he initiated the shadowy, complex transaction because he was asked to do so by George Schaller, a former law partner of Mayor Richard J. Daley, who was at that time one of Mrs. Everett's attorneys. He is now a Circuit Court judge.

Schaller refused to discuss the deal with Daily News reporters.

However, he went before the federal grand jury to discuss it last June.

Appearing a day earlier was another of Daley's former law partners, William Lynch, who was also a CTE attorney. Lynch is now a U.S. District Court judge.

Kerner, now a U.S. Court of Appeals judge, made the first of two appearances before the jury the day after Schaller testified. Isaacs followed shortly afterward.

The formula used in estimating the profits gained during Kerner's tenure by Washington Park Trotting Assn. and Chicago Harness was supplied by Alexander McArthur, current chairman of the racing board.

He said experience has indicated that in an efficient, large operation such as Mrs. Everett ran it was a general rule of thumb in the racing industry that the meet's operators cleared as profit about the same percentage as was paid out to the state in Illinois' share of the mutuel handle.

Those figures for the two associations totaled $17,289,489 for their operating periods between 1962 and 1968.

Cited by federal investigators as typical of the treatment accorded Mrs. Everett's holdings were the Harness commission rulings made in behalf of her Washington Park Trotting Assn.

For the 1962 season, the brand new group—in which many top politicians secretly held bargain price stock—was given 42 racing days, from Sept. 3 to Oct. 20.

Those were the dates formerly allotted to

Suburban Downs, one of the area's pioneer trotting meets. Suburban Downs, which raced at Maywood, was given no dates at all.

The next year, the Egyptian Downs trotting meet was permitted to transfer from Maywood to Washington Park, and Chicago Harness began its operations there, increasing Mrs. Everett's profits still more.

Finally, in 1964, the Washington Park Trotting meet was shifted from September, when it had been in competition with thoroughbred racing at Sportsman's Park, to 42 days in April and May, a time slot that had long been held by Maywood Park Trotting Assn. It was a time of the year in which there was virtually no competition.

As soon as the move was made, Washington Park Trotting's mutuel handle jumped from $17,972,607 to $25,461,496.

In all such decisions by the harness commission and the racing board, state officials explained that their actions were taken "in the best interest of the state and of racing, and to better serve the public."

This meant, they said, that Washington Park had superior facilities, could bring in more tax money, and thus deserved the best racing schedules "to benefit the public."

[From Chicago Today, Sept. 15, 1971]

SECOND KERNER RACING DEAL

(By Edward T. Pound and Joel Weisman)

Federal appeals Court Judge Otto Kerner profited by $22,400 on Chicago Harness Racing, Inc., stock he acquired secretly in 1966 while he was governor, informed race track sources told Chicago Today.

This was the second lucrative horse racing stock deal in which Kerner, governor from 1961 to 1968, participated. The other, involving Chicago Thoroughbred Enterprises, Inc., stock, on which Kerner profited by $125,000 in 1967, also was disclosed by this newspaper.

Theodore J. Isaacs, who was Kerner's state revenue director from 1961 to 1963, gained the same profit as Kerner on both stock deals during 1966 and 1967, the race track sources told Chicago Today.

The activities of Kerner and Isaacs in the C. T. E. transaction, however, differed from what was originally reported, it was learned. Instead of selling their stock in C. T. E., Kerner and Isaacs entered into a stock trade which resulted in the $125,000 profit for each of them.

It was learned that Kerner and Isaacs, who each purchased 25 C. T. E. shares at $1,000 a share, swapped their C. T. E. stock for 5,000 shares in Balmoral Jockey Club stock in a deal worked out with Mrs. Marje Everett, former owner of Arlington Park and Washington Park race tracks who at the time controlled Balmoral.

The Balmoral stock, when acquired by Kerner and Isaacs, was worth $30 a share, or $300,000 for their total holdings. They subsequently sold the Balmoral stock at the $30-a-share price in 1967 to a group of investors headed by former Illinois racing board chief William S. Miller. The group was in the process of buying out majority control of Balmoral from Mrs. Everett.

Kerner's race track profits have been investigated by a federal grand jury and the Internal Revenue Service. United States Atty. Gen. John N. Mitchell reportedly is considering a tentative draft of an indictment against Kerner based on evidence submitted to a federal grand jury here in connection with the stock deals.

Sources with access to names and dates now say that Kerner was aided in his acquisition of race track stock by Miller, whom Kerner named as chairman of the state racing board in 1961.

Miller, in fact, advanced his own money while still head of the racing board so that Kerner and Isaacs could buy Chicago Harness Racing stock at the bargain price of 40 cents a share.

This is the stock they sold 10 months later for $2 a share, and they both pocketed $22,400 profit.

Asked about his role in the stock transactions involving Kerner and Isaacs, Miller said, "My attorney has advised me that my first allegiance is to the government. I have no comment."

Altho many key records mysteriously disappeared from state files, informed sources told Chicago Today how the deals were transacted so that certain people served as conduits to shield Kerner's and Isaacs' interests. It went this way:

On April 24, 1964, Miller advanced $20,000 to Ralph Atlass, Chicago radio executive and a stockholder in Chicago Thorobred Enterprises, Egyptian Trotting Association and Washington Park Trotting Association.

Atlass purchased 50,000 shares of Chicago Harness Racing stock at 40 cents a share. A stock certificate was issued to Atlass on April 15, 1965.

A month later, the Atlass certificate was cancelled. In its place were issued certificates numbered 44 thru 67 for 1,000 shares each and deposited with Charles Sincere & Co., a Loop brokerage firm which has since merged with another house. Another certificate, No. 68, was deposited with the same firm for 26,000 shares.

All the stock at that time actually belonged to Miller.

That same month, Joseph E. Knight, then state director of financial institutions under Kerner, paid Sincere & Co. $4,800 for 12,000 shares of the Miller stock at 40 cents a share. Knight still holds this stock which today is valued at $81,000.

On May 12, 1966, Faith McInturf, secretary-treasurer for Miller at Balmoral, paid Sincere & Co. $4,000 for 10,000 more shares.

On July 12, 1966, Knight paid Sincere & Co. $11,200 for the 28,000 remaining shares. This stock, the sources said, actually belonged to Kerner and Isaacs, but was concealed by Knight as a nominee. Kerner and Isaacs each received 14,000 shares.

On May 17, 1967—less than 11 months later—Knight sold these 28,000 shares for $2 a share, or a profit of $1.60 a share for Kerner and Isaacs. One of the purchasers reportedly was Knight himself. The deal was handled thru George J. Schaller, now a Circuit Court judge, who was a law partner of Mayor Daley.

The Kerner and Isaacs dealings in C.T.E. stock was even more intriguing—and profitable. Reliable sources give this account:

In March 1962, during Kerner's second year as governor, a letter of agreement was granted him by Marje Everett to cover the purchase of $50,000 worth of stock in Chicago Thoroughbred Enterprises.

It was not until more than four years later —in July 1966—Kerner and Isaacs paid $50,000, plus $4,479 interest, for 25 shares each in C. T. E.

Within a matter of months, another agreement was worked out with Mrs. Everett whereby Kerner and Isaacs traded their C. T. E. stock for 10,000 shares in Balmoral Jockey Club.

In 1967, when Miller headed a group that took over Balmoral, Kerner and Isaacs were paid $30 a share for their stock. Thus, the C. T. E. stock which they had purchased for $25,000 each in 1966, ballooned in value to a holding of $150,000 each when they sold their Balmoral holdings.

Significantly, Kerner and Isaacs made their initial purchases of Chicago Harness Racing and C. T. E. stock in the same month, July 1966.

Kerner had repeatedly refused to discuss his race track holdings. He and Knight, who was reported to be "out of town for a few days," were unavailable to comment on the latest disclosures.

Isaacs, when reached by phone in his north suburban home, said:

"You realize that these, or matters similar to this, are all matters pertaining to an investigation being conducted by a grand jury and as a lawyer I am not able to comment on them."

Kerner, Isaacs and Knight were involved in another financial venture which came under investigation. They were stockholders in the Civic Center Bank that became the center of a scandal ultimately resulting in the resignation of two Illinois Supreme Court justices, Roy J. Solfisburg Jr. and Ray I. Klingbiel.

Federal grand juries in Chicago and Springfield have been investigating race track stock holdings by politicians to determine if they accurately reported profits on income tax returns.

HIS SECRET WAS OUT, SO DUNNE TOLD OF STOCK

(By Edward T. Pound and Joel Weisman)

Cook County Board President George W. Dunne broke a seven-year silence on his secret race track holdings—and the $20,000 profit from them—after he was confronted by Chicago Today reporters.

When told that this newspaper would disclose his profit from the secret interests, Dunne hastily called a press conference late yesterday to "announce" he had once owned horse racing stock.

Chicago Today had learned that Dunne acquired 5,000 shares of Washington Park Trotting Association stock at $1 a share in 1964 and sold them for $25,000 in 1966.

Dunne's stock was concealed from the public when Dunne placed it in the name of William J. Lynch, now a United States District judge and former law partners of Mayor Daley.

When confronted in his office yesterday, Dunne acknowledged he had held the stock, adding that he acquired it at the suggestion of Paul Powell, the late Democratic secretary of state.

Dunne, a favorite of Daley and a potential 1972 Democratic gubernatorial candidate, obtained the stock two years after he left the Illinois House of Representatives. In 1962, he was Democratic majority leader.

In his press conference—called 30 minutes after Chicago Today reporters left his office—Dunne did not mention that he had concealed his horse racing interests from Mayor Daley. However, he had told Chicago Today: "To my knowledge, he [Daley] doesn't know anything about it. I never saw, any reason to tell him."

Dunne told this newspaper he acquired the lucrative stock after hearing of it over breakfast in the Sherman House with Powell, whose ties to the powerful horse racing industry were legendary.

Dunne also verified he appeared before a Chicago federal grand jury in June and was questioned "for a little more than 10 minutes." about his acquisition.

Dunne said that after Powell told him of the "good buy," he contacted Marje Everett, who was then owner and manager of the Washington Park race track, and arranged to buy the stock.

Dunne turned a 400 per cent profit in 1966 when he sold the stock for $25,000, but he said he could not remember to whom his interests were sold. "The law firm of Schaller and Lynch took care of the sale, as I recall."

The Schaller in the firm is George W. Schaller, now a Circuit Court judge. Like Lynch, Schaller is a confidant of Daley. He formerly held the lucrative post of attorney for the Chicago Transit Authority (CTA).

Dunne said he "thought" it was the law firm and-or Powell who suggested the stock be held in the name of a nominee. "I didn't think it was necessary, but they know more about these things than I do," he related, "so I listened to them."

Tho he made a profit on his investment, Dunne said he was "generally disappointed with the stock because it didn't pay any

dividend." He said it was for this reason that he sold.

He could offer no explanation for the rise in the stock's value, nor did he know if he was allowed to buy the shares more cheaply than other purchasers, he insisted.

Asked if he thought he profited because of his position, he said: "My position was as a County Board member at the time. I wasn't in the legislature, but I guess you could say my past position (in the legislature) led to affording me the chance of making the investment."

Dunne declined to say what other politicians availed themselves of the same investments but asserted, "Mayor Daley owns no race track stock."

Asked what measures might be taken to restore public confidence in elected officials, who have profited in race tracks and other ventures, Dunne said:

"I am not sure so many people are concerned. But perhaps greater numbers of race track shares should be issued so more people can invest."

Tho he has kept the stock transactions secret for seven years, Dunne insisted "I had no reason to hide it."

HID STOCK FOR OTHERS, LYNCH SAYS

Federal Judge William J. Lynch admitted today that he has hidden stock for other investors in addition to Cook County Board president George W. Dunne. But Lynch, a former law partner of Mayor Daley, refused to say for what others he had held stock.

"I've been a government witness before the [federal] grand jury and I can't speak in detail," Lynch said.

Dunne, in admitting he made a $20,000 profit in two years on 5,000 shares of Washington Park Trotting Association stock, said the stock was held for him by Judge Lynch, under Lynch's name.

Lynch was listed as the second largest stockholder during the 1960s in Chicago Thoroughbred Enterprises, the parent corporation which controls Washington Park and Arlington Park race tracks. C. T. E. shares listed under his name totaled approximately $1.5 million.

Lynch said Dunne's account of the Washington Park stock purchase was true. Lynch said he was contacted by Mrs. Marje Everett, C. T. E.'s major stockholder at the time, and was told Dunne was interested in acquiring stock.

"I've got to stop there, I was a witness," Lynch said, adding "I wasn't a judge. I was practicing law at the time." [of the sale].

Lynch was asked if Mayor Daley was aware of Dunne's purchases. I don't know what the mayor is aware of in this respect," he said.

WHAT DUNNE TOLD CHICAGO TODAY REPORTERS

Following is a partial text of an interview with County Board President George W. Dunne when confronted by Chicago Today staffers Joel Weisman, political editor and Edward T. Pound, Springfield bureau chief, about his previously secret race track stock holdings and 400 per cent profit in two years. Immediately after the interview Dunne called a press conference to "announce" his investment.

DUNNE. Come on in and sit down. What can I help you with?

POUND. It is our understanding that you own race track stock. Is that true, and if so, in what track?

DUNNE. It's not true. I don't own race track stock, but I did. I bought it in the Spring of 1964 and sold in the Spring of 1966, but I didn't see anything wrong about it.

WEISMAN. In what track were your holdings and how did you acquire them?

DUNNE. It was in the Washington Park Trotting Association. I paid $5,000 for my shares in 1964 and sold them two years later for $25,000.

POUND. How come your name doesn't appear in Washington records?

DUNNE. Because the stock was held in the name of a nominee . . . Judge William Lynch [Mayor Daley's former law partner], I believe. Yes, it was Bill Lynch.

WEISMAN. Why were you afraid to make your ownership public? Were you trying to hide it?

DUNNE. I didn't want to put the shares in the name of a nominee, but I was advised that was the way these things were done. I didn't see any conflict. I bought the stock when I was a member of the county board, not a member of the legislature, which I left in 1962.

POUND. Why was Lynch used as the nominee?

DUNNE. I don't exactly recall, but the law firm of Schaller and Lynch were the attorneys for the track.

WEISMAN. How did you learn of the availability of the stock and from whom did you purchase it?

DUNNE. Well, Paul Powell said race track stock was a good investment and I asked him how I could get some. He told me I could purchase it from Marje Everett, who is one of my friends. So I contacted Marje.

POUND. When did Powell tell you of the stock and what was your relationship to Powell?

DUNNE. Well naturally I know Paul from our years in the legislature. We were having breakfast in the Sherman House and it just came up in conversation.

WEISMAN. If the race stock was such a good investment, why did you sell it?

DUNNE. I sold it because it wasn't paying any dividends. I had heard that there was good income in race track stock and I wasn't getting income, you see. I didn't want to tie up $5,000 with no income.

POUND. Who'd you sell your shares to and what did you get per share?

DUNNE. I sold them thru Lynch and Schaller. If I paid $1 per share when I paid $5,000 I guess I got $5 per share if I got $25,000 when I sold it.

CHEMICAL ACCOUNTABILITY

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

Mr. RYAN. Mr. Speaker, during the course of the past few months, we have witnessed a growing contamination of our food by an extremely dangerous industrial chemical—polychlorinated biphenyl—PCB.

Yesterday I brought to the attention of the House the fact that the Nation's largest meatpacking firm—Swift & Co., has discovered that some 50,000 turkeys in Minnesota have been heavily contaminated with PCB's. This is only the latest of several significant incidents.

The State of Michigan has ordered the suspension of a program of free distribution of thousands of the State's famed coho salmon to fishermen as a result of finding inordinately high levels of PCB's in the fish.

Holly Farms, the Nation's largest poultry producer, had to slaughter 77,000 broilers after discovering high concentrations of PCB's in the fowl.

FDA officials seized 75,000 fresh shell eggs in Norfolk, Va., but allowed another 60,000 eggs with virtually identical levels of PCB's to go on sale in Washington, D.C.

FDA seized 45,000 pounds of Ralston Purina Co. catfish feed in Louisiana, Georgia, and Mississippi and Ralston Purina issued a recall for an additional 1,000 tons of fish feed.

National By-Products, Inc., of Mason City, Ill., was forced to recall 48 tons of rendered meat meal, because of high levels of PCBs.

The Department of Agriculture ordered off the market more than 169,000 pounds of processed frozen eggs because laboratory tests had shown high levels of PCB's.

And 146,000 chickens in New York State were slaughtered after Campbell Soup Co. discovered PCB contamination in poultry from that area.

These occurrences tragically illustrate the failure of the Federal Government to take preventive action to control this deadly chemical. During the past 2 years, I have attempted to get the appropriate Federal agencies to take the necessary actions that would have forestalled such incidents and would have guaranteed the health and safety of the public. But in an unconscionable display of disregard for the public health and welfare, that action was not forthcoming.

Therefore, I have introduced legislation, H.R. 10085, to totally ban the distribution of PCSB's in interstate commerce, thus insuring that our health and our environment are safeguarded from the hazards of this chemical.

But if we are to stem the tide of growing chemical contamination of our environment, it is going to take forceful, preventive action on the part of the Federal bureaucracy, not the after-the-fact approach which has characterized those agencies in the past.

Perhaps the crux of the matter is best characterized by a statement by an FDA official as reported in the September 3 edition of Science magazine:

We can't be held accountable for every goddam chemical!

I submit that is precisely the responsibility of FDA—to insure to the best of its ability that the public is protected from the dangers of all hazardous chemical contaminants. And it is not until FDA begins to live up to this responsibility that we will be able to make any headway in the battle against the increasingly dangerous chemicalization of our environment. If the Food and Drug Administration is unwilling or unable to live up to this responsibility, then these functions should be transferred to an agency that can do so with vigor and enthusiasm.

REREADING THE REPUBLICAN MISREADING OF THE STATE OF THE ECONOMY

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

Mr. NEDZI. Mr. Speaker, shortly before the August recess, I put aside for later reading a few items from the constant flow of mail which crosses our desks.

One such item was a "dear colleague" letter dated July 30, 1971, from Senator BOB DOLE of the Republican National Committee. He gave a rather glowing

account of the state of the economy and attached a Newsweek column written by economist Milton Friedman in support of the Nixon economic policy.

Yesterday, I had the occasion to return to this material. In view of the President's August 15 speech, the claims made by Senator DOLE and the Friedman analysis he approvingly advertised stand as a virtual parody of the true state of the economic affairs which existed for months prior to the President's action.

In the interest of political history, I set forth below the Dole letter and the peroration of the July 26 Newsweek Friedman column:

REPUBLICAN NATIONAL COMMITTEE,
July 30, 1971.

DEAR COLLEAGUE: Recently released economic indicators show that President Nixon is making impressive progress in fulfilling his goal to make 1971 a good year for the economy, and 1972 a very good year. The rate of inflation has slowed considerably from a year and a half ago. Production has picked up and unemployment has begun a downward turn.

I have enclosed a summary of the economic indicators as of the end of June, and an evaluation of the state of the economy by Professor Milton Friedman of the University of Chicago. I believe you will find in these materials strong evidence that the economy is now moving steadily toward full employment without inflation.

Sincerely,

BOB DOLE.

STATE OF THE ECONOMY

President Nixon is confident that the economy is rapidly moving toward full employment without inflation. And the most trusted economic indicators support his confidence:

The GNP increased $19.7 billion in the second quarter of 1971, to a seasonally-adjusted annual rate of $1040½ billion. This jump represents the third largest increase in history. In real dollars, it is the second largest increase since the third quarter of 1968. When coupled with the first quarter increase, it means the GNP has grown by a record-breaking $52½ billion in the first six months of this year.

Probably the most impressive factor in the growth of the GNP is the sharp $35½ billion increase in personal consumption expenditures over the last six months. Consumer spending on durable goods rose a record $13 billion in the first quarter. In the second, consumer spending on non-durable goods recorded the largest increase in three years—$7½ billion. These figures indicate a strong resurgence of consumer confidence in the economy and should mean even greater spending over the next half-year. At the same time, personal savings has risen steadily, indicating the economy will have the resources to continue expansion over the next year or more.

Housing starts from January through June were at a 1,982,000 level. This is 14 percent above the previous six-month level and a full 48 percent above the same period in 1970. Homebuilding had declined for five consecutive quarters until it began a sustained recovery last fall. Over the last three quarters, residential construction outlays have increased $10½ billion.

The rate of increase of the consumer price index has declined steadily over the past year and one-half to approximately 4.5 percent. At its peak, the rate of increase was a furious 6 percent. The rate of inflation in the United States is now among the lowest in the world. Of the 22 nations belonging to the Organization for Economic Cooperation and Development, only three had lower rises in the consumer prices during the last 12 months than did the United States.

The unemployment rate is now 5.6 percent. At its peak at the time of the General Motors strike, it was 6.2 percent. Historically, recoveries begin six months after the worst point in the cycle. The dramatic .6 drop in the unemployment rate in June should mean that the economy is now beginning a sustained recovery. The peak unemployment level in previous recessions was, on the average, 6.9 percent. Despite the fact that President Nixon's economic problems were compounded by the changeover from a war-time to a peacetime economy (1.9 million men—half of all those who have lost their jobs since January, 1969—became unemployed *directly* as a result of defense cut-backs; uncounted others lost their jobs indirectly through such cut-backs), he has managed to keep the unemployment rate .7 below the average worst point.

The average weekly hours worked by manufacturing workers has increased steadily from 39.8 hours in April, to 39.9 in May, to 40.0 hours in June. Average overtime has also risen consistently to a full 3 hours as of June. Historically, such rises in average weekly working hours have meant employers were gearing up for full production schedules and would begin new hiring soon.

Unemployment among married men—the key breadwinners in society—is now only 3.1 percent. At its peak last December, it was still only 3.4 percent. The average for past recessions has been a full 5.4 percent. This indicates that the current economic difficulties are due in large measure to the unprecedented number of women and teenagers in the work force. Even these groups are showing improvement now. The unemployment rate for minority groups, traditionally those hit hardest by unemployment, dropped sharply from 10.5 percent in May to 9.4 percent in June.

Personal income advanced $20 billion in June to a seasonally-adjusted annual rate of $870½ billion. For the first six months of 1971, personal income rose to an $844.8 billion annual rate. This compares with a $794.0 billion rate for the first six months of 1970. As compared with the end of 1968, real personal income per capita after taxes is up 4 percent. Real compensation of employees per hour of work is also up about 4 percent.

Industrial production increased .4 percent in June—the fourth consecutive month in which there has been an increase. Retail sales in June were 1.5 percent higher than in May—and more than 8 percent higher than a year ago. Department store sales are 20 percent above last year's level.

Confidence in the nation's economy is the key to winning the fight against inflation and to expanding employment opportunities. President Nixon believes the foregoing data justifies that confidence.

[From Newsweek magazine, July 26, 1971]

THAT HAS WORKED

And the threefold policy has worked. Inflation has slowed, although less than all desired and many expected. There was a recession—but it was one of the mildest in U.S. history. The recession is now over and the economy is again expanding. The expansion, like the recession, is moderate, but it is solid and widely based. Moreover, moderation is desirable so that continued tapering off of inflation can go along with reduced unemployment. As Mr. Shultz said, what we now need to complete the treatment is "time and the guts to take the time, not additional medicine."

Just when this policy is producing demonstrable results, there is increasing pressure on the President to alter course—to recommend lower taxes, higher spending, and even more rapid monetary growth, to establish a wage-price review board, or to freeze wages and prices. Unabashed by their own failures, the fine-tuning Kennedy-Johnson economists are in effect saying, "We produced an accelerating inflation, why shouldn't you?"

Mr. Nixon has not given in to the pressure. Instead, he has announced that he is sticking with his policies. Once again, he has shown the vision and the courage to pursue long-run stability rather than short-term gains.

Mr. Shultz ended his talk: "Those of you familiar with sailing know what a telltale is—a strip of cloth tied to a mast to show which way the wind is blowing.

"A captain has the choice of steering his ship by the telltale, following the prevailing winds, or to steer by the compass.

"In a democracy, you must keep your eye on the telltale, but you must set your course by the compass. That is exactly what the President of the United States is doing. The voice from the bridge says, 'Steady as you go'."

INTRODUCTION OF MARITIME LEGISLATION

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

Mr. BEGICH. Mr. Speaker, after a lengthy period of study, discussion, and deliberation, I am introducing a bill intended to bring important economic relief to the U.S. shipbuilding industry and the State of Alaska. The bill authorizes the State of Alaska to operate a ferry vessel of foreign registry between ports in Alaska and ports in the State of Washington for a limited period of time. In most direct terms, the bill authorizes a closely defined and limited waiver of the Federal Maritime Shipping Act—the Jones Act.

In introducing this legislation, I wish the Members of this body to know that I have full understanding of the intent and meaning of the Jones Act, and strongly support its goal of protecting the U.S. shipbuilding industry. In fact, I would be one of the first to support similar legislation for other areas of American industry demonstrating need for economic assistance and protection. For the reason that I carry this respect for the Jones Act, I have spent considerable time preparing for the introduction of the present bill, and I would like to share certain conclusions with my colleagues at this time.

First, the State of Alaska maintains an extensive marine highway system which runs both within the State and between Alaska, Canada, and the Pacific Northwest. At the present time, the ferry fleet consists of seven vessels ranging from the 1,300-passenger MV *Wickersham* to the 59-passenger MV *Chilkat*. Of the seven, only the MV *Wickersham* is a foreign-hulled vessel subject to the restrictions of the Jones Act.

In the immediate future, the State of Alaska, through a bonding program already approved, is planning to undertake an expansion program which calls for the addition of one 408-foot ocean-going ferry, two 235-foot inland ferry vessels, and the lengthening of two ferry vessels already in service on the Alaska Marine Highway. The expenditures, all directed to American shipyards, are expected to exceed $37 million.

The key to the entire project is the use

of the MV *Wickersham* between U.S. ports while an American replacement vessel is constructed, and while the two vessels to be lengthened are out of service. My conclusion after great study is that a waiver of the Jones Act to accomplish this is in the best interest of the American shipbuilding trade who are presently unemployed and all concerned.

For the shipbuilding industry and the thousands of skilled shipbuilders in the United States, the need for new construction jobs is acute. A recent issue of the Shipbuilders International Union Seafarer's Log claimed "We have to stay alive." The figures indicate that the decline affecting the entire economy is hitting shipbuilders hard. It is my hope that the $37 million program planned and authorized by Alaska will provide jobs for thousands of shipbuilders and profits for a number of American shipyards.

For Alaska, the economic situation is even more distressing. The construction of new ferry vessels, and the ultimate increase in tourist and cargo capacity is essential to make a dent in an Alaskan economy which badly needs assistance. Gov. William A. Egan, both houses of the Alaska Legislature, and the people of Alaska support the program.

The bill itself represents the minimum intrusion into the fabric of the Jones Act and includes terms of limitation and safety consistent with the intent of the original act. The legislation has been prepared with the advice and assistance of those in this body who have long been respected for their expertise and sensitivity in this area.

The waiver for operation of the MV *Wickersham* between U.S. ports begins only when a binding contract for a replacement vessel built in the United States is entered into, and ends on the day the replacement vessel goes into service but in no event later than 36 months after the date of the contract.

During the period of the waiver, the State of Alaska will be allowed to maintain reasonable interstate ferry service through the use of the MV *Wickersham*, the shipbuilders of the United States will be engaged in a large shipbuilding program for the State of Alaska, and at the close of the period, three important new vessels will enter the maritime service of the United States. I earnestly solicit your support for this important legislation.

FEEDING THE NATION'S HUNGRY SCHOOLCHILDREN

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

Mr. PERKINS. Mr. Speaker, I rise to speak today on an issue of critical importance to the schoolchildren of this Nation. During the congressional recess, the Department of Agriculture announced proposed changes in the regulations governing the operation of the school lunch program for the current year. State educational agencies and local school systems which administer the program were given only 15 days to comment on major and sweeping changes in the manner in which Federal funds could be used in providing school lunches, particularly free and reduced price lunches to children from low-income families.

During that 15-day period there was a flood of protest from interested parties. Based on the preliminary analysis of a very recent committee study of the school lunch program and on the many letters, telegrams, and comments I received from concerned school officials, I wrote Secretary Hardin on August 26—prior to the deadline for submitting comments—urging that the Department reconsider the new regulations with particular reference to the 30-cent average reimbursement rate proposed for free and reduced price lunches.

To date, there has been no change in the policy enunciated by USDA in early August. During the intervening weeks, new information and evidence has been developed which, in my judgment, clearly justifies and documents the initial concerns and fears over the proposed regulations. I should like to share with my colleagues some of the reasons why it is imperative that we persist in our opposition to the Department's actions.

First, the timing of the change is unrealistic and inequitable. The school year has already started. Local school districts, must meet this responsibility without knowledge of where the necessary funds will come from to pay the cost. This confusion and uncertainty in itself is going to impede, if not destroy, the interest and the momentum that have been built up in the recent past to eliminate hunger from the classroom.

Second, we in Congress have a very serious interest and responsibility in this issue. Public Law 91–248, amending the School Lunch Act, was passed overwhelmingly in May of 1970. This act states clearly and unequivocally that any child who is a member of a household which has an income below the poverty level "shall be served meals free or at reduced cost." The law also authorizes the appropriation of such sums as may be necessary to assure access to the school lunch program by children of low-income families. In anticipation of increased participation in the lunch program, just a few months ago Congress also approved Public Law 92–32 to assure the availability of sufficient funds for free and reduced price lunches. The proposals of the administration are in direct conflict, in my judgment, with both the spirit and the intent of Congress not only in the passage of Public Law 91–248, but also in the subsequent approval—and I might add, unanimous approval—of Public Law 92–32.

Third, we can now say with absolute certainty that in the majority of cases, the average rates of reimbursement proposed by the Department of Agriculture will be totally inadequate to meet the increased needs brought about by greater participation in the program and by increased costs. The committee's survey, which includes returns from all 50 State programs, shows that a majority of the States will require a reimbursement rate of 40 cents or more from special assistance funds for each free or reduced price lunch. This compares with the average reimbursement rate of 30 cents proposed in the new regulations.

Thirty-four States indicated they will require a reimbursement rate in excess of the proposed 30-cent average rate. Many States with large programs indicated needs far in excess of the prescribed 30-cent rate. For example, Pennsylvania indicates an average rate of 45 cents will be required. California will require 40 cents; Florida, 51 cents; Georgia, 43 cents; Indiana, 42 cents; Texas, 40 cents; Massachusetts, 50 cents; and Virginia, 45 cents. Considering these requirements, what impact will the new guidelines have across the Nation? Nebraska tells us that a reimbursement rate of at least 40 cents is essential to their program. Texas reports that it is critical that the 30-cent reimbursement rate be increased.

Finally, I should mention that, in numerous instances, the States requested a section 4 reimbursement rate of more than the 5-cent average rate provided for in the regulations. In the face of increased costs, an average reimbursement rate of 5 cents in section 4 funds will result in higher costs per lunch to paying students. As a result, according to many experts, participation in the program will decrease with the unfortunate outcome that there will be less support at the local level for the entire school lunch program, including the provision of free and reduced price lunches.

In summary, the committee survey shows that in excess of $511 million will be needed in section 32 and section 11 funds to cover the cost of the anticipated number of free or reduced price lunches during this academic year. This is in contrast to the $390 million which would be available under the administration's budget.

The results of the committee survey showing a shortage of some $120 million for free or reduced price lunches has been substantiated by another survey—very recent indeed—of the American School Food Service Association. After the announcement of the new regulations, the association surveyed State and local officials to ascertain the impact of the proposal. Their survey shows that the States will be short approximately $125 million in their efforts to further reduce hunger among our Nation's schoolchildren. May I cite a few examples.

If school systems in South Carolina provide the free and reduced price lunches which they are required to do by law—and which they fully intend to do—there will be a shortage of over $9 million in that State alone. In Illinois, the shortage will be $16 million. In Georgia, it will be $6 million, in Florida, almost $7 million, in Alabama $5 million, in Texas $8.8 million, and in New Jersey, $6 million.

I want to emphasize that Federal funds have been authorized to finance lunch and breakfast programs at the anticipated levels. In addition to the regular appropriations, the Congress has authorized in Public Law 92–32 an additional $100 million in section 32 funds which the Secretary of Agriculture may draw upon for this purpose. However, the Department has decided against making

use of these funds. The question is whether we are going to allow the intransigence of the Department to override the clear intent of Congress and the welfare of the schoolchildren in this country. Withdrawal or revision of the proposed new regulations in combination with the utilization of the additional $100 million in section 32 funds is clearly a more effective way of meeting the goals established by this Congress and reaffirmed by the present administration.

If such a course is not pursued, then I can only conclude that an accurate picture of what will happen at the local level has not been communicated and that State and local officials must be given an opportunity more fully to explain and clarify their concerns and objections. Therefore I will schedule committee public hearings at the earliest possible date to receive the testimony of those who are directly responsible for program implementation at the State and local levels and thus best able to outline and document the disastrous consequences which will ensue if the proposed regulations are enforced. Today I am also introducing legislation designed to insure that in this situation the clear intent of Congress to feed all hungry children will override the budgetary maneuvering of the administration.

Perhaps the nature and gravity of the situation will be more dramatically described by a review of some of the correspondence which I have received from concerned State educational agencies and local educational agencies which I should like to place in the RECORD at the conclusion of my remarks.

Mr. Speaker, I earnestly hope that Members of Congress will join with me in expressing to the Department of Agriculture the compelling need to alter or revise the proposed regulations to the end that no child shall be denied lunch at school simply because his parents are unable to pay the cost.

STATE OF IOWA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Des Moines, Iowa, August 31, 1971.

Hon. CARL PERKINS,
The House of Representatives
Washington, D.C.

DEAR MR. PERKINS: The United States Department of Agriculture recently published a Notice of Proposed Rule Making in the Federal Register on August 13, 1971, concerning 7 CFR PART 210, 7 CFR PART 220, 7 CFR PART 245 of the National School Lunch Act.

These changes will be effective after schools have started this fall and have gone through the process of enrolling school children, amending their free and reduced-price meal policy, selling lunch and milk tickets, establishing and announcing their lunch and milk prices, collecting for book rentals, and numerous other administrative details.

During the past school year many regulatory changes were effected by the USDA, some to the great benefit of the economically needy child with which we concur.

We do not agree with a number of these proposed changes nor with the timing of these changes. We have written our comments, suggestions, and objections to the Food and Nutrition Service of the USDA.

We believe that prior to publication, these proposed changes should first be reviewed by a committee to include a representation of State Directors some of whom have had administrative experience in the schools. Further, that if at all possible, these changes should not be made effective during mid school year which causes much extra work and confusion for school personnel.

While we agree with the proposed formula for supplementing Section IV funds among the States, we do not believe the proposed average of 5 cents reimbursement for Type A lunches, nor the average of 30 cents reimbursement for free or reduced-price lunches to be adequate for supporting existing programs or starting new programs.

We believe the average of 6 cents and 40 cents, respectively, would be more realistic based on current costs of operating these programs.

We ask your support because we are convinced of the benefits of school feeding.

Sincerely yours,
PAUL F. JOHNSTON,
State Superintendent of Public Instruction.

BIBB COUNTY PUBLIC SCHOOLS,
Macon, Ga., September 2, 1971.

Hon. CARL D. PERKINS,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: This is written in the interest of the pupils and parents of the Bibb County Public School System.

As you are aware, Public Law 91-248 has been passed by the Congress and signed by the President in order to provide the means of ending hunger on the part of the American school children through the lunch program in the schools.

However, as you are also undoubtedly aware, officials of the United States Department of Agriculture have presented an outlook for 1971-72 which substantially negates the goals implicit in Public Law 91-248. The regulatory restrictions and funds projected posed by USDA officials are untenable.

As an example, this school system would lose as a *minimum figure* more than $131,000.00 of school lunch support during 1971-72. Faced, as we already are, with a substantially reduced millage rate for the coming year and shrinking revenue services at the State and Federal level, *we simply cannot afford this loss.*

Your help in effectuating a more equitable set of regulations will mean much to the pupils and parents of this community. We earnestly need your assistance.

Very truly yours,
L. LINTON DECK, Jr.

STATE DEPARTMENT OF EDUCATION,
August 24, 1971.

Hon. CARL PERKINS,
U.S. Congressman,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: We need your help desperately!

The USDA has proposed regulations which inundate the provisions of PL 91-248 providing free or reduced price lunches to children.

The regulations for utilizing Section 32 money completely negate the provisions relating to per capita income of states. Poor states will lose under the new regulations; the states that have over the years built strong lunch programs will lose.

The authority for fund control is taken from the states and placed in USDA's control. The provisions allow only 35¢ for a free lunch, by virtue of fund apportionment to the states.

The following comparison of amounts paid six school systems in 1970-71 and the amount earned under the provisions of the new regulations demonstrates the cost of the project in Georgia:

	Paid 1970-71	New formula	Difference
Atlanta City	$3,006,001.28	$2,767,479.60	$238,521.68
Meriwether County	157,497.85	138,497.80	19,000.05
Hall County	187,737.95	146,751.25	40,986.70
Wheeler County	57,685.52	52,248.55	5,436.97
Decatur County	169,668.42	151,512.00	18,156.42
Chatham County	757,930.65	678,844.10	79,086.55

Unless USDA changes its direction, the regulations will be published in final form after August 28.

It is really traumatic to observe a program change that will inundate the programs in operation, ignore congressional intent, and provide maximum assistance (although not enough) to the 14 states with highest per capita income; to observe the change and to be helpless!

I am enclosing my comments to Herbert Rorex making reference to specific items in the regulations.

We appreciate your constant support of Child Nutrition Programs.

Sincerely yours,
JOSEPHINE MARTIN,
Administrator, School Food Services.

DAVID DOUGLAS PUBLIC SCHOOLS,
Portland, Oreg., September 2, 1971.

Hon. CARL D. PERKINS,
House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR MR. PERKINS: On October 7, 1970, I wrote you in answer to your letter of August 15, 1970, concerning the numbers of school children that would become eligible for free or reduced-price lunches with the passage of Public Law No. 91-248. (Copy of my letter of October 7th is enclosed).

I would like to update the information I provided for the school year 1969-70. In 1970-71 this school district provided 73,837 free and reduced-price lunches, out of a total of 569,036 lunches served to students (enrollment was down over 400 students this year), and in the process had a net operating loss of $7,136.46 (considerably less than in 1969-70).

At the end of the fiscal year a special payment made by the Oregon School Lunch Program to the Cafeteria Fund, for free and reduced-price lunches served in schools where the minimum of 18% of the student body participated in the free and reduced-price lunch program, changed our net operating loss to a profit of $378.03.

Now to the point of this letter, it is my understanding that new USDA regulations, effective September 1, 1971, will restrict State departments ability to make special payments to school districts for free and reduced-price participation. If these regulations are allowed to stand, this school district will have the utmost difficulty in operating a reasonable cafeteria program. For the last five years we have fought the battle of spiraling inflation in services and supplies. It is just possible this may be the straw that breaks the camel's back.

We have done everything humanly possible to provide tasty, nutritious meals to the children of our district. We retained a competent supervisor of foods service to show us the way to hold the price line. We satellited most of our lunch rooms from central kitchens and bakeries in existing facilities. We have utilized the services of Multnomah County's cooperative food purchasing pool. We have gathered equipment from federal surplus. At this point we do not need changes in federal regulations that will penalize our program into ineffectiveness. It is a good program and we have worked hard to achieve it.

I would appeal to you to do everything possible to assist us in preventing the enforcement of the new USDA regulations.

Sincerely,

V. L. GIBBS,
Business Manager.

TODD COUNTY BOARD OF EDUCATION,
Elkton, Ky., August 30, 1971.

Congressman CARL D. PERKINS,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: May I call your attention to an urgent need in the area of the Child Nutrition Program for 1971–72. Information that I have received indicates that reimbursement rates being established by the United States Department of Agriculture for the current fiscal year will not exceed 35c per meal for free and reduced price meals. School districts are required by law to provide such meals to families covered by the poverty income scale declared by the Secretary of Agirculture, we are required by law to meet the federal minimum wage for labor, and must pay food bills in order to have food to prepare. How can the Child Nutrition program continue to exist when actual costs exceed rates of reimbursement for these free and reduced price meals?

In fiscal year 1970–71 the cost of preparing and serving a Type A meal in our school district was 45c. Our reimbursement totaled 38c per plate for the 25% free meals served. This deficit was absorbed by merger reserves. With increased food costs and anticipated labor increases we can have a loss of approximately 13c per meal in the current year on an estimated 30% of the meals served to poverty families.

We cannot continue to operate programs in our schools on this basis. The paying child who has been the backbone of the financial operation for years and the low-income child will all be without lunches at school if this reimbursement structure proposed by USDA becomes a reality.

What is the intent of our nation? Are we serious about providing nutrition for all? We are fast approaching a time of providing no lunches at school and the nutrition that this insures. Your help in avoiding this disaster is urgently needed.

Sincerely yours,

(Mrs.) HELEN A. DAVIS,
Food Service Director.

WILKES-BARRE AREA SCHOOL DISTRICT,
Wilkes-Barre, Pa., Aug. 27, 1971.

Congressman CARL D. PERKINS,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: As Director of Food Services of the Wilkes-Barre Area School District, I would like to make my position emphatically clear with regard to the new guidelines issued by the Department of Agriculture on the distribution ratio of federal funds for the School Lunch Subsidy.

The State Directors of Nutrition and Food Service have established 13 points of disagreement with the Department of Agriculture in regard to the new guidelines on the distribution of subsidies within the United States.

Law 91–248 which became effective January 1, 1970 stated the need to feed the needy. The number of free meals then tripled our area figures with the result that there wasn't enough money appropriated to the State of Pennsylvania to take care of this increased need.

As a School Lunch Director, I wish to state that our school district has complied with all of the federal regulations such as establishing a policy of eligibility as requested by the Department of Agriculture. We distributed the forms to the entire student population of our district and processed same following the guidelines issued by the Department of Agriculture to feed the needy children.

The new guidelines allow 5 cents for all Type A Lunches under Section 4 and an average of 30 cents was established for Section 32 funds as prescribed by Law 91–248. As a result, these guidelines for funding are not adequate for the State of Pennsylvania. We need at least 7 cents across the board under Section 4 funding. In addition, we need at least an average of 45 cents for Section 32 under Law 91–248.

The guidelines state that in order for a school district to receive the full funding of 60 cents—they must be feeding 90% of their students free. Under these guidelines, no one in the State of Pennsylvania would qualify.

School districts as a whole in the State of Pennsylvania do not qualify because they have had to meet their responsibilities and pay their indebtedness by charging 20 cents per lunch in order to fulfill their financial responsibilities. These districts were unable to provide free lunches even though they were well aware they should be earnestly doing this. It is a well established fact that the Department of Agriculture has not met its responsibility to the State of Pennsylvania in providing adequate funding for our needs.

The Type A lunch is presently costing us 60 cents for each student. This in itself points out that the guidelines are not adequate.

The law specifically states that the money is to follow the child but in Pennsylvania there has not been adequate funds to do this. We were just one of many districts who did not receive adequate funds even though we followed the letter of the law in requesting same. It has been the burden of our districts to subsidize the school lunch program well over the prescribed 5%. Because the Department of Agriculture has not met its responsibility, school districts have had to levy additional taxes putting this extra burden on the taxpayer. Everyone else who deals with the Federal Agencies has had to follow the rules and guidelines to the letter of the law but the only group who can be considered honest and not pay their bills is the Federal Government. We did not receive what we were entitled to even though we followed the letter of the law.

Finally, we are asking your consideration for school lunch needs and that action be taken immediately to correct the guidelines as they stand so that there will be an adequate coverage for all participating districts in the United States.

Thank you for your cooperation in this matter.

Sincerely yours,

EVA D. LIPIEC,
Supervisor of Food Services for the Wilkes-Barre Area School District and President-elect of the Pennsylvania School Food Service Association.

THE BOARD OF PUBLIC EDUCATION,
Savannah, Ga., August 25, 1971.

Hon. CARL PERKINS,
U.S. Congressman, House of Representatives, Committee on Education and Labor, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN PERKINS: I feel very much like Will Rogers who once said, "When I am able to make ends meet—somebody moves one of the ends."

We need immediate action that will prevent a severe reduction of reduced price lunches and free lunches to the children of our Nation and particularly in Chatham County, Georgia.

Attached hereto you will find copy of letter to Mr. Herbert Rorex which points out in detail the problems and suggested remedies.

I will appreciate so very much your aggressive efforts in behalf of this most important matter.

With all good wishes, I am

Cordially yours,

F. C. UNDERWOOD, Jr.,
Treasurer and Assistant Superintendent—Business

NORTH CAROLINA,
SCHOOL FOOD SERVICE ASSOCIATION,
Yanceyville, N.C., August 24, 1971.

Hon. CARL D. PERKINS,
House of Representatives,
Washington, D.C.

DEAR MR. PERKINS: On August 12, 1971, an ad hoc Committee of State and Local School Food Service Supervisors and Directors met in Southern Pines, North Carolina, for the purpose of exploring the most effective approach to meeting the nutritional needs of all school age children in North Carolina as outlined in our State Plan of Operation.

After reviewing the new tentative regulations as given by the United States Department of Agriculture, the enclosed position paper was developed defining our needs in order to fulfill the President's commitment and the mandate of Congress to meet the nutritional needs of all North Carolina students.

Sincerely,

ELIZABETH MCPHERSON,
Legislative Chairman, North Carolina School Food Service Association.

POSITION PAPER

An ad hoc committee of supervisors and state consultants of the North Carolina School Food Service in session in Southern Pines, North Carolina, August 12, 1971, wishes to state its position concerning the Child Nutrition Programs outlook for 1971–72 as presented by the United States Department of Agriculture.

The frame of reference for this position includes the following official pronouncements:

(1) President Richard M. Nixon in December 1969 indicated his intent, which was reiterated May 14, 1970, at the signing of PL 91–248 to put an end to hunger among America's school children,

(2) Section 9 of National School Lunch Act as amended by PL 91–248 states, "any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost"

(3) Section 11(a) provides authority for "appropriation as may be necessary" to assure access to the school lunch program under this Act by children of low income families

(4) Section 11(e) provides that the amount of funds paid to a school shall be based on the need of the school for assistance in meeting the requirements concerning the service of lunches to children.

In light of these pronouncements, the North Carolina School Food Service is committed to fulfill the President's mandate to develop a food service program that would put an end to hunger among North Carolina's school children.

The outlook for 1971–72 as presented by Secretary Lyng and other United States Department of Agriculture officials makes it impossible to fulfill the mandate presented in PL 91–248 by the Congress and in the commitment of the President.

The North Carolina School Food Service recognizes that any reimbursement less than

the minimum need assistance rate of 6.4c for North Carolina will prohibit the implementation of this mandate. With more and more emphasis placed in the area of the free and reduced recipient and less emphasis on the 75% of our children who are not eligible for free and reduced price lunches, the majority of the student population is forced to continue to pay a higher price for lunch each year. It is our conviction that 100% of our children should be included in the National School Lunch Program. *The 5c average proposed for Type A lunches is inadequate in the light of constantly escalating costs for food, labor and other expenses.* Funding that will permit the maintenance of a reasonable charge to the child year after year is essential to sustained participation of all children and to the provision of nutritionally adequate lunches. The average lunch cost is 50c in North Carolina and an average student price of 38c would require 12c reimbursement from Section 4 for all lunches. This could be provided without a regulation change if adequate funds were made available.

The average rate of 30c per meal for free and reduced lunches as set forth in the proposed regulations is absolutely inadequate in a program administered under a law which demands that United States Department of Agriculture meet the full cost of free and reduced lunches. With this financing structure and the average cost per lunch of 50c in North Carolina the task of reaching all eligible children in North Carolina is impossible. Existing programs are jeopardized and any expansion to the nearly 8,000 additional eligible children is precluded. Even with an increased level of funding for fiscal year 1972 and the Congressional intent to implement fully PL 91–248, the availability of funds is meaningless unless reasonable regulations will permit states to implement the program.

Changes in attendance areas as a result of desegregation plans have changed the community and local government attitudes toward public schools with the result that state and federal funds will be necessary for the total maintenance and replacement of school food service equipment formerly provided by PTA's and local governments a few years ago. The provision of PL 91–248 for the allocation of 50% of the non-food assistance funds (equipment) to schools with no school food service unfairly penalizes the 2,000 schools in North Carolina whose loyal P.T.A. and local government provided the minimum equipment necessary. Much of this equipment was installed as a part of the implementation of the National School Lunch Act of 1946 and is obsolete. The proposed regulations restricting the spending of the 50% available to schools with food service further penalizes the concerned interest of communities and local governments.

Proposed regulations prohibiting the transfer of funds will prevent the meeting of the needs of our children. Daily changes in the average daily membership in our public schools places a strain on certain sections of funds. Flexibility is an essential to meeting these needs. For example: if a school is designed to feed only 400 children but through the shifting of children the school finds itself with 800 children then the need for additional equipment is apparent. The possibility of numerous instances of this problem could very quickly drain the amount of non-food assistance (equipment) allocation to North Carolina; thereby, a transfer from Section 32 into the non-food assistance section would be imperative.

The regulatory restrictions and funding projections will result in a big backward step and will result in a termination of programs in many places. The State Plan of Operation for 1971–72 which was developed in good faith to meet the challenge of the President's commitment and the mandate of Congress will be obsolete without sufficient funding. Higher lunch prices and more bag lunches will only compound the problems of nutritionally needy children. Indications of concern from citizens groups promise legal complications if the mandate of Congress is not implemented. The concepts contained in the proposed regulations appear to be a reversal of President Nixon's expressed philosophy of revenue sharing and local autonomy.

North Carolina School Food Service recognizes the unequivocal need for a minimum average of 38¢ per lunch for free and reduced lunches in addition to general cash for food assistance and commodities. It is imperative that the average reimbursement rate for general cash assistance be based on the need assistance rate for North Carolina and the participation rate within the State.

The President and Congress have stated the priorities for child nutrition in America. The North Carolina Nutrition Survey has confirmed the need in our state. We, therefore, request that funds be provided to do the job in a responsible manner.

DECATUR, GA., *September 9, 1971.*

Hon. CARL PERKINS,
House of Representatives,
Washington, D.C.

DEAR MR. PERKINS: As a school lunch manager in a Georgia school, I would like to ask your support in maintaining the reimbursement rates which were proposed in the spring.

Any cut in the re-imbursement is going to be hard on all schools especially those feeding a large number of free and reduced price lunches and many children are in need of the food at lunch time.

Thanks so much for all you have done in the past for the School Lunch Program and asking your continued support in the future.

Sincerely,

MARGARET H. LITTLE.

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF EDUCATION,
Frankfort, Ky., August 27, 1971.

Hon. CARL D. PERKINS,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. PERKINS: At a meeting of State School Food Service Directors and USDA officials in Atlanta, Georgia, during the week of August 23, 1971, the announcement was made that no additional funds other than those available as a result of PL 92–32 were available to continue the Breakfast Program during FY 1972. This was quite a shock to me as Director of the School Food Services for Kentucky and a fear that consternation would reign among local school officials in more than 500 schools should it be necessary to cancel the Breakfast Programs at the end of September, 1971. PL 92–32 will provide only sufficient funds for the months of August and September combined for School Breakfast. During the FY 1971 more than $1,000,000 from Section 32 funds were used to continue the Breakfast Program in Kentucky schools and it is anticipated that an equal or greater amount would be needed for FY 1972.

Could it be that there is a difference of opinion between the Congress of the United States of America and the U.S. Department of Agriculture as to the use of Section 32 funds? It seems to me to border on being ridiculous to recognize the fact that the USDA be permitted to use a Congressional appropriation in such a manner as to curtail those activities for which the funds were appropriated to say nothing of the future use to which they might be put.

As it stands now the only source of funds for the continuation of the Kentucky School Breakfast Program is Section 32. We sincerely request that steps be taken to cause these funds to be released immediately in such amount that the Breakfast Program can be continued during the 1971–72 school year.

Sincerely,

C. E. BEVINS,
Director, Division of School Food Service.

THE BOARD OF PUBLIC EDUCATION,
Pittsburgh, Pa., August 26, 1971.

Hon. D. C. PERKINS,
House of Representatives,
Washington, D.C.

DEAR SIR: The attached is a copy of a letter sent to Mr. Herbert Rorex, U.S.D.A., protesting the new guidelines governing the operations of the National School Lunch Act as amended.

The regulations are scheduled to be read into the Federal Register in early September.

I feel these guidelines, regulations, and U.S.D.A. interpretations will strangle our program here in Pittsburgh and are in conflict with the wishes of Congress to feed hungry children.

Please read the attached letter and do what you can by advising the U.S.D.A. as to full implementation of the wishes of Congress as to feeding hungry children in school. The recent guidelines and the timing of their release and effective date will cause a real hardship to Pittsburgh, Pennsylvania, and the rest of the nation.

Implementing changes so close to the opening of school will cost Pittsburgh a loss of reimbursement in September and could well sink the entire program. This same approach of releasing changes was used and protested against last year. Now, this year, the U.S.D.A. again releases changes to be read into the Federal Register AFTER school has started. *This must be strongly protested.*

Congress provided a law suitable for planning ahead in P.L. 91–248. In actuality, the hungry school children are not receiving the full benefits of this law because the U.S.D.A. is restricting benefits through ill advised use of regulations, guidelines, and interpretation of a good congressional law.

Very truly yours,

D. G. BUSSLER,
Director, Food Service Division.

THE BOARD OF PUBLIC EDUCATION,
Pittsburgh, Pa., August 20, 1971.

Re 7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245.

Mr. HERBERT D. ROREX,
Director, Child Nutrition Division, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. ROREX: The Pittsburgh Board of Public Education is registering comments on the above-noted regulations governing the National School Lunch Program.

The proposed regulations seem to be in conflict with the intent of the Congress under P.L. 91–248. In this Bill they provide for:

1. Up to 12 cents for all "Type A" lunches.
2. Full funding of free and reduced price lunches up to 60 cents.
3. Year in advance funding.
4. No overt identification of needy children.
5. The option of identifying needy children by category.
6. Formation of a Council on Nutrition.

None of these are fully implemented, even though they are in the former guidelines. The new guidelines appear to increase the burden to school districts rather than help them expand old programs or start new ones.

The limits described in 210.4(f) are not in the best interest of feeding needy children. The limit of 35 cents for each free or reduced price "Type A" lunch to children does not cover the cost of such a lunch.

Pittsburgh has been extremely careful to hold the cost of each lunch to 60 cents. This is for a cold "Type A" lunch served in most elementary schools and also for the hot "Type A" lunch served in our secondary schools. The elementary students pay 10 cents, while the secondary schools pay 20 cents for a reduced priced lunch.

Therefore, our maximum income from elementary lunches sold at a reduced price is 45 cents (.05+.30+.10), or 15 cents below cost. At least 80% of all elementary students in Pittsburgh now being served are eligible for free or reduced priced lunches. We are now projecting an annual need of $393,000+ to keep our present elementary program. This does not allow for any expansion of lunches to more needy students.

Also, in the secondary schools at least 66% of all students are eligible for free or reduced priced lunches. Using the same projections, at least $282,888 will be needed for secondary schools in the 1972 fiscal year.

Even on the full priced lunches of 45 cents, previously established and now frozen, the deficit of 5 cents per meal is incurred. This could result in an annual loss of $72,315.

If it is the intent of Congress to financially aid school lunch programs, full funding must be forthcoming. The Pittsburgh Board of Public Education needs a reimbursement of at least 50 cents for each free and reduced priced meal as well as 10 cents for every "Type A" lunch served.

Items 4 and 5 are now over-regulated to the point where every needy child must carry an application home and back to school which, in effect, advertises "I am a needy child". To us, this identifies him to his fellow students, and is discriminatory and not necessary.

As before, school is about to open and new regulations are being imposed which will add to the administrative burdens of the school district, and the amount of reimbursement available is being announced at a time which allows for no advanced planning.

Where is the legislated "National Advisory Council"?

None of the provisions of Section 14 of the National School Lunch Act, as amended, are being implemented, especially part (f) where up-to-date data accounting be assembled "for administrative and legislative changes. . . ."

The results of these presently proposed regulations will reduce participation in the total program, which does not appear to be the wish of the Congress. They restrict the program and do not cover the full implementation of P.L. 91-248.

We would like to recommend:

1. Continue all present programs at June 1971 levels
2. Submit all proposed guidelines to the National Advisory Council
3. Require their action before May 1972
4. Publish all proposals by June 1, 1972
5. Publish all permanent changes by July 1, 1972
6. New regulations effective for the new fiscal year
7. All future changes made on this timetable so there is advanced knowledge with enough time to implement

Very truly yours,

D. G. BUSSLER,
Director of Food Service.
F. L. KELLAMS,
Director of General Services.

MEETING FARM CREDIT NEEDS

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

Mr. BLANTON. Mr. Speaker, as a sponsor of H.R. 7138, the Farm Credit Act of 1971, I am pleased to note that the House Agriculture Committee has recently completed its public hearings on this measure.

During these hearings the committee heard testimony from witnesses representing all the major farm organizations, all the farm credit districts and from many segments of American agriculture and the financial community.

Based on these hearings, it is clear that the support for H.R. 7138 runs deep throughout most of rural America. I know that in the Seventh District of Tennessee there is great enthusiasm for this measure and I am sure this is true in many other areas of the country.

It is my hope that the House Agriculture Committee will now move forward as swiftly as possible in reporting this bill so that it can be taken up on the House floor. It has already been passed by the Senate very much in the same form as I introduced it here in the House. I believe the House hearings demonstrated the strengths of this bill's many fine provisions, including removal of the 65-percent limitation which now prevents so many young farmers from entering farming, loans for country-lane nonfarm rural homes, loans for on-the-farm custom services, authority to offer financially related services, lowering of the voting media eligibility of cooperatives from 90 percent to 66⅔ percent, and authority to issue a single security.

These are not unreasonable requests, but rather are consistent with the established need for major improvements in credit for rural America.

Mr. Speaker, on Monday, September 13, 1971, one of our Nation's greatest newspapers, the Memphis Commercial Appeal published an editorial supporting H.R. 7138. In order that all Members might have an opportunity to read this fine editorial on such a vital subject, I insert this editorial at this point in the RECORD:

[From the Commercial Appeal (Tenn.) Sept. 13, 1971]

MEETING FARM CREDIT NEEDS

Ever since World War II there has been pressure on the American farmer to be more efficient in his operations. The farmer has responded. Mechanization, chemical fertilization, application of pesticides and herbicides and the use of better seeds all have increased output per acre and per worker on the farms.

But this agricultural revolution has been costly. To pay for the advances in production, the farmers have had to borrow heavily. In 1960, farmers' debts were 24.8 billion dollars. Estimates for 1971 place current debt at 60.4 billion. Financial experts agree that by 1980 that figure will have doubled again. That is not as bad as it may at first sound. The farmer's assets have been rising, too. Still, those figures do demonstrate the rising importance of credit in the operations of present-day farming.

Not only is the total need for credit rising, but the credit needs of farmers are changing with the times.

Years ago the federal government helped farmers to establish their own farm credit system to meet their special needs for land, equipment and services. That system has served the farmers well. But there is serious doubt that it can continue to meet the needs of the future unless the legislation making that system possible is revised.

The Senate considered this problem before Congress took its summer recess last month. It voted out the Farm Credit Act of 1971. The House is scheduled to hold hearings on the same matter shortly.

The legislation is complex, of course, but essentially it would accomplish four things.

It would allow the land banks to advance larger sums for the purchase of farms. This would help some farmers expand acreage, but the primary gain would be in helping young farmers into ownership. It would allow more flexibility in tailoring credit to individual farmer's needs and operations. It would authorize credit to farm-related businesses. And it would make available to rural people, other than farm owners, credit for moderate-cost housing. Those are good and needed changes.

The proposal recently has encountered opposition in a few scattered regions. Some farm credit leaders are fearful of using modern methods and extending the concept of farm credit to a broader sector of rural America. They seem to be hampered by the establishment of the farm credit system originally.

If farmers and rural people are to continue making progress that will assure the nation of adequate food supplies in the future, this legislation will have to have the support of all farmers and of everyone whose business is dependent upon a prosperous and growing agriculture.

OUR POSTMASTER, H. H. MORRIS

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

Mr. NATCHER. Mr. Speaker, our Postmaster, H. H. Morris, is a dedicated public servant.

On January 4, 1932, "Hap" Morris received his first assignment in the House of Representatives. The late Virgil Chapman, Representative of the Sixth Congressional District of Kentucky recommended Mr. Morris for the position of Doorkeeper on the West Lobby Door. Two years later he was named Assistant in Charge of Telephones on the Democratic side and in 1941 he was selected by Representative Chapman to serve as secretary in his office. Mr. Morris remained in that position until May 1949, after changing from the House side to the Senate side when Representative Chapman was elected to the United States Senate. At the death of Mr. Chapman our friend, H. H. Morris, was appointed administrative assistant to the Clerk of the House of Representatives, Ralph R. Roberts. In November of 1951, Mr. Morris returned to the Senate where he served as administrative assistant to Senator Thomas R. Underwood of Kentucky. In November of 1952, our Postmaster returned to the House of Representatives following the defeat of Senator Underwood and served as secretary to the Honorable John C. Watts, Member of

Congress from the Sixth District of Kentucky.

H. H. Morris was elected Postmaster of the House of Representatives on January 5, 1955 and has served from that time until the present time in this capacity.

Mr. Morris attended the University of Kentucky from 1929 to 1932 and graduated from the National Law School, which is now a part of George Washington University, in 1939. He was born in Carrollton, Ky., in the year 1911, and is the son of the late Joseph W. Morris and Mary Mildred Guillion Morris. His father served as secretary to the Honorable James C. Cantrell from 1909 to 1923, and filled out Congressman Cantrell's unexpired term from 1923 to 1925.

"Hap" Morris married Lyda Secrest, of Shelbyville, Ky., on November 2, 1935. He is a member of the Memorial Baptist Church, Arlington, Va., Kappa Sigma social fraternity, Touchdown Club, National Press, and Phi Beta Gamma legal fraternity.

Mr. Speaker, H. H. Morris is a dedicated public servant, and has all down through the years by his devotion to duty and his adherence to the principles of sound government clearly demonstrated the fact that he will long be remembered and admired for the excellent manner in which he has filled every assignment. He has many accomplishments, and, notwithstanding the fact that he is a busy man, at the same time, Mr. Speaker, he is a humble man and a true Kentuckian. Today is "Hap" Morris' 60th birthday, and as a Kentuckian and one of his friends, I salute him and wish for him the best of everything in the future.

PERSONAL ANNOUNCEMENT: CONFERENCE REPORT ON H.R. 10090

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

Mr. MIKVA. Mr. Speaker, I regret that I was unable to be present for yesterday's vote on the conference report on the fiscal year 1972 appropriations for Public Works-AEC—roll 265. Had I been present I would have voted "aye."

Unfortunately, we did not succeed in deleting the funds provided for Project Cannikin, but I am pleased that the amendment passed by the other body has been accepted. It is my urgent hope that the President will heed the warnings of scientists and ecologists and will cancel the proposed underground nuclear test.

THE 1945 UNITED NATIONS CHARTER SHOULD BE REVIEWED FOR THE SEVENTIES—IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 355

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

Mr. SCHWENGEL. Mr. Speaker, during the past week public discussion on the United Nations has intensified in anticipation of the opening of the 26th session of the General Assembly in New York tomorrow. Observers have pointed to the difficulty of bringing into the organization the People's Republic of China, the possibilities of working out an equitable and acceptable peace in the Middle East and the improbability of U Thant's remaining as Secretary General for just a little longer. While one can list numerous accomplishments of this world organization that many have called indispensable, nowadays the United Nations will just as readily be criticized for its lack of accomplishment, for the tasks it is not performing at all or at least not adequately. If many observers believe the U.N. should exist and yet at the same time deem this organization inadequate to its tasks, then perhaps the basic structure of the organization is at fault. Mr. Speaker, I have joined with my colleagues in introducing House Concurrent Resolution 355, with just these concerns in mind.

The United Nations Charter was drafted by wartime allies, during wartime, in order to create an organization which would put an end to war. Fifty-one nations signed the charter at a time when the atomic bomb had not even been tested at Alamogordo, N. Mex., much less used as a weapon of war. It was assumed that the atmosphere of cooperation and unanimity which existed during the war would continue into the era of peace. The charter created the Security Council, giving the then "great powers" permanent seats and a special power, by virtue of the veto, to "enforce" the peace to come. In the immediate postwar era, the economic and social well-being which the U.N. promoted was the economic recovery of countries devastated by World War II. Under such circumstances, a large membership for the Economic and Social Council was not necessary. Eleven territories were placed under the Trusteeship Council and agreements were entered into between the United Nations and the States responsible for their administration.

In 1971, the composition and political relationships in the world community have changed. Countries which were referred to as great powers in 1944 and 1945, thereby gaining permanent seating on the Security Council, are not as "great" in some aspects as they once were. Although the big four—France, United Kingdom, United States, and the U.S.S.R.—still can be termed great powers on the basis of nuclear capabilities, the first two no longer have huge colonial empires. Furthermore, and more importantly, other nations of the world, some not yet in the United Nations, have gross national products larger than the United Kingdom or France, for example, West Germany and Japan, and populations larger than any of the five permanent Security Council members, for example, India and the People's Republic of China, or larger than three of the big five: Japan, Indonesia, Pakistan, and Brazil.

The unanimity which in 1945 was expected to result in a Security Council capable of working together to maintain international peace and security quickly evaporated, leaving in its place the tension of the cold war era. Inaction in the Security Council has even necessitated the creation of additional procedures for the creation of ad hoc peace forces and other peacemaking apparatus through the General Assembly—Uniting for Peace Resolution.

While in 1945 the charter created an organization with 51 members, in 1971 that same charter and organization must serve 127 members. A substantial majority of these nations, being newly independent of colonial controls, look to the United Nations for assistance in attaining political stability and full economic growth and autonomy. Is the U.N. system able to provide efficiently and effectively enough of the assistance which these nations request? Should some of the proposals of the Jackson report—a study of the capacity of the United Nations development system prepared for the U.N. by Robert Jackson in 1969—be incorporated into the charter? The Economic and Social Council has already been enlarged once in order to equalize the role of the newer developing members of the U.N. with those of the original 51. There is pending before the General Assembly session which opens tomorrow another request for enlargement of the Council. Is enlargement the effective answer? The Trusteeship Council now finds itself with only two territories; what should be its tasks for the future? Or, should the Trusteeship Council, created by the Charter of 1945, be discontinued?

Mr. Speaker, I have just scratched the surface of the types of problems which a United Nations Charter Review Conference should be considering. The United States must take an active role, both in calling for such a conference and in preparing for it. The Congress has always supported a healthy United Nations and I call upon the House of Representatives to lead the way in rejuvenating the United Nations, bringing its Charter up to date and making the world organization an effective tool "to save succeeding generations from the scourge of war."

SAFETY OF AMERICAN AIR PASSENGERS

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

Mr. MIZELL. Mr. Speaker, I rise at this time to introduce a measure to insure the safety of American air passengers, and at the same time insure fairness and practicality in the efforts being made to provide that safety.

The Airport and Airway Development Act of 1970 authorized the Administrator of the Federal Aviation Administration to establish minimum safety standards for U.S. airports receiving scheduled airline service.

The law further provides that the Administrator is to withhold certification of these airports unless those minimum

safety standards are met by May 20, 1972.

All of us realize, Mr. Speaker, that stringent and carefully policed safety standards are imperative, since the paramount concern of air transportation is the safety of the passenger.

But it appears that the totally justifiable urgency which characterized the directives of this legislation has obscured a matter of primary importance—the inability of most American airports to pay the huge costs involved in these safety improvements, especially in so short a time as the original bill dictated.

There are approximately 540 commercial air carrier airports in the United States. Only 25 are in large travel hubs, 38 in medium, 88 in small and about 375 in "nonhubs." These 375 small facilities represent 70 percent of all airports receiving airline service, and yet, taken together, they enplane only 4 percent of the entire passenger enplanements in the country.

Many of these airports have an operating budget of less than $150,000 a year—some far less. The proposed matching expenditures for required safety improvements would more than double the operating cost for many of these smaller airports.

Thus we face the very real possibility that some of these airports would be forced to shut down completely, or at least refuse airlines the use of their facilities, an economic blow of staggering proportions. Many airport officials have predicted this very bleak future in just that many words.

The end result of our efforts to "take the mote from the eye," in terms of airport accidents, would then be to pluck out the eye itself, to force the closing of a sizable percentage of America's airports.

This ominous possibility is being keenly felt in North Carolina, whose airports in Winston-Salem, Greensboro, Raleigh-Durham, and elsewhere are already under severe strain because of an increasing trend away from air travel—a trend this law was to help reverse.

I cannot stress strongly enough that closing airports could not have been the intent of the Airport and Airways Development Act, and I believe the Congress must act now to prevent a serious curtailment of air travel from being the legacy of a law that was supposed to encourage air travel.

So today I am introducing an amendment to the Airport and Airways Development Act—Public Law 91-258—to accomplish the following objectives:

First. Extend the date of airport certification implementation from May 20, 1972, to May 20, 1973, in order to allow the FAA and the Nation's airports sufficient time to establish and comply with reasonable minimum safety standards.

With less than 10 months remaining before the national airport certification program is to be completed, final regulations have not been issued, and airport sponsors do not yet know what requirements they will finally have to meet.

Given the extensive amounts of equipment which will undoubtedly be required and the necessity for obtaining funds for the purchase of that equipment, a 1-year extension of the present deadline seems reasonable and fair.

Second. Make all airport safety equipment and modifications, as required to obtain an airport operating certificate, eligible for 82 percent Federal funding. Safety equipment and modifications shall include, but not be limited to vehicles, housing, and equipment for airport firefighting and rescue operations; lighting required for aircraft operational areas not otherwise eligible for greater Federal participation; equipment required to measure and maintain the runway coefficient of friction at a level consistent with minimums set by the FAA Administrator; equipment required for the security of navigational aids and aircraft operating areas. The Administrator shall establish and maintain a complete list of items eligible for Federal funding under this section.

Third. Reimburse those airports having purchased, or already implementing, safety equipment as required under the regulations subsequent to May 21, 1970.

Mr. Speaker, this amendment will not signal a retreat from our commitment to air travel safety. Rather, it will strengthen that commitment. Air travel has proven itself to be the safest form of transportation now in widespread use, far surpassing highway travel.

But if the cumulative effect of the Airport and Airways Development Act is to severely diminish air travel by eliminating or further reducing airline service to smaller cities and communities, we shall not have enhanced the safety of the American traveling public. We shall have done them a serious disservice.

I urge immediate consideration of this amendment in the appropriate committee, followed by swift passage in the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. PODELL (at the request of Mr. O'NEILL), for Thursday, September 23, and Friday, September 24, on account of official business.

Mr. MATHIAS of California (at the request of Mr. GERALD R. FORD), through September 29, on account of official business as U.S. delegate to NATO.

Mr. PEPPER (at the request of Mr. BOGGS), for today, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. RYAN, for 10 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. BAKER) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. MCCLOSKEY, for 1 hour, today.

Mr. HARVEY, for 5 minutes, today.

Mr. SEBELIUS, for 10 minutes, today.

Mr. FRENZEL, for 10 minutes, today.

Mr. SCHWENGEL, for 10 minutes, today.

(The following Members (at the request of Mr. MCKAY), to revise and extend their remarks, and to include extraneous matter:)

Mr. FLOOD, today, for 10 minutes.

Mr. ASPIN, today, for 10 minutes.

Mr. HAMILTON, today, for 30 minutes.

Mr. GONZALEZ, today, for 10 minutes.

Mr. GRIFFIN, today, for 5 minutes.

Mrs. ABZUG, today, for 5 minutes.

Mr. ALEXANDER, on October 6, for 60 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MEEDS.

Mr. POAGE.

Mr. FULTON of Pennsylvania, to revise and extend his remarks made in the Committee of the Whole today, and to include extraneous material.

(The following Members (at the request of Mr. BAKER) and to include extraneous matter:)

Mr. WYDLER.

Mr. DUNCAN in two instances.

Mr. WYMAN in two instances.

Mr. BURKE of Florida in two instances.

Mr. ZWACH.

Mr. TALCOTT in three instances.

Mr. DERWINSKI in two instances.

Mr. SCHMITZ in two instances.

Mr. GERALD R. FORD.

Mr. LUJAN.

Mr. BELL in two instances.

Mr. O'KONSKI.

Mr. FULTON of Pennsylvania in five instances.

Mr. HOSMER in three instances.

Mr. ASHBROOK in two instances.

Mr. SCHWENGEL in two instances.

Mr. BOB WILSON.

Mr. MCKEVITT.

Mr. SPRINGER in two instances.

Mr. HASTINGS.

Mr. VEYSEY.

(The following Members (at the request of Mr. MCKAY) and to include extraneous matter:)

Mr. HAMILTON.

Mr. RONCALIO in three instances.

Mr. STOKES in two instances.

Mr. MANN in 10 instances.

Mr. RARICK in three instances.

Mr. GONZALEZ in three instances.

Mr. HAGAN in two instances.

Mr. DINGELL.

Mr. ALBERT.

Mr. MOORHEAD in five instances.

Mrs. SULLIVAN in three instances.

Mr. ANDERSON of California in two instances.

Mr. RYAN in three instances.

Mr. STEED in three instances.

Mr. CHAPPELL in two instances.

Mr. ROGERS in five instances.

Mr. RANGEL.

Mr. PREYER of North Carolina in two instances.

Mr. ALEXANDER in two instances.

Mr. GETTYS in two instances.

Mr. FRASER in five instances.

Mr. RODINO in two instances.

Mrs. MINK.

Mr. YATRON.
Mr. WOLFF in two instances.
Mr. MIKVA in six instances.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on September 22, 1971, present to the President, for his approval, bills of the House of the following titles:

H.R. 6531. An act to amend the Military Selective Service Act of 1967; to increase military pay; to authorize military active duty strengths for fiscal year 1972; and for other purposes; and

H.R. 7048. An act to amend the Communications Act of 1934, as amended, to establish a Federal-State joint board to recommend uniform procedures for determining what part of the property and expenses of communication common carriers shall be considered as used in interstate or foreign communication toll service, and what part of such property and expenses shall be considered as used in intrastate and exchange service; and for other purposes.

ADJOURNMENT

Mr. McKAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 15 minutes p.m.) under its previous order, the House adjourned until Monday, September 27, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1162. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Justice for fees and expenses of witnesses for fiscal year 1971, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

1163. A letter from the Director, U.S. Information Agency, transmitting a report on the disposal of foreign excess property by the Agency during fiscal year 1971, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

1164. A letter from the Deputy Assistant Secretary of the Interior, transmitting a proposed concession contract for the continued operation of lodging, food and beverage, merchandising, marine, transportation, and related facilities and services for the public within Glacier Bay National Monument, Alaska, for a term of 20 years ending December 31, 1991, pursuant to 67 Stat. 271, as amended; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MATSUNAGA: Committee on Rules. House Resolution 615. Resolution providing for the consideration of H.R. 6893. A bill to provide for the reporting of weather modification activities to the Federal Government. (Report No. 92-503). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 616. Resolution providing for the consideration of H.R. 8085. A bill relating to age requirements for appointments to positions in executive agencies and in the competitive service (Rept. No. 92-504). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 617. Resolution providing for the consideration of H.R. 10670. A bill to amend chapter 73 of title 10, United States Code, to establish a survivor benefit plan, and for other purposes (Rept. No. 92-505). Referred to the House Calendar.

Mr. RYAN: Committee on the Judiciary. H.R. 9615. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes (Rept. No. 92-506). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 456. A bill to exempt from taxation certain property in the District of Columbia owned by the Reserve Officers Association of the United States; with an amendment (Rept. No. 92-507). Referred to the Committee on the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 10383. A bill to enable professional individuals and firms in the District of Columbia to obtain the benefits of corporate organization, and to make corresponding changes in the District of Columbia Income and Franchise Tax Act (Rept. No. 92-508). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 10738. A bill to provide for the regulation of the practice of dentistry, including the examination, licensure, registration, and regulation of dentists and dental hygienists, in the District of Columbia, and for other purposes; with amendments (Rept. No. 92-509). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 10784. A bill to amend the District of Columbia Election Act, and for other purposes; with an amendment (Rept. No. 92-510). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 1997. A bill for the relief of Joseph F. Sullivan (Rept. No. 92-497). Referred to the Committee of the Whole House on the State of the Union.

Mr. SEIBERLING: Committee on the Judiciary. H.R. 1966. A bill for the relief of Helen Rose Botto; with an amendment (Rept. No. 92-498). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 1970. A bill for the relief of Mrs. Andree Simone Van Moppes and her children, Alain Van Moppes and Didier Van Moppes; with amendments (Rept. No. 92-499). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 2108. A bill for the relief of Nemesio Gomez-Sanchez; with an amendment (Rept. No. 92-500). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 3383. A bill for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido (Rept. No. 92-501). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on the Judiciary. H.R. 6670. A bill for the relief of John Vincent Amirault (Rept. No. 92-502). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself, Mr. KASTENMEIER, Mr. OBEY, Mr. O'KONSKI, Mr. REUSS, Mr. STEIGER of Wisconsin, and Mr. ZABLOCKI):

H.R. 10833. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize design standards for schoolbuses, to require certain standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BEGICH:

H.R. 10834. A bill authorizing the State of Alaska to operate a ferry vessel of foreign registry between ports in southeastern Alaska, and between ports in Alaska and ports in the State of Washington, for a limited period of time; to the Committee on Merchant Marine and Fisheries.

By Mr. HOLIFIELD (for himself, Mrs. DWYER, Mr. GARMATZ, Mr. HORTON, Mr. ROSENTHAL, Mr. WYDLER, Mr. WRIGHT, Mr. BROWN of Ohio, Mr. ST GERMAIN, Mr. FUQUA, and Mr. MOORHEAD):

H.R. 10835. A bill to establish an Office of Consumer Affairs in the Executive Office of the President and a Consumer Protection Agency in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. BURKE of Florida:

H.R. 10836. A bill to amend the United Nations Participation Act to 1945 to prevent the imposition thereunder of any prohibition on the importation into the United States of any strategic and critical material from any free world country for so long as the importation of like material from any Communist country is not prohibited by law; to the Committee on Foreign Affairs.

By Mr. BYRNES of Wisconsin:

H.R. 10837. A bill to amend section 7275 of the Internal Revenue Code of 1954 with respect to airline tickets; to the Committee on Ways and Means.

By Mr. FLOOD:

H.R. 10838. A bill to establish annual import quotas on certain textile and footwear articles; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 10839. A bill relating to educational personnel in the District of Columbia; to the Committee on the District of Columbia.

By Mr. FRELINGHUYSEN (for himself, Mr. BERGLAND, Mr. CONTE, Mr. DRINAN, Mr. FREY, Mr. GALLAGHER, Mr. HASTINGS, Mr. HELSTOSKI, Mr. MCCLOSKEY, Mr. MORSE, Mr. MURPHY of New York, Mr. PRYOR of Arkansas, and Mr. ROSENTHAL):

H.R. 10840. A bill to provide a system for the regulation of the distribution and use of toxic chemicals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. ARCHER, Mr. BROYHILL of Virginia, Mr. CAMP, Mr. DON H. CLAUSEN, Mr. COLLIER, Mr. DICKINSON, Mr. DUNCAN, Mr. FISH, Mr. FORSYTHE, Mr. FRENZEL, Mr. HOSMER, Mr. JOHNSON of Pennsylvania, Mr. MAYNE, Mr. SCHWENGEL, Mr. SEBELIUS, Mr. STEIGER of Arizona, Mr. THONE, Mr. WARE, Mr. WINN, and Mr. WYATT):

H.R. 10841. A bill to amend the Narcotic Addict Rehabilitation Act of 1966, to provide for involuntary civil commitment of narcotic addicts charged with a crime, to authorize grants for certain training programs, to establish training programs for judicial officers, to provide for research and development into causes of and cures for narcotic addiction, and for other purposes; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 10842. A bill to amend the Social Security Act to provide that future increases in retirement or disability benefits under Federal programs shall not be taken into consideration in determining a person's need for aid or assistance under any of the Federal-State public assistance programs; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 10843. A bill to provide financial assistance for State and local small, community-based correctional facilities; for the creation of innovative programs of vocational training, job placement, and on-the-job counseling; to develop specialized curriculums, the training of educational personnel and the funding of research and demonstration projects; to provide financial assistance to encourage the States to adopt special probation services; to establish a Federal Corrections Institute; and for other purposes; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 10844. A bill to assist in community development, with particular reference to small communities; to the Committee on Banking and Currency.

H.R. 10845. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. HANSEN of Idaho (for himself, Mr. LLOYD, Mr. MCCLURE, Mr. MCKAY, and Mr. RONCALIO):

H.R. 10846. A bill to provide for the apportionment of funds in payment of a judgment in favor of the Shoshone Tribe in consolidated dockets Nos. 326–D, 326–E, 326–F, 326–G, 326–H, 366, and 367 before the Indian Claims Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAWKINS:

H.R. 10847. A bill for the relief of Soviet Jews; to the Committee on the Judiciary.

By Mr. HAWKINS (for himself and Mr. BELL).

H.R. 10848. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 10849. A bill to provide a procedure for the development of facts necessary to the creation of an informed public opinion with respect to price policies pursued by corporations in administered price industries, and for other purposes; to the Committee on Banking and Currency.

By Mr. HENDERSON:

H.R. 10850. A bill to amend title 5, United States Code, to provide for the pay of Federal employees for certain periods of time spent in actual travel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of Pennsylvania:

H.R. 10851. A bill to strength interstate reporting and interstate services for parents of runaway children, to provide for the development for a comprehensive program for the transient youth population for the establishment, maintenance, and operation of temporary housing and psychiatric, medical, and other counseling services for transient youth, and for other purposes; to the Committee on the Judiciary.

H.R. 10852. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mrs. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BINGHAM, Mr. BRASCO, Mr. BURKE of Massachusetts, Mr. CELLER, Mrs. CHISHOLM, Mr. HALPERN, Mr. PODELL, Mr. RANGEL, Mr. REID of New York, Mr. ROSENTHAL, Mr. ROSTENKOWSKI, Mr. RYAN, Mr. SCHEUER, and Mr. WOLFF):

H.R. 10853. A bill to amend the Urban Transportation Act of 1964 to authorize certain emergency grants to assure adequate rapid transit and commuter railroad service in urban areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. KYROS:

H.R. 10854. A bill to amend the Economic Opportunity Act of 1964 to authorize a legal services program by establishing a National Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. LANDRUM:

H.R. 10855. A bill to amend the Appalachian Regional Development Act of 1965 to extend its coverage to certain additional counties; to the Committee on Public Works.

By Mr. LUJAN:

H.R. 10856. A bill to amend titles 10 and 37, United States Code, to authorize members of the Armed Forces who are in a missing status to accumulate leave without limitation, and for other purposes; to the Committee on Armed Services.

H.R. 10857. A bill to authorize the Secretary of Agriculture to exchange certain national forest lands within the Carson and Santa Fe National Forests in the State of New Mexico for certain private lands within the Piedra Lumbre grant, in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 10858. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Pueblo de Acoma in Indian Claims Commission docket No. 266, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 10859. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

By Mr. MEEDS (for himself, Mr. ESCH, Mr. ADAMS, Mr. BEGICH, Mr. BINGHAM, Mr. BOLLING, Mr. BURTON, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLEVELAND, Mr. DINGELL, Mr. EILBERG, Mr. WILLIAM D. FORD, Mr. FORSYTHE, Mr. FRASER, Mr. HALPERN, Mr. HAMMERSCHMIDT, Mr. HANLEY, Mr. HARRINGTON, Mr. HAWKINS, Mr. HICKS of Washington, Mr. HORTON, Mr. KASTENMEIER, Mr. MCDADE, and Mr. MCKAY):

H.R. 10860. A bill to amend the Youth Conservation Corps Act of 1970 (Public Law 91–378; 85 Stat. 794) to expand the Youth Conservation Corps pilot program, and for other purposes; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. WYATT, Mr. MATSUNAGA, Mr. MAZZOLI, Mrs. MINK, Mr. MOSS, Mr. NEDZI, Mr. NIX, Mr. OBEY, Mr. O'NEILL, Mr. PEPPER, Mr. PIKE, Mr. REES, Mr. RIEGLE, Mr. RODINO, Mr. ROUSH, Mr. RUPPE, Mr. SCHEUER, Mr. SCHWENGEL, Mr. SIKES, Mr. BYRON, and Mr. COUGHLIN):

H.R. 10861. A bill to amend the Youth Conservation Corps Act of 1970 (Public Law 91–378; 85 Stat. 794) to expand the Youth Conservation Corps pilot program, and for other purposes; to the Committee on Education and Labor.

By Mr. MIKVA (for himself, Mr. ASPIN, Mr. BINGHAM, Mr. BURTON, Mrs. CHISHOLM, Mr. DELLUMS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FRASER, Mr. HALPERN, Mr. HAWKINS, Mr. MEEDS, Mr. REES, Mr. ROSENTHAL, and Mr. RYAN):

H.R. 10862. A bill to amend the Voting Rights Act of 1965; to the Committee on the Judiciary.

By Mr. MILLER of California:

H.R. 10863. A bill to permit certain military service performed after December 1956 to be included in the aggregate period of service on which civil service retirement benefits are payable, even though the indvidual is, or would on proper application be entitled to, social security benefits, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MIZELL:

H.R. 10864. A bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share payable on account of project costs incurred to acquire certain safety equipment required for airport certification, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NEDZI:

H.R. 10865. A bill to amend the Internal Revenue Code in 1954 to provide for the disallowance of rental payments in certain cases; to the Committee on Ways and Means.

By Mr. OBEY:

H.R. 10866. A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer and the other major killer diseases as soon as possible; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE (for himself, Mr. BERGLAND, Mr. DENHOLM, Mr. PURCELL, Mr. ABERNETHY, Mr. ABBITT, Mr. STUBBLEFIELD, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. MATHIS of Georgia, Mr. DE LA GARZA, Mr. MCMILLAN, Mr. SISK, Mr. PRICE of Texas, Mr. WAMPLER, Mr. LINK, Mr. FOLEY, Mr. MIZELL, Mr. ROBINSON of Virginia, Mr. ALEXANDER, Mr. MELCHER, Mr. GOODLING, Mr. KYL, Mr. MILLER of Ohio, and Mr. MATSUNAGA):

H.R. 10867. A bill to provide for improving the economy and living conditions in rural America; to the Committee on Agriculture.

By Mr. RANGEL:

H.R. 10868. A bill to establish treatment and rehabilitation programs for drug-dependent members of the Armed Forces; to the Committee on Armed Services.

H.R. 10869. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide for an annual report by the Secretary of State to Congress on the international production and consumption of, and trade in, narcotic drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. RANGEL (for himself, Mrs. CHISHOLM, Mr. CLAY, Mr. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. FAUNTROY, Mr. HAWKINS, Mr. METCALFE, Mr. MITCHELL, Mr. NIX, and Mr. STOKES):

H.R. 10870. A bill making a supplemental appropriation for the Secretary of Health, Education, and Welfare for detection and treatment of, and research on, sickle cell anemia; to the Committee on Appropriations.

H.R. 10871. A bill making supplemental appropriations to carry out the lead-based paint poisoning prevention program for the fiscal year ending June 30, 1972; to the Committee on Appropriations.

By Mr. ROSTENKOWSKI:

H.R. 10872. A bill to amend section 4216 (b) of the Internal Revenue Code (relating to constructive sale price) and to add a new section concerned with brand names; to the Committee on Ways and Means.

By Mr. SAYLOR:

H.R. 10873. A bill to clarify the intent of Congress with respect to State "Buy American" laws; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H.R. 10874. A bill to provide for the establishment of the Upper Mississippi River National Recreation Area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEBELIUS:

H.R. 10875. A bill to amend the Internal Revenue Code of 1954 to permit taxpayers to claim a credit against the Federal income tax for additional payments they make to their county treasurers for the use of the county, the city or township, and the State in which they reside; to the Committee on Ways and Means.

By Mr. SEBELIUS (for himself, Mr. MIZELL, and Mr. THONE):

H.R. 10876. A bill to amend the Occupational Safety and Health Act of 1970 to exempt small farmers from its requirements; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin (for himself, Mr. ANDERSON of Illinois, Mr. DON H. CLAUSEN, Mr. QUIE, Mr. QUILLEN, Mr. BIESTER, Mr. COLLIER, Mr. COUGHLIN, Mr. DERWINSKI, Mr. ROSTENKOWSKI, Mr. DUNCAN, Mr. HARRINGTON, Mr. FORSYTHE, Mr. MCKAY, Mr. ASPIN, Mr. FRELINGHUYSEN, Mr. SEIBERLING, Mr. MORSE, Mr. CLEVELAND, Mr. ST GERMAIN, and Mr. YATRON):

H.R. 10877. A bill to amend the Urban Mass Transportation Act of 1964 to waive in certain cases the requirement that assistance provided under that act must be in furtherance of a program for a unified or officially coordinated urban transportation system; to the Committee on Banking and Currency.

By Mr. TALCOTT:

H.R. 10878. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (for himself, Mr. BARING, Mr. CARNEY, Mr. DANIELSON, Mr. DORN, Mr. DULSKI, Mr. EDWARDS of California, Mr. HALEY, Mr. HAMMERSCHMIDT, Mrs. HECKLER of Massachusetts, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. MONTGOMERY, Mr. PUCINSKI, Mr. ROBERTS, Mr. SATTERFIELD, Mr. SAYLOR, Mr. TEAGUE of California, Mr. WINN, Mr. WOLFF, Mr. WYLIE, and Mr. ZWACH):

H.R. 10879. A bill to amend title 38 of the United States Code to authorize the Administrator of Veterans' Affairs to enter into agreements with hospitals, medical schools, or medical installations for the central administration of a program of training for interns or residents; to the Committee on Veterans' Affairs.

H.R. 10880. A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospitals and medical care to certain dependents and survisors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery; to the Committee on Veterans' Affairs.

By Mr. UDALL (for himself, Mr. DULSKI, Mr. NIX, Mr. DANIELS of New Jersey, Mr. CHARLES H. WILSON, Mr. WILLIAM D. FORD, Mr. HAMILTON, Mr. HANLEY, Mr. JACOBS, Mr. WALDIE, Mr. HARRINGTON, Mr. BEGICH, Mr. HOGAN, Mr. GUDE, and Mr. BROYHILL of Virginia):

H.R. 10881. A bill relating to comparability adjustments in pay rates of the Federal statutory pay systems based on the 1971 Bureau of Labor Statistics survey; to the Committee on Post Office and Civil Service.

Mr. CHARLES H. WILSON:

H.R. 10882. A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer and the other major killer diseases as soon as possible, to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 10883. A bill to amend the Soil Conservation and Domestic Allotment Act, as amended, to permit sharing the cost of agriculture-related pollution prevention and abatement measures; to the Committee on Agriculture.

By Mr. PRYOR of Arkansas:

H. Res. 611. Resolution to create a Select Committee on Aging; to the Committee on Rules.

By Mr. THONE:

H. Res. 612. Resolution to create a Select Committee on Aging; to the Committee on Rules.

By Mr. McCLOSKEY:

H.J. Res. 885. Joint resolution to set a termination date for U.S. military activity in Indochina; to the Committee on Foreign Affairs.

By Mr. MIZELL (for himself, Mr. BAKER, Mr. BUCHANAN, Mr. CAMP, Mr. DEL CLAWSON, Mr. COLLINS of Texas, Mr. DERWINSKI, Mr. DEVINE, Mr. FLOWERS, Mr. JONAS, Mr. KING, Mr. LENT, Mr. MINSHALL, Mr. MONTGOMERY, Mr. POAGE, Mr. SCOTT, and Mr. ZION):

H.J. Res. 886. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. PRICE of Texas:

H.J. Res. 887. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.J. Res. 888. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mr. GUDE (for himself, Mr. BLACKBURN, Mr. PRYOR of Arkansas, Mr. SCHEUER, Mr. ADDABBO, Mr. ANDERSON of Illinois, Mr. BADILLO, Mr. BEGICH, Mr. BELL, Mr. BIESTER, Mr. BINGHAM, Mr. BRADEMAS, Mr. BRASCO, Mr. BRINKLEY, Mrs. CHISHOLM, Mr. DON H. CLAUSEN, Mr. CLEVELAND, Mr. COLLINS of Illinois, and Mr. FAUNTROY):

H. Con. Res. 406. Concurrent resolution expressing congressional recognition of a declaration of general and special rights of the mentally retarded; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself, Mr. EDWARDS of California, Mr. EILBERG, Mr. FORSYTHE, Mr. FRENZEL, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HASTINGS, Mrs. HICKS of Massachusetts, Mr. HOGAN, Mr. HOWARD, Mr. HUNGATE, Mr. LEGGETT, Mr. LONG of Maryland, Mr. MAZZOLI, Mr. MIKVA, and Mr. MITCHELL):

H. Con. Res. 407. Concurrent resolution expressing congressional recognition of a declaration of general and special rights of the mentally retarded; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself, Mr. MORSE, Mr. PEYSER, Mr. REES, Mr. ROBISON of New York, Mr. ROONEY of Pennsylvania, Mr. RUNNELS, Mr. RYAN, Mr. ST GERMAIN, Mr. SARBANES, Mr. J. WILLIAM STANTON, Mr. JAMES V. STANTON, Mr. STOKES, Mr. VANDER JAGT, Mr. YATES, and Mr. YATRON):

H. Con. Res. 408. Concurrent resolution expressing congressional recognition of a declaration of general and special rights of the mentally retarded; to the Committee on Interstate and Foreign Commerce.

By Mr. MONAGAN:

H. Con. Res. 409. Concurrent resolution to establish a select joint committee to be known as the Joint Committee on Classification Procedures; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. HANLEY:

H.R. 10884. A bill for the relief of Mary Notarthomas; to the Committee on the Judiciary.

By Mr. PIKE:

H.R. 10885. A bill for the relief of Alphonso C. Williams; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 10886. A bill for the relief of Miguel Resus; to the Committee on the Judiciary.

By Mr. STEED:

H.R. 10887. A bill for the relief of Eleanor R. Isip; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H. Res. 613. Resolution to refer the bill (H.R. 9516) entitled "A bill for the relief of Gisela Hanke" to the Chief Commissioner of the Court of Claims, pursuant to sections 1492 and 2509 of title 28, United States Code, as amended; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H. Res. 614. Resolution to refer the bill (H.R. 10508) entitled "A bill for the relief of Sea Oil and General Corporation, of New York, New York" to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

137. By the SPEAKER: Petition of California Committee for Democracy in Greece, San Francisco, Calif., relative to diplomatic recognition of Greece; to the Committee on Foreign Affairs.

138. Also, petition of the Military Order of the World Wars, Washington, D.C., relative to the Federal Bureau of Investigation; to the Committee on the Judiciary.