

small numbers of Government workers was needed. In recent years, however, the Federal Government and those bureaucracies of the States and localities—which have similar provisions—brought millions of voters into their fold. At the same time, politics has mellowed and been controlled sufficiently to prevent the abuses so flagrant when the Hatch Act was first enacted.

This Congress has been regrettably unwilling to take up the issue of reform of the Hatch Act. I and several of my colleagues have introduced legislation to repeal these provisions. It is clear that those people whom the act was intended to protect are now most anxious to be free of its burdens. The National Asso-

ciation of Letter Carriers, which represents some 200,000 postal employees, must be lauded for its efforts in the recent court case. The association has acted where Congress has failed to do so.

Our entire system is dependent on good people getting involved in political dialog, running for office, working for the candidates of their choice and, in general, exercising their citizenship without restriction.

The Hatch Act and similar State and local laws have politically emasculated over 12 million Government workers. These are among the best educated and qualified people in the country. Yet they are not available to help elect responsible men and women to public office; their

services are barred at the risk of losing their jobs.

With the Civil Rights and Voting Rights Acts of the 1960's and the recent constitutional amendment giving 18-, 19-, and 20-year-olds the right to vote, I see no reason to continue to refuse Government workers the right to participate in the political process. While they have the right to vote, they should also have the right to express their personal beliefs without interference, a right which is basic to the functioning of the American system. They should have that right restored to them in this Congress, in this election year. I hope, Mr. Speaker, that my colleagues will join me in seeking such reform.

## HOUSE OF REPRESENTATIVES—Thursday, August 3, 1972

The House met at 12 o'clock noon. The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*The eternal God is thy refuge and underneath are the everlasting arms.*—Deuteronomy 33: 27.

O God, our Father, we humbly beseech Thee to purify our minds of all negative thoughts and with positive thinking prepare our souls to worship Thee in spirit and in truth. Set our affections on things above this moment and all the day long and give us grace to receive Thy word into honest and good hearts.

Guide us as we give ourselves to the service of our country. Grant that with faith and fortitude we may minister to all our people, particularly to the needy. May we continue to work to release the captives and to set at liberty those who are oppressed.

Make us sensible of our union with one another as Thy children that we may strive wisely to order all things according to Thy will.

In the spirit of Christ we pray. Amen.

### THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 489. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point unit of the Klamath Indian Irrigation project, Oregon.

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The message also announced that the Senate had passed with amendment in which the concurrence of the House is requested a bill of the House of the following title:

H.R. 15495. An act to authorize appropriations during the fiscal year 1973 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations in connection with the Safeguard antiballistic missile system, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15495) entitled "An act to authorize appropriations during the fiscal year 1973 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations in connection with the Safeguard antiballistic missile system, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mrs. SMITH, Mr. THURMOND, Mr. TOWER, and Mr. DOMINICK to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 247 An act for the relief of Albert G. Feller and Flora Feller.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6957) entitled "An act to establish the Sawtooth National Recreation Area in the State of Idaho, to temporarily withdraw certain national forest land in the

State of Idaho from the operation of the U.S. mining laws, and for other purposes."

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

S. 2969. An act to declare title to certain Federal lands in the State of Oregon to be in the United States in trust for the use and benefit of the Confederated Tribes of the Warm Springs Reservation of Oregon; and

S. 3157. An act to promote maximum Indian participation in the government of the Indian people by providing for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and by encouraging the development of the human resources of the Indian people, and for other purposes.

The message also announced that the Vice President, pursuant to Senate Concurrent Resolution 63, 92d Congress, appointed Mr. CANNON to the joint committee to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect on the 20th day of January 1973 in lieu of Mr. JORDAN of North Carolina, resigned.

### APPOINTMENT OF CONFEREES ON H.R. 15495, MILITARY PROCUREMENT AUTHORIZATION, 1973

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15495) to authorize appropriations during the fiscal year 1973 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces and to authorize construction at certain installations in connection with the Safeguard antiballistic missile system, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and ap-

points the following conferees: Messrs. HÉBERT, PRICE of Illinois, FISHER, BENNETT, BYRNE of Pennsylvania, STRATTON, ARENDS, O'KONSKI, BRAY, BOB WILSON, and GUBSER.

#### PRESIDENT'S DECREE TO LIMIT EXPORTS OF NONSTRATEGIC MATERIALS

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

Mr. SMITH of Iowa. Mr. Speaker, I was shocked beyond belief this morning to find that on yesterday, the President of the United States issued an Executive Order or decree No. 11677 vesting in himself authority to limit exports of non-strategic materials and imposing a fine of up to \$10,000 upon those who violate his own decree. In this case, the President is acting as a legislator establishing a law, he is the Executive enforcing the law, and he acts as the judge to determine who violated the law.

The administration has limited exports of hides under a law which expired Tuesday night. The Commerce Department estimates that the production of cattle hides this year will be more than double the domestic demand. Article 1, section 9 of the U.S. Constitution forbids export taxes even under a law passed by Congress. A limitation on exports of a material like hides, the supply of which exceeds our demand by more than 100 percent, is even more severe than a tax. Yet, the President is by decree doing what is even questionable that the Congress can do by law.

I know the President is a busy man and I want to believe that he did not realize the consequences of this action. It is a far reaching violation of our concept of government and I hope President Nixon will immediately call to task those who laid his order before him and I hope the Congress will look into this matter quickly and before government by decree in the United States goes any further, if that is possible. This, in my opinion, is the most outrageous extensions of Executive power that I have ever seen and I think it is a matter which rates top attention both by the Congress and by individuals who are interested in preserving individual rights in this country.

#### "DEMOCRACY" IN SOUTH VIETNAM

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

Mr. DOW. Mr. Speaker, CBS News reported yesterday that South Vietnam's President Thieu will issue a decree late this week requiring every publisher in South Vietnam to deposit nearly half a million dollars in the state-owned bank for the privilege of continuing to print a newspaper. In addition, each newspaper will need to pay up to \$150,000 deposit

on its printing facilities, according to the report.

My office called the State Department this morning and the South Vietnamese desk confirmed that such a move is under consideration by the South Vietnamese Government, although they felt the amount of the deposit would not be as high as indicated in the report. Whatever the amount, it is clear to me that this move is intended to intimidate, harass, and destroy the operation of the press in South Vietnam. If President Thieu's machinations during the recent election were not enough to convince people that "democracy" is an unknown word in South Vietnam, then perhaps this blatant attempt to destroy the press of Vietnam will convince them.

#### PENNSYLVANIA RAILROAD'S VOLUNTARY RELIEF DEPARTMENT SHOULD BE INVESTIGATED BY CONGRESSIONAL COMMITTEE

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

Mr. LONG of Maryland. Mr. Speaker, I rise to report one of the most shocking gypps that I have encountered in my 10 years in Congress.

For 50 years one of my constituents, a former Pennsylvania Railroad employee, made payments averaging \$3.08 monthly to the Pennsylvania Railroad Voluntary Relief Department—altogether \$1,542—for a \$1,250 life insurance policy. On July 20, he received a letter informing him that, effective immediately, neither he nor his daughters would receive any benefits, and giving as the reason "the serious financial situation" of the voluntary relief department and of the Penn Central. They will not refund his \$1,542. He is 72. He has no other insurance. He is among about 500 people being cut off from the death benefits, to save about \$100,000.

Penn Central is a company with assets of many billions of dollars. A few years ago financial adventurers took over the company—paid themselves salaries of up to \$225,000 a year, squandered company reserves, and invested pension funds in enterprises owned by their chief financial officer, his relatives and friends—and ran the company into bankruptcy. Eighteen months ago Congress gave Penn Central a \$100 million loan guarantee—which a Congressman aptly described as a "hand-wringing operation"—one which I am glad to say I voted against.

I am asking for a congressional investigation into the gypping of 500 old people. Five questions should be asked:

First. Why did the trustees in the bankruptcy, including Willard Wirtz, approve this heartless act?

Second. Why were these insurance funds not kept actuarially sound so that they would not be dragged down by the bankruptcy?

Third. Why were pension funds allowed to be invested by the chief fi-

nancial officer in enterprises controlled by his family, his relatives, and his friends?

Fourth. Why should Congress not withhold further Federal subsidies to the Penn Central Railroad until justice is done for these 500 old people?

Fifth. Why was this cancellation announced in such a barbaric manner? Monthly payments were still being collected from Mr. Miller, my constituent, just days before the letter was sent out announcing his death benefits would be cut off—not even a refund of his \$3.75.

#### PRINTING AS A HOUSE DOCUMENT JOINT REPORT TO THE HOUSE OF REPRESENTATIVES BY THE MAJORITY AND MINORITY LEADERS ON THEIR RECENT MISSION TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-1284) on the resolution (H. Res. 1070), providing for printing as a House document the joint report to the House of Representatives by the majority and minority leaders on their recent mission to the People's Republic of China, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 1070

*Resolved*, That there be printed as a House document the joint report to the House of Representatives by Majority Leader Hale Boggs and Minority Leader Gerald R. Ford on their mission to the People's Republic of China from June 23, 1972, to July 7, 1972, entitled "Impressions of the New China".

#### AMENDMENT OFFERED BY MR. BRADEMAS

Mr. BRADEMAS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRADEMAS: Page 1, line 3, after "R.", strike "Fords" and insert "Ford".

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### AUTHORIZING PRINTING AND BINDING OF REVISED EDITION OF SENATE PROCEDURE

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-1285) on the Senate joint resolution (S.J. Res. 254) to authorize the printing and binding of a revised edition of Senate procedure and providing the same shall be subject to copyright by the author, and ask for immediate consideration of the Senate joint resolution.

The Clerk read the title of the Senate joint resolution.

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

There was no objection.



The Clerk read the Senate joint resolution, as follows:

S.J. RES. 254

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be printed and bound for the use of the Senate one thousand five hundred copies of a revised edition of Senate Procedure (originally prepared by Charles L. Watkins and Floyd M. Riddick), to be prepared by Floyd M. Riddick, Parliamentarian of the United States Senate, to be printed under the supervision of the author and to be distributed to the Members of the Senate.*

SEC. 2. That notwithstanding any provision of the copyright laws and regulations with respect to publications in the public domain, such revised edition of Senate Procedure shall be subject to copyright by the author thereof.

The Senate joint resolution 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.

# SIXTH ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. N. 92-335)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

## To the Congress of the United States:

The Sixth Annual Report of the National Advisory Council on Extension and Continuing Education is submitted herewith. The Council is authorized by Public Law 89-329.

I congratulate the Council on its comprehensive study of the Federal role in community service, extension and continuing education for adults through the resources of colleges and universities. The study points up the need for increased coordination of the support the Federal government lends to these efforts.

Several of the Council's proposals are receiving thorough consideration by the Department of Health, Education, and Welfare, including those relating to improved coordination of Federal assistance to extension, community service, and continuing education programs.

The Council also recommends that additional funds be provided for the program authorized by Title I of the Higher Education Act of 1965. I continue to hold as a basic principle that greater emphasis should be placed on broad funding approaches for Federal grant-in-aid programs, and that narrow categorical grant programs such as Title I should be relied on less as a means of channeling Federal funds to individual institutions.

RICHARD NIXON.

THE WHITE HOUSE, August 3, 1972.

## CONFERENCE REPORT ON H.R. 15093, HUD-SPACE-SCIENCE-VETERANS APPROPRIATIONS, 1973

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 15093) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1973, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 27, 1972.)

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

Mr. Speaker, we bring back to the House a conference report on the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices, appropriation bill for 1973. This is a big bill. It is a good bill. It is a most important bill serving the needs of our Nation.

The total amount in this conference report is \$20,125,951,000.

The House passed this bill on May 23, 1972, with a total of \$19,718,490,000 in new obligational authority.

The Senate passed the bill on June 14, 1972, providing \$20,583,370,000.

A total, therefore, of \$864,880,000 was added in the other body.

Mr. Speaker, the bill is the result of some large compromises and the conference report sets forth those compromises. The conference report is \$457,419,000 below the total approved by the Senate, \$407,461,000 above the total originally approved by the House and \$132,232,000 below the budget estimates.

Authorizing legislation for 1973 for the National Science Foundation and for part of the programs of the Department of Housing and Urban Development has not been enacted.

Mr. Speaker, the conference report on the National Science Foundation authorizing legislation was adopted by the House yesterday and is on its way to the President. The conference report presently before you is within that authorization. However, there are three National Science Foundation items reported in technical disagreement since the authorization has not yet become law.

The Senate has passed the 1972 Housing Act but no housing legislation has yet been reported to the House. As a re-

sult, there are five HUD items reported in technical disagreement as follows:

Item	Currently authorized	Conference action
Contract authority:		
Homeownership assistance	\$55,000,000	\$170,000,000
Rental housing assistance	25,000,000	175,000,000
College housing	2,700,000	5,000,000
New budget authority:		
Comprehensive planning grants	19,002,000	100,000,000
Grants for neighborhood facilities	36,000,000	40,000,000

The conference report recommends that the funds be provided to the Department to carry on these needed programs without further delay. None of the amounts proposed for these programs in 1973 are in excess of the funds provided for 1972.

The committee of conference has included the House language incident to the fourth district Federal home loan bank move, from Greensboro, N.C., to Atlanta, Ga., but added language to allow the member associations in the fourth district to conduct a plebiscite permitting the move if they so desire. This item is reported in technical disagreement for separate consideration of the House.

Only one agency in the bill exceeds the budget estimate for new obligational authority and that agency is the Veterans' Administration.

The bill now provides \$11,903,322,000 for the Veterans' Administration. This is an increase of \$80,424,000 over the budget request to insure an adequate level of medical care for our veterans.

The total of new obligational authority included in this conference report for the Department of Housing and Urban Development is \$4,034,065,000 and the additional contract authorization is \$398 million.

A total of \$3,407,650,000 is included for the National Aeronautics and Space Administration; \$626 million for the National Science Foundation; \$34,173,000 for the Federal Communications Commission; \$29,761,000 for the Securities and Exchange Commission; \$83,500,000 for Selective Service, and \$7,480,000 for the other agencies in the bill.

This is a big bill. We feel that the House conferees brought back a reasonable compromise. A total of \$457,419,000 was cut from the Senate bill. We have held the line. The bill before you today is \$132,232,000 below the budget estimate. In our opinion not a single program in any agency will be hurt by the conference action, in fact many programs have been enhanced.

At this point in the RECORD I will insert a table showing the action taken on the bill, and the comparisons with 1972, the budget request for 1973, and actions of the House and Senate.

Mr. Speaker, I recommend adoption of the conference report.

The table referred to follows:

## COMPARATIVE STATEMENT OF THE NEW BUDGET (OBLIGATIONAL) AUTHORITY, HUD—SPACE—SCIENCE—VETERANS APPROPRIATION BILL, 1973 (H.R. 15093)

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority fiscal year 1972 (*) (2)	Budget estimates of new budget (obligational) authority fiscal year 1973 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	Conference action compared with—			
						New budget (obligational) authority, fiscal year 1972 (7)	Budget estimates of new budget (obligational) authority, fiscal year 1973 (8)	House bill (9)	Senate bill (10)
TITLE I									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Housing Production and Mortgage Credit									
Federal Housing Administration									
Rent supplement program:									
Increased limitation for annual contract authorization	(\$55,000,000)	(\$48,000,000)	(\$48,000,000)	(\$48,000,000)	(\$48,000,000)	(-\$7,000)			
(Cumulative annual contract authorization)	(232,000,000)	(280,000,000)	(280,000,000)	(280,000,000)	(280,000,000)	(+48,000,000)			
Homeownership and rental housing assistance:									
Homeownership assistance, increased limitation for annual contract authorization	(170,000,000)	(170,000,000)	(55,000,000)	(170,000,000)	(170,000,000)		(+\$115,000,000)		
(Cumulative annual contract authorization)	(495,000,000)	(665,000,000)	(550,000,000)	(665,000,000)	(665,000,000)	(+170,000,000)	(+\$115,000,000)		
Rental housing assistance, increased limitation for annual contract authorization	(200,000,000)	(150,000,000)	(25,000,000)	(200,000,000)	(175,000,000)	(-25,000,000)	(+\$25,000,000)	(+150,000,000)	(-\$25,000,000)
(Cumulative annual contract authorization)	(525,000,000)	(675,000,000)	(550,000,000)	(725,000,000)	(700,000,000)	(+175,000,000)	(+25,000,000)	(+150,000,000)	(-25,000,000)
Nonprofit sponsor assistance (low- and moderate income sponsor fund)	4,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-3,000,000			
Counseling services	3,250,000					-3,250,000			
College housing:									
Increased limitation for annual contract authorization	(9,300,000)	(7,000,000)	(2,700,000)	(7,000,000)	(5,000,000)	(-4,300,000)	(-2,000,000)	(+2,300,000)	(-2,000,000)
(Cumulative limitation for annual contract authorization)	(35,600,000)	(42,600,000)	(38,300,000)	(42,600,000)	(40,600,000)	(+5,000,000)	(-2,000,000)	(+2,300,000)	(-2,000,000)
Special-risk insurance fund		195,000,000		35,000,000			-195,000,000		-35,000,000
Salaries and expenses, housing production and mortgage credit programs	17,000,000	15,748,000	15,748,000	15,748,000	15,748,000	-1,252,000			
Government National Mortgage Association									
Payment of participation sales insur-	19,543,000	19,496,000	19,496,000	19,496,000	19,496,000	-47,000			
facilities		119,369,000		100,000,000			-119,369,000		-100,000,000
Special assistance functions fund									
Total, Housing Production and Mortgage Credit	43,793,000	350,613,000	36,244,000	171,244,000	36,244,000	-7,549,000	-314,369,000		-135,000,000
Housing Management									
Housing payments	1,373,800,000	1,878,000,000	1,800,000,000	1,800,000,000	1,800,000,000	+426,200,000	-78,000,000		
Salaries and expenses, housing management programs	16,500,000	17,621,000	17,621,000	21,621,000	21,000,000	+4,500,000	+3,379,000	+3,379,000	-621,000
Total, Housing Management	1,390,300,000	1,895,621,000	1,817,621,000	1,821,621,000	1,821,000,000	+430,700,000	-74,621,000	+3,379,000	-621,000
Community Planning and Management									
Comprehensive planning grants	100,000,000	100,000,000	19,002,000	100,000,000	100,000,000			+80,998,000	
Community development training and urban fellowship programs	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000				
New community assistance grants	10,000,000	5,000,000	5,000,000	10,000,000	7,500,000	-2,500,000	+2,500,000	+2,500,000	-2,500,000
Salaries and expenses, community planning and management programs	7,468,000	1,0134,000	10,134,000	10,134,000	10,134,000	+2,666,000			
Total, Community Planning and Management	120,968,000	118,634,000	37,636,000	123,634,000	121,134,000	+166,000	+2,500,000	+83,498,000	-2,500,000
Community Development									
Model cities programs	150,000,000	515,000,000	500,000,000	515,000,000	500,000,000	+350,000,000	-15,000,000		-15,000,000
Urban renewal programs	1,250,000,000	1,000,000,000	1,000,000,000	1,450,000,000	1,200,000,000	-50,000,000	+200,000,000	+200,000,000	-250,000,000
Rehabilitation loan fund	90,000,000	( <sup>(c)</sup> )	50,000,000	90,000,000	70,000,000	-20,000,000	+70,000,000	+20,000,000	-20,000,000
Grants for neighborhood facilities	40,000,000	40,000,000	36,000,000	40,000,000	40,000,000			+4,000,000	
Open space land programs	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000				
Salaries and expenses, community development programs	22,750,000	20,059,000	20,059,000	25,159,000	25,159,000	+2,409,000	+5,100,000	+5,100,000	
Total, Community Development	1,652,750,000	1,675,059,000	1,706,059,000	2,220,159,000	1,935,159,000	+282,409,000	+260,100,000	+229,100,000	-285,000,000
Federal Insurance Administration									
Flood insurance	6,000,000	10,038,000	10,000,000	10,000,000	10,000,000	+4,000,000	-38,000		
Research and Technology									
Research and technology	45,000,000	60,170,000	46,000,000	60,000,000	53,000,000	+8,000,000	-7,170,000	+7,000,000	-7,000,000
Fair Housing and Equal Opportunity									
Fair housing and equal opportunity	8,250,000	9,489,000	9,489,000	9,489,000	9,489,000	+1,239,000			

Footnotes at end of table.



Conference action compared with—

Agency and item	New budget (obligational) authority, fiscal year 1972 (*)	Budget estimates of new budget (obligational) authority, fiscal year 1973	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	New budget (obligational) authority, fiscal year 1972	Budget estimates of new budget (obligational) authority, fiscal year 1973	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—Continued									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued									
Departmental Management									
General departmental management	\$6,312,000	\$5,673,000	\$5,529,000	\$5,529,000	\$5,529,000	—\$783,000	—\$144,000		
Salaries and expenses, office of general counsel	3,000,000	\$3,044,000	3,044,000	3,044,000	3,044,000	+44,000			
Administration and staff services	16,096,000	<sup>10</sup> 16,475,000	16,475,000	16,475,000	16,475,000	+379,000			
Regional management and services	23,000,000	<sup>11</sup> 22,991,000	22,991,000	22,991,000	22,991,000	—9,000			
Total, Departmental management	48,408,000	48,183,000	48,039,000	48,039,000	48,039,000	—369,000	—144,000		
Total, Department of Housing and Urban Development, Title I	3,315,469,000	4,167,807,000	3,711,088,000	4,464,186,000	4,034,065,000	+718,596,000	—133,742,000	+322,977,000	—\$430,121,000
TITLE II									
SPACE, SCIENCE, VETERANS, AND CERTAIN OTHER INDEPENDENT AGENCIES									
Executive Office of the President									
National Aeronautics and Space Council									
Salaries and expenses	500,000	<sup>12</sup> 480,000	480,000	480,000	480,000	—20,000			
Office of Science and Technology									
Salaries and expenses	2,300,000	<sup>13</sup> 2,188,000	2,100,000	2,100,000	2,100,000	—200,000	—88,000		
Total, Executive Office of the President	2,800,000	2,668,000	2,580,000	2,580,000	2,580,000	—220,000	—88,000		
Commission on Population Growth and the American Future									
Salaries and expenses	650,000					—650,000			
Federal Communications Commission									
Salaries and expenses	31,969,000	<sup>14</sup> 34,173,000	34,173,000	34,173,000	34,173,000	+2,204,000			
National Aeronautics and Space Administration									
Research and development	2,522,700,000	2,600,900,000	2,550,000,000	2,624,900,000	2,600,900,000	+78,200,000	+50,900,000	—24,000,000	
Construction of facilities	52,700,000	77,300,000	69,760,000	77,300,000	77,300,000	+24,600,000	+7,540,000		
Research and program management	734,722,000	<sup>15</sup> 729,450,000	729,450,000	729,450,000	729,450,000	—5,272,000			
Total, National Aeronautics and Space Administration	3,310,122,000	3,407,650,000	3,349,210,000	3,431,650,000	3,407,650,000	+97,528,000	+58,440,000	—24,000,000	
National Science Foundation									
Salaries and expenses	619,000,000	<sup>16</sup> 647,418,000	619,000,000	619,000,000	619,000,000		—28,418,000		
Scientific activities (special foreign currency program)	3,000,000	7,000,000	7,000,000	7,000,000	7,000,000	+4,000,000			
Total, National Science Foundation	622,000,000	654,418,000	626,000,000	626,000,000	626,000,000	+4,000,000	—28,418,000		
Renegotiation Board									
Salaries and expenses	4,786,000	<sup>17</sup> 4,908,000	4,900,000	4,900,000	4,900,000	+114,000	—8,000		
Securities and Exchange Commission									
Salaries and expenses	26,817,000	<sup>18</sup> 29,761,000	29,761,000	29,761,000	29,761,000	+2,944,000			
Selective Service System									
Salaries and expenses	82,235,000	<sup>19</sup> 83,900,000	83,500,000	83,500,000	83,500,000	+1,265,000	—400,000		
Veterans Administration									
Compensation and pensions	6,248,000,000	6,448,000,000	6,448,000,000	6,448,000,000	6,448,000,000	+200,000,000			
Readjustment benefits	1,888,700,000	2,224,400,000	2,224,400,000	2,224,400,000	2,224,400,000	+335,700,000			
Veterans insurance and indemnities	6,500,000	4,400,000	4,400,000	4,400,000	4,400,000	—2,100,000			
Medical care	2,307,700,000	<sup>20</sup> 2,551,573,000	2,606,153,000	2,606,153,000	2,606,153,000	+298,453,000	+54,580,000		
Medical and prosthetic research	68,707,000	<sup>21</sup> 76,818,000	76,818,000	76,818,000	76,818,000	+8,111,000			
Medical administration and miscellaneous operating expenses	20,252,000	<sup>22</sup> 28,237,000	28,237,000	29,237,000	28,737,000	+8,485,000	+500,000	+500,000	—500,000
General operating expenses	286,450,000	<sup>23</sup> 320,821,000	320,821,000	320,821,000	320,821,000	+34,371,000			
Construction of hospital and domiciliary facilities	93,418,000	<sup>24</sup> 155,449,000				—93,418,000	—155,449,000		
Construction, major projects			107,118,000	125,993,000	125,993,000	+125,993,000	+125,993,000	+18,875,000	
Construction, minor projects			48,331,000	57,798,000	55,000,000	+55,000,000	+55,000,000	+6,669,000	—2,798,000
Grants for construction of State extended care facilities	8,000,000	6,000,000	6,000,000	6,000,000	6,000,000	—2,000,000			
Grants to the Republic of the Philippines	2,100,000	2,000,000	2,000,000	2,000,000	2,000,000	—100,000			

Footnotes at end of table.

## COMPARATIVE STATEMENT OF THE NEW BUDGET (OBLIGATIONAL) AUTHORITY, HUD—SPACE—SCIENCE—VETERANS APPROPRIATION BILL, 1973 (H.R. 15093)—Continued

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority, fiscal year 1972 (*) (2)	Budget estimates of new budget (obligational) authority, fiscal year 1973 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	Conference action compared with—			
						New budget (obligational) authority, fiscal year 1972 (7)	Budget estimates of new budget (obligational) authority, fiscal year 1973 (8)	House bill (9)	Senate bill (10)
TITLE II—Continued									
SPACE, SCIENCE, VETERANS, AND CERTAIN OTHER INDEPENDENT AGENCIES—Con.									
Payment of participation sales insufficiencies.....	\$5,929,000	\$5,200,000	\$5,000,000	\$5,000,000	\$5,000,000	—\$929,000	—\$200,000		
Loan guaranty revolving fund (limitation on obligations).....	(350,000,000)	(375,000,000)	(375,000,000)	(375,000,000)	(375,000,000)	(+25,000,000)			
Total, Veterans Administration.....	10,935,756,000	11,822,898,000	11,877,278,000	11,906,620,000	11,903,322,000	+967,566,000	+80,424,000	+\$26,044,000	—\$3,298,000
Total, Space, Science, Veterans, and certain other independent agencies, Title II.....	15,017,135,000	16,040,376,000	16,007,402,000	16,119,184,000	16,091,886,000	+1,074,751,000	+51,510,000	+84,484,000	—27,298,000
TITLE III									
CORPORATIONS									
Department of Housing and Urban Development:									
Federal Housing Administration:									
Administrative expenses.....	(16,135,000)	21 (16,598,000)	(16,598,000)	(16,598,000)	(16,598,000)	(+463,000)			
Nonadministrative expenses.....	(151,764,000)	24 (163,586,000)	(163,586,000)	(170,586,000)	(170,586,000)	(+18,822,000)	(+7,000,000)	(+7,000,000)	
Government National Mortgage Association.....	(6,600,000)	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)	(—600,000)			
Federal Home Loan Bank Board:									
Interest adjustment payments.....	62,500,000	50,000,000				—62,500,000	—50,000,000		
Administrative expenses.....	(8,300,500)	27 (9,106,000)	(8,700,000)	(9,106,000)	(8,900,000)	(+599,500)	(—206,000)	(+200,000)	(—206,000)
Nonadministrative expenses.....	(17,274,000)	28 (17,923,000)	(17,923,000)	(17,923,000)	(17,923,000)	(+649,000)			
Federal Savings and Loan Insurance Corporation.....	(509,000)	29 (649,000)	(514,000)	(649,000)	(550,000)	(+41,000)	(—99,000)	(+36,000)	(—99,000)
Total, new budget (obligational) authority, Title III.....	62,500,000	50,000,000				—62,500,000	—50,000,000		
Total, administrative and nonadministrative expenses, Title III.....	(200,582,500)	(213,862,000)	(213,321,000)	(220,862,000)	(220,557,000)	(+19,974,500)	(+6,695,000)	(+7,236,000)	(—305,000)
Total, all titles, new budget (obligational) authority.....	18,395,104,000	20,258,183,000	19,718,490,000	20,583,370,000	20,125,951,000	+1,730,847,000	—132,232,000	+407,461,000	—457,419,000

\*Includes all supplementals.

1 \$748,000.

2 \$821,000.

3 \$484,000.

4 \$929,000.

5 \$38,000.

6 \$170,000.

7 \$389,000.

8 \$218,000.

9 \$144,000.

10 \$655,000.

11 \$691,000.

12 \$15,000.

13 \$32,000.

14 \$1,373,000.

15 \$28,650,000.

16 \$1,418,000.

17 \$242,000.

18 \$1,361,000.

19 \$3,900,000.

20 \$79,729,000.

21 \$2,760,000.

22 \$945,000.

23 \$13,500,000.

24 \$449,000.

25 \$748,000.

26 \$7,455,000.

27 \$331,000.

28 \$688,000.

29 \$24,000.

30 Excludes \$450,000,000 for Urban Renewal and \$40,000,000 for the Rehabilitation Loan Fund, for a total of \$490,000,000, which is the amount proposed if special revenue sharing is enacted and included in Senate Report.

Note: The footnotes 1 to 29 include pay cost increases contained in H. Doc. 92-267.

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

Mr. BOLAND. I will be delighted to yield to my friend from Iowa.

Mr. GROSS. I commend the committee for standing off the other body with respect to this bill. In other words, and as the gentleman has said, it is \$457,419,000 below the Senate figure. However, on the other side of that coin, it is \$407,461,000 above the House bill, nearly a half billion dollars, and it is \$1,730,847,000 above spending for the same general purposes last year. I do not see how in the world this Government can continue to increase spending year after year and expect to have anything but more inflation and further deterioration of the dollar. I thank the gentleman for yielding to me.

Mr. BOLAND. I appreciate the gentleman's remarks, he makes a good point.

The problem is that the Senate added \$864,880,000 to the House bill. As an example, the other body wanted an additional \$450 million for the urban renewal programs, but we came back with only \$200 million above the House bill.

Then there is about \$85 million in new obligational authority for other HUD programs that was not included in the House bill because it is not authorized, as I pointed out earlier. The Senate also added funds for the construction of Veterans' Administration medical facilities throughout the country and the conference report provides some \$25.5 million above the House bill for this item. These are examples of why the bill is above the House bill.

Mr. JONAS. Will the gentleman yield?

Mr. BOLAND. I am glad to yield to the gentleman from North Carolina.

Mr. JONAS. It should be emphasized to the gentleman from Iowa, and others who are interested in this report, that we brought a bill out of our committee to the House which held the HUD items to the amounts authorized or lower.

The other body proceeded to add funds for many programs. We are bringing those items back in technical disagreement, because the funds are not authorized. We will have a separate vote on those. However, those items and others, as the gentleman from Massachusetts mentioned, account for the fact that the bill is above the amount that the House passed.

Mr. BOLAND. I appreciate the gentleman from North Carolina's remarks.

We have nine items in technical dis-



agreement, three in the National Science Foundation, five in the Department of Housing and Urban Development, and one with respect to the movement of the Federal Home Loan Bank Board from Greensboro, N.C., to Atlanta, Ga. We will offer separate motions on those nine items.

Mr. JONAS. Mr. Speaker, I will take only a minute or two. The gentleman from Massachusetts, who was the chairman of the conference and the chairman of the House managers, has explained the changes in the conference report in comparison with items in the bill when it left the House. I think the significant thing about this report is that, notwithstanding the fact that the other body increased our bill by \$864,880,000, we bring back a conference report that is still \$132,232,000 below the budget. It is necessary in a conference to have a meeting of the minds. For example, the Senate added \$450,000,000, as the gentleman from Massachusetts has already stated, to the urban renewal program. It was \$1,250,000,000 last year. We had to make some kind of an adjustment with the conferees representing the other body, and we got a better than 50 percent break there, because the add-on in the conference report for this program is only \$200,000,000 instead of the \$450,000,000 added in the other body. As the gentleman from Massachusetts has already said, this conference report is \$457,419,000 below the bill the other body passed. However, it is \$407,461,000 above the bill that the House passed.

The reasons for that have been explained by the distinguished gentleman from Massachusetts (Mr. BOLAND) and I have added to that explanation.

Mr. Speaker, I think this is a good conference report. I think we have gotten a very good settlement with the other body. I urge the adoption of the conference report.

Mr. TALCOTT. Mr. Speaker, the gentleman from Massachusetts (Mr. BOLAND) and the gentleman from North Carolina (Mr. JONAS) have clearly and expertly explained the conference report on HUD, space, science, and veterans. I do not intend to reiterate except that I believe it is worth the emphasis to remind this House and the U.S. taxpayer that this bill will appropriate less than the budget request. The unusualness deserves attention, if not applause.

The departments and agencies involved are just as essential to our National Government and society as any other department or agency. Their needs are just as urgent. The citizen is just as entitled to superior service from these agencies as from any other; but the taxpayer's dollar must be equally considered. The general condition of our economy must be a factor when any appropriation bill is considered. The rate of inflation must be recognized as a problem to be reckoned with as we consider every item of Federal spending. I believe our committee has considered these many and various factors. I believe the House conferees loyally and carefully considered both the House and Senate appropriation bills and succeeded in defending the position of the House, the special services for

the American tax user, and the plight of the already overburdened taxpayer.

I believe we have provided sufficient funds for our housing and urban development needs. We Americans enjoy the best housing in the world. Our cities, in most respects, are the envy of many persons who now reside in foreign lands and in many of our own rural areas. Nevertheless we must continue the great progress we are making in housing and urban development.

Already our space exploration, research, testing, and development efforts are incomparable. The ancillary benefits we continue to receive are of enormous importance to our existence and progress on earth. If our lunar exploration did nothing else than permit us to look back on our planet from distant space and observe just how small and fragile our planet really is we could probably justify our space research, testing, and development projects. Of course, we have seen and accomplished much more.

Our space program is maturing. We have changed from a very expensive crash program which enhanced our national and scientific prestige to a paced program where we receive a much greater practical value for our tax dollar and where the innumerable earth applications and benefits are known and enjoyed by more persons.

The Veterans' Administration receives an overall increase over the budget request. The Veterans' Administration is required to serve a growing number of veterans in various fields, especially for medical programs. This Nation has an incomparable record of treatment of its veterans and their dependents. This appropriation, for veterans' programs is again the highest in history.

Our National Government's interest in science continues to increase. Many universities, even some which once prided themselves upon being private and independent, are now almost totally dependent upon Federal subsidies for survival. These subsidies take many forms, direct and indirect, grants and loans, subsidies for students, institutions, facilities, equipment, projects, parking, laboratories, research grants, dormitories. The total cost is not easily computable. It is our judgment that these subsidies are necessary investments in the ascertainment of true and basic knowledge as well as necessary for practical technological progress.

Figures, many of which are confusing and too many of which are gross estimates, are contained in the bill and the conference report and our committee hearings. I shall not repeat them now.

Several admonitions are warranted. Housing subsidies are accelerating. Housing programs are popular. They are designed to supply one of our most basic needs—shelter. It is a human desire to want to improve one's shelter and one's home for one's family and community.

Housing programs also provide jobs—good jobs—in many places, and jobs now. Few people will fault any housing program now. But several cautionary signals should be sent out.

We must demand just as much value for our housing dollar as we demand for

any other tax expenditure. We cannot tolerate waste, mismanagement, or shoddy practices. HUD is alert to many of these problems and I believe this budget will provide better administration.

The future costs of only five Federal housing programs will exceed \$100 billion. This is an enormous mortgage for future generations to pay. This huge future obligation, like any other mortgage, deprives future citizens of their options. Future generations may develop different techniques, materials, and systems. They may accept different priorities. They may have different ideas and plans for tax revenues. It will be to little avail, however, because first of all they must pay off the mortgages which we are incurring today.

So I say we should consider not only today's tax user, but today's taxpayer and also tomorrow's citizens and taxpayers.

With this admonition, I can urge the adoption of the conference report.

Mr. McDADE. Mr. Speaker, I must rise at this time to acknowledge a deep debt of gratitude to my colleagues here in the House and in the Senate for their acceptance of the language I requested to be included in this committee report, directing the Department of Housing and Urban Development to administratively expedite and process the seven-State Agnes flood area urban renewal applications, and to develop a supplemental budget request to replenish the funds necessary to provide for both the ongoing and emergency programs.

The significance of this language could not be overemphasized. It gives HUD the opportunity to continue its regular program of urban renewal through the \$1.2 billion in the conference bill, while it mandates HUD to move with the utmost expedition to assist in the rehabilitation of the seven-State area which endured such devastation. Most significantly, it gives HUD the opportunity to replenish its funding to carry on both of these programs simultaneously, through a supplemental budget request.

In the urban areas where the flood caused the most havoc, it is estimated that the rehabilitation program in only the field of housing will cost hundreds of millions of dollars. This is work that is vital if these urban areas are to be preserved, rebuilt and given that renewal which will permit them to find new growth and development in the future.

I know the people in the Agnes flood area will share my gratitude that at this challenging moment, the Congress gave the leaders in their home communities the opportunity and the mechanism whereby they might begin to rebuild. It is a most commendable direction in this legislative report.

Mr. BOLAND. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

#### AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: On page 2, line 23, strike out "\$55,000,000" and insert "\$170,000,000".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 3, line 1, strike "\$25,000,000" and insert "\$200,000,000".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$175,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 3, line 16, strike out "\$2,700,000" and insert "\$7,000,000."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$5,000,000".

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 6, line 5, strike out "\$19,002,000" and insert "\$100,000,000."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Senate amendment No. 16: On page 8, line 16, strike out "\$36,000,000" and insert "\$40,000,000."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein.

The motion was agreed to.

The SPEAKER. The clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 16, line 13, strike "\$28,600,000" and insert "\$29,243,000".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$28,900,000".

The motion was agreed to.

The SPEAKER. The clerk will report the next amendment in disagreement.

The clerk read as follows:

Senate amendment No. 32: On page 17, line 19, insert: ", and \$21,000,000 of the amount heretofore appropriated in fiscal year 1972 and allocated for Science Education Support (\$16,000,000) and Institutional Improvement for Science (\$5,000,000)."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein.

The motion was agreed to.

The SPEAKER. The clerk will report the next amendment in disagreement.

The clerk read as follows:

Senate amendment No. 34: On page 18, line 8, insert ", to remain available until expended."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: ", to remain available until June 30, 1974".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 41: Page 29, line 12, strike out all after "\$17,923,000" down to and including "location" in line 19.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "": *Provided further*, That none of the funds made available for administrative or nonadministrative expenses of the Federal Home Loan Bank Board in this Act shall be used to finance the relocation of all or any part of the Federal Home Loan Bank from Greensboro, North Carolina, nor for the supervision, direction or operation of any district bank for the fourth district other than at such location, unless such relocation is approved by a plebiscite of the member associations of the fourth district."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to and to include tables, charts, and other extraneous material.

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

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the committee have until midnight tonight to file a certain privileged report.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 15989, INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1071 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1071

*Resolved*, That upon the adoption of this resolution it shall be in order to move, clause 7 of rule XIII to the contrary notwithstanding, 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. 15989) to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes. 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 Banking and Currency, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. 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.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1071 provides an open rule with 1 hour of debate for consideration of H.R. 15989, the International Economic Policy Act of 1972. The bill shall be read for amendment by titles instead of by sections and, because the report does not include the full explanation of the costs involved, points of order are waived for



failure to comply with the provisions of clause 7 of rule XIII.

The purpose of H.R. 15989 is to establish a Council on International Economic Policy and to extend the Export Administration Act of 1969 to June 30, 1974.

The council would be chaired by the President and composed of relevant Cabinet-level and executive office officials, supported by a staff. This would establish a mechanism to provide for coordination of domestic and international economic policy and of the components of international economic policy.

The Export Administration Act of 1969 authorizes the President to regulate exports to the extent necessary to protect the domestic economy from excessive drain of scarce materials and to reduce the inflationary impact of abnormal foreign demand. Expiration date of the authority was August 1, and this legislation would extend it to June 30, 1974.

An appropriation in the amount of \$1.4 million is authorized for fiscal year 1973 for the purpose of carrying out the provisions of this legislation.

Mr. Speaker, I urge the adoption of the rule.

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

Mr. Speaker, as the gentleman from Indiana has explained, House Resolution 1071 provides for an open rule with 1 hour of debate on H.R. 15989, the International Economic Policy Act of 1972.

The gentleman from Indiana has adequately explained both title I and title II of the bill. In addition, however, I would like to call attention to an amendment which the gentleman from Texas (Mr. GONZALEZ) expects to offer on the floor to remove from control of the Board the right to control exports of cattle hides. This is a very vital matter to those of us who represent the cattle industry in the United States.

I hope that Mr. GONZALEZ' amendment is adopted on the floor later on this afternoon.

Mr. Speaker, I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken and the Speaker announced that the ayes appeared to have it.

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 372, nays 3, not voting 57, as follows:

[Roll No. 296]

YEAS—372

Abbutt	Dow	Landgrebe
Abernethy	Downing	Landrums
Abourezk	Dulski	Latta
Abzug	Duncan	Leggett
Adams	du Pont	Lennon
Addabbo	Dwyer	Lent
Alexander	Eckhardt	Link
Anderson	Edwards, Ala.	Long, Md.
Calif.	Edwards, Calif.	Lujan
Anderson, Ill.	Ellberg	McClory
Andrews, Ala.	Erlenborn	McCloskey
Andrews,	Esch	McCollister
N. Dak.	Eshleman	McCulloch
Annunzio	Evans, Colo.	McDade
Archer	Evins, Tenn.	McEwen
Arends	Fascell	McFall
Ashley	Findley	McKay
Aspin	Fish	McKevitt
Aspinall	Fisher	McKinney
Badillo	Flood	Macdonald,
Baring	Flowers	Mass.
Barrett	Foley	Madden
Begich	Ford, Gerald R.	Mahon
Belcher	Ford,	Mailliard
Bell	William D.	Mallory
Bennett	Forsythe	Mann
Bergland	Fountain	Martin
Betts	Fraser	Mathias, Calif.
Bevill	Frelinghuysen	Mathis, Ga.
Blester	Frenzel	Matsunaga
Bingham	Frey	Mayne
Blackburn	Fuqua	Mazzoli
Blatnik	Gallfanakis	Meeds
Boggs	Garmatz	Melcher
Boland	Gaydos	Metcalfe
Bolling	Glaimo	Michel
Bow	Gibbons	Miller, Ohio
Brademas	Goldwater	Mills, Ark.
Brasco	Gonzalez	Mills, Md.
Bray	Goodling	Minish
Brinkley	Grasso	Mink
Brooks	Green, Oreg.	Minshall
Brotzman	Green, Pa.	Mitchell
Brown, Mich.	Griffin	Mizell
Brown, Ohio	Griffiths	Mollohan
Broyhill, N.C.	Grover	Monagan
Broyhill, Va.	Gubser	Montgomery
Buchanan	Gude	Moorhead
Burke, Fla.	Haley	Morgan
Burke, Mass.	Halpern	Mosher
Burleson, Tex.	Hamilton	Moss
Burlison, Mo.	Hammer-	Murphy, Ill.
Burton	schmidt	Murphy, N.Y.
Byrne, Pa.	Hanley	Natcher
Byron	Hanna	Nelsen
Cabell	Hansen, Idaho	Nichols
Camp	Harrington	Nix
Carey, N.Y.	Harsba	Obey
Carlson	Harvey	O'Hara
Carney	Hastings	O'Konski
Carter	Hathaway	O'Neill
Casey, Tex.	Hawkins	Passman
Cederberg	Hays	Patman
Celler	Hechler, W. Va.	Patten
Chappell	Heckler, Mass.	Perkins
Chisholm	Heinz	Pettis
Clancy	Helstoski	Peyser
Clausen,	Henderson	Pike
Don H.	Hicks, Mass.	Pirnie
Clawson, Del.	Hicks, Wash.	Poage
Cleveland	Hillis	Podell
Collier	Hogan	Poff
Collins, Ill.	Holifield	Powell
Collins, Tex.	Horton	Preyer, N.C.
Colmer	Hosmer	Price, Ill.
Conover	Howard	Price, Tex.
Conte	Hull	Pucinski
Conyers	Hungate	Purcell
Corman	Hunt	Quie
Cotter	Ichord	Rallsback
Coughlin	Jacobs	Randall
Crane	Johnson, Calif.	Rangel
Culver	Johnson, Pa.	Rees
Curlin	Jonas	Reld
Daniel, Va.	Jones, Ala.	Reuss
Daniels, N.J.	Jones, N.C.	Rhodes
Davis, Wis.	Karth	Riegle
de la Garza	Kastenmeier	Robinson, Va.
Delaney	Kazen	Robison, N.Y.
Dellenback	Keating	Rodino
Dellums	Kee	Roe
Denholm	Keith	Rogers
Dennis	Kemp	Roncalio
Dent	King	Rooney, Pa.
Devine	Kluczynski	Rosenthal
Diggs	Koch	Rostenkowski
Donohue	Kyl	Roush
Dorn	Kyros	Rousset

Roy	Stanton.	Waggonner
Roybal	J. William	Waldie
Runnels	Stanton,	Wampler
Ruth	James V.	Ware
St Germain	Steed	Whalen
Sandman	Steele	Whalley
Sarbanes	Steiger, Ariz.	White
Satterfield	Steiger, Wis.	Whitehurst
Saylor	Stephens	Whitten
Scherle	Stratton	Widnall
Scheuer	Stuckey	Wiggins
Schneebeli	Sullivan	Williams
Schwengel	Symington	Wilson, Bob
Scott	Talcott	Wilson,
Sebelius	Taylor	Charles H.
Seiberling	Teague, Calif.	Winn
Shipley	Terry	Wolff
Shoup	Thompson, Ga.	Wright
Shriver	Thompson, N.J.	Wyatt
Sikes	Thomson, Wis.	Wydler
Sisk	Thone	Wylie
Skubitz	Tiernan	Wyman
Smith, Calif.	Udall	Yates
Smith, Iowa	Ullman	Yatron
Smith, N.Y.	Van Deerlin	Young, Fla.
Snyder	Vander Jagt	Young, Tex.
Spence	Vanik	Zablocki
Springer	Veysey	Zion
Staggers	Vigorito	Zwach

NAYS—3

Ashbrook Gross Hall

NOT VOTING—57

Anderson,	Edmondson	Mikva
Tenn.	Flynt	Miller, Calif.
Baker	Fulton	Myers
Blaggi	Gallagher	Nedzi
Blanton	Gettys	Pelly
Broomfield	Gray	Pepper
Byrnes, Wis.	Hagan	Pickle
Caffery	Hansen, Wash.	Pryor, Ark.
Chamberlain	Hébert	Quillen
Clark	Hutchinson	Rarick
Clay	Jarman	Roberts
Conable	Jones, Tenn.	Rooney, N.Y.
Danielson	Kuykendall	Ruppe
Davis, Ga.	Lloyd	Ryan
Davis, S.C.	Long, La.	Schmitz
Derwinski	McClure	Slack
Dickinson	McCormack	Stokes
Dingell	McDonald,	Stubblefield
Dowdy	Mich.	Teague, Tex.
Drinan	McMillan	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Myers.  
 Mr. Rooney of New York with Mr. Broomfield.  
 Mr. Blanton with Mr. Pelly.  
 Mr. Teague of Texas with Mr. Byrnes of Wisconsin.  
 Mr. Clark with Mr. Conable.  
 Mr. Davis of South Carolina with Mr. McClure.  
 Mr. Mikva with Mr. Derwinski.  
 Mr. Dingell with Mr. McDonald of Michigan.  
 Mr. Fulton with Mr. Chamberlain.  
 Mr. Gettys with Mr. Dickinson.  
 Mr. Roberts with Mr. Hutchinson.  
 Mr. Pickle with Mr. Lloyd.  
 Mr. Nedzi with Mr. Ruppe.  
 Mrs. Hansen of Washington with Mr. Quillen.  
 Mr. Anderson of Tennessee with Mr. Baker.  
 Mr. Slack with Mr. Schmitz.  
 Mr. Blaggi with Mr. Long of Louisiana.  
 Mr. Jones of Tennessee with Mr. Kuykendall.  
 Mr. Davis of Georgia with Mr. Gallagher.  
 Mr. Flynt with Mr. Pryor of Arkansas.  
 Mr. Stokes with Mr. Ryan.  
 Mr. Clay with Mr. McCormack.  
 Mr. Gray with Mr. Rarick.  
 Mr. Jarman with Mr. Hagan.  
 Mr. Stubblefield with Mr. Drinan.  
 Mr. Caffery with Mr. Edmondson.  
 Mr. Miller of California with Mr. Pepper.  
 Mr. Danielson with Mr. McMillan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### LETTUCE BOYCOTT

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

Mr. TALCOTT. Mr. Speaker, our colleague the gentleman from Michigan (Mr. DIGGS) has circulated the Members of the House with a "Dear Colleague" letter asking each of us to join him in signing a letter to urge the executive departments to boycott California lettuce. This exercise is regrettable.

Any boycott of lettuce hurts the farmworker most of any segment of agriculture or security.

If lettuce is not sold the farmers cannot operate and the lettuce worker has no job. If lettuce is not harvested many workers are injured—the harvester, the cultivator, the packager, the hauler, the salesman, the refrigerator, the grocer, the consumer.

Boycotts of lettuce increase the price to the consumer.

Lettuce is a nutritious food—essential to most diets.

A boycott of California lettuce could damage the union members. At least 70 percent of all lettuce being harvested today is produced by all union labor. A boycott can only hurt the union lettuce workers.

Specifically the Congress, the executive department, and Members of the Congress should not involve themselves in a jurisdictional dispute between two unions. The Teamsters Union has contracts with most farmers in my district. The Teamsters have represented farm fieldworkers and lettuce-shed workers for more than 10 years—long before the UFW or UFWOC was ever organized.

Teamsters union members earn more money and enjoy better working conditions than UFW or UFWOC members.

May I suggest that you "Boycott grass and pot—and eat lettuce."

Lettuce is good for you. The lettuce worker needs work.

#### PROTECTION OF FINANCING RECORDS

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

Mr. ST GERMAIN. Mr. Speaker, today I have introduced a bill which will protect the privacy of the financial records of American citizens.

My bill would prohibit any financial institution from disclosing the bank records of any customer unless the customer first gives his approval or unless a court, upon a proper showing, issues an order requiring the disclosure.

Concern has been registered throughout the country over recent Treasury regulations which have been promulgated in connection with the Bank Secrecy Act. These regulations have required for the first time that banks keep extensive records relating to individual bank accounts, such as the microfilming of checks and

the recording of deposits and withdrawals are now required.

When Congress enacted the Bank Secrecy Act it did so for the purpose of requiring the keeping of records which would be particularly helpful in fighting organized crime, tax evasion, and the use of foreign bank accounts for illegal purposes. These objectives are still laudable. However, there is a world of difference between the requirement that records be kept and the potential for making those same records available on an indiscriminate basis. Congress never intended that these records would be made available to law enforcement or other personnel without adequate safeguards.

Consequently, Congress required in the Bank Secrecy Act that the Department of the Treasury issue appropriate regulations for the administration of the legislation. It was assumed that those regulations would necessarily provide the kinds of safeguards which are necessary in the case of such an extensive recordkeeping requirement.

To my surprise and the surprise of others, the Treasury, after taking almost 2 years to issue its final regulations, failed to provide for the protection of individual bank records against unreasonable searches and seizures.

My legislation will remedy this problem and will return to individual bank records the kind of protection against unwarranted disclosure and invasion of privacy that is guaranteed by the Constitution.

#### INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. PATMAN. 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. 15989) to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes.

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

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. 15989, with Mr. DENT 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 Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, by a vote of 23 "yeas," two "nays" and one "present" your Committee on Banking and Currency reported H.R. 15989. I shall attempt to cover the main highlights of this legislation and the Honorable THOMAS LUDLOW ASHLEY, the esteemed and most able chairman of the International Trade Subcommittee of

the Committee on Banking and Currency, will, in detail, discuss the specifics of the bill.

Mr. Chairman, in brief, the bill, H.R. 15989, contains two titles. The first would establish a Council on International Economic Policy chaired by the President and composed of relevant Cabinet-level and Executive office officials, supported by a staff. Title II would extend the Export Administration Act of 1969 to June 30, 1974.

Title I stems from the fact that there are a great many activities undertaken by numerous Federal departments and agencies which, overall, constitute the international economic policy of the United States and which have remained insufficiently coordinated to the detriment of the national interest and welfare of the people of this country. The title would establish a mechanism which can provide for close coordination of domestic and international economic policy and of the several components of international economic policy.

Many policies which have been pursued until now have been based largely on realities which existed immediately following World War II, and these policies have sometimes reflected lags between changing realities and perception of these changes.

This is a luxury that can no longer be afforded. Many policies which have been pursued have been conflicting and have been rendered ineffective in terms of our national economic interest. An immediate need, therefore, is to support a mechanism which can foster a stronger American economy insofar as it is affected by the realities of the world marketplace.

Title II would extend to June 30, 1974, the authority granted to the President under the Export Administration Act of 1969, which is absolutely essential legislation and which expires August 1, 1972. The 1969 act authorizes the President to regulate exports to the extent necessary to: protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand; further significantly the foreign policy of the United States and fulfill its international responsibilities; and exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

In my opinion we should give the administration the authority it seeks both with respect to the Council on International Economic Policy and extension of the Export Administration Act. However, to assure continued scrutiny over the work of the proposed council by the authorizing committee, we are not suggesting—as did the administration initially—that the council receive an open-ended authorization. Rather, the bill before us would authorize funding of the council only for fiscal year 1973. In this way, any necessary changes or considerations that have to be given to the way in which the council operates will, in the very near future, be before this body again.



Mr. Chairman, I reserve the balance of my time and I yield 10 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, I thank the gentleman for yielding.

I believe the distinguished chairman of the Committee on Banking and Currency has explained the purpose of this bill quite well. As he said, there are two titles with quite different purposes.

Title I would provide for a Council on International Economic Policy. The purpose of this Council, which is supported wholeheartedly by the administration as well as by Democratic members of the Committee on Banking and Currency, is to seek to bring about a more orderly development of our international economic policies.

What we are talking about here is trade and our balance of payments, which clearly are in the most dangerous kind of disequilibrium. We are talking about the investments of American businessmen abroad and their security, and the income repatriated from those investments.

These are some of the components of the international economic policy of the United States.

From the past, if we know one thing it is that the various departments and agencies of the Government with respect to international economic policy have gone their separate directions. There has been a sad and severe lack of coordination, so that we, as a Nation, in this area could speak with one voice.

Eighteen months ago the administration established the Council on International Economic Policy. This currently is an in-house operation. The Council does not have statutory authority. The President agrees that it should. In part he says this because he understands that in an important presidentially appointed council a partnership between the executive branch and the Congress is essential if we are going to have a forceful and successful international economic policy.

The only way that this kind of a partnership can be brought about is through the institution of a congressionally established council in the Office of the White House. That is what this legislation in its title I seeks to accomplish.

Title II, as I say, has a quite different purpose. This would merely extend the Export Administration Act of 1969 from the expiration date, which has been passed by some 2 or 3 days, to June 30 of 1974.

These, in essence, Mr. Chairman, are the purposes of the two titles of the legislation before us. If there are any questions which suggest themselves to Members I shall be happy to respond.

Because Members in recent days, recent weeks, and months, have expressed concern over the proliferation of advisory bodies, agencies, and councils, let me say this: I share that concern. This Council is not a new council. This is not a duplication of effort. This Council as provided for in title I simply gives a statutory basis to an existing Council, a Council that was established by the Pres-

ident some 18 months ago and which has been functioning under the very effective leadership first of Peter Peterson and now his successors.

With respect to the fears of those who very understandably and appropriately have raised the question of the proliferation of advisory bodies, councils, and the like, let me just say that—

Mr. HANNA. Will the gentleman yield?

Mr. ASHLEY. Yes, I will yield to the gentleman.

Mr. HANNA. Can we be assured that in the thrust of the gentleman's subcommittee's work—and I applaud it—that what we are seeking here is to move from the narrow constructions that have laid over all of this export out of the rather narrow-minded military concepts of what our security is, which has done violence to our position in the international trade economics area to the point where we have originated technology and highly technical products which are now being applied to these very trading partners in the East by people who are supposed to be our friends and allies?

Mr. ASHLEY. Yes. The gentleman is raising a question about the administration of the Export Administration Act.

Mr. HANNA. Yes.

Mr. ASHLEY. I can assure the gentleman that a staff member has been working continually in an oversight function to make certain that the very situation the gentleman describes is being remedied and that the commodities that properly should be subject to control are controlled, but those that should not be are decontrolled. That is exactly what is taking place at this time.

Mr. HANNA. I thank the gentleman.

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

Mr. ASHLEY. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. I call attention to the fact that there are some 3,000 advisory boards, committees, councils—you name them, we have them—commissions and so on and so forth, in this Government. What would be the harm in abolishing one just once in a while? We created about three in the last 2 or 3 days. Why not abolish one once in a while?

Mr. ASHLEY. Today?

Mr. GROSS. There would be no better time than today.

Mr. ASHLEY. Yes, there is a better time, because were we to abolish the council, which is not an advisory board the gentleman knows, there would be great difficulty. Let me say this: We do not really have the authority to abolish the President's in-house Council which he established 18 months ago. If we want to deny him his request that that Council be given a statutory basis, of course, we can do that, but we cannot eliminate the President's Council on International Economic Affairs.

Mr. GROSS. If the gentleman will join with me, with his considerable ability, we can try to shut off money for the President's Council and a host of others through the process of the Committee on Appropriations. We can start cutting

down on the White House if we think it is has too many advisory councils and commissions.

Mr. ASHLEY. I have acknowledged it to the gentleman, but what I am saying is there are times when the legitimate interest of the United States can best be served by having a council such as that in effect now, and it is proposed to be given statutory authority. The gentleman would certainly not disagree that the better development of our entire export effort is of real consequence to the Nation. Of course it is, and the gentleman knows that.

Mr. GROSS. I question their views on some of the things that have been going on. Especially do I question the logic of putting the lid on the exportation of cattle hides. I thought exports were important to this country. Does not the gentleman find some question in his mind about the importance of this legislation?

Mr. ASHLEY. About how important the exportation of hides is?

Mr. GROSS. How important exports are when the lid is clamped on the export of cattle hides.

Mr. ASHLEY. Well, there are times I would say to the gentleman when we have competing interests. Certainly the export of hides is important to a segment of American enterprise.

But I would say this, the competing interests would be the people who wear shoes, who want to buy those shoes at reasonable prices. What we find is that the heavy demand for hides that has presented itself in the last 18 months has forced the price of hides to double. This drives up the domestic cost of shoes and other leather products.

The question is a simple one: Do we want to exercise authority we have given the President in the Export Administration Act? Will we support the President when he exercises authority to keep down inflation to prevent the excessive foreign demand from driving U.S. prices up? Will we support him in this kind of a short-supply situation? Where do the competing interests lie? It is a judgmental decision that has to be reached.

Mr. GROSS. I really thought the original question was the importance of exports.

Mr. ASHLEY. Exports are important.

Mr. GROSS. You can hardly shut down on exports and justify a council whose principal business should be the promotion of export.

Mr. ASHLEY. The gentleman from Iowa is really going somewhat too far in what he is suggesting. You either support exports either way or you do not support them, because in the sophisticated economy we are in today some controls are necessary under certain situations.

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

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

Mr. CULVER. Mr. Chairman, I wish to thank the gentleman for yielding, and also, at the outset of the remarks that I have to make on this legislation, to express my appreciation, as chairman of the House Subcommittee on Foreign

Economic Policy of the Committee on Foreign Affairs, for the cooperation that the gentleman and his staff have given us during our joint consideration of matters of importance in this legislation.

I would like at this time to address myself to title I of this bill before us, that provision in the bill that would purport to establish statutorily a Council on International Economic Policy for the executive branch of our Government.

We began in the House Committee on Foreign Affairs a year ago in the Subcommittee on Foreign Economic Policy a review of a whole series of matters in the foreign economic policy field. Following completion of those set of hearings it became apparent to those of us who were working closely in this field that the most critical need before the U.S. Government at the present time in the whole area of foreign policy relationships is this question and this issue of the adequacy of our organizational structure for the conduct of foreign economic policy.

As a result of that finding, and as a result of those hearings, we have made recommendations, and the full committee of the House Committee on Foreign Affairs at the present time is in the process, and has been for several months, of going into careful detail into this whole issue of the administrative and organizational structure within the executive branch of Government for the conduct of foreign economic policy.

Now, it is true, as the gentleman from Ohio (Mr. ASHLEY) has said, that at the present time we have operating within the White House the so-called Council on International Economic Policy. This has been set up 18 months ago as the result of an Executive action which the President felt was an appropriate mechanism in order for him then and now, in accordance with the style of his particular Presidency, to better coordinate and rationalize the conduct of American foreign economic policy, a very serious and real problem. And I wish to commend the administration for recognizing it as such, but I wish to emphasize that I think to act on this legislation at this time—by this Congress—would be premature.

I say that with the highest possible regard for Mr. Peterson who, I feel, is a man of enormous ability and who has performed in his capacity as executive director of this council during the past 18 months with a remarkable degree of competence.

I say that with the fullest possible commendation for the administration for recognizing the increased importance of foreign economic policy compared to the security and political preoccupation of foreign policy considerations in the post-war period.

But I think that what we come to is the question—what is the best method and mechanism for bringing about this admirable objective of coordination and harmonious direction of foreign economic policy.

I would submit to the committee at this time that the Committee on Foreign Affairs is in the process of com-

pleting a set of hearings over a 6-month period into this process and by the conclusion of this Congress that information and those findings and those recommendations will be available to the appropriate committees of the Congress.

There is nothing that would prevent the President from extending by Executive authority once again the opportunity to have a council of this description, which incidentally only met three times in the past year and which, of course, we are now being called upon to establish statutorily at a cost of \$1,400,000 with some 30 employees.

It seems to me it is important to await those recommendations and make a judgment as to whether or not that is the appropriate method and approach and organizational structure to bring about the desired control and policy direction that we seek.

Mr. ASHLEY. If the gentleman will yield—

Mr. CULVER. Yes; I yield to the gentleman.

Mr. ASHLEY. Do I understand that the gentleman is supportive of the purpose of this legislation, but he thinks there should be further time for deliberations of a committee on foreign affairs which has, if not secondary jurisdiction, at least a legitimate interest in this subject matter, so we might be able to act next year? That, I understand, was the thrust of the gentleman's discussion.

Now why—I am trying to figure out—why would you suggest that we legislate next year after the completion of hearings before the gentleman's subcommittee, when out of the Committee on Foreign Affairs came legislation that was acted upon by this House establishing a commission to study the conduct of foreign policy, the structures, the procedures, that the gentleman referred to—a commission which pursuant to legislation does not report back until 1974? Why would you suggest that we wait until next year—legislate next year—when the commission proposed by the gentleman will not be reporting to the Congress and make its findings available until the year after that? Why not wait until 1974 or 1976 or sometime in the future?

Mr. CULVER. If I may reply to the gentleman.

Mr. ASHLEY. Please.

Mr. CULVER. I am not at all persuaded that following the completion of these hearings that our committee would be in a position to recommend that any legislation is needed whatsoever to establish yet another statutory organization within the executive branch of Government, and in this instance within the White House, at a time when we are witnessing a proliferation of many bureaucracies already and we are ignoring necessary reforms within the great, major departments of our Government and finding it necessary to duplicate these policy services within the White House.

Mr. ASHLEY. Do you not agree—

Mr. CULVER. I have not completed my answer, if you wish to hear it, I will answer—I do not yield to the gentleman at this time.

Mr. ASHLEY. I beg to remind the

gentleman that it is my time in which you are speaking.

Mr. CULVER. I had the understanding that I had been granted 10 minutes.

Mr. ASHLEY. On the contrary, I yielded to the gentleman and I would put this question to him at this time.

Does the gentleman agree that one of the purposes to be achieved by a Council on International Policy is to develop a partnership arrangement between the executive branch and the Congress? Would the gentleman agree with that?

Mr. CULVER. Let me state—

Mr. ASHLEY. Because if he does—how can he state that he is not quite sure whether a statutorily established council is necessary. The only way you can get this kind of partnership is through the kind of council that is being proposed here.

Mr. CULVER. If the gentleman will yield for me to answer him—

First of all, the method and the means by which any President of the United States personally elects and determines to afford him the best sort of arrangement to bring about a rationalization of policy within the many departments of the executive branch of Government for the conduct of American foreign economic policy is clearly one of personal choice and design.

If you will review, as our committee has been doing, the series of presidencies in the entire post war period, you will find that each and every President decided for himself at a given moment in time as to the particular approach either within the National Security Council, for example, or through Executive order, the establishment of a new Council on International Economic Policy, which best suited his Presidential style.

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

Mr. CULVER. Will the gentleman yield to me additional time?

Mr. ASHLEY. The gentleman from Iowa has already consumed a great deal of time, and there are only 5 minutes remaining on this side. We have requests for time on the part of all the committee members, so I would say that if the gentleman will finish up in 30 seconds, I will yield the gentleman such time.

In order to prevent the logic of the proposed legislation, I am inserting at this point in the Record an explanation of H.R. 15989. Title I is designed to provide for the closer coordination of domestic and international economic policy and of the several components of international economic policy. The proposed Council would provide for a clear to-level focus for the full range of international economic policy, including trade, investment, balance of payments and finance as a coherent whole. The Council would investigate problems concerning the coordination, implementation and long-range development of international economic policy and would make appropriate findings and recommendations toward its more rational and orderly development.

I believe I should point out, too, that this coordinating mechanism in the nature of a Council is designed explicitly to provide for strengthening our competi-



tiveness in world trade, achieving equilibrium in our balance of payments, protecting and improving our earnings on foreign investments, and increasing the employment and real income of our workers and consumers on the basis of international economic activity. H.R. 15989 succinctly lays out such objectives which the administration had not made explicit with respect to the Council established by memorandum.

In addition to stating the purposes of a statutory established Council in section 102, the bill designates its membership in section 104, and its duties in section 105. Section 103 would create the Council in the Executive Office of the President. Section 106 would require an annual international economic report from the President to the Congress, in which he would be required to identify significant current and foreseeable trends and developments, and a program for carrying out the policy declared in section 102, together with such recommendations for legislation as he may deem necessary or desirable.

Section 107 would establish a Council staff and specify duties of its Executive Director. Section 108 would authorize appropriations for fiscal 1973 in the amount of \$1.4 million.

The main points I would want to leave with you are these: It is common knowledge that we have had many policies affecting our international economic activities and interest which are conflicting and at cross-purposes. The Council is a promising mechanism for resolution of these conflicts. Its principal shortcoming, however, has been the absence of any significant relationship between its activity and the Congress.

As we all know, it is Congress which has the constitutionally established power to regulate the foreign commerce of the United States. And as the President's own Commission on Trade and Investment recommended in July 1971, "Good working relationships between the administration and the Congress are essential. It is important that the intent or position of the administration on international economic policy legislation be clearly communicated to the Congress." The proposed annual international Economic Report, together with the requirement provided in section 105 (b) that it shall be the duty of each member of the Council other than the President to testify before committees of the Congress on the report would meet that shortcoming. The endorsement by the administration of these provisions promises the forging of more effective partnership between Congress and the executive in the formation and implementation of international economic policy.

Title II, as Chairman PATMAN indicated, would extend the Export Administration Act of 1969 to June 30, 1974. In connection with this extension, the committee has indicated views, based on testimony received, in its report with respect to the implementation of existing law.

Mr. Chairman, prompt enactment of H.R. 15989 is urgently required.

Mr. HANNA. Mr. Chairman, the United States is the world leader in science and technology. Thanks to private industry we have developed a science and technology base which is one of the most important assets we have as a nation. At the same time, the U.S. trade deficit has set new records this year and unemployment is at an unacceptable level. In my home State of California, highly trained and skilled workers in science and technology are without jobs. I, therefore, am opposed to our Government's bureaucratic restrictions on trade which makes it possible for the Japanese, Germans, British, French, Italians, and others to sell products based on U.S.-originated technology to the Soviet Union and other Eastern European countries, while denying this opportunity to American industry. I do not believe that Americans should be subjected any longer to such archaic and self-defeating excessive export controls. Our export control program must be reshaped, consistent with U.S. national security, to free U.S. business from these unnecessary bureaucratic restrictions.

A start was made in correcting this situation with the enactment of the Export Administration Act of 1969. However, little progress has been made by the executive branch in implementing and administering the clear intent of Congress. Relaxations have been made, but only in areas of low technology where there is practically no foreign demand. The real interest on the part of the Eastern Europeans is in products of U.S. high technology. Leading businessmen have reported that the Russians, Poles, Czechs, and other Eastern Europeans would prefer to deal with U.S. industry rather than with Japan and Western Europe. The United States is the recognized origin and source of most of the technology in which the Eastern European countries have an interest at this time. The leaders and enterprises in those countries do not want to settle for dealing with middlemen. There are other and important historical reasons why the United States is preferred as a trade partner by the Soviet Union.

However, the United States has only an infinitesimal portion of the high technology market in Eastern Europe. U.S. export controls are in large part responsible for this paradox.

The United States has unilateral export controls over 461 classifications of goods and technology. The multilateral CoCom controls over another 495 classifications of goods and technology. Most, if not all, of the products covered by the U.S. unilateral controls can be obtained by the Eastern Europeans from other sources. Many of the products and much of the technology controlled under CoCom which cannot be exported by American businessmen can also be obtained from other sources, including from our CoCom partners themselves.

The whole procedural encumbrance of U.S. controls, on which is superimposed delays and uncertainties, makes it impossible for Eastern Europeans to do business with us. The Japanese and Germans have no such unilateral restric-

tions and therefore they are relatively free to do business wherever they can.

The CoCom controls constitute yet another significant discrimination against Americans. It is now becoming clear that the effect of the CoCom controls is much more severe upon the American businessman than upon businessmen in Western Europe and Japan. This results from differences in interpretation of the CoCom list and from differences in the manner in which these controls are enforced. Many examples of this can be given. I will furnish the House with some typical recent cases. A Japanese company has concluded a 5-year licensing agreement with Bulgaria covering all the technology and equipment required to produce ferrite cores. This is a \$5 million contract. Another Japanese company has agreed to supply to the Russians American-made semiconductor testing equipment, which the U.S. manufacturer of the product is barred by the U.S. Government from supplying to the Russians. To add insult to injury, the price to be paid by the Russians to the Japanese is considerably higher than the price paid by the Japanese to the United States for the same product. A French company has licensed a Polish enterprise to build silicon transistors and diodes using planar technology, invented and developed in the United States. This is a multimillion-dollar project. Under this arrangement, the Poles produce at the rate of approximately 15 million devices per year. I think my colleagues must get the point by now.

Our export controls cover all kinds of goods and technology. Those charged with administering our export control system are required to examine vast areas of highly complicated technical products and technology. Delays have been caused and unnecessary restrictions retained because Government officials have based decisions on insufficient or irrelevant information. In order to move quickly to remove all unnecessary export control restrictions, a new level of technical and commercial expertise must be introduced into the administration of United States export controls. This expertise is available in U.S. industry and should not be lost in the shuffle. U.S. industry is willing and able to assist in performing this task, and should be enlisted to do so.

The market for American products in Eastern Europe staggers the imagination. The Eastern Europeans want to trade directly with the United States. Our businessmen must be allowed to participate openly and fully in this market, restricted only as necessary to protect our national security.

The committee report makes it unmistakably clear that the intent of the Congress now, as it was in 1969, is to free American business from unnecessary, out-moded, and bureaucratic restrictions in trade with Eastern Europe.

I submit to the Members of the House that, for too long, critical decisions concerning our foreign trade posture have been dominated by military minds and narrowly defined military concepts of national security. The time is long overdue when we should realize that na-

tional security involves economic as well as military dimensions. If our economy is to share in appropriate proportions in the growing pattern of world trade, we must adopt a more balanced and realistic view of our true, overall security.

Mr. CULVER. I thank the gentleman for yielding the additional time.

I am not at all persuaded, nor do I think the Congress will be, that it is necessary to enact legislation to establish such a council at this point in time or indeed at any point in time. It is perfectly feasible to conduct foreign economic policy without the enactment of this legislation.

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

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

Mr. Chairman, the International Economic Policy Act of 1972, H.R. 15989, contains two titles. The first would establish a Council on International Economic Policy chaired by the President. Title II would extend the Export Administration Act of 1969 to June 30, 1974.

Title I would provide statutory authority for establishment of a Council on International Economic Policy to continue the work now being done by such a Council which was established by Executive order in January 1971. The Council would provide a coordinating focus for the full range of international economic policies including trade, investment, balance of payments, and finance as a coherent whole. It would provide consistency between domestic and foreign economic policy. It would further provide for close coordination of international economic policy with other basic foreign policy components. It would seek to strengthen the U.S. competitive position in world trade. The Council would investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and make appropriate findings and recommendations to the President for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

The Council on International Economic Policy would be created in the Executive Office of the President. Certain members of the Cabinet and other executive branch officials would become statutory members of the Council. The act provides that the President shall be Chairman of the Council.

The President would be required to transmit to Congress an annual report on the international economic policy position of the United States which would include a description of international economic policy and significant current and foreseeable trends and developments, a review of the international economic program of the Federal Government and of domestic and foreign economic conditions affecting our balance of payments, and the effect of these programs on the international trade, investment, financial and monetary position of the United States, together with such recommendations as are deemed necessary to achieve the

purposes and policy objectives set forth in section 102 of the act.

The act further provides for a staff, headed by an Executive Director, to support the work of the Council. The staff is expected to number approximately 30 persons. For the purposes of carrying on this work an appropriation authorization for fiscal year 1973 is provided in the amount of \$1.4 million.

Title II would extend to June 30, 1974 authority granted to the President under the Export Administration Act of 1969. This act authorizes the President to regulate exports to the extent necessary to first, protect the domestic economy from excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, second, further significantly the foreign policy of the United States and fulfill its international responsibilities, and third, exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States. That act expired last Monday. It is, therefore, imperative that the Congress act promptly in passing this bill and thus restore to the President the needed and desirable authority provided by the Export Administration Act.

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

Mr. WIDNALL. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Can the gentleman tell me where in this bill does this proposed Council have any responsibility to show some concern for restoring the jobs of 900,000 Americans who lost their jobs last year because of foreign imports? This bill seems to be designed to protect American investors abroad. Section (F) says: "protecting and improving the earnings of foreign investments."

But what about American investments? What about trying to keep jobs going in this country for those who are finding competition from foreign imports? Where in this bill is that concern spelled out in this act?

Mr. WIDNALL. The President has the authority to act.

Mr. PUCINSKI. All I am asking is, where in the duties of this Council do the proponents of this legislation show some concern for the American businessman who is trying to stay afloat and keep his plants going and keep jobs going in the face of foreign competition? This Council will set a policy, an international economic policy. On page 2 of this bill there are spelled out on lines 12 down through line 4 on page 3 all the duties of this Council. Show me where one of these duties calls for this Council to show some concern for the American worker and the American investor in America.

Mr. WIDNALL. Will the gentleman look then at page 3, under (G) where it says: "achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis."

Mr. PUCINSKI. Precisely. That part locks the United States into a multinationalism policy. If we ever want to see the influence of this country disappear, we should adopt that section.

Mr. WIDNALL. I want to continue reading.

Then under (H) it says: "increasing the employment and real income of workers and consumers on the basis of international economic activity."

Mr. PUCINSKI. Precisely again. Where does that language show any concern for the American workmen? George Meany said last year 900,000 American jobs were exported out of this country by our trade policies. All I ask the gentleman who wants us to support this bill is: Where is the concern for the American worker in this bill? If the gentleman can show that to me, I will be happy to support the bill.

Mr. WIDNALL. I think the gentleman has been in Congress long enough to know that in our export trade and import trade too there are jobs for American workers, and a fine number of jobs—thousands and thousands of jobs. Perhaps the gentleman wants to just erect a wall around the United States, a tariff wall or a quota wall.

Mr. PUCINSKI. No. All I am asking is for the gentleman to show me those provisions.

The gentleman is right, we have been in this Congress a long time and we have seen the electronic industry go dead, we have seen the glass industry go dead, we have seen the shoe industry go dead, and the automobile industry is suffering, and the steel industry is suffering.

I am not suggesting we place a wall around America but I am asking the gentleman where in this Council do we give any hope that this Council is going to develop policies which are going to give American workers displaced by imports some hope of finding new jobs.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding. Mr. Chairman, in answer to the gentleman from Illinois, let me say that George Meany is just plain wrong. Has the gentleman studied any recent reports? There is one in particular—and I cannot give the gentleman the source now but I will give him later a copy of it—which reports on a study of multinational corporations and their effect on employment in this country and it shows the multinational corporations have contributed to employment in this country in a way which is not prejudicial to domestic industries.

It may be popular, but erroneous to look at any import which comes into this country from a multinational operation and conclude that the item would have been produced at home were it not manufactured abroad by a multinational firm. What has happened is that in labor intense industries we have simply become uncompetitive. If we did not have the multinational operations working in the labor intense industries, as a practical matter, this Nation would not be getting at least some of the benefit of that production, of that employment, of that trade. It all would have been exported, not by virtue of the export of finance but by virtue of the noncompetitiveness of American labor in these industries and



no part of the products involved in that trade would be made in America by American employees.

Mr. PUCINSKI. If the gentleman wants to support multinationalism and international conglomerates, that is his business, but I am sure his constituents as well as my constituents suffer from that kind of competition, and I am not going to follow the gentleman in that regard.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. The gentleman is totally misquoting me when he says that I am in favor of exporting jobs or in favor of multinational corporations that do.

Mr. PUCINSKI. The gentleman made the statement.

Mr. BROWN of Michigan. No. I did not.

Mr. PUCINSKI. The gentleman supports international conglomerates.

Mr. BROWN of Michigan. What the gentleman is saying is that by recognizing the benefit derived from multinational corporations, I axiomatically prejudice domestic jobs. Rather, I say that multinational operations of American firms are helping jobs in America. And when George Meany and the gentleman from Illinois say that every operation of a multinational firm results in an absolute loss of jobs in America, they are just wrong.

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

Mr. WIDNALL. I yield to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. As chairman of the Subcommittee on International Trade, I simply want to assure the gentleman that in our deliberations with respect to the Council and its duties there was established in the legislation the responsibility to be concerned about jobs in the United States. This is in subparagraph (H) on page 3, referred to a moment ago. It is also on page 5 of the bill, in the top six lines. It is in the report.

Mr. PUCINSKI. Would the gentleman accept an amendment there?

Mr. ASHLEY. Just a moment.

Mr. PUCINSKI. Would the gentleman accept the words "American workers"?

Mr. ASHLEY. Mr. Chairman, I would also draw attention to the report that was authored by Peter Peterson when he was Executive Director of the Council on International Economic Policy, entitled "The U.S. in a Changing World Economy."

Again, one could not read a page of that report and not be convinced its thrust was the protection of American jobs, the expansion of economic opportunity in the United States for workers and employers alike.

The implication which the gentleman from Illinois insists upon, that this somehow is an anti-labor type of legislation, is absolutely contrary to the facts.

I thank the gentleman from New Jersey for yielding.

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Chairman and members of the committee, I rise in support of H.R. 15989. I take this couple of minutes to refer to the colloquy held a while ago between the gentleman from Iowa (Mr. CULVER) and the gentleman from Ohio (Mr. ASHLEY).

I would say to the gentleman from Iowa (Mr. CULVER) and the members of his committee, that the gentleman from Ohio (Mr. ASHLEY) was very fair before the committee in pointing out the relationship he has had with the committee and his desire to work with the members in the future.

I am sure the gentleman realizes the administration wants this legislation. It is open for review at the end of a year. I would not want the gentleman to think for a moment that the gentleman from Ohio (Mr. ASHLEY) has not taken that into consideration in his willingness to cooperate.

This is not a case of a jurisdictional dispute at all.

I would simply add, that the gentleman from Ohio and the other members of the committee, while I am not on that subcommittee, there is a full willingness to work with the Members in any way on the results of their findings.

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

Mr. J. WILLIAM STANTON. I yield to the gentleman from Iowa.

Mr. CULVER. I certainly welcome this opportunity to make clear, if I failed to do so at the time of my initial remarks, that I commend the chairman of the subcommittee (Mr. ASHLEY) for what I characterize as a complete cooperation in this area.

However, as the gentleman knows, cooperation does not necessarily mean agreement. I do have the fullest respect for the degree of cooperation I have received from your subcommittee chairman. I might add quite honestly I do not think there was comparable cooperation in every case as far as your full committee's interest was concerned in working together with the full Committee on Foreign Affairs. However, I do not think that that spirit characterized relationships between the two subcommittee chairmen.

Mr. J. WILLIAM STANTON. I thank the gentleman very much.

Mr. PIRNIE. Mr. Chairman, will the gentleman yield to me?

Mr. J. WILLIAM STANTON. I yield to the gentleman from New York.

Mr. PIRNIE. I thank the gentleman for yielding. I am sure there is not anyone in this House who is not mindful of the problem of foreign competition. We do recognize that we do impose on the industry of this country the standards that we set here which carry certain burdens. Therefore, there are elements which prevent competition as long as the American standards of living, health, safety, and other factors are included. I assume it would not be the intention of this council to ignore the fact so that there would be a balanced inquiry into the factors affecting our trade and so that we would not trade a long-term loss for a short-term gain.

Mr. J. WILLIAM STANTON. I thank the gentleman for his contribution, and I wholeheartedly say that I certainly do agree with him. That is my understanding of this legislation, too.

Mr. Chairman, yesterday the Senate passed S. 3726, a bill similar to the one which we are now considering which extends the Export Administration Act, as well as authorizing the Council on International Economic Policy. The bill on the Senate side was considered by two committees—the Banking, Housing and Urban Affairs Committee and the Senate Foreign Relations Committee. It was first reported out of the Banking Committee and then Mr. FULBRIGHT, chairman of the Foreign Relations Committee, secured unanimous consent to have it referred to the Senate Foreign Relations Committee for a period of 30 days. The Foreign Relations Committee then made certain amendments in the portion of the bill authorizing the Council on International Economic Policy which were agreed to by the Senate last night.

In reading over the record of yesterday's proceedings in the Senate, I find that Mr. FULBRIGHT, on page 20266, has attempted to develop the legislative history of the bill as passed by the Senate—a legislative history concerning the Foreign Relations Committee consideration of this bill. Section 208.A of S. 3726—a Foreign Relations Committee Amendment—stipulates that the Executive Director of the Council, who is an assistant to the President, should keep the Banking Committee, Finance and Ways and Means Committees, the Joint Economic Committee and the Foreign Relations and Foreign Affairs Committees "fully and currently informed" regarding the activities of the council.

Now, the words "fully and currently informed" are words of art which are rather difficult to ascertain and mean different things to different people. I would, however, like to quote from Mr. FULBRIGHT's statement on the floor last night. He said:

Now I trust that the legislative history makes it absolutely clear that the committee amendment is designed to insure that the Executive Director will testify upon request in the regular way before the congressional committees named in section 208(a) of the bill. It is also my belief that this history precludes any possible attempt by the administration to place our relationship with the Council's Executive Director on a basis resembling in any way our past relations—or lack of them—with Mr. Kissinger.

I suggest, Mr. Chairman, that Senator FULBRIGHT's words are directly opposite to what the consensus was when this legislation was considered in public hearing before the Foreign Relations Committee, a session, I might add, where Mr. FULBRIGHT was absent. At that time, Mr. Frank Carlucci, Assistant Director, OMB, was testifying on the council bill and he was questioned by both Senator PERCY and SCOTT, among others, as to what kind of relationship should exist between the Executive Director of the council and the Congress, if the Senate committee and the Senate itself did not require confirmation of the Executive

Director. Senator PERCY commented that Mr. Kissinger "had actually been very helpful in giving us his thoughts and his feelings about the course of foreign policy" and indicated that presently what the Senate committee wanted was the same kind of relationship with the Executive Director so as to permit consultation, et cetera.

I wonder if that is the same sort of thing that would be possible with Mr. Flanigan?

Senator PERCY replied:

That is what I'm leading up to.

Mr. Carlucci, on behalf of the administration, replied:

I have discussed this with Mr. Flanigan and he has indicated that he would operate in very much the same way.

Senator PERCY further commented by saying:

That is a very important point, I would feel very remiss in not insisting upon confirmation if I had the feeling that Mr. Flanigan, whose position of influence and power I would be the last to underestimate, would be immune from us and if he would follow at least the same course that Dr. Kissinger has followed with the appropriate members of the Senate who have responsibility.

I submit, Mr. Chairman, that this is substantially different from what Mr. Fulbright said last night. The administration during the hearings indicated a willingness to "meet informally" as Dr. Kissinger was doing but would not agree to allow the Executive Director to testify. I did not want to let the opportunity go by without calling Mr. Fulbright's views into question.

It is diametrically contrary to what the administration conveyed in the Foreign Relations Committee and contrary to the consensus to the Senators attending the hearing.

Mr. WIDNALL. Mr. Chairman, at this time I yield 5 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Chairman, I appreciate the gentleman from New Jersey yielding the time to me. Those of you who have read the committee report are aware of the fact that I voted present rather than voting either yea or nay on the passage of the bill out of the committee. I took the position because frankly I still remain somewhat unconvinced that this council is absolutely necessary. I know the purpose. We need to strengthen our international trade position and balance of payments, but the whole purpose of the Council is based on a fallacy: It is believed we can somehow divide or separate our domestic economic policies from our international policies. Nothing can be further from the truth. They are inextricably intertwined.

The present Council is operating under the White House's movement of personnel from other agencies. Let us look at some of the domestic economic policies we have instituted in recent months. Right now we are in the process of increasing the minimum wage. What will be the inevitable result of it? It will increase the prices of American goods sold abroad. Has the present Council made any noise, have we heard any messages from Olympus that perhaps this policy may be unwise from the standpoint of

furthering our international trade position and strengthening our competitive position abroad? No, we have heard nothing from the present organization. They are remaining completely silent.

We are all aware of the great budgeting deficiencies we are running in general. We are all aware of the excessive spending we are allowing and the inevitable resulting inflation which, in turn, will again weaken our international trade position.

Again, have we heard any message from the trade council that is supposed to advise this Congress, saying, "No, for Heaven's sakes, do not follow these policies, because you are going to weaken our international trade position"?

No, there is complete silence from the agency which seeks permanency from which we shall be advised.

I say that the present personnel who are on loan from various agencies, have not given us any leadership at all with regard to our domestic or our international trade policy.

I recognize that we need to strengthen our international trade position, but I suggest that this council, this setting up of a new bureaucratic structure with its predictable request for ever and ever greater spending, and with its self-perpetuating arguments, is not the answer.

Let me suggest as an alternative one thing that would be very proper, and far more controllable from the standpoint of the Congress, would be to strengthen the staff of the Joint Economic Committee, and not only the Joint Economic Committee, but the Council of Economic Advisers. No one has suggested that the Council of Economic Advisers is limited in its scope to making recommendations to the President relative to our domestic economic policy. In fact, there is already a chapter in the annual report of the Council of Economic Advisers which addresses itself to the question of international trade and balance-of-payments problems.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, as a former senior staff member of the Council of Economic Advisers I want to tell the gentleman that I could not agree with him more. I have been baffled as to why there should be any need for this economic council in view of the purpose and functions of the Council of Economic Advisers.

This council would create further confusion and overlapping of jurisdiction.

Mr. BLACKBURN. Mr. Chairman, I deeply appreciate the statement of the gentleman from Maryland. With his experience in having served on the Council of Economic Advisers in a staff capacity, I believe that the gentleman's remarks should be given even far greater authority than any remarks I could make before this committee this afternoon.

I would state to the Members that when this proposal was before the subcommittee I asked a spokesman for the administration, "How many councils have we got like this in this town now?

Does anybody really know?" He said, "Well, there used to be over 800, but now we have been able to cut them down to 650, I think, or thereabouts."

That gives me very little comfort, actually, because we are proposing to authorize about \$1.4 million for this particular council. If we have 650 other councils now in existence and we are authorizing \$1.4 million for this Council—and I suggest to you that the history of such bureaucratic organizations, being what they are, that this Council will come back and ask for \$3 million next year. After all, they have got to have a bigger staff, and they will need more space, and they have got to be able to travel, because they have got to find out what is going on all over the world, and they will have to get out and view the world with their own eyes. I suggest to you that they will be asking for \$3 million next year, and after that it will be even greater. But if we would just assume that this Council would be limited to an expenditure of \$1.4 million, then if the same expenditure exists for other existing councils we are talking about a \$1 billion expenditure just to maintain the councils that now exist.

The CHAIRMAN pro tempore (Mr. GIBBONS). The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. REES).

Mr. REES. Mr. Chairman, the Banking and Currency Committee considered an amendment I introduced to the export control title of the bill which would declare it to be the policy of the United States to use export controls to oppose the denial by any country of the rights of its Jewish and other citizens to free emigration and the free exercise of religion.

While the amendment was aimed at preventing the persecution of Soviet Jews, it appears that the feeling of the committee was that the amendment's latitude was broader than this specific case and could complicate and adversely affect our trading relations with many other nations. Although the committee was sympathetic to the plight of the Soviet Jews, it felt that the amendment in question might not be the best approach to the resolution of the problem at this time.

While I still support the spirit of the Rees amendment I would like to point out that in recent action Congress has expressed its concern over the situation in the Soviet Union in regard to its Jewish minority. On April 17, 1972, the House passed by a vote of 360 to 2, House Concurrent Resolution 471, declaring it to be the sense of Congress "that the President of the United States of America shall take immediate and determined steps to: First, call upon the Soviet Government to permit the free expression of ideas and exercise of religion by all its citizens in accordance with the Soviet Constitution; and second, utilize formal and informal contacts with Soviet officials in an effort to secure an end to discrimination against religious minorities; and third, request of the Soviet Government that it permit its citizens the right



to emigrate from the Soviet Union to the countries of their choice as affirmed by the United Nations Declaration of Human Rights; and fourth, raise in the General Assembly of the United Nations the issue of the Soviet Union's transgression of the Declaration of Human Rights, particularly against Soviet Jews and other minorities."

In the Export Administration Act, section 3(2)(B), it is declared that the "policy of the United States is to use export controls to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities." House Concurrent Resolution 471 is a clear congressional declaration of purpose and, in light of the policy declaration in the Export Administration Act that export controls be used to further U.S. foreign policy, I urge that the administration, in enforcing the Export Administration Act, will heed the strong congressional declaration in regard to discrimination against Soviet Jews.

It is my hope that the U.S. trade negotiators now dealing with the Soviet Union will keep in mind our Government's expressed concern for Soviet Jews; I hope that the question of Soviet Jews will be raised in these trade negotiations, with the understanding that the resolution of the problem will improve relations between our countries and help remove existing obstacles in our trade policies.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I strongly support H.R. 15989, the International Economic Policy Act which also extends for 2 years the Export Administration Act.

The findings of the act in section 102 of title I accurately state the need for coordination in the many programs and agencies which collectively constitute the international economic policy of the United States.

The act attempts to provide a coordination and a focus for our international economic policy by the creation of a Council of International Economic Policy. The Cabinet-level officials who constitute the Council are the people whose responsibilities include various, sometimes uncoordinated, sometimes competitive, aspects of international economic policy.

The act also provides that its council will coordinate with the Domestic Council in an effort to establish consistency between domestic and foreign economic policy.

This act is no guarantee that our international policies will suddenly become perfectly coordinated, perfectly effective, and exactly correct. It will, however, provide a better organizational structure for improvement in coordination, in effectiveness, and in correctness in our foreign economic policy.

Title II of the act merely extends the Export Administration Act for 2 years. The committee wisely voted down an amendment to write into this extension the rules for a particular export com-

modity. Many members of the committee, including myself, question the wisdom of the establishment of a restrictive quota on that commodity, but they realized that the policy of each, or any commodity should not be written into this act. If the amendment is raised here—or if a similar one is moved—it should be defeated as inappropriate just as the committee determined.

In addition, Mr. Chairman, the committee report contains language which I feel is just as important as the language of the bill with respect to our lists of commodities for trade with the Eastern bloc of nations. The subcommittee found, and the committee concurred in those findings, that both the multilateral list—COCOM—and the unilateral list either are not reviewed or are not changed on a regular basis. The language of the committee report directs appropriate officials to confer with appropriate people in industry to see that these lists are brought up to date to provide for the maximum trade consistent with our security.

In view of the alarming deficit in both balance of trade and balance of payments, it is much to our advantage to review the list to find items which can be traded without jeopardizing our security. I hope that the Council on International Economic Policy will see that the lists are thoroughly scrutinized and that we find every way possible to expand trade opportunities consistent with national security.

This bill has been attacked as unnecessary by the gentleman from Iowa (Mr. CULVER), and as destructive to American jobs by the gentleman from Illinois (Mr. PUCINSKI).

It exists now and is operative. But we need the Council. This bill merely makes the Council statutory and makes it report regularly to the Congress. The gentlemen from Georgia (Mr. BLACKBURN) complained that that we are not paying attention to domestic policy. H.R. 15989, however, does provide specifically that CIEP will make both domestic and international recommendations, and seek coordination between domestic and international policy.

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

Mr. FRENZEL. I yield to the gentleman.

Mr. MAYNE. Mr. Chairman, the commodity to which the gentleman is referring is undoubtedly cattle hides. Would the gentleman agree with me that when the Secretary of Commerce on July 15 took his ill-advised action of ordering a partial embargo on exports of cattle hides that he was working at direct cross purposes with the established policy of this country to increase our exports?

Mr. FRENZEL. I do.

Mr. MAYNE. When we consider Secretary Peterson's order against the background of how our cattle hide export trade was built up in this country by our cattle industry at great expense after domestic shoe manufacturers had largely abandoned the use of domestic hides, does it not become obvious that his embargo is an outrageous and unjustified

discrimination against the cattle producers of America?

Mr. FRENZEL. I believe it was an unwise decision.

Mr. MAYNE. Does the gentleman recall how a few years ago the shoe manufacturers of this country spurned the use of domestic cattle hides and indicated they were going to shift entirely to synthetics; and this knocked the bottom out of the cattle hide market and hides became practically worthless in this country? Does he remember how this abandoning of domestic hides by the shoe industry, caused great hardship among the Nation's cattlemen by seriously depressing the price of cattle? And does he recall how to meet this crisis the American cattle industry launched a campaign at great expense and effort to develop this foreign market in hides? The cattle industry went to potential foreign customers and said "If you will buy our hides we will furnish your needs." But now that this effort has succeeded and we have a flourishing export trade in hides; at great benefit to this country's balance of trade, it appears that success is to be penalized. By limiting hide exports on July 15, Secretary Peterson has told our foreign customers he will not let them participate in any increase of hide production in this country. And this from a Secretary who is supposed to be interested in developing our foreign trade. How in the world can he expect to persuade the Russians or the Poles or any one else to buy our products as he has been trying to do for the last 2½ weeks when he has just broken faith with our foreign hide customers? Does the gentleman agree with me that we cannot expect foreign countries to start doing business with us when they have just seen Secretary Peterson putting a lid on the hide trade as soon as it became mutually profitable?

Mr. FRENZEL. I thank the gentleman for his comments. I am not an expert in the field of hide exports. I do agree that the policy was unwise.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman.

Mr. PATMAN. Mr. Chairman, there was a mistake made on the keeping of the time. The timekeeper, when I yielded to Mr. ASHLEY 10 minutes, did not get it, but the reporter got it. The reporter shows that I yielded to Mr. ASHLEY 10 minutes. Now, that extra 10 minutes was on our side. Are we to be given credit for that period?

The CHAIRMAN pro tempore (Mr. GIBBONS). The time has been consumed. If the gentleman had an objection, it should have been raised at that time.

Mr. PATMAN. Well, it is not all used yet.

The CHAIRMAN pro tempore. The gentleman from Texas has 5 minutes remaining.

Mr. PATMAN. Mr. Chairman, I would like for the minority to use some of its time.

Mr. WIDNALL. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. ROUSSELOT).

## PARLIAMENTARY INQUIRY

Mr. COLLIER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. COLLIER. What is the total time left in the light of the time at which the debate began?

The CHAIRMAN pro tempore. The gentleman has been yielded 4 minutes, and that will use up all the time of the gentleman from New Jersey (Mr. WIDNALL).

Mr. COLLIER. Mr. Chairman, I mean the total time of the debate.

The CHAIRMAN pro tempore. The gentleman from Texas has 5 minutes remaining.

Mr. ROUSSELOT. I thank my ranking Member for granting me the time.

Mr. Chairman, I rise in general opposition to title I of this bill, because I think it is unnecessary and definitely not needed at this time. As the gentleman from Georgia has already very eloquently stated, I do not believe those who are advocating making this a separate new council have made an adequate case at this time. Further, I believe that the Foreign Affairs Committee, which has been deeply engaged in a long investigation of this whole subject, should also be heard from before we set up one more advisory council.

Now, let me note at the beginning that I very much favor title II of this bill, so I do not want the implication made that, because I oppose title I, that I want to stop everything in export administration. That is not the case. I believe that title II of this bill is being used as a captive to hurry through an expansion of Federal bureaucracy that is totally unnecessary.

I concur in the views expressed by Congressman BLACKBURN and have joined him in them. As we have jointly stated Congress does have a responsibility to seek out the most effective and economic means of developing and implementing a well coordinated foreign trade policy. What disturbs me is the feeling that we have relied too heavily on the recommendations of the executive branch for achieving this admittedly worthwhile objective and devoted too little effort to the consideration to effective alternatives.

Let me note that I wholeheartedly support the President's objectives of restructuring the executive branch to make it more responsive to the Nation's needs and the public demands. And especially to reduce its size. However, I think it is self evident that we who constitute the Congress have sufficient exposure to the functions, and malfunctions, of the executive branch that we can and should offer constructive suggestions where we feel we can improve on his recommendations.

It is in this spirit that I urge serious consideration of the recommendations to place the responsibilities spelled out in section 105 of H.R. 15989 with the Council of Economic Advisers instead of creating a new Council on International Economic Policy. There is absolutely no doubt that our domestic economic poli-

cies and our international economic policies are interdependent and interrelated. They cannot be separated. If proof of this is needed just let me call your attention to the fact that the Council of Economic Advisers is already deeply involved with considerations of the relationships between the two.

For example the annual report of the Council of Economic Advisers submitted in January of this year contains five chapters, the fifth being entitled "The United States and the World Economy." I list below the subheadings within that chapter:

Chapter 5. The United States and The World Economy:  
The Recognition of Disequilibrium.  
Reactions to the U.S. Deficit.  
August 15.  
Balance of Payments Analysis:  
Balance on Goods, Services, and Remittances.  
Cyclically Adjusted Balances.  
The Capital Accounts.  
Balance on Current Account and Long-Term Capital.  
The Size of the Required Correction.  
Developments After August 15:  
Alternative Routes to Realignment.  
Realignment Through Floating.

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

Mr. ROUSSELOT. I yield to the gentleman from Georgia.

Mr. BLACKBURN. I wonder if the gentleman finds anything inconsistent in the fact that in an act which would supposedly improve the balance-of-trade position that in the same legislation we are extending authority under which the Secretary of Commerce has decreased the availability of goods for trade, namely, hides. Does the gentleman find anything inconsistent in that approach?

Do you find anything inconsistent in that approach?

Mr. ROUSSELOT. Yes. And I know the gentleman from Texas (Mr. GONZALEZ) and the gentleman from Iowa (Mr. KYL) and others intend to speak on this important issue. I think this is a clear example of the contradictions which have already existed.

In addition to that, the Secretary of Commerce, who formerly served as Executive Director of this function, is already carrying out many of these activities on his own as Secretary of Commerce.

Mr. PATMAN. Mr. Chairman I yield 2½ minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished chairman for yielding 2 minutes to me.

I rise only to take this opportunity to announce to the membership that at the proper time I intend to offer an amendment, and I am doing so at the request of an overwhelming number of Members within and without the committee on both sides of the aisle, with respect to a very critical matter that affects a large scale segment of our cattle and hide industry.

With respect to the first title I do have this much to say, that the simple extension of this legislation, which is due to expire, has been used as a vehicle to

carry us through the provisions setting up the particular Commission and so on. So I think it is important for us to concentrate on the significance and the meaning of the extension of this act. That is what my amendment will deal with, with respect to a very important action that has been taken even though the disastrous results of 1966 are known, when the President took similar action only to rescind it within a few days. This time it seems congressional action will be required to bring justice. This I think is a most important matter. I do hope my colleagues will be here to consider and evaluate my amendment at the appropriate time.

Mr. PATMAN. Mr. Chairman, I yield the balance of the time, 3½ minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, let me conclude the debate if I may by suggesting the question is not whether we should have a Council on International Economic Policy. That question has been answered. That question has been answered by President Nixon. Despite all the fine ideas and alternatives that have been suggested by the gentleman from Georgia and the gentleman from California and others with respect to the kind of mechanism that can best advance the United States in its export posture, the fact remains that the President of the United States has established within the office of the White House a Council on International Economic Policy.

The President has gone further. He has said to the Congress:

I prefer to have this Council—that is in being, that is going to continue in being if the legislation is voted down—I would prefer to have this Council have statutory authority. Will you please develop legislation toward this end.

The Subcommittee on International Trade responded. So I stand here somewhat amused by the fact that I am being beset by members of the President's own party, when all the subcommittee which I chair has done is to respond in a way we think is a responsible way to a legitimate request of the President of the United States.

It was a legitimate request in an extremely complex and important area, an area where the welfare of each American is involved. I say that because there can be no question that the conduct of our international economic policy does affect the lives of every worker, of every American.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

I support what the gentleman has said entirely. I wish to assure him that although there may be some Members of the President's own party who do not concur in title I of this bill, most of the Members of his party concur.

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

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

Mr. CULVER. Would the gentleman



agree if this particular President desires this particular mechanism for the effective conduct of American foreign economic policy and its harmonization he certainly is continually at liberty to do that by Executive order, as he did 18 months ago?

Mr. ASHLEY. Yes.

Mr. CULVER. And it is not necessary to enact the statutory authority?

Mr. ASHLEY. I would have to agree with the gentleman on that. I believe one of the reasons why the President wants this legislation, and we have responded, is that only through this kind of mechanism can there be any kind of solid partnership between the Congress and the White House in the formulation and implementation of trade policy and foreign economic policy generally. Either we want that kind of partnership which we do not have at the present time or we do not want it.

We should adopt the legislation before us.

Mr. PODELL. Mr. Chairman, as we consider an extension of the Export Administration Act, it seems appropriate to take note of the new and developing trade relationship between the United States and the U.S.S.R. I think we should be realistic about the rationale for entering into this broadened phase of economic exchange between our two countries. Our primary motive for initiating into expanded trade with the Soviet Union was not due to the economic benefits that would be derived from such trade. It will be several years before exports to the Soviet Union will comprise more than a small percentage of the annual total. Conversely, there is very little we wish to purchase from the Soviet Union—almost nothing in the area of consumer goods. In 1971, exports to the Soviet Union were almost three times the amount of imports. The Soviet Union, on the other hand, stands to benefit substantially from increased trade with the United States. Our technology and consumer goods are greatly needed to advance the development of industry and to improve the standard of living for Soviet citizens.

It is clear, then, that expanded trade with the Soviet Union would provide no significant economic advantage to the United States. The only meaningful gain to the United States would be in terms of reducing world tensions and improving international relations. In short, we would reap a foreign policy benefit which would advance our position and stability in the world community.

In recognizing that increased trade with the U.S.S.R. is a foreign policy tool, we must look further to place this relationship in the context of our overall international responsibilities.

Historically, the United States has taken the position that the defense of basic human rights of individuals was our primary obligation in the world community. Certainly, this tradition must be extended to our relations with the Soviet Union. It is in this area we must raise serious questions about the proper nature of our altered position vis-a-vis the U.S.S.R.

Many citizens of the U.S.S.R., including Jews and other minorities, are denied basic human freedoms because they belong to a particular ethnic or religious group. Frequently, such people are subject to harassment, arrest, quotas, military call-up, imprisonment, and in some cases, even confinement in mental institutions as a result of their beliefs. These acts are not the result of caprice on the part of individuals or regional prejudices, but deliberate policies of the government of the Soviet Union.

Moreover, the Soviet Jews in particular have had their freedom of emigration abrogated.

In the last several years there has been a reawakening of ethnic and religious identity among Soviet Jews. The fading of the horrors of the Stalin years and the Israeli victory in the 6-day war imparted new awareness and fresh courage into an ancient people.

First a few, and then by the hundreds, they applied for exit visas. In most cases they sought to be reunited with their people in Israel. Soviet authorities reacted harshly with arrests and prison sentences.

Despite the almost certain loss of livelihood, harassment, and danger of imprisonment the number of applicants for exit continued to increase. Finally, in the face of such determination and the pressure of public opinion, Soviet authorities opened the door a crack. In 1971, approximately 15,000 Soviet Jews were allowed to emigrate. This year, if the current rate of departure is continued, it is estimated that about 30,000 Jews will leave the Soviet Union.

I would like to caution you, however, about misconstruing the previous statistics concerning emigration of Soviet Jews. In many ways the situation for Jews in the Soviet Union is more serious than before President Nixon's recent trip.

In spite of the very real risks involved, somewhere between 250,000 and 300,000 Jews have officially sought to leave the Soviet Union. It is estimated that by the end of the year the number will be much higher. At the present rate of emigration it will take a minimum of 10 years for the number of persons who have already applied to get out. Keep in mind that most people are fired from their jobs as soon as they begin the application process. Soviet authorities have been granting exit visas without regard to the order of application. Granting of exit visas is heavily weighted against persons from cities such as Moscow or Kiev and persons who have a high level of education or technical training. Scientists, in particular, have been singled out for repressive treatment. On the other hand, less skilled people from Georgia receive visas with ease.

In recent weeks there has been an increase in the number of arrests and trials involving Jews throughout the Soviet Union including Moscow, Riga, Kiev, Odessa, Kharkov, Sverdlovsk, and Rostov-on-Don.

Many Jews have had their telephone service cut off to prevent communication with friends and relatives in the

U.S. and Canada. The Jews of Sverdlovsk who have applied to go to Israel are under virtual siege and are prohibited from making phone calls even within the Soviet Union or to leave the city.

One Sverdlovsk Jew, Vladimir Markman, a 34-year-old engineer is facing a possible 8 years in prison for allegedly "making false statements against the Soviet Union" and "being absent as a witness for the prosecution." His wife was also arrested after going on a hunger strike in attempt to get competent legal counsel for her husband. Six lawyers have come forward to take the case, but have been enjoined from doing so by the Soviet Association of Jurists.

To aggravate matters, there are signs that the Markman case may be used as an excuse to indict some Jewish scientists in Moscow on a conspiracy charge, including Vladimir Slepak, Victor Polisky, and Vladimir Presten. It is believed that trying these people in Sverdlovsk, a city closed to press and tourists, would avoid the glare of publicity which would surely result from a Moscow trial.

Given the serious situation prevalent in the Soviet Union at this time, it would be reckless of this Congress not to take a firm stand on behalf of Jews and other oppressed minorities in that country.

We would expect that the question of Soviet Jews would be raised firmly in trade negotiations with the understanding that the resolution of this issue will improve relations between our countries and remove an obstacle to expanded trade and commercial relations.

If, however, no improvement in the situation is apparent in the near future, it will be necessary to impose restrictions on export trade to the U.S.S.R. There is precedent for this in the actions of the Congress in the cases of Rhodesia and South Africa. If there is no significant increase in emigration in the next year, I will personally introduce a measure limiting trade with the Soviet Union.

Mr. SKUBITZ. Mr. Chairman, once again I am compelled to protest the foolish and wasteful appropriations policy followed in this Congress—this Christmas tree policy of comingling questionable appropriations with essential and necessary funding bills that we all support. It is like hanging garish tinsel on a handsome tree.

I refer, of course, to the conference report now before us, labeled the Housing and Urban Development appropriations bill, H.R. 15093. As I pointed out on this floor on May 24, the bill was not primarily for housing and related problems. Nor was it for NASA even though \$3.5 billion each for HUD and NASA was tucked away in the measure for these two agencies.

The point is that more than half of the House-approved total of \$19.7 billion was for the Veterans' Administration and veterans' benefits and hospitals. Why could we not have a Veterans' Administration appropriation bill that can readily stand on its own feet, so to speak? Does anyone doubt why the essential and popular veterans funding was placed in the bill?

But some \$3.5 billion for HUD, at best a somewhat disputatious program, was tossed in. And presumably because no better place to hide it could be found, another \$3.5 billion for NASA was added to the measure. If these programs have so much support, why not permit us to deal with them separately and on their own?

I said in May and I repeat now, Mr. Chairman, that this is a shameful practice that adds further to this much discussed credibility gap in Government. Members of Congress should not be placed in the position, through parliamentary practice, of having to swallow appropriations of which they disapprove in order to support those they favor.

Now we have the bill back from the other body, further swollen in funds, as we have come to expect. It left us carrying \$19.7 billion; the other body increased it by some \$864 million; and the conferees masterfully cut the gratuity in half so that the measure stands before us increased by a mere \$407 million. Of course, many in Government regard a half-billion dollars as peanuts in today's handling of taxpayers' moneys. I do not.

A part of that increase, some \$5½ million, adds to the \$3.5 billion we have already given this most favored of agencies and its projects—NASA and further exploration of space. Rockets to deep space, taking pictures of Venus and Mars and even far-off Jupiter—these are the projects that appear to be more urgent than feeding the hungry and taking care of the aged.

Simply for the record, I desire to reiterate that I will vote against the conference report to register my opposition to this method of appropriating funds. I am for all necessary funds for the Veterans' Administration. All of us know that we shall not shun our duty to meet the Nation's obligation to our veterans no more than we can shun the responsibility to appropriate funds to pay the interest on the national debt.

If this conference report shall fail of enactment—which I doubt—we shall have before us a bill appropriating moneys for the veterans, which I for one shall proudly support.

Mr. YATES. Mr. Chairman, together with the gentleman from California (Mr. REES), I have filed a bill which "declares it to be the policy of the United States to use export controls to oppose the denial by any country of the rights of its Jewish and other citizens to free immigration and the free exercise of religion."

At first glance this would appear to some to be a most drastic approach toward conveying to the Soviet Union this country's displeasure with the illegal and often inhuman treatment by the Soviet Union of its citizens of Jewish faith.

I would point out to those having this viewpoint that the Soviet Union has been made aware of this Nation's attitude by protests filed by the Department of State in diplomatic channels and more importantly, by passage by this House of a resolution on April 17, 1972 urging the President to call upon the Soviet Union

to allow the free expression of ideas and the free exercise of religion; second, to use our diplomatic contacts with the Soviet Union to seek to persuade that nation to end discrimination against religious minorities; third, request the Soviet Union to permit its citizens to emigrate to another country if they wish to do so; and fourth, to raise the issue of the breach by the Soviet Union of its treaty obligations under the U.N. Declaration of Human Rights in the United Nations.

It is hoped that President Nixon discussed the matter seriously on the occasion of his recent trip to the Soviet Union. If he did so, the efforts of that intervention have not been made public, and the fact remains that the response of the Soviet Union to the entreaties, to the protests, to the formal resolution of the Congress, to the request of the President have been minimal. Immigration from the Soviet Union to Israel or to other countries has increased but not nearly enough to give any expectation or hope that the conditions of discrimination against its Jewish citizens have been changed. Today Jews who seek to leave Russia are still harassed and mistreated, they are fired from their jobs, some are committed to mental institutions, some are drafted into the army, others have been jailed. Every obstacle to their leaving continues to be placed in their way, including the requirement that each person pay the equivalent of \$1,000 in order to obtain an exit visa.

In April 1972, the American Representative in the U.N. Economic and Social Council, Commission on Human Rights said:

Freedom of movement traditionally has been highly cherished as a human right comparable in value to freedom of conscience and expression. Enjoyment of this right enables the individual freely to choose the society most congenial to his ideals and to pursue his political beliefs or seek economic rewards in harmony with his particular aspirations.

Mr. Chairman, the representative's eloquent statement might well have included as an additional motivating cause the desire to practice religion freely. This is the dominant and fervent goal of the Jews of the Soviet Union who want to emigrate to Israel. The fact is that they cannot worship freely in the Soviet Union today.

The American representative also said in his speech:

It is heartening to note that there has been a substantial modification of restrictions on emigration of Soviet Jews and that an increasing number of those desiring to move to other countries have been permitted to do so in the past months. This is a positive trend which should be encouraged and continued. We would urge that remaining restrictions on emigration and travel be eased so that all Soviet citizens who wish to exercise their right to freedom of movement may be permitted to do so.

Mr. Chairman, it is in support of the hope of the American representative that I would urge the adoption of the Rees bill, to encourage the Soviet Union to move in the direction of freedom of emigration. The bill is not inflexible. It maintains the right and the discretion in the President by giving him the authority

"when the national interest warrants unrestricted exports to a foreign country" to permit such unrestricted exports. He may use other methods of persuasion to effectuate the purpose of the bill.

There is precedent, Mr. Chairman, for taking action through trade channels to protect the rights of minorities. In 1832 a trade treaty between the United States and czarist Russia guaranteed the right of individuals from one country to enter and conduct business in the other "with the same security and protection as natives of the country." Shortly thereafter the czarist government entered upon a practice of vicious discrimination against its Jewish citizens, a policy which it carried over to Americans of Jewish faith who tried to do business under the Treaty of 1832. Over the years thereafter, protest after protest was made by the Department of State through diplomatic channels and by Jewish leaders in the United States. Almost a century passed without any inclination on the part of the Russian Government to change its policy. As a result, a determined effort to abrogate the Treaty of 1832 was undertaken. When the House of Representatives on December 13, 1911, passed the Sulzer Joint Resolution by a vote of 300 to 1, President Taft, without waiting for Senate approval, instructed Secretary of State Knox to notify Russia that the treaty had been rescinded. Essentially it was a victory for equal justice for American citizens, but it was much more. It showed the Russian Government and the world that the United States was determined to make clear that religious persecution and discrimination was abhorrent to Americans of all faiths.

That great principle still prevails in this Nation. The Congress has gone on record to protest discrimination of Soviet Jews and the breach by the Soviet Government of its written international commitments guaranteeing freedom of emigration. Why should not trade agreements between the Soviet Union and the United States seek to achieve this Nation's ideals and principles? I believe they should.

The CHAIRMAN pro tempore. (Mr. GIBBONS). All time has expired.

Pursuant to the rule, the Clerk will now read the bill by title.

The Clerk read as follows:

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

#### TITLE I—INTERNATIONAL ECONOMIC POLICY ACT SHORT TITLE

SEC. 101. This title may be cited as the "International Economic Policy Act of 1972".

#### FINDINGS AND PURPOSE

SEC. 102. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (A) domestic and foreign economic activity, and (B) in particular, that economic behavior which, taken together, constitutes United



States international economic policy. It is therefore the purpose of this Act to establish a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy;

(C) close coordination of international economic policy with other basic foreign policy components;

(D) strengthening the United States competitive position in world trade;

(E) achieving equilibrium in international payment accounts of the United States;

(F) protecting and improving the earnings of foreign investments;

(G) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis; and

(H) increasing the employment and real income of workers and consumers on the basis of international economic activity.

It is the further purpose of Congress to provide the Council with the opportunity to (A) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (B) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

#### CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 103. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

#### MEMBERSHIP

SEC. 104. The Council shall be composed of the following members and such additional members as the President may designate:

- (1) The President.
- (2) The Secretary of State.
- (3) The Secretary of the Treasury.
- (4) The Secretary of Agriculture.
- (5) The Secretary of Commerce.
- (6) The Secretary of Labor.
- (7) The Director of the Office of Management and Budget.
- (8) The Chairman of the Council of Economic Advisers.
- (9) The Special Representative for Trade Negotiations.
- (10) The Secretary of Defense.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

#### DUTIES OF THE COUNCIL

SEC. 105. (a) Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advise the President in the preparation of the International Economic Report;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry;

(3) consider policies and programs for coordinating the activities of all the depart-

ments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(4) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(5) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States, the several States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and transportation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward fulfilling the purposes set forth in section 102.

(b) It shall be the duty of each member of the Council enumerated in section 104 other than the President to testify before committees of the Congress on the annual International Economic Report and on reports supplementary to the International Economic Report.

#### REPORT

SEC. 106. (a) The President shall transmit to Congress within sixty days after the beginning of each regular session (commencing with the year 1973) a report on the international economic position of the United States (hereinafter called the International Economic Report) which shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States; and

(3) a program for carrying out the policy declared in section 102, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in section 102.

#### EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 107. (a) The staff of the Council shall be headed by an Executive Director who shall be appointed by the President, and he shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (5 U.S.C. 5313). It shall be the duty of the Executive Director on a full-time basis to—

(1) direct the activities of the Council staff;

(2) develop the agenda and supporting materials for Council meetings and review all matters before the Council;

(3) establish a work program (including topics and the selection of individuals to carry out particular assignments).

(b) (1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff as he deems necessary.

(2) Section 5315 of title, United States Code, is amended by adding at the end thereof the following:

"(97) Deputy Director, Council on International Economic Policy."

(3) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"(132) Assistant Directors, Council on International Economic Policy(2)."

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate now or hereafter provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this Act.

#### AUTHORIZATION FOR APPROPRIATIONS

SEC. 108. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated for fiscal year 1973 the amount of \$1,400,000.

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Chairman, reserving the right to object, I remind the gentleman that the rule provides, does it not, for the bill to be read by title?

Mr. PATMAN. That is correct.

Mr. GROSS. Why adopt the rule for the bill to be read by title, if it is not read?

Mr. PATMAN. Just to save time, to give Members more time to talk.

Mr. GROSS. Did the gentleman ask for this rule?

Mr. PATMAN. We agreed to it and wanted it; yes.

Mr. GROSS. Then why does the gentleman want to set aside the reading of the bill for now?

Mr. PATMAN. That is all right. The Members have the bill and can read it now.

Mr. GROSS. I did not vote for the rule; therefore, I object to dispensing with the reading of the bill.

The CHAIRMAN pro tempore. Objection is heard.

The Clerk will read.

The Clerk proceeded to read title I.

Mr. HANNA (during the reading). Mr. Chairman, I would move that we consider this title read and open to amendment at any point.

The CHAIRMAN pro tempore (Mr. GIBBONS). The motion is not in order.

Mr. HANNA. Then I will ask unanimous consent that this title be considered as read and open to amendment at any point.

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

Mr. GROSS. Mr. Chairman, reserving the right to object, if the gentleman voted against the rule, I might—did the gentleman from California vote against the adoption of the rule?

Mr. HANNA. I do not believe we went through any rollcall on voting for the rule.

Mr. GROSS. Oh, yes, we did.

Mr. HANNA. Then I voted for the rule.

Mr. GROSS. Mr. Chairman, I object.  
The Clerk concluded the reading of the title.

AMENDMENT OFFERED BY MR. CULVER

Mr. CULVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CULVER: On page 1, after line 7, insert the following:

"EXPIRATION DATE

"Sec. 102. The provisions of this title shall expire on June 30, 1973, unless extended by legislation enacted by the Congress."

And redesignate the following section accordingly.

Mr. CULVER. Mr. Chairman, I believe this amendment is self explanatory. It would provide for the existence of the council by statutory action for a period of 1 year and would limit its statutory life to that period.

This is an amendment which was adopted earlier this week in the Senate version of this legislation and would place the House bill in conformity with that version.

Mr. Chairman, as I said earlier during the general debate, in my judgment it would be extremely unwise for the Congress to enact this legislation today. I say that in no way to suggest a criticism of the appropriate importance and emphasis placed by this administration on the critical question of how we can most effectively coordinate and harmonize the conduct of American foreign economic policy. It is desperately needed and it is currently in a state of disarray.

Mr. Chairman, I offer this amendment because, in my judgment, to do this without qualification for an indefinite life span would be unwise and unwarranted based on the state of congressional understanding of the most appropriate mechanism by which the executive branch of Government can carry out this important responsibility.

Now I have indicated earlier that we are holding hearings in the House Committee on Foreign Affairs. These are indeed exhaustive hearings on the subject. The witnesses to date have been extremely conflicting in their recommendations—those of both administrations in recent years, both Republicans and Democrats—and reasonable men have very important and real and fundamentally sound differences of judgment as to how we best approach this subject.

It seems to me, this president, as any president, should be afforded the opportunity to conduct his foreign economic policy in a way that is compatible with the best interests of the Nation as he perceives them to be. This is what this President, in fact, has done, as have his predecessors in the past.

But, Mr. Chairman and Members of the Committee, he has every opportunity now to continue such an approach through executive authority. It is not necessary to bind the hands of some subsequent President whoever he may be, regardless of party, with yet one more institutionalized mini-bureaucracy in the White House.

It seems to me, recent history is all too clear when this begins to occur, the problem of accountability and accessibility and responsiveness of the executive branch of the Government to the Congress to bring about this objective of an effective working partnership as the gentleman from Ohio (Mr. ASHLEY) suggested, is absolutely impossible. Hiding in the White House basement, under the cloak of executive privilege, is not the most effective way, I respectfully submit, to bring about the meeting of minds between the legislative branch of our Government on the one hand and the executive branch of Government on the other hand.

I think it is very unwise for us to establish one more bureaucracy at a cost of \$1,400,000 a year, in the first year—and to put 29 more people on the White House payroll in the White House, cloaked in executive privilege and unaccountable to the appropriate committees of the Congress, and then to say in the same breath that we have worked out a mechanism to insure close cooperation between the executive and legislative branches of Government in the conduct of our foreign economic policy.

My friends, that is just a contradiction in terms. It seems to me, at a minimum, if we are going to be so unwise as to enact this legislation today, then clearly it would be not only in the interest of Congress in fulfilling its responsibilities to monitor and to perform its appropriate congressional oversight role to do this in a way that would afford us a 1-year test trial period and also a year to bring to bear on the performance of this Council which, incidentally, only met three times last year during the whole year, to see whether or not this is, in fact, the way we wish to proceed or whether or not this Congress can meet its responsibilities to come forward and to suggest to the executive branch—to suggest to the institutional organization of the executive structure a more appropriate method.

I urge the support of this amendment and its passage.

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

(By unanimous consent (at the request of Mr. HALL) Mr. CULVER was allowed to proceed for 1 additional minute.)

Mr. HALL. I appreciate the gentleman's yielding to me.

I would like to ask one question. The gentleman has argued well from his point of view. I am advised with the lapse, as of 2 days ago, of the executive authority for this council; namely, August 1 that foreign economic policy is being handled under the Trading With the Enemy Act.

I wonder if the gentleman would enlarge upon that and explain any dangers therein, if that is so.

Mr. CULVER. I shall be delighted to respond. We are considering in this present legislation two distinct and entirely separate matters, and as suggested properly by Mr. ROUSSELOT, I believe it is highly irregular and improper and without any rational justification. In fact,

we have on the one hand the problem of the continuation of the Export Control Act, which, of course, is an entirely separate matter and whose life has expired as of the first of August, so it is necessary that this Congress should act with a certain degree of urgency and haste in the continuation of the Export Control Act authority.

Separately and totally independent of this measure is this recommendation before the House this afternoon to create by statutory authority a body that has existed for the past 18 months within the executive branch of the Government called the Council for International Economic Policy. Now, the administration has come forward and made this request and I am only suggesting, frankly, that we should await the action of the House Foreign Affairs Committee to complete its hearings and to make a judgment as to whether or not in fact this is the soundest way to approach it, and it is in no way to prejudice the very important work that this administration has done and the outstanding and able direction that it has received under Mr. Peterson.

The CHAIRMAN pro tempore. The time of the gentleman from Iowa has again expired.

(By unanimous consent (at the request of Mr. SMITH of Iowa) Mr. CULVER was allowed to proceed for 1 additional minute.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. I just want to point out to the gentleman that under an Executive order issued yesterday afternoon, an Executive order which I have here, No. 11677, the President actually extended the provisions of the Export Control Act by Executive order. I question whether he can legally do this, but he did it, so even that will be continued without the passage of this law.

Mr. HALL. Mr. Chairman, will the gentleman yield for one additional question?

Mr. CULVER. Yes, I yield to the gentleman from Missouri.

Mr. HALL. My question is simply this: If there is this urgency for title II or for executive extension, why has not either the Committee on Foreign Affairs or the Committee on Banking and Currency come up with the answer before July 24, when this bill is dated as having being introduced?

The CHAIRMAN pro tempore. The time of the gentleman from Iowa has again expired.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. This amendment would give the statute a year's limitation. It is unnecessary and will only serve to undercut the work which we hope that this council will do. It is unnecessary because the bill contains only a year's authorization for funds anyway. They will have to come back to this Congress actually in much less than a year for new authorization. At that time we will have an opportunity to review the operations of



the council to see whether or not it has fulfilled the objectives of this particular piece of legislation.

What this amendment will do is to keep the council and its staff more concerned with its own legislative status rather than working on the many important and substantive problems for which this council is being established.

Let us look at the time element. The amendment proposes that the legislation expire in June. However, if we were to authorize the council now, the organization will not get its operating funds until the final supplemental bill is passed when we adjourn.

I do not know how many crystal-ball gazers know when we are going to adjourn, but I would presume that that council could not be working for more than 8 months before it would be canceled under this amendment. Legislative action that finds reason for creating an organization so unconvincing that it offers assurance of only 8 or 9 months of life is bound to have a negative impact on the organization's effectiveness. In truth, the gentleman who has offered the amendment has indicated that he opposes the council, and this is one way to ruin it.

It certainly will make it difficult, if not impossible, to attract into this council highly qualified people.

The Council and its staff are going to need all of the highest quality talent they can get to deal effectively with such problems as international monetary reform, expansion of our exports, and a host of other very critical problems. I strongly suggest that this is a completely inadequate period—this 8 months—which, if imposed will hamper the operations of the council. Worse, it will undercut what the legislation tries to accomplish; namely, to give a visible permanent structure to the organization of the President's Office that will deal in a coordinated manner with international economic policy issues.

I think it is far more desirable to reject the amendment and to reexamine the Council at the authorization stage, when it comes up for fiscal year 1974 funds.

I should point out, Mr. Chairman, that every Member here is concerned that Congress not lose its constitutional responsibilities and that it have an appropriate input in policymaking. I believe legislative establishment of the Council gives Congress a better position to be informed and to review the operations of this Council.

Remember, the Council is operating, it is doing its coordinating job, but in this bill we give the President this statutory organization. We force him to report to us on international economic policy. The report will include recommendations for carrying out the objectives of the legislation. In addition, each member of the CIEP is required by this legislation to testify before the committees of this Congress.

Mr. Chairman, it seems obvious that to limit this bill by amendment to make it a 1-year restriction—which actually is an 8-month restriction—will abso-

lutely hamper that which we are trying to develop.

Mr. J. WILLIAM STANTON. Will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, I appreciate the gentleman yielding.

As the committee knows, I think this will be the first time in history when we have a date of termination before we have a date of effectiveness. I am sure the author of the amendment does not realize he has set a date of termination of 1 year hence when we do not have in this legislation any time for effectiveness. I think the gentleman is a little premature in proposing a date for termination before we have a date for effectiveness.

To that I will add, when the committee realizes they have to wait for the funds if the Council is established in this bill.

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

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

Mr. CULVER. Mr. Chairman, I certainly do not wish my remarks to be construed as being in opposition to the existence of the Council on International Economic Policy, either by Executive order or indeed by legislative action. The critical question here is whether we in Congress are really in a position at this point in time to make that kind of judgment or in fact to make that kind of decision.

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

Mr. Chairman, the author of the amendment that is being considered, the gentleman from Iowa, has just protested he is not really against a Council on International Economic Policy, but certainly in the last hour the gentleman has indicated his vehement opposition to the legislation that is before us today, and in fact his amendment says that he will put a gun at the head of the President by way of saying that this Council, if it does come into existence, is going to expire a year from now.

The fact is, as has been pointed out, that the Subcommittee on International Trade did insist on 1-year funding. That is the most effective way of establishing congressional review of the activities of the Council that there can possibly be. We do not say the authority runs out. We just say the funding authority runs out, and there is a considerable difference. As I say, we insisted on this just as we insisted on the annual report from the Council to the Congress, just as we insisted on the availability of the members of the Council to appear before the appropriate committees of the Congress to respond to questions and inquiries with respect to the activities of the Council.

So I say that the amendment of the gentleman from Iowa serves no useful purpose whatsoever. He says that we should wait until further recommendations are developed either out of a subcommittee of the Committee on Foreign

Affairs or pursuant to legislation establishing a commission to study the organizational restructuring of our foreign policy establishment, that will report back in 1974.

The idea that we ought to emasculate the Council while awaiting the results of the study which Congress authorized in title 6 of the Foreign Relations Authorizations Act—a study which will not be completed until 1974—is, when we look at it, very unsound. This matter can be studied interminably, but in the meantime, many things are happening on the international economic front—things that simply are not going to await completion of all the studies that can possibly determine what is the ultimate, all-perfect organizational structure for dealing with international economic matters. I personally find no fault with the concept of the Council and its organization as set forth in H.R. 15989. I think it is probably just about as good a mechanism as anyone is likely to devise. However, if further studies do come up with a better mechanism or, if experience shows us that we would like to alter the Council in any way, then we will certainly be free to do so.

The next 2 years are going to be very important to the United States in managing its international economic affairs and, even in the minds of those who may not feel that this is the ultimate method of handling these matters, certainly there can be no doubt that the Council organization is far superior to the situation before its inception—a situation with no specified organization to concern itself with coordination of the broad range of international economic issues.

In the 18 months since its inception the Council organization and its staff have been involved with a broad range of top level problems.

For example, its first accomplishment—and a very important one—was simply to bring to the attention of the President, the Congress, and the American public, the growing economic interdependence of the nations of the world and the new position of the United States in that world. The briefings given us by Mr. Peterson, when he was the first Executive Director of the Council, and the material developed by him and by the Council and its staff and published under the title "The U.S. in the Changing World Economy" has been, I believe, extremely valuable. In fact, I think we may find that the document wherein the United States recognized, for the first time, the new importance of international economic issues and began to formulate a national strategy to deal with these issues—and the need for a strategy with which we deal with the facts of international economic interdependence and competition.

The Council has, in the last 18 months, been intimately involved in the formulation and execution of our international economic policy. It has been in on the trade negotiations with the U.S.S.R. from the very beginning—from development of the concept that we ought to work toward an expansion of our trade with

the U.S.S.R., through the conduct of the studies of the issue, then through development of the strategy to be employed, and now it is a key unit in effectively coordinating the tactics of the various agencies in the actual conduct of the negotiations.

Trade with the U.S.S.R. is, of course, only one of many issues in which the Council has been involved. There have been similar efforts involving Canada, the People's Republic of China, and other governments and a great deal of CIEP managed work on other matters including export expansion, foreign investment, and other matters. More remains to be done.

In deciding on this issue, I think it would be useful to ask ourselves this question: "Given the benefit of hindsight, and with full knowledge of the events of the past 18 months, knowing the record of the Council and its accomplishments, would we prefer that the President had not created it?" I think the answer to that question is a definite and emphatic "No."

The President needs a White House level mechanism to assist him in these matters and it is in the interest of Congress and the American people that this mechanism be determinate, specific, and publicly defined.

I further believe that the provision in this authorization bill which requires the Council to provide us an annual report will require the Council to continue and expand the kind of long-range investigation and thinking that was begun with the development and publication of "The United States in the Changing World Economy" and that this report will do much to keep the Congress and the public better informed in an area of our affairs that has been too long neglected. With nothing more than an 11-month life, the Council will be hobbled in its operations and unable to reach its full potential. For its staff, the Council will have to continue to rely exclusively on personnel borrowed from other governmental agencies—it will be unable to obtain permanent personnel or consultants from the private sector—it will lack the recognition, stature, and sense of permanence that even a limited 2-year statutory life would provide.

Mr. Chairman, this does not propose the creation of some vast new bureaucracy that will develop a constituency insuring its unlimited tenure. Rather, it provides only the recognition and authorization of a very small, but very important organization for a very short, but very important period—a period during which the President, whoever he may be, will need the very best advice and assistance he can get in the international economic field.

I am confident that I speak for all of my colleagues in the Committee on Banking and Currency when I say that we all fully realize that the Committee on Foreign Affairs certainly has a shared interest in certain of the purposes set forth in title I of H.R. 15989—specifically that which speaks of the close coordination of international economic policy with other basic foreign policy components. We all realize that the bilateral aid pro-

gram certainly is an important factor in our international economic policy considerations, and we acknowledge the longstanding oversight of the Committee on Foreign Affairs with respect to the manner in which the policies formulated here are implemented in our diplomatic posts overseas.

The Committee on Ways and Means, too, certainly has its own range of responsibilities with respect to the formulation of international economic policy, as we all know.

On the other hand, the Committee on Banking and Currency has had a longstanding responsibility for stabilization of the domestic economy, including policies affecting prices and wages; for development of a strong program of export credit; for the control of exports of goods and technology for reasons of national security and domestic economic welfare, as well as for foreign policy considerations; for the value of the currency; for the international flow of capital including foreign direct investment; and for the funding and oversight of multilateral lending institutions in which the United States participates. Therefore the committee certainly has a central interest in those purposes which go to the question of consistency between domestic and foreign economic policy; strengthening the United States competitive position in world trade; achieving equilibrium in international payment accounts of the United States; protecting and improving the earnings of foreign investments; achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis; and increasing the employment and real income of workers and consumers on the basis of international economic activity.

These longstanding responsibilities and concerns of the Committee on Banking and Currency compel me to urge you, my colleague, that we neither delay nor frustrate the work to achieve an orderly and rational international economic policy. The amendment should be defeated.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the distinguished gentleman from Michigan.

Mr. GERALD R. FORD. I wish to commend the gentleman from Ohio. I was privileged, along with many Members of this body, to hear his remarks earlier in the general debate. I believe he made a very persuasive argument for the committee bill.

Let me make one or two personal observations.

If my recollection is correct, when we established the National Security Council by statute we did not limit it to a short period of time. The Congress at that time realized that if we were going to have an effective National Security Council it had to have a reasonable period of time for existence to justify the job that it was given.

If my recollection is correct, when we established the Domestic Council by the reorganization process we did not limit its existence to a very short span of time. We realized that if that group were

to do its job effectively it had to have time to organize and to effectuate what it thought would be a responsible domestic policy.

Now, this proposal is the third leg of a policy of an important table internationally and domestically for the United States. It seems to me to start out with an abbreviated period of time to justify its existence would be a wrong approach.

I sincerely hope that this amendment will be defeated. I say strongly to my Republican friends, I know from personal conversations the President considers this a matter of highest priority.

The testimony of the now Secretary of Commerce was very persuasive. I believe he has respect and admiration on both sides of the aisle for the job he previously held and the job he is trying to do now as Secretary of Commerce.

I hope and trust that the arguments advanced by the gentleman from Ohio will be persuasive for the defeat of this amendment.

Mr. ASHLEY. I appreciate very much the remarks of the distinguished gentleman from Michigan.

I would conclude by saying that all of us on both sides of the aisle are deeply concerned about the state of our trade and our trade policy. What we want is a better mechanism for the effectuation of trade policy. We do not want to undercut the effort that is being made to bring about a more coherent, rational, orderly development and implementation of international economic policy.

Let us please defeat this amendment, because only by doing so do we give the essential authority to the President to act in a way that is rational and intelligent.

Mr. HANNA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a member of the subcommittee serving with the gentleman from Ohio I have supported this legislation, particularly because I believe it is very important that we develop the kind of expertise needed to take care of our interests in the economic interfaces around the world that match those of the people with whom we must compete. I must say, our record on the track is not too good.

Let me also take this time to point out a couple of other very important things, which this situation we are now hearing points out to me.

First of all, I believe it is incumbent upon us to have more joint hearings on matters on which there is a possibility of overlapping jurisdiction.

I say that because I point out to you gentlemen in the House one of the ways to create a vacuum in our power is for us to become embroiled with each other and leave everything to the Executive to fill in that power vacuum which we have left. This kind of action does precisely that. The other thing it points out is certainly this House has been derelict in the extreme, as I said before, in sending out task forces who have an oversight on what is going on in this Government after we have enacted legislation. We need to concern ourselves about implementation. Unless our committees are prepared to use much of the manpower and the talent



and the energies of some of the younger members who have the time and who have the interest and who have the energy to get out and get into the task force job that will bring into the House new expertise which we do not have at present, we will not be able to compete with the Executive in the manner that I have heard it expressed on the floor or in the well of the House. So I say let us take some lessons from what we have here engendered in a discussion between the two different committees. Let us take note of the fact that we are not doing the thorough kind of job that will allow us to stand up and compete in the power equalization which was anticipated by the men who drew up our Constitution. They spoke of separate but equal branches. We are separate but our status as an equal is highly eroded by our own neglect.

I yield to the gentleman from Ohio, a member of the committee.

Mr. J. WILLIAM STANTON. I thank the gentleman for yielding. All I wanted to add is I wondered if the gentleman would not agree with me that what we are asking for here is statutory authority.

It just seems to me to make sense that with the recommendations coming along from the Committee on Foreign Affairs and I wonder if it is not better to have some vehicle to work with in the recommendations that come out, and then we can change it in order to fit their recommendations.

Mr. HANNA. I agree with the gentleman, but I do not think it will do a particle of good if we do not follow up on this legislation. The partnership in which one partner turns over its money and goods and tools to the other partner, and then says, come and see me a year from today. And report on what is going on. That is not the way to work a partnership. You had better be able to look over the shoulder of your partner and see what he is doing, or else you will be out of business. That is unhappily where our partnerships with the executive branch always end.

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

Mr. HANNA. I think my time has passed, and I have made the point I wanted to make. I hope it will sink in for every Member sitting on the floor of the House.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

My colleagues in the House, I think we ought to examine carefully what we are doing here today in the bill itself and what this amendment proposes to do. We are now in the first days of August, and it is the intent, I am sure, to have this legislation become retroactive to July 31, so as to pick up where the present expiration of the Export Administration Act fell off. The council, if you give it a 1-year's existence, will, therefore, not have 1 year's existence, but will have less than 1 year's existence. We would be giving statutory authority and statutory recognition to a council which in only a few months, in effect, would self-destruct absent further affirmative action by the Congress. I think that any examination

of such a provision would by anyone outside of the Congress appear to be irresponsible on the part of the Congress. Since the funding of the council, which is really the guts, if I may call it such, of the legislation, expires in a year, why is it necessary that we, in effect, call for the deathknell of the council even before it is created?

The proponent of this amendment, the gentleman from Iowa (Mr. CULVER) has mentioned to you that there is a 2-year study being done on the Foreign Assistance Act. It seems to me that it would be totally consistent and logical for the gentleman from Iowa to at least have called for a 2-year life of the council and a 2-year authorization of the council if he in any way wishes to point to the study that he has described as a basis for support of his amendment.

I do not believe the gentleman from Iowa will be willing to accept a 2-year authorization of the council.

The third point I would make, and to suggest to all of you that it gives you ample reason for opposing this amendment, is that in effect the Senate has given the council a 1-year life by its language, and that will be before the conference, and if there is some justification and if the conferees in their wisdom think there would be justification for a 1-year life of the council, it is already available.

I oppose this amendment for the reasons I have stated. I think that each of the Members should oppose this amendment if, for not my reasons, your own reasons which are obvious.

Mr. FRENZEL. Mr. Chairman, would the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I would ask the gentleman from Michigan if it is not true that the title itself furnishes us a good example of what happens if we extend something for a short period of time. Here is a bill over which there is no controversy, no debate, no jurisdictional squabbles, and still it has already expired, despite our best intentions. What would you think would happen to the council where there is controversy? It seems to me that within the bill itself we have a wonderful example of what would happen if we were to adopt this amendment.

Mr. BROWN of Michigan. I think the gentleman is absolutely right; not only do we put a gun at the head of the present administration, but by a 1-year life of this council we put a gun at the head of the Congress because it would be up to us and the Congress to either let it expire by default in 11 months, or to reenact legislation which, if we pass this legislation today, we have considered to be good legislation and necessary legislation.

Mr. Chairman, I have too much respect for my colleagues in the House to think that they would accept this amendment.

Mr. MONAGAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, my support of the amendment offered by the gentleman from Iowa (Mr. CULVER) is not based ex-

clusively on the merits of the particular commission that we are referring to because I think that there is much to be said for the fact that the Executive does need advice in this very vital field of international trade at the present time. In fact, I question the desirability of the title I. But I am particularly sensitive to the proliferation of the advisory commissions that has taken place in our Government over the last few years.

As the gentleman from Iowa (Mr. Gross) said a short time ago, the Government Operations Subcommittee, which I have the honor of chairing, has found that there are something like 3,000 of these commissions in existence, and that they spend between \$75 and \$100 million a year, and that there are thousands of people drawing salaries and payments, because of their activities.

That, of course, does not mean to say that on occasion a new commission should not be set up, but it does mean that we should examine very carefully any proposal to set up as substantial a group as the one proposed here, which would have 27 or 30 people employed by it, and would spend \$1.4 million a year.

There has been discussion of the term of this council, and it has been said that this bill provides only a year's term at the present time. I suggest that that is not true. If the proponents of the legislation had wanted to do so they could have placed a specified termination date in the legislation.

They could have said that this council should terminate a specified time after its date. But that was not done. In fact, this is a permanent council under the words of this bill even though it would be necessary, to come back for a financing at a later time. And we all know how many similar units with permanent authorization regularly receive continuing financing as a matter of course. The authorization is the significant part.

Now I do want to refer to several other items related to the specific setup of this council that I think should be mentioned.

First of all, there is an existing council in the executive branch at the present time. Even though this amendment were adopted—or even, the legislation not approved—the existing executive branch commission could continue. I should point out that there it is subject to the regulations of the Office of Management and Budget which have recently been put into effect which control the continuation of commissions of this very type.

But speaking generally, what about the effectiveness of a commission which is comprised, as this commission is, of members of the executive branch at the very highest level—the President, the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, and so forth? Clearly, with this composition, this council is not going to be manned by the individuals who are named. Studies that our subcommittee made and set out in our report show that some of these people, such as the Secretary of Agriculture, for example, are members of 40 different advisory committees and truly the addition to his duties of sitting on one more, as important as this one would be, will

reduce the capacity of these top level people to attend meetings of this council and to make contributions to it.

Therefore, it will be a body that will be continued on the basis of third level executives and will not have the effectiveness or significance which it purports to have. So I say, there is no reason why we should not put a term to this council and why we should not reserve to ourselves in the executive branch, in view of the history of other advisory committees in that branch—the difficulty of terminating them, we should at least put a specific term to this council.

Therefore, Mr. Chairman, I support the amendment offered by the gentleman from Iowa.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened to the discussion on this pending amendment with mixed emotions.

Quite obviously, we have discussed this bill for as long as we have in part, because there is a difference of opinion between two committees. There is a question of some overlap of jurisdiction, and a sensitivity on the part of members of the Committee on Foreign Affairs, because of the fact that this proposal comes out of the Committee on Banking and Currency.

I suppose that I should come down solidly on the side of the Committee on Foreign Affairs, since I serve on that committee. Yet, I have doubts about the wisdom of the pending amendment. It does not attack the wisdom of giving statutory authority to a council already established by Executive order. It simply seeks to give it an extremely short life—a move which might well destroy its effectiveness.

It may be that a good case could be made for no legislative action now on a Council on International Economic Policy. It does seem to me, however, that if we recognize that there is a need, that we should establish this council on a permanent basis and not on what would obviously be a very temporary basis. What point is there to giving such a brief statutory life to this council? The fact that the Committee on Foreign Affairs, and in particular one of its able subcommittees, has been deeply interested in this whole subject should not deter us from acting today one way or another on a particular proposition.

I happen to serve not only as a member of the Committee on Foreign Affairs but also as chairman of a committee of Republicans in the House interested in international economic matters. In both capacities I have a strong feeling that one of the problems this country has had is the lack of a sufficient focus of responsibility and attention within the executive branch in this whole complicated area of our economic policy.

I feel strongly that the President was right in taking by Executive action responsibility for setting up a council under his direction. I only regret that there does not appear to be more of a meeting of minds among members of the interested legislative committees as to the appropriate legislative action to be taken, or if indeed any action should be taken.

It is because of the real need that I feel it entirely appropriate that Congress recognize the advisability of providing a clear focal point within the Government for matters of considerable substance. We know that foreign economic policy is going to remain an important element of our overall foreign policy for a great many years. We know there is need for an articulation of reasonable positions with respect to our own policy, and with respect to our relations with other nations.

I think it is foolish for us on the Foreign Affairs Committee—and I say this with all due respect to those who have argued to this effect—to suggest that a commission, if it is ever established, authorized to look into the overall problems of foreign policy of this country, will give this particular problem which we are now discussing meaningful attention within a reasonable time span. Surely this is an inadequate argument for voting down legislative authority for this council.

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

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

Mr. CULVER. I appreciate the gentleman yielding.

I think it is important at this point in the debate to clarify what has been a general misunderstanding that has continued throughout the period of the general debate and during the amendment procedure. That is the distinction between the current set of hearings of the full Foreign Affairs Committee and its Subcommittee on Foreign Economic Policy which have been continuing for several months on this very subject of the adequacy of the organizational structure of the executive branch to conduct foreign economic policy.

Now, that constitutes a separate and independent congressional inquiry. Now, distinguished from that, references have been made to the report of a study which will be required to be available publicly in January of 1974, which examines the entire subject of American foreign policy. This report, of course, is an entirely distinct and separate matter. Further, I believe, contrary to the suggestion made by the gentleman from Ohio (Mr. J. WILLIAM STANTON) that what we are doing here is not a very simple thing. What we are doing here is making a congressional judgment that this is the appropriate and best method to organize the executive branch for this purpose. To set up statutorily within the White House at a cost of \$1.4 million per year, an entirely new mechanism. I do not think we are in possession of that wisdom at the present time. Hopefully we will have the necessary body of understanding to make a proper judgment on this question at an appropriate time in the future.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey has expired.

Mr. DENT. Mr. Chairman, I move to strike the necessary number of words.

As a more-than-ordinarily interested Member of this body in this particular subject and related subjects, I am wondering how many Members of this Congress actually believe that if you create this council, it will have any authority that is not given to it in actual practice by the Secretary of State?

Does anybody here believe that these provisos A, B, C, D, E, F, G, and H are going to be within the province of this council to make the determination? Does anyone believe that the State Department is going to allow this council to act independently in a matter of anything dealing in foreign affairs, economic or otherwise? How can this particular council deal with the question of a resolution passed by the U.N. dealing with the embargo of chrome which means life and death to the tool steel industry, the greatest economic feature in the process of tool steel in the United States? How could this council deal with it?

Does anyone in this room believe this is anything but another setup creating dozens more of jobs? Does anyone think Mr. Kissinger is going to allow whoever becomes head of this council to say or do anything until Mr. Kissinger is back from his little secret trips? Does anyone think this council will have anything to say about the secret arrangements made for \$3.2 billion worth of American productive machinery to be sent to Russia to be paid for in a period of 5 to 20 years with the production from those factories? Does anyone think this council, created to spend additional millions of dollars will have anything to say when we trade off hides of cattle for shoes coming into the United States? Does anyone think this commission will do anything under the sun to bring back to the United States any of the glassworkers' jobs which have been going down the drain since this has been in existence?

Are we to fool ourselves into believing that what we are doing here is anything more than creating a little wee bit of a diversion from the serious matter we are facing today—the greatest unemployment per thousand persons ever visited upon any nation on the face of the earth? Do we honestly believe what we are doing is going to help this Nation—and I refer Members to page 3, paragraph (H):

Increasing the employment and the real income of workers and consumers on the basis of international economic activity.

Have any of the Members ever gone into a foreign country and checked into the matter and methods they operate under when it comes to this particular type of activity? No nation on the face of the earth allows one item to come into its borders at a price less than the parity of their cost. Are any Members trying to tell me—and I have devoted the last 15 years of my life to this study—this is going to do anything but put a smoke-screen over the fact that we have failed?

Are we saying now that through all these years we have not had a full top-level, clear line on economic policy? I heard words similar to this when we passed the reciprocal trade agreement, the so-called Kennedy round bill. That is the instrument which is more responsible for economic conditions in this Nation today than any other instrument forged by man.

This is a nation that was built upon



jobs and job opportunities. The only reason, it is said, for going ahead with this legislation is to open up opportunities for exports, but is that not what the Kennedy bill was going to do? Was not that the whole course of the Kennedy bill? We were going to create job opportunities.

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

(By unanimous consent, Mr. DENT was allowed to proceed for 3 additional minutes.)

Mr. DENT. What have we done? Let me name to the Members what we have done. Let me tell you what has happened. Oh, yes, we have more job opportunities in some areas. Let me give some facts and figures the Members ought to know. Up until last year this Government deliberately hid the truth from the American people on the balance of payments. I was hooted at and laughed at on this floor when I said we have had a negative balance of payments since 1960. I have it publicly documented we have lost over \$11 billion since 1960. Right now, today, we owe foreign countries \$63 billion or \$67 billion, whereas just 10 or 11 years ago they owed us \$27 billion.

Is that what we are talking about in giving us opportunities to export? What are we exporting?

By the exportation of hides we destroy the shoe industry in America. By the exportation of wheat and feed grains, we destroy the meat industry in America.

Are we trying to kid ourselves in this day of our lives, in this federation, when we are sitting here talking about things that belong in the past? All these dreams belong in the past and soon our history will belong in the past. Rome fell, because it could not recognize and would not recognize the tottering of the columns that held it up.

We do not recognize that what we are doing is undermining them every day by digging deeper.

Export control.

The only thing that ought to be done in this world is to recognize that nations have to work internally for the happiness and welfare of their people.

Are we to fool ourselves, the men and women of this great Congress of the United States, the so-called protectors of the welfare of our people, that we are going to have a better future for our people by importing more Datsuns, more shoes from Italy and France, and all of our portable radios? Do we really and sincerely believe that this piece of red herring is going to save this Nation from its inevitable doom, torn apart from the inside?

Nothing will ever satisfy the people of this Nation, and especially the youth, who are now venting their little bit of spleen on issues they cannot quite grasp. When they enter this labor market in the next 2 years, 5½ or 7 million unemployed youth between the ages of 18 and 30, they will know what to do.

I see the darkening horizon in the future, with greater distrust than we have, greater despair than we have, and greater tears of anguish on the part of mothers and fathers who cannot do any-

thing about the youth that roam the streets unemployed, frustrated, and afraid of the future.

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

Mr. Chairman, if I understood the gentleman correctly, he stated that this Council would be under the Secretary of State.

Mr. DENT. Yes; I said it would be realistically and practically under the Secretary of State.

Mr. PATMAN. All right.

Mr. DENT. Because every agency we have created dealing with foreign trade has eventually come under the complete control of the Secretary of State.

Mr. PATMAN. The gentleman has answered me. I wanted to make sure I was quoting him correctly.

The law is very plain on this point. The duties of the Council are set forth in section 105. Subsection (a) states:

Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

Then the bill goes ahead and outlines the various things they should do, being very specific about it.

On page 6 it is stated:

It shall be the duty of each member of the Council enumerated in section 104 other than the President to testify before committees of the Congress on the annual International Economic Report and on reports supplementary to the International Economic Report.

Then it goes ahead and outlines that the President shall make a report to the Congress every year.

The members of this Council will be required to testify before the committees of the Congress on their reports.

It is certainly misleading to say that it is under the Secretary of State, when the President is the head of the Council. He is the head of it, and he has control of it and all its duties.

By the way, Mr. Chairman, we have debated this one amendment for a long time. I feel we should close debate on this amendment in a certain length of time. I believe there is only one Member on each side who wants recognition.

Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close 10 minutes after I get through with my remarks.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. PUCINSKI. Mr. Chairman, reserving the right to object, I would not have any objection if I can be assured I will have ample opportunity to ask the distinguished chairman if section (C) of section 102, which says:

Close coordination of international economic policy with other basic foreign policy components—

Does not put the Secretary of State right in the driver's seat on this bill.

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

There was no objection.

Mr. PATMAN. Now, then, here is what the council does. It must be responsible to the President and the Congress. You

could not make it more specific than that. Section 105 provides that the council is under the direction of the President.

Paragraph (b) of section 105 provides it is the duty of every member to testify before Congress. Could you have any more control over the council than that?

Mr. CULVER. Will the gentleman yield?

Mr. PATMAN. No, I cannot yield right now.

Mr. CULVER. The gentleman asked a question, and I thought I could answer it.

Mr. PATMAN. I am sorry. You can get your own time. Section 106 requires the council each year to report to the Congress. That is full and complete. The President appoints them. The President is the head of it, and they cannot do anything that amounts to anything unless the President says he wants it. I do not see that you could have a better setup than that under the control of the President of the United States and under the supervision, the supervision of the Congress of the United States.

Mr. CULVER. Will the gentleman yield?

Mr. PATMAN. No, I do not yield. So I suggest that the minority party is right in this. I am always glad to support the minority party and our President when he is right, and I think he is right. He is working in the interests of the country. He has appealed to the Congress to pass this bill like it is, and I suggest it ought to be done that way.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Thank you, Mr. Chairman.

Mr. Chairman, the distinguished chairman of the committee, the gentleman from Texas, in response to a question asked by the gentleman from Pennsylvania (Mr. DENT) as to whether in reality the Secretary of State would control and dominate this Council, gave us a long answer about all of the presumed safeguards that are in this legislation to assure that that will not happen. He talks about the fact that among other things this Council has to file an annual report with the Congress. I wish we could have a dollar for every page of reports filed in this Congress every year. We could pay off part of the national debt with it. The gentleman knows that such reports have little meaning, but the real guts of this bill and the real answer to the question proposed by the gentleman from Pennsylvania (Mr. DENT) about the Secretary of State's authority is found in paragraph (c) of section 102, where the bill provides close coordination on international economic policy with other basic foreign policy components.

The Secretary of State sets the foreign policy components. It is true that Mr. Kissinger works very closely with the President, and he has some other ideas, but historically and basically, the Secretary of State is the one who sets foreign policy components. The gentleman from Pennsylvania is absolutely correct in saying that if you pass this legislation, you are going to say to the American people, with regard to their jobs, their economic survival, and the economic survival of

this country that such survival must be tied to American foreign policy as set by the Secretary and that our financial progress must be closely coordinated with foreign policy as determined by the Secretary of State.

(By unanimous consent, Mr. YATES and Mr. DENT yielded their time to Mr. CULVER.)

The CHAIRMAN pro tempore. The gentleman from Iowa (Mr. CULVER) is recognized.

Mr. CULVER. Mr. Chairman and members of the Committee, I welcome this opportunity to, I hope, conclude this debate, which I realize has gone on much too long.

I am particularly anxious to refer to the statement by the Chairman with regard to the nature and relationship under this legislation between the executive branch of our Government on the one hand and the legislative branch of the Government on the other. As the gentleman from Texas knows, at the present time it is proposed that this Council be headed by the executive director, Mr. Flanagan, and under this legislation—

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield, it is headed by the President.

Mr. CULVER. At the present time the executive director of this Council is Mr. Flanagan, and the President is the Chairman of the Council.

I might also say that in the past year, Mr. Chairman, or, rather, over a period of 18 months, this Council that is in existence by executive authority met exactly three times—three times.

Let us examine more closely the nature of its accountability and the accessibility by Congress to the proceedings and the deliberations of this Council. What is being proposed here is the establishment, make no mistake about it whatsoever, but what is being proposed here is the establishment within the bureaucracy of the White House, within the bureaucracy of the executive office building of this government, one more bureaucracy with an open-ended staff and authorization, and that is coming down the road.

And I will tell you one more thing about it. It is going to be headed by a director for whom executive privilege is going to be invoked. What does that mean? Well, we have certainly had ample opportunity in recent years in the Congress to know exactly what it means in terms of the conduct of American foreign policy in the case of Mr. Kissinger. It means that the chief architect of the American foreign policy is not available for constitutional consultation with the legislative branch of our government at all.

Oh, he might consent to an occasional breakfast at a place of his choosing where appropriate committees of the Congress can come to, and get the word. But that is not what our Founding Fathers had in mind when they talked about a separation of powers. That is not what our Founding Fathers had in mind when they talked about a constructive, positive partnership between the legislative and the executive branches of our Government.

Now you say, "Well, they will come before the Congress." Well, I am going to offer another amendment in a few minutes not to provide that the various council members, the Secretary of Agriculture, the Secretary of Labor, the Secretary of Commerce, Defense, and so forth, come before the Congress. Of course they will. But I will tell you who I want to see, I want to see the director of this council. I want to see the executive director of this council before the Congress, and accountable to the representatives of the people.

We are not creating here a nice, personal arm of the President of the United States. We are creating an institutional mechanism which is an integral part of the policy formulation of American foreign economic policy. And we are changing the Constitution that gives the absolute authority and responsibility to the Congress, the legislative branch of the Government, the right to participate in that formulation. This is creating a council with a director who cannot appear. It does not do any good to see the Secretary of Agriculture about this council that never meets anyway. What kind of fools are we? We cannot see that director, and he is not required under that checklist that was read to come before even the committee of the gentleman from Texas. Sure, he gives an annual report. I will bet you cannot wait to read it.

But that is not the same thing as being able to monitor and to perform and to meet our basic responsibilities and congressional oversight.

I am going to have a series of amendments which I hope will help to insure that in this legislation.

Finally, Mr. Chairman, we are going to have before us this afternoon once again this issue of executive privilege. Is this an appropriate privilege that is appropriately reserved to properly and understandably protect the confidentiality of any President on the one hand and his personal staff on the other? Or is it somehow to be construed in an unconstitutional way as blanket authority that if you happen to punch a clock in the Executive Office Building of the U.S. Government that somehow the Congress cannot touch you?

I think that has got to stop. I think that if we today unwittingly abdicate once again our primary constitutional congressional responsibility and authority, ladies and gentlemen of this Committee, we have nobody to blame but ourselves. I think today we are making a grave mistake because we do not know what we are doing in enacting this legislation. We are going to regret it—building this monstrosity of a mini-bureaucracy in the White House—and then we say, "They never listen to us." Why should they? If you are foolish enough to give them exactly what they want and then never effectively call them to accountability once you have done it.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, what should we, as Members of the legislative

branch, be concerned about in terms of international economic policy? It seems to me, we should strive to attain two objectives.

First, we should seek to have coordination of international economic policy within the executive branch of government so that the administration will speak with one voice.

Second, we should seek to achieve some kind of mechanism whereby in the consideration of international issues equal weight be given to all concerns—security, political as well as economic.

I suggest that evidence which has been presented before the International Economic Policy Subcommittee, of which I am a member, has indicated that CIEP has failed to accomplish this thus far.

As a matter of fact, as has been pointed out, this council has met on only three occasions. Of course, this might be premature criticism in view of the short life span of this commission. But, certainly, we have also a body of evidence which has been presented to our subcommittee which indicates that no mechanism created by the Congress can accomplish the two objectives which I have cited.

The gentleman from Ohio (Mr. ASHLEY) pointed out that the question before us is not whether or not there should be a Council on International Economic Policy—this already is in existence.

Really, then, the question is whether it should become a permanent part of our law books. I think the evidence to this point, as I previously indicated, suggests it should not be. What this amendment will do then is to give CIEP a year of life on the statute books. It will give us another year to accumulate additional evidence and then next year at this time we will have an opportunity to make a more meaningful review. At that time we then can determine whether or not we wish to continue the existence of this body in our law books.

Therefore, I urge the support of this amendment.

The CHAIRMAN pro tempore. All time has expired on the pending amendment.

The question is on the amendment offered by the gentleman from Iowa (Mr. CULVER).

#### TELLER VOTE WITH CLERKS

Mr. PATMAN. Mr. Chairman. I demand tellers.

Tellers were ordered.

Mr. PATMAN. Mr. Chairman. I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman pro tempore appointed as tellers Messrs. CULVER, FRENZEL, ASHLEY, and J. WILLIAM STANTON.

The Committee divided, and the tellers reported that there were—ayes 192, noes 174, not voting 66, as follows:

[Roll No. 297]

[Recorded Teller Vote]

AYES—192

Abbitt	Ashbrook	Blackburn
Abernethy	Aspin	Blatnik
Abourezk	Aspinall	Boggs
Abzug	Badillo	Boland
Adams	Baring	Bolling
Addabbo	Begich	Brademas
Anderson,	Bennett	Brooks
Calif.	Bergland	Buchanan
Andrews, Ala.	Betts	Burke, Fla.
Annunzio	Biaggi	Burke, Mass.



Burleson, Tex. Helstoski  
 Burlison, Mo. Henderson  
 Burton Hicks, Mass.  
 Byrne, Pa. Hicks, Wash.  
 Cabell Hollifield  
 Carey, N.Y. Howard  
 Carney Hull  
 Casey, Tex. Hungate  
 Chisholm Ichord  
 Collins, Ill. Jacobs  
 Conyers Johnson, Calif.  
 Corman Kastenmeier  
 Cotter Kazen  
 Crane Kluczynski  
 Culver Koch  
 Daniels, N.J. Kyros  
 Danielson Landgrebe  
 de la Garza Leggett  
 Delaney Lannon  
 Dellums Long, Md.  
 Denholm Lujan  
 Dennis McCloskey  
 Dent McCulloch  
 Diggs McFall  
 Donohue McKay  
 Dow Macdonald,  
 Downing Mass.  
 Drinan Madden  
 Dulski Mann  
 du Pont Mathis, Ga.  
 Eckhardt Matsunaga  
 Edwards, Calif. Mazzoli  
 Eilberg Meeds  
 Evans, Colo. Melcher  
 Fascell Metcalfe  
 Flood Mikva  
 Flynt Miller, Ohio  
 Ford Mink  
 William D. Mitchell  
 Fountain Mollohan  
 Fraser Monagan  
 Gallfanakis Montgomery  
 Gaydos Morgan  
 Gialmo Moss  
 Gibbons Murphy, Ill.  
 Grasso Murphy, N.Y.  
 Green, Ore. Nichols  
 Green, Pa. Nix  
 Griffiths Obey  
 Gross O'Hara  
 Hall Passman  
 Hamilton Pettis  
 Harrington Pike  
 Hathaway Poage  
 Hawkins Podell  
 Hechler, W. Va. Powell

## NOES—174

Alexander Erlenborn  
 Anderson, Ill. Eshleman  
 Andrews, N. Dak. Evins, Tenn.  
 Archer Findley  
 Arends Fish  
 Ashley Fisher  
 Barrett Flowers  
 Bell Foley  
 Blester Ford, Gerald R.  
 Bow Forsythe  
 Brasco Frelinghuysen  
 Frey Frenzel  
 Brinkley Frey  
 Brotzman Fuqua  
 Brown, Mich. Goldwater  
 Brown, Ohio Gonzalez  
 Broyhill, N.C. Goodling  
 Broyhill, Va. Griffin  
 Byron Grover  
 Camp Gubser  
 Carlson Gude  
 Carter Haley  
 Cederberg Halpern  
 Celler Hammer-  
 Chappell schmidt  
 Clancy Hanna  
 Clausen, Don H. Hansen, Idaho  
 Clawson, Del. Harsha  
 Cleveland Harvey  
 Collier Hastings  
 Collins, Tex. Heckler, Mass.  
 Colmer Heinz  
 Conover Hillis  
 Conte Hogan  
 Coughlin Horton  
 Curlin Hosmer  
 Daniel, Va. Hunt  
 Davis, Wis. Johnson, Pa.  
 Dellenback Jones, Ala.  
 Devine Karth  
 Dorn Keating  
 Duncan Kemp  
 Dwyer King  
 Edwards, Ala. Kyl  
 Latta

Preyer, N.C.  
 Price, Ill.  
 Pryor, Ark.  
 Pucinski  
 Purcell  
 Randall  
 Rangel  
 Reid  
 Riegle  
 Rodino  
 Roe  
 Rogers  
 Roncallo  
 Rooney, Pa.  
 Rosenthal  
 Rostenkowski  
 Roush  
 Rousselot  
 Roybal  
 Runnels  
 Sarbanes  
 Satterfield  
 Scherle  
 Scheuer  
 Seiberling  
 Shipley  
 Sikes  
 Sisk  
 Smith, Iowa  
 Snyder  
 Stanton,  
 James V.  
 Steele  
 Steele  
 Steiger, Ariz.  
 Stuckey  
 Symington  
 Thompson, Ga.  
 Thompson, N.J.  
 Udall  
 Ullman  
 Van Deerin  
 Vanik  
 Veysey  
 Vigorito  
 Waldie  
 Whalen  
 White  
 Wilson,  
 Charles H.  
 Wolff  
 Wylie  
 Yates  
 Yatron  
 Zablocki

Scott  
 Sebelius  
 Shoup  
 Shriver  
 Skubitz  
 Smith, N.Y.  
 Spence  
 Springer  
 Staggers  
 Stanton,  
 J. William  
 Steiger, Wis.  
 Stephens  
 Stratton

Sullivan  
 Talcott  
 Taylor  
 Teague, Calif.  
 Terry  
 Thomson, Wis.  
 Thone  
 Vander Jagt  
 Waggonner  
 Wampler  
 Ware  
 Whitehurst  
 Whitten  
 Widnall

Wiggins  
 Williams  
 Willson, Bob  
 Winn  
 Wright  
 Wyatt  
 Wylder  
 Wyman  
 Young, Fla.  
 Young, Tex.  
 Zion  
 Zwach

## NOT VOTING—66

Anderson,  
 Tenn.  
 Baker  
 Belcher  
 Bevill  
 Bingham  
 Blanton  
 Broomfield  
 Byrnes, Wis.  
 Caffery  
 Chamberlain  
 Clark  
 Clay  
 Conable  
 Davis, Ga.  
 Davis, S.C.  
 Derwinski  
 Dickinson  
 Dingell  
 Dowdy  
 Edmondson  
 Esch  
 Fulton

Gallagher  
 Garmatz  
 Gettys  
 Gray  
 Hagan  
 Hansen, Wash.  
 Hays  
 Hébert  
 Hutchinson  
 Jarman  
 Jonas  
 Jones, N.C.  
 Jones, Tenn.  
 Kee  
 Keith  
 Kuykendall  
 Landrum  
 Link  
 Lloyd  
 Long, La.  
 McClure  
 McDonald,  
 Mich.

McMillan  
 Miller, Calif.  
 Myers  
 Nedzi  
 O'Neill  
 Pelly  
 Pepper  
 Pickle  
 Quillen  
 Rarick  
 Roberts  
 Rooney, N.Y.  
 Ruppe  
 Ryan  
 Schmitz  
 Slack  
 Smith, Calif.  
 Stokes  
 Stubblefield  
 Teague, Tex.  
 Tiernan  
 Whalley

So the amendment was agreed to.

## AMENDMENT OFFERED BY MR. BLACKBURN

Mr. BLACKBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACKBURN: Page 8, line 24, section 108 is amended by adding after the first sentence the following new sentence: "No part of the funds herein authorized may be used for provision of chauffeur driven automobiles."

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. CULVER. Does the gentleman yield for a point of inquiry?

Mr. BLACKBURN. I am happy to yield.

Mr. CULVER. I would like to question the Chair. I have two amendments pending at the desk also for page 7. Are we taking this in regular order?

The CHAIRMAN. We are taking it in the order of the first person who is a member of the committee who is standing is recognized.

Mr. CULVER. Thank you very much.

Mr. BLACKBURN. Mr. Chairman, I see no reason for this amendment to take a great deal of time. We are all aware that one of the more important symbols of status in Washington is a chauffeured limousine. In fact, it has been estimated that if we could eliminate all of the chauffeurs and limousines provided Government officials in Washington, we might save between \$3 and \$4 million a year.

Mr. PATMAN. Will the gentleman yield?

Mr. BLACKBURN. I am happy to yield to the gentleman.

Mr. PATMAN. Those on our side of the aisle are willing to accept the amendment.

Mr. BLACKBURN. I am delighted to receive your support.

Mr. PATMAN. If they accept it on the other side, we have it made.

Mr. BLACKBURN. I think it is a very commendable action on the part of the

chairman of the committee. I see no great enthusiasm for expenditures on the conservative side of the aisle. I would like to hear some response.

Mr. WIDNALL. You mean the moderate side. We accept it on our side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. BLACKBURN).

The amendment was agreed to.

## AMENDMENT OFFERED BY MR. PUCINSKI

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI: Page 3, line 5, insert after the word "of" the word "U.S." and after the word "and" insert the word "U.S."

Mr. PUCINSKI. Mr. Chairman, earlier today when we were in general debate, I asked what in this legislation or what language or what provisions there were in this legislation that would give some hope that the hundreds of thousands of American workers who are out of jobs because of foreign competition would be helped, and pointed out that George Meany had pointed out last year alone we lost 900,000 jobs through foreign competition. We have always been talking about foreign competition in terms of dollars. What we should be doing is watching the man-working hours displaced by foreign competition. The amendment I am offering would merely add the word "U.S." to the word "workers" so there will be no questions that this council will be charged with protecting U.S. workers job.

Mr. PATMAN. Will the gentleman yield?

Mr. PUCINSKI. No, I will not yield.

Mr. PATMAN. We are willing to accept your amendment.

Mr. PUCINSKI. I just want to explain it so that we know what we are doing here. This amendment merely provides for a guarantee that concern will be shown to U.S. workers in protecting their jobs. I am pleased that the gentleman is accepting the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. PUCINSKI).

The question was taken; and on a division—demanded by Mr. PUCINSKI—there were—ayes 19, noes 26.

Mr. PUCINSKI. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

## AMENDMENT OFFERED BY MR. CULVER

Mr. CULVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CULVER: Page 7, in line 25, strike out the period and insert in lieu thereof ", and".

Page 7, after line 25, add the following new paragraph:

"(4) keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and

Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council."

The CHAIRMAN. The gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes in support of his amendment.

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

Mr. CULVER. Mr. Chairman, I yield to the gentleman from Texas, the chairman of the committee.

Mr. PATMAN. Mr. Chairman, we have discussed this amendment, and I think it is a good amendment, and we are willing to accept it.

Mr. CULVER. I thank the gentleman very much for accepting the amendment.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. J. WILLIAM STANTON. Mr. Chairman, I move to strike the last word.

Mr. CULVER. Mr. Chairman, if the gentleman from Ohio is rising in opposition to the amendment, then I would like to be permitted to explain the amendment.

Mr. J. WILLIAM STANTON. Mr. Chairman, I do not know whether I am opposed to the amendment or not. I had difficulty hearing the Clerk read the amendment.

The CHAIRMAN. The gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes in support of his amendment.

Mr. CULVER. Mr. Chairman, I might explain that this amendment would simply require that the Executive Director of the newly established Council on International Economic Policy, if in fact the House were to establish it when it votes today, would be required in addition to the duties cited by the chairman of the full committee, to appear before the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committees, to keep these committees currently and fully informed regarding the activities of the Council. The purpose of this amendment is once again to make it possible to have a greater degree of accessibility and accountability with the appropriate committees of the Congress on the policy formulation making within the newly established Council.

I might finally point out that this particular amendment was adopted overwhelmingly in the Senate upon recommendation of the Senate Foreign Relations Committee earlier this week.

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

Mr. CULVER. I yield to the gentleman.

Mr. ROUSSELOT. In other words, the purpose and intent of this amendment is to make sure that the two committees of this Congress concerned with this legislation in both Houses would have full access to the executive director and

all information which is part of our constitutional responsibility.

Mr. CULVER. That is correct.

Mr. ROUSSELOT. I compliment the gentleman. I think it is an excellent amendment and, as a member of the committee, I support it.

Mr. CULVER. It also includes the House Committee on Ways and Means and the Senate Finance Committee of the Senate.

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

Mr. CULVER. I yield to the gentleman.

Mr. ASHLEY. The language of the amendment does not seem to conform with the explanation of the gentleman from Iowa.

In your leading sentence, you said that this would require the presence of the executive director before the appropriate committees of the Congress to keep them informed.

But that is not what the amendment says at all. All that amendment says that it is the duty of the executive director to keep the Committee on Banking and Currency, and so forth, and other committees fully and currently informed regarding the activities of the Council.

Now the language suggests that he could do this without having to appear directly and that the question of executive privilege is in issue.

So I just wonder what is meant—whether it is the language of the amendment or the explanation of the amendment?

Mr. CULVER. What is clearly intended is hopefully the explanation of the amendment. By that I mean I do have one final additional amendment which would provide for Senate confirmation of the executive director. Hopefully, in that way, to avoid executive privilege invocation.

But if that amendment were to fail, the language, I hope, of the present amendment before us would be clear and the legislative history, I think, should show at a minimum that the thrust of this amendment is to avoid the Kissinger problem that we have experienced in connection with the National Security Council.

The exact method by which the executive director elects to keep the appropriate committees of Congress informed may enjoy some flexibility.

But I think at the minimum, it should be perfectly clear here, in the legislative history that our intent is to insure the accessibility and access by appropriate committees to the executive director whom we are establishing as a head of and an integral part of this foreign economic policy process.

Mr. J. WILLIAM STANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, whether or not we want this legislation the Committee will soon decide.

I simply take this time to point out to the Members, and I thank the gentleman from Iowa, because in his explanation as I understand it, it is different—and I agree with the gentleman from Ohio in what it says—his intent to skirt executive privilege brings into this debate person-

alities and names like Kissinger, I hate to see that because I do not know if the gentleman from Iowa is telegraphing to me that he thinks they are going to be around a lot longer than even I think they are going to be around. In the bill, in section 106, we clearly state the President shall transmit to the Congress within 60 days, and we have already limited the legislation by a previous vote to 1 year—and if it is the purpose of the gentleman's amendment to usurp executive privilege I think it is wrong.

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

Mr. J. WILLIAM STANTON. I yield to the gentleman.

Mr. CULVER. When the Senate adopted this particular legislation earlier in the week, there was a colloquy and a rather extensive one on this issue which, of course, is one of the most sensitive and properly so between the legislative branch on the one hand and the executive branch on the other.

The way they resolved that earlier in the week was to let the legislative history show—and I will quote—

Mr. J. WILLIAM STANTON. This is my time, I will say to the gentleman.

Let me tell the House and the Committee of the Whole, I stated legislative history earlier that would challenge the conversation of FULBRIGHT in the other body on this subject. The gentleman has one more amendment to make on this subject of the executive director, confirmation of the Senate, coming along here. He already got a 1-year extension.

I say to the Members of the Committee. Certainly, on our side, if these amendments carry, then certainly I would not see any sense in supporting the whole title because I just do not think it would be good legislation.

The President first of all has to report to us within 60 days of the start of a new Congress. We have already limited the scope of this bill to less than 1 year, and I think by accepting the amendment would be going too far.

Mr. CULVER. I think my own legislative history on that particular amendment and the other which I will offer, which should be taken in tandem, should show that it is designed to insure that the Executive Director will be available to testify upon request before the congressional committees enumerated in the amendment. It is my belief that this history precludes the administration placing our relationship with the Council's Executive Director on the basis of anything resembling the problem we experienced in the foreign policy area with the Director of the National Security Council.

Mr. J. WILLIAM STANTON. I did not have the time to read it, but certainly in my remarks earlier I repudiated the legislative history which was made in the other body.

Mr. CULVER. Mr. Chairman, will the gentleman yield further? Does the gentleman really have any difficulty as a Member of Congress in requiring the Director of this newly created Council that you are advocating, who really is not a personal staff member of the President—we are talking about the establishment



of a new bureaucracy within the White House—to help conduct the American foreign economic policy? It defies my understanding as to how the Congress can make appropriate input into that process unless we have access to that individual who is most critically involved. All this will do at a minimum is to require him to make an appearance upon request by committees in the area of finance and foreign affairs and other committees having proper jurisdiction. That is all it is intended to accomplish.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman in the House, let us put the amendment offered by the gentleman from Iowa in proper perspective. The committee bill as it was reported from the Banking and Currency Committee, was a good bill, but it is being harmed by the action taken and pending on the floor of the House.

The Committee on Banking and Currency may not have the best reputation for voting out good legislation acceptable to the House on all occasions. However, I think that on this occasion it has done so, which some may say is the exception rather than the rule. This is a good bill. With respect to the pending amendment let us examine what the bill before us requires, and I quote from page 6:

It shall be the duty of each member of the Council enumerated in section 104 other than the President to testify before committees of the Congress on the annual International Economic Report and on reports supplementary to the International Economic Report.

If you will read the bill and see what has to be included in the report, you will find that anything that a committee of the House or committee of the other body wishes to know about economic policy can be provided by the actual members of the council. Keeping the Congress and the public informed of the activities of the Council of International Economic Policy is the duty of the President and members of the Council, not the Executive Director.

The Executive Director is a staff assistant to the President and serves in an advisory capacity. He does not make policy and should be responsible only to the President.

Moreover, the accountable policy officers on the council, the agency heads, are providing, will provide and are required to provide under the bill the necessary information to committees of the House or of the Senate. If there is some specific element of information a committee needs in performance of its legislative oversight functions, we believe it is appropriate for the committee to obtain through conventional means such as written letters, the subject of communications from the appropriate officers of the government, and this means members of the council. It does not mean the Executive Director.

It is rare that the Congress goes down below to some staff level and picks out a person and says, "This person must testify, must report fully and currently to certain committees of the Congress."

It is not the usual statutory language.

I think the reason for the amendment was stated by the gentleman from Iowa earlier when he said, "We want to get to this guy." This is the whole purpose of it. In fact, the whole opposition to this legislation and the amendments which are being adopted stems more from a jurisdictional conflict between the Foreign Affairs Committee and the Committee on Banking and Currency than anything else.

We are here washing a lot of old linen which has no application to the legislation before us.

The amendment should be defeated. I trust it will be defeated.

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

Mr. BROWN of Michigan. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I rise for the purpose of asking the gentleman about the statements he made in the initial part of his talk about legislation which emanated from the Banking and Currency Committee. What does the gentleman mean by those remarks? We both belong to this committee. What are the bills he feels have not been worthy of the dignity or name of the Banking and Currency Committee? Does not this violate the rules of the House, Mr. Chairman? Should not his words be taken down?

The CHAIRMAN. Is the gentleman stating that as a parliamentary inquiry or just as a rhetorical question?

Mr. GONZALEZ. It could be interpreted in a Pickwickian sense as an inquiry.

The CHAIRMAN. Under those circumstances the Chair is as confused as some of the other gentlemen are.

Mr. GONZALEZ. I do feel perhaps an apology is in order. It reflects on us as members of the Banking and Currency Committee, because although we differ as to the worth of the legislation I do not think we should pass words on the worth of the committee in handling some of the most important legislation which has been dealt with in this House, which has been produced by the Committee on Banking and Currency.

Mr. BROWN of Michigan. If I may respond to the gentleman, I believe, if I recall what I said in my earlier remarks, I only said that the Committee on Banking and Currency has had some trouble with legislation on the floor of this House.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Iowa (Mr. CULVER).

The amendment was agreed to.

Mr. BROWN of Michigan. Mr. Chairman, I demand tellers.

The CHAIRMAN pro tempore. The gentleman was not on his feet in time.

AMENDMENT OFFERED BY MR. CULVER

Mr. CULVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CULVER: Page 7, on line 15, add the following after "dent," "by and with the advice and consent of the Senate,".

Mr. CULVER. Mr. Chairman, I think the amendment is very clear on its face and needs no elaboration. It simply re-

quires that the Executive Director be approved by and with the advice of the Senate. It also is an effort to dovetail with the earlier amendment as to increased accessibility and accountability to the legislative branch.

Mr. Chairman, I yield back the balance of my time.

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

Mr. Chairman, it bewilders me why the House should fight the battles of the other body. We know this legislation has been acted upon in the other body. The other body did not insist upon Senate confirmation.

The gentleman from Iowa (Mr. CULVER) says this will dovetail with his previous amendment in assuring accountability on the part of the Council to the Congress. As the author of the legislation which is before us, let me say I was the one who insisted, as did the subcommittee and finally the full committee, upon complete and total accountability of the Council on International Economic Policy to the Congress. We achieved this accountability, at least to our satisfaction, by requiring an annual report, and I must say the administration did not suggest that at the outset. We insisted on the annual report to the Congress. We insisted that there be available for testimony to the appropriate committees of the Congress the members on the Council.

I invite attention to the membership, which I now refer to: The President, the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Defense, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Special Representative for Trade Negotiations.

We require by law that these men present themselves to the appropriate committees of the Congress to testify on the annual report. What greater accountability could we possibly ask for?

One must wonder if the issue with respect to Senate confirmation is not in fact an effort to hamstring the Council as it has been set up by the President, in which he has appointed a counselor that does enjoy executive privilege, and has appointed that counselor to a second position, that of Executive Director of the Council staff.

What we are saying, we in the Congress, perhaps is, "No, you cannot do that." Why would we say that? Is it to embarrass the President? If we do this, we are being less than good legislators. Let us look through the form and get to the substance. We want accountability, not embarrassment.

Let us vote down this amendment.

Mr. J. WILLIAM STANTON. Mr. Chairman, I rise in opposition to the amendment.

I merely wish to point out to the House once again that this legislation has passed the other body. They did not insist on confirmation by the Senate, so I do not see why this body should insist on it.

I hope the amendment will be defeated.

Mr. PUCINSKI, Mr. Chairman, I rise in opposition to this amendment because it does not improve this bill. It is my intention to vote against this legislation, if we fail to knock out title I before the final vote.

The statement was made to us a little while ago that this is just a simple little bill to give the President some powers he already is using by Executive order and to finalize an agency already in operation, and which has been in operation for some time. Do not be deceived. This is no "simple little bill."

Another statement was made by the gentleman from Ohio that Mr. Peterson wrote a nice, big report on how well we are doing in international commerce. I have no personal quarrel with Mr. Peterson, who is probably the best Secretary of Commerce we have had in this country. But do not lose sight of the fact that until recently, he was president of a corporation that has big plants in Taiwan, Formosa, and West Germany. This bill would only help these international conglomerates along.

In response to what the gentleman said about this being a simple little bill, let me call your attention to page 2, line 9, which states:

It is the purpose of this Act to establish a Council on International Economic Policy which will provide for—

And then it lists all of these things from (A) to (H). Mind you, this bill gives the Council specific powers to overhaul our entire international economic policy. This is no simple bill.

I tried to offer an amendment which would at least have assured the American workers and American businessmen they would not be strangled out of business. Even though the Committee accepted the amendment, those of you under such complete domination of the international conglomerates and multinationalists, chose to reject the amendment. By your action you helped doom this bill. I'm sure the entire title I will be rejected at the proper time.

Thousands of small businessmen in this country are going out of business because of competition from foreign imports. Thousands upon thousands of American jobs are being destroyed in this country because of foreign imports.

Earlier in the discussion the gentleman from Ohio tried to assure the House that there is in this bill a concern for the American workers. He cited page 3, paragraph (H):

Increasing the employment and real income of workers and consumers on the basis of international economic activity.

He said this was the paragraph that imposed upon this Council the mandate to be concerned about American workers.

All I wanted to do was to add the words "U.S. workers" so that there would be no question that at least somewhere in this bill there was some concern for the American worker who was being driven out of his job, driven out of his pension plan, and driven out of all his security.

That is why today 78 percent of the American people in this country have to

rely on social security as their sole source of income, because the companies for which they worked for many years, in the hope that they would get a pension, have been wiped out by international conglomerates and multinationalism.

Members can look at this bill to see what is being set up. This is not a simple little bill to set up and formalize by legislative act what the President has been doing now for some time.

This bill mandates to this new Council on International and Economic Policy broad powers, powers that are making America totally dependent on international conglomerates and bringing about a further erosion of American job opportunities. I tell you this: I am amazed at the powers that the international conglomerates have in this country. I tell you there will be no comfort for the millions of Americans who have been driven out of work by this legislation. I will tell you this: It is a good deal later than most of you think. Yes, you have a fine little bill here, and you have put up a lot of little international platitudes which even you do not know what they mean. When the gentleman from Pennsylvania (Mr. DENT) asked will the Secretary of State dominate this Council, the answer was "No, no, it cannot happen." Well, look at paragraph (c) of this bill. It calls for close coordination in international economic policy "with other basic foreign policy components."

The gentleman from Pennsylvania (Mr. DENT) was dead right when he told this House this bill will set back American economic policy. This bill will decide whether or not this country shall continue to maintain a standard of living to which the American people have been striving for so many years. Who is going to decide our standard of living? The State Department and the Secretary of State. So I say to you, to all of you who are tempted to vote for this bill, just remember this: You are putting a greater noose and a greater stranglehold on thousands of American workers who are today losing their jobs because of foreign competition. I am not at all impressed with the speakers here today who say that international trade creates new jobs. In my own city we have seen the electronic industry die, the shoe industry die, the textile industry die, and the glass industry die, simply because of legislation like this. I do not intend to sit idly by and watch my constituents' jobs destroyed. I shall oppose this bill with all my vigor.

Mr. COLLIER, Mr. Chairman, I move to strike the requisite number of words. I am encouraged in a somewhat painful manner at the belated concern that some of my colleagues expressed here today. It is apropos because this is about the 10th anniversary of the enactment of the 1962 so-called Trade Expansion Act. There were some of us at that time who were concerned about the abdication of the constitutional responsibilities of the Congress in virtually handing over the executive branch of Government at that time a blank check which subsequently was reflected in an unfavorable balance of payments in the GATT agreements in which the United States came out second best. So I am encouraged, as I said origi-

nally, in the concern expressed on the floor today.

There were some of us here today, particularly my distinguished colleague from Pennsylvania (Mr. DENT) who at that time and consistently has recognized the problem in the actions taken by the Congress itself in exporting American jobs.

Mr. Chairman, I would hope that this concern would persist in the light of the tragic misjudgment of the majority of the Members of this House in the past.

Mr. HAYS, Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I rise in support of the Culver amendment. I might say that it seems to me the committee would have been well advised to have the gentleman from Iowa (Mr. CULVER), sit in with them on this legislation, because he has rewritten this bill for them on the floor up to now. I think he has made a distinct improvement. I think his amendment now would further improve it. I do not see anything wrong with having a man who is going to make these broad decisions confirmed by the U.S. Senate. I just do not see anything wrong with it. I know something about what has happened to these kinds of things.

I know what happened under the Reciprocal Trade Agreement Act. I say to you that I favor the principle of reciprocity, but the kind of people we have had negotiating for the United States in the past 25 years have not been advocates of reciprocity, they have been advocates of giving everything away and getting nothing in return. You know, they go to these cocktail parties and they are trying to be nice guys and advocates of the country where they are negotiating.

When I came down here from my district I had about 20 potteries and several glass factories. Now we have three potteries and one glass factory left—and they are on the brink of extermination.

You know, nobody paid any attention in those days to the pottery industry because it was concentrated in a relatively small area. But now that it is hurting automobiles, shoes, steel, aluminum, chrome—you name it—ferroalloys, there is a lot of concern.

And what are these negotiators trying to do? Well, if you read their propaganda they are trying to make this Nation into a nation of peasants and agricultural production and service, at the expense of the greatest industrial machine in the world—service and agriculture, that is what they stress.

I say to the Members that the more safeguards we can put into this legislation, minus not having any at all, the better.

I do not see anything wrong, as I said in the beginning, and I cannot see how anybody, including my distinguished colleague from Toledo, could object to having the Senate confirm the man who is going to have these broad powers.

And if you want to know the truth about it, we have too many people downtown who are making policy now who are faceless men, men who no one up here ever knows, and who have a contempt for the Congress, and who will tell you so if you pin them down on it.

I think this would be very wholesome



to have the Senate confirm this man. I wish we had a lot more people who had to be confirmed—not only by the Senate, but the House. Therefore I urge the adoption of the amendment.

Mr. Chairman, let me say, while I am still on my feet, that we have people on some of these subcommittees who have a contempt for the Congress, who are working right for the Congress and who think they know more than the Congress does, and who write these little gimmicks into these bills, and sometimes the Members are unaware of what is going on.

I might add that we had a meeting on that this morning in the Committee on House Administration, and we hope to take some corrective action on that situation and perhaps we will take it on the downtown situation as well.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa, but I just want to say a word or two to the Congress.

The reception given to the gentleman from Illinois when he got through speaking—and of course it has been my lot over the years to have heard the same thunderous response in the negative. But we are not the only men who have been laughed at in public legislative bodies of the world since the beginning of time. Even the Romans laughed in the senate chamber when the roof was crumbling in around them.

The gentleman from Illinois has not always been a follower of the same principles that I have in the matter of international trade, but when it starts to hurt and the shoe starts to pinch, and the workers around you come to see you and ask for any kind of help you can give them to get them any kind of a job, you may start thinking a little more.

The gentleman from Ohio who preceded me said something about becoming a nation of peasants. We are becoming even worse than that. There is no work for the peasants to do. I will wager that in this House of Representatives there is not one person who has kept score of the job opportunities in this Nation for the past 10 years.

In the past 10 years, employment in Government has increased 155 percent. Employment in industry has increased 9 percent. Yet, the total employment in the country has only increased 37 percent.

For those of you who like to juggle with figures—play a little with that, will you—and then tell me—where did it come from? We have more people than we have ever had. We can produce more goods than we ever could. We have more consumption than we have ever had. So where is the problem? The problem is that we are trying to milk an economy from a two-legged stool. You cannot do that. Anybody who has ever been on a farm knows that you have to have a three-legged stool. That was invented and conceived because the floor in the barn was never level.

It had ups and downs. So a three-legged stool will always find a balance and the economic ebb and flow of de-

mand, production and consumption has always been an uneven flow.

So in our own bungling and stumbling way, before we reformed so much, we discovered a formula. A formula that made us the greatest Nation on the face of the earth. What was it—it was the formula of the three-legged stool—production, distribution and consumption.

Recently, if you have been reading the chamber of commerce statements of its president and the statements of the head of the Corn Products International and the statements by the vice president of the Fifth National Bank of the city of Chicago in which each and every one of those great American leaders in industry and banking have said plainly that this Nation should admit that it has become apparently more certain that this Nation will leave the manufacturing business.

We are going to live on banking and services. If that can be done—then why is it that when I was 8 years old, I left the coal town? Everybody had to leave it. Why? Because they were not digging coal. The people were still there. They needed the services of the community that they had been using for years. But why could they not live in that community? The services were there to be rendered. The people were there to use them. But, we died. How many agricultural towns in your farm areas have died in the last 20 years? The people are still there.

Please—do not laugh at someone who tries to tell you what you ought to know.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I move to strike out the last word.

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

I do not believe the position of Executive Director of the Council on International Economic Policy is one which should require Senate confirmation.

The Council on International Economic Policy is essentially a staff unit—I repeat a staff unit—in the Executive Office of the President. It provides him a mechanism for better organizing the President's staff work to provide a systematic review of policy options to help him make decisions in the area of international economic policy. Once policy has been determined by the President, its administration is the responsibility of the departments and agencies whose heads compose the Council.

The Executive Director of the Council must insure that the work of the Council and the work of the Council's staff meet the needs of the President, with whom he must have a close personal advisory relationship. The Executive Director should be the President's man, should be responsible only to him, and should serve only the needs of the President and the Council. To require Senate confirmation would alter this relationship. The Congress has long recognized situations involving the need for closer relationships between the President and his staff officers and has not required Senate confirmation in such cases.

Although he must insure a thorough analysis of policy alternatives and present these alternatives to the President,

the Executive Director does not make policy. Neither does the Council's staff make policy. On the other hand, the Council members, who are heads of departments and agencies, do make policy and administer it under the President's direction. The Congress can and should hold the policymaking and administering heads of the departments and agencies in the Council membership accountable for policies. They are responsible for managing agencies and programs on a day-to-day basis and are in direct contact with, and providing services to, the American public.

If we require that this position of Executive Director of the Council on International Economic Policy must be confirmed, then we are legislating a change in relationships between the President and his staff people. I do not believe it is desirable to begin requiring confirmation of key White House advisors. The Senate has passed a bill authorizing CIEP without requiring confirmation of the Executive Director by the Senate. If the Senate does not want Senate confirmation, I see no reason why the House should legislate it.

We desperately need a well organized, structural, visible means of providing advice to the President on international economic policy issues in the critical period immediately ahead and the Executive Director of this Council should not be subject to Senate confirmation.

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

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE: On page 1, strike out line 3 and all that follows thereafter through page 8, line 24, and on page 9, strike out lines 1 and 2 and strike out "Sec. 201, Section" on line 3, and insert in lieu thereof "That section".

Mr. WYLIE. Mr. Chairman and Members of the Committee, this is a very simple amendment. It would strike all of title I.

Title I is bad legislation.

Now I had this amendment at the desk before the bill was rewritten by the three Culver amendments.

I want to strike title I because I think it is unneeded legislation. I was one of two who voted against it in the Committee on Banking and Currency because I think the time has come when we must call a halt to the continual addition of advisory programs and bureaucratic duplications that add unnecessary expenditures to a budget already showing a large deficit.

Now the 1-year amendment improves title I but it does not go far enough. As I say, the whole title should be stricken.

I will concede that there may be a need for the Council, and that is why it was established. It is significant to note that it has, in fact, been functioning for a year and a half and funded out of moneys already available to the executive branch for such purposes. Why, then, is the authorization and author-

ity contained in title I even needed? Why not let well enough alone so that the council can continue to function in its present manner at the pleasure of the executive branch? What is the need for such a Council? What is the need to make this Council statutory and put it in the permanent laws? If we want to make it statutory, since foreign and domestic economics are so closely associated, why not allow the Council of Economic Advisers, which is already authorized by law, to function on matters of international economic policy and coordinate all aspects of domestic and international trade policy?

The Secretary of Commerce is already a member of the Council on International Economic Policy. He has at his disposal several councils to advise him in the field of international economic trade. There is yet a National Export Expansion Council which advises him on policy matters. There is an Assistant Secretary for Domestic and International Business who oversees the Bureau of International Commerce which regulates export assistance programs.

There is the Office of Foreign Direct Investment Controls which handles investment aspects of American international trade.

Finally, there is an Assistant Secretary for Economic Affairs who administers the foreign trade data-gathering activities of the Census Bureau.

With these entities already established by law, why do we need another statutory agency to advise the President on international economic policy? Foreign trade matters are already being handled and funded under statutory authority at the Cabinet level, and administratively in the White House.

Title I is unnecessary legislation whose only result will be the imposition of another \$1.4 million to the Federal deficit and the creation of one more self-perpetuating statutory bureaucracy. I think the House should strike title I of this bill.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members, I rise in support of this amendment. I just have a few remarks. I would like to touch on one of the reasons why I oppose title I. We are looking for a great deal from this Council that is going to advise the President and going to assist our foreign affairs, our foreign economic affairs. On page 3 of the bill, section 104, the legislation sets out the membership. The membership is principally the Cabinet of the President of the United States.

We are asking the Cabinet of the President of the United States to undertake the great responsibility, and I suggest the reason that they have only met three times in the last 18 months—that is the information I get—is that these gentlemen are rather busy people.

I though I would bring to your attention just some of the responsibilities that these members of the Cabinet are already being asked to do in addition to what this bill would ask of them.

One or more of them serve on the following:

Delaware River Basin Commission, a President's Commission for Fire Prevention and Control, the National Council of Equal Opportunity, the Low Emission Vehicle Certification Board, the Woodrow Wilson Institute Center for Scholars, the J.F.K. Center for the Performing Arts, the Water Resources Council, the Inter-Government Relations Panel, the American Red Cross, the Foreign Trade Zones Board, the Smithsonian Institution, the National Armed Forces Museum Advisory Board, the National Gallery of Art.

If that were not enough, since President Nixon came into office, 116 major advisory bodies have been created, 54 by the Congress of the United States, and 62 by the President. Now, seven of these are Cabinet-level task forces and they include the following—These members are going to have to spread their time on these matters: economic policy, task force on oil import control, voluntary action on school desegregation, on international narcotics control, on schoolbusing, and opportunities for Spanish-speaking people.

Now, members of the Committee, I think everyone here agrees that something should be done, but I seriously question if the right people have been chosen to give the advice that is required in this legislation. I do not think they could possibly have the time to give themselves to this in addition to their other vast responsibilities. For this reason I rise in support of the amendment.

Mr. BROWN of Michigan. Mr. Chairman, I rise in support of the amendment.

At the outset I wish to commend the chairman of the subcommittee, the gentleman from Ohio, for the many hours that he put into this legislation as originally presented to the House. I think that as the bill came to the House it was good legislation. As it now stands, as amended, I think it is bad legislation. I therefore intend to support this amendment to strike all of title I. Whether Members were in support of the legislation in the first place or were opposed to it, Members should now support this amendment to strike title I.

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

Mr. BROWN of Michigan. I yield to the gentleman from California.

Mr. MAILLIARD. Mr. Chairman, I want to join the gentleman from Michigan. I was prepared to somewhat reluctantly support the bill as it was brought from the committee, but here we are rewriting it on the floor of this House. I think it really is premature, because while the gentleman from Iowa, whose amendments have been accepted, has spent a great deal of time and effort in this field, he would be the first to agree that the Committee on Foreign Affairs is not yet ready to make the kind of decision we are being asked to make here today. So it seems to me in its present form it would be far better if we simply drop this title out of the bill and go ahead and extend the law that expired a few days ago.

Mr. WYMAN. Mr. Chairman, I move

to strike the requisite number of words and I rise in support of the amendment offered by the gentleman from Ohio.

Mr. Chairman, I just want to observe that the Federal Government already has too many existing boards, commissions, agencies, and advisory groups. There is no need at this critical financial time in our history to authorize the expenditure of \$1.5 million on another one that in its membership already has the authority under its separate departmental authorities to function with the pay and personnel in-house—if the President so wishes.

Mr. Chairman, I urge adoption of the amendment offered by the gentleman from Ohio.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WYMAN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

That section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ:

At page 9, after line 5, add the following: Sec. 202. Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this act.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield? We do not have a copy of this amendment.

Mr. GONZALEZ. I have several copies. I was under the impression that copies had been circulated in good number yesterday and today, so I am sorry to hear the gentleman did not have one. I thought we had laid several copies on the table. I offer this amendment for myself, Mr. PURCELL, Mr. SMITH of Iowa and others.

In any event, Mr. Chairman, this is an identical amendment to the same act which the other body passed by a substantial vote the day before yesterday. I am really accommodating a great number of my colleagues on both sides of the aisle.

It seems ironic that we should have spent quite a bit of time talking about the need to stimulate exports and trade



when the recent action that necessitates this amendment was trying to curtail markets for one of the most traditional exporters in the history of our country.

This similar action, which we are trying to remedy now, was attempted in 1966 by the then President, unsuccessfully with calamitous results.

The argument was used then, as it is this time, that unless this is done the price of shoes will go up. This is patently and on its face a fallacious, wrong argument.

I have nothing but sympathy for the shoe industry, for the tanning industry, for the steel industry, for all of the industries complaining about the competition from imports. But this is simply the wrong remedy for this malady. That is all there is to it.

There are no two ways about it. The price of one hide, for instance, covers enough material to take care of the manufacture of 20 pairs of shoes. The average cost of the hide utilized in a pair of men's shoes doesn't even amount to 50 cents.

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

Mr. GONZALEZ. I yield to the gentleman from Georgia.

Mr. BLACKBURN. I appreciate the gentleman's yielding.

As the gentleman knows, I supported his motion in the committee. It is one which I believe this committee should support. I believe it is in the best interest of the country that we encourage the export of goods from this country, and this amendment will serve that purpose.

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

Mr. GONZALEZ. I yield to the gentleman from Illinois.

Mr. FINDLEY. I want to express my support for the amendment.

Mr. GONZALEZ. Mr. Chairman, I wish to say that I attempted to introduce a similar amendment, but not the same, in the House committee, on the request of a tremendous number of Members in and out of the committee on both sides of the aisle. One Member in particular was from the Committee on Agriculture, Mr. GRAHAM PURCELL, who originally had contacted me concerning this matter.

I do want to express the fact that this is in pursuance of requests I have had from many of my colleagues.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Texas.

Mr. PRICE of Texas. I thank the gentleman from Texas for yielding.

I want to say that I certainly do support the gentleman's efforts and his amendment. Coming from one of the largest livestock producing areas in the country, I know this is vital to the economy. It just makes commonsense that if we put an embargo on these hides it would simply mean that the producer would get less for his animals.

I want to compliment the gentleman for his efforts, and I hope the Members of the House will support his amendment.

Mr. GONZALEZ. I thank the gentleman from Texas.

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

Mr. GONZALEZ. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, I call upon my colleagues to support the amendment to H.R. 15989 offered by my distinguished colleague from Texas, Representative HENRY GONZALEZ. This amendment would rescind current hide export quotas and would require the Secretary of Commerce to obtain approval of the Secretary of Agriculture before exercising authority to limit future exports of agriculture commodities.

As a result of the July 15 announcement to impose export controls on cattle hides, domestic hide markets have been disrupted, creating hardship on processors who depend on hide sales. These processors depend on hide sales to hold down the cost of beef in the supermarket and to return a fair price to the producer.

As a result, consumers will help pay for any reduction in the price of hides in the form of higher food costs. I full well realize that the intent of this export quota was to make our domestic leather and shoe prices competitive. I sympathize with this goal, but since July 15, leather and shoe prices have not reflected the reduced price of hides.

In fact, world hide prices have followed the U.S. price since the announcement and foreign shoe manufacturers will continue to undercut our domestic shoe industry with cheap labor. In effect, we have cut off the cattleman's nose in order to save our face. The cattleman has been denied equity in the marketplace and the domestic shoe industry has not received relief.

In addition, the July 15 quota announcement has had an undesirable effect on our domestic economy. Reduced exports increase our balance-of-payments deficit and jeopardize foreign markets for future export sales and expansion. The balance-of-payments deficit for the fiscal year ending June 30 was \$5.1 billion, the largest in history.

We are on the verge of improving this situation through negotiation and new trade agreements and it seems to me this is not time to initiate export quotas that are both ineffective and at the expense of other segments of our economy.

This amendment would stabilize domestic cattle prices, would not adversely affect consumer costs and would help reduce our balance-of-payments deficit. I urge my colleagues to support the Gonzalez amendment.

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

Mr. GONZALEZ. I want to make one point, and then I will be glad to yield to the gentleman. This is an important point and I may forget it.

The price of a hide a year and a half or 2 years ago was at the same level, and was at that level for several years, as it was during the depression years, yet, just to make the point, the price of a pair of shoes did not decrease; in fact, it increased. There is no correlation between this action taken by order of the Department of Commerce and the cost of a pair of shoes.

I want to make that plain.

Mr. DENT. Will the gentleman yield?

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

Mr. DENT. I do not want to take up any of your time. I will get some of my own, but I want to draw attention to the question of the price of the hide itself. It is exactly as you said. It does not add much to a pair of shoes, but what you must remember is that just not too long ago, we had 1,485 tanneries in the State of Pennsylvania. Now we have 14. So the price of tanned hide has gone so high that just the price of the hide itself puts us in a position where we have done exactly what the gentleman from Ohio said not too long ago; namely, we have made it impractical to use it. I do not want to oppose the farm bill and the hide growers, but this is a very serious thing we have done, Mr. GONZALEZ. We have destroyed the ability of this American industry to meet the costs in the marketplace on account of this cost.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. MAHON, Mr. GONZALEZ was allowed to proceed for 3 additional minutes.)

Mr. MAHON. Will the gentleman yield?

Mr. GONZALEZ. I am delighted to yield to the distinguished gentleman.

Mr. MAHON. I want to commend the gentleman from Texas for offering this amendment. I had the opportunity to explore this situation, and I think he is correct. I hope and believe the House will adopt the amendment. I want to be registered as in strong support of the gentleman's amendment.

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

Mr. GONZALEZ. I am delighted to yield to the gentleman from South Dakota.

Mr. ABOUREZK. Mr. Chairman, I am very pleased to support the amendment to the Export Administration Act legislation offered by the Honorable HENRY GONZALEZ which would rescind any export controls affecting agricultural products which were imposed after July 1, 1972. This amendment would also prohibit the Secretary of Commerce from imposing any future export controls on agricultural commodities without the approval of the Secretary of Agriculture.

I think that this is a sound amendment. The interest of the Secretary of Commerce in promoting industry is often in ironic conflict with the interest of what is really our No. 1 industry—agriculture. This was certainly the case in the recent decision to put export controls on cattlehides. It is important that the Secretary of Agriculture, the spokesman for the agricultural industry, have an opportunity to participate in matters such as this that are so important to farmers and ranchers.

The decision to impose cattlehide export controls appeared to be nothing more than another step in a conscientious effort of the administration to drive down live cattle prices. The cattleman who sees these export controls imposed on top of the recent decision to remove beef import quotas can draw no other

conclusion. It is not fair that American agriculture should continue to be asked to bear the brunt of the battle against inflation. The fact is that most agricultural prices have not increased above the level they were 20 years ago. Now when beef prices are starting up, it appears that the administration is going to do everything it can to push them back down.

It is a further irony that this effort to impose export regulations on cattle-hides probably will not work. A similar order was imposed in 1966 and at that time the price of shoes went up and the price of cattle went down. This again points out that the order imposed by the Secretary of Commerce on July 15 is detrimental to the farmers and ranchers of this country but are not necessarily beneficial to anyone.

As a further wrinkle, this order calls for a complicated system of rationing implemented through the issuing of tickets for exports. According to some testimony that has been offered, this is nothing more than an invitation to the creation of a black market in export tickets.

We have then a situation in which one industry is set against another and in which the spokesman for one of these industries is excluded from the decision-making process. That simply is not fair.

Further, we have a situation in which the ranchers and farmers of America are being asked to sacrifice in the interest of helping America's economy despite the fact that our farmers are still receiving only 75 percent of the income received by nonfarm workers. Again, that is not fair. Rural America is already one of the most economically depressed areas of our economy. Lowering agricultural prices will only drive even more people off the land and thus add to the burden of our cities.

Finally, we have a situation in which a complicated control mechanism is established which probably will not work and is an open invitation to cheating.

None of this is necessary. This amendment would rescind the order of July 15 and assure that the Secretary of Agriculture participates in future decisions of this sort. It is important that the farmers and ranchers of America have a voice in a matter that is of such great importance to them.

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

Mr. GONZALEZ. I am delighted to yield to the gentleman.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding. I also rise in support of this amendment. I have had the opportunity to study the amendment, it is a good amendment and should be adopted. Why pick on one group, the hide industry, and create hardships by Executive order. This amendment will, if adopted, eliminate this unfairness to the cattle hide group.

Mr. GONZALEZ. Mr. Chairman, one of the most knowledgeable and distinguished gentlemen who has aided in this amendment is the distinguished gentleman from Iowa. I do not know whether he will seek time on his own, but I want to say one thing in terminating this by

way of reply to the distinguished gentleman from Pennsylvania; namely, the fact that there are a lesser number of tanneries is not related to this at all, because the price of hides over the course of the years until a year and a half ago, was at a depression level of 10 to 10½ cents. The fact appears that there have been other corollary factors that entered into it, the same as in textiles where synthetics entered into the picture, and they have been more of a factor than this. The fact that we refused to permit the exports of hides when the experts themselves tell us that we have twice the production that we need for domestic consumption is simply not in keeping with justice or common sense.

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

Mr. GONZALEZ. I am delighted to yield to the gentleman.

Mr. ZWACH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the Gonzalez amendment. The imposition of embargoes on the export of hides is unwise, unworkable, and grossly unfair. There is no shortage of hides in our country. In fact, we have about 11 percent more cattle on feed and coming to market this year over last year. These hides are available first to the American users of hides. There is no shortage.

Producers of hides are secondly the victim of inflation, not the cause of inflation. The amount of rawhide in a pair of shoes is less than 5 percent of the cost of the shoes and even at the present price of hides less than 80 cents a pair of shoes. To blame the prices of shoes on the price of hides is ridiculous. This amendment will correct a gross injustice to the cattle producers of this country.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I am delighted to yield to the gentleman from Texas.

Mr. PRICE of Texas. Does your amendment do the same as the language in the other body?

Mr. GONZALEZ. Yes. It is identical language as that offered in the Senate amendment by Senator CURTIS.

Mr. PRICE of Texas. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I rise in support of the amendment.

I want to add a few facts concerning this amendment and the order which causes the amendment to be offered. I have been working with the gentleman from Texas for the past few weeks on legislation to kill the hide order and I think there are good reasons why it should be killed. I am aware that friends of farm producers do not alone have the votes to pass bills beneficial to agriculture, but I believe there are good reasons Members with nonfarm constituencies should vote for this amendment and that a yea vote would be in the interest of consumers generally.

The No. 1 thing to remember is this: In the case of cattle hides, we produce in this country more than twice as many as are consumed in this country—more than twice as many as we use.

Under these circumstances the world

market sets the price of hides. It cannot be any other way. We are not talking of a product which is in short supply in this country—it is in excess supply.

Foreign buyers are paying cash for hides, not credit. They are paying cash. They are paying what the American tanner pays plus the cost of transportation and the cost of dealing with an exporter.

A cattle hide weighs about 60 pounds on an average and at present prices is bringing about \$17. It will make about 20 pairs of men's shoes and something like 40 pairs of women's and children's shoes.

The pressure for a limitation on hide exports is for the purpose of setting the price in the United States at the depressed level that existed when American shoe manufacturers were using Corfam and other plastics for high-priced shoes. When the price of hides dropped drastically in 1966, the price of shoes did not drop. The reduction in the cost of the raw hide which they hope to obtain could be only a few cents per pair of shoes.

The net result is that they are attempting, in a clumsy way, to provide raw products to American shoe manufacturers at less than the world price. In other words, they do not want the free enterprise system to set the prices of hides.

While the difference in the cost of the raw hide in a pair of shoes would be only about 10 or 12 cents, establishing a lower price for hides would very likely result in a higher retail price for meat. When the packer receives less for the hide, he must secure more for the dressed meat. It has been estimated that the difference could well be from 1 to 3 cents per pound that would be necessary to offset the reduction in the price of hides. In other words consumers would pay not only more by reducing the competition from imported shoes, but they would also pay more for meat. In other words, the consumer would get stuck twice unless this amendment is passed.

If the packer pays less for an animal he must either pay more for the meat or less for the cattle and most economists say that based on the 1966 experience some of both would result.

The restrictions we are complaining about upon U.S. exports are coming at a time when this country is experiencing a deficit in its balance of trade and needs foreign markets. The reduction in foreign trade would be with friendly countries who have been depending upon us for hides and this would come at the very time that the President is trying to sell to countries behind the Iron Curtain.

The controls issued by the President do not make any distinction between superior and inferior hides. American shoe manufacturers use top hides. Therefore the particular order involved does not really guarantee American shoe manufacturers what they want to do anyway, because a foreign purchaser can buy all the top hides they want to as long as they reduce their purchases of inferior hides by a like number. We do not have an adequate market for inferior hides in the United States. Some of these hides are from dead animals and if this market is cut off, it would not even pay to re-



move the hide from the dead animal and bury the animal and therefore more water pollution problems and air pollution problems would result.

The export control order on hides was announced without notice to all interested parties to comment and after many persons had gained the impression that the Commerce Department would not impose controls on hides.

The ticket system that has been developed gives rights to those who have been exporting in accordance with last year's business and thus eliminates the element of competition and the ability of new competitive producers of marketed products to move into the market. It would be a bureaucratic mess to administer and certainly lead to scandals. This amendment would kill the order and prevent that from happening.

The control program was imposed in 1966 on hides and by general agreement it was a fiasco. It ended when an amendment authored by myself was attached to the appropriations bill for the Commerce Department and killed the order. That order reduced the U.S. foreign market for hides and also resulted in American businessmen receiving less money for the hides they sold overseas and thus reduced dollar earnings.

The Commerce Department made no inventory of the foreign supply before putting the current order into effect and thus claim they have no idea who the speculators are who have been hoarding these hides in foreign positions and will make a bonanza as a result of this order.

Article 1, section 9 of the U.S. Constitution forbids export taxes on exports. It was put into the Constitution, because the colonists had been mistreated in exporting agricultural products and put in a noncompetitive position with another country. A quota on hides is more severe than a tax on exports and would be an even greater grievance by agricultural producers than was suffered by the colonists.

The order we seek to kill also violates article 11 of the GATT agreement prohibiting quantitative export restrictions. At a time when we are trying to promote agreements to expand foreign trade, we are violating our agreements under this order.

Continuance of this order would result in more plastic manufacturers in Europe and Japan and permanently cause a loss of markets for our inferior hides with people with whom we are on friendly relations and have enjoyed mutually beneficial trading agreements. This hide order we seek to eliminate is contrary to the export policies stated in this very bill. The bill itself states that it is the policy of the United States to strengthen "the U.S. competition in world trade," and to achieve "equilibrium in international payment accounts of the United States." If we are serious about the provisions of the bill then we must kill the hide order, because they are inconsistent with the provisions of the bill, just as it is inconsistent to promote trade with Russia and China and at the same time taking action to reduce trade with our friends.

I urge a vote for this amendment. I

preferred an amendment I had drafted which would kill the order and prohibit another one being developed on hides. I had worked with the gentlemen from Texas on that amendment, but the consensus among the supporters of this effort to kill the hide order is that we should have an amendment identical to the Senate amendment even though it is not as satisfactory. Therefore, I request a yeas vote on this amendment.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. EVANS of Colorado. Mr. Chairman, I want to express my appreciation to the gentleman from Texas (Mr. GONZALEZ) and to the gentleman from Iowa (Mr. SMITH) for their support of this amendment.

I am wholeheartedly in favor of the amendment.

I would much have preferred an amendment to totally remove agricultural products from executive export control authority but the pending amendment has my support.

Hardly anyone can today question that problems are besetting agriculture. We have an Executive order limiting export of hides, ostensibly to benefit the consumer who buys shoes. This is little short of incredulous. The hide or leather used in shoes contributes from 2 to 3 percent of the total cost of shoes. This means that in a \$20 pair of shoes, there is about 40 or 50 cents worth of leather, in fact, a relatively insignificant amount.

Once again, the farmers and ranchers take it on the chin in the name of saving consumers money. It would be exceptionally fine if just once the administration would depart from its course of compounding problems for the farmers and ranchers.

It is evident this would not happen. Perhaps by spreading authority of the executive branch on this subject we can gain some safeguards for agriculture. We can at least make known our dissent from this order on hides and slow down any repetition of this inequity.

I support the amendment offered by Mr. GONZALEZ.

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

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. DRINAN. Mr. Chairman, I rise in strong opposition to this amendment to H.R. 15989 which would prevent the Secretary of Commerce from effectively dealing with the grave threat that unchecked cattle hide exports present to the American shoe manufacturing and cattle hide tanning industries. Mr. Speaker, this amendment would severely restrict the Secretary of Commerce from exercising the export controls he is authorized to make under the provisions of the Export Administration Act of 1969—even though the crisis caused by abnormally high cattle hide exports is exactly the sort of situation which the Export Administration Act was designed to prevent.

If we are to protect our already hard-pressed domestic shoe industry from the demonstrated ravages of unlimited cattle hide exports, this amendment must be

defeated. If the Export Administration Act is to have any meaning it is vital that we not circumvent the root purpose of the controls authorized to be made by the Secretary of Commerce.

The present crisis in cattlehide exports began in August of 1971, when Argentina, which in 1970 had exported 7.5 million hides, imposed an embargo on its domestic production which limited its exports to no more than 1.3 million hides for 1972. As a result of this unfortunate development, foreign demand for cattlehides turned to the United States, causing a drastic and unprecedented increase in U.S. exports. This increase of foreign purchases was reflected in the fact that U.S. cattlehide prices, which for a 17-year period between 1953 and 1970 had remained relatively stable at a cost of 14 cents per pound, rose to a price of 29.75 cents per pound on July 14, 1972. In fact, it has been estimated that, as a result of the severe domestic shortage of cattlehide and the ensuing spiral of cattlehide costs, the price of shoes made in the United States will rise between \$1 and \$4 per pair, depending on size and construction.

This price increase, which is essentially beyond the control of the shoe-manufacturing industry, would be of little benefit either to consumers or to the domestic shoe industry. It is a well-known fact that the domestic shoe industry has been increasingly threatened by foreign imports. In 1960 the volume of imported shoes was only 5 percent of domestic shoe production. By January 1972, according to the Department of Commerce, the volume imported shoes had risen to two-thirds of domestic shoe production.

It is no secret that New England has been particularly affected by the imports invasion. Massachusetts has suffered the greatest loss. In 1967, there were 189 shoe factories in my State. Now there are 122. In the past 5 years then, 67 shoe factories closed their doors, and 11,500 workers lost their jobs.

The unlimited export of cattlehides, which this amendment would allow, could well mean the destruction of the New England shoe industry. Since the implementation of the Argentina quota in 1971, shoe hide prices have risen nearly 100 percent, and it would be a cruel joke at best if now, when at last the Secretary of Commerce has taken steps to protect the domestic industry by curbing the flow of cattlehides overseas, Congress were to open the floodgates again. It is already difficult enough for American shoe manufacturers to remain competitive against foreign factories which, due to the devalued dollar and lower wage levels, have advantages in production costs and which can also in fact purchase U.S. hides at lower prices than they can be purchased here.

On July 15, Secretary of Commerce Peterson at last acted to stabilize the cattlehide export situation. It should be noted that he did so reluctantly, and only after heavy pressure from a number of Congressmen, including myself.

The impact of the Commerce Department's proposed export limitations, if they are allowed to take full effect this

September, will not be damaging to the cattlehide industry. In fact, the ceiling on exports is set at the record-high level of 1971. Moreover, the structure of the ticket system being used is such that the benefits apply directly to the cattlehide producers and the consumer—not to the exporters who serve as middlemen.

According to the terms of the Export Administration Act of 1969, three criteria must be satisfied before export limitations can be enacted. These criteria are: serious price inflation, abnormal foreign demand, and domestic supply shortage. It is abundantly clear on the facts that the present cattlehide situation meets all of these prerequisites. Because of the increased foreign demand caused by the closing of the Argentine supply, domestic supply of cattlehide has fallen, in one estimate, to a level of only 60 percent of that required. And, with the supply of cattlehide so low, and the domestic demand so great, it is only natural that the domestic price of cattlehide should be in an inflationary spiral.

The action of the Secretary of Commerce in applying controls to cattlehide exports was fully justified, and was in fact absolutely necessary. I believe that these controls should be allowed to take effect. The passage of this amendment would endanger the Nation's shoe and tanning industry, and raise the immediate prospect of thousands of newly unemployed workers. I urge my colleagues to reject this amendment.

Mr. MAYNE. Mr. Chairman, I rise in strong support of the Gonzalez amendment. The established policy of this Government is to increase our exports to nations abroad. Heaven knows, we ought to be doing something about increasing them, in view of the kind of unfavorable balance of trade recent figures show are plaguing this country.

Now a Secretary of Commerce also should be interested in increasing our foreign trade and presumably that is what Mr. Peterson has been trying to do for the last 2½ weeks over in Moscow and Warsaw. But by his action on July 15, he acted at direct cross purposes with the established policy of this country as determined by this Congress—because he worked to reduce our foreign trade by placing a limit on our hide exports. By supporting this amendment, we can see to it that neither the Secretary of Commerce nor any other Government official cuts back or places a lid on our exports of hides or any other agricultural commodity. I do not wish to mislead or be inaccurate. The order of July 15 does not cut back, but it does place a limit on our hide exports at last year's level.

I object also to the manner in which this embargo so damaging to the livestock producers of America was put into effect. The Secretary announced this action late one Saturday afternoon, at a time when many Members of Congress were away from Washington, and without advance warning or notification. The Members of the Congress had no opportunity to object—and the Secretary almost immediately left town and has been unavailable to Members of Congress ever since.

I certainly tried to talk with him. I tried unsuccessfully to get him on the telephone Monday, first at the Commerce Department and then at the Western White House. I was able to voice my strong protest that day to Under Secretary of Commerce James T. Lynn, the number two man in the Department.

But Secretary of Commerce Peterson had absented himself from Washington. He went first to San Clemente and then he left immediately for Moscow and Warsaw where he has been ever since. I say to you that it was grossly unfair and unreasonable for him to tell our foreign hide customers who have been developed at great cost and expense by the cattle industry of this country that they can no longer participate in the normal growth of hide production in this country.

Let us bear in mind how we got this hide export trade going in the first place—and why. It had to be developed by our cattle industry when the shoe manufacturers in this country turned their backs on our livestock producers a few years ago and said, "We are not interested in buying your hides any more. We are shifting to synthetics."

And when they did so the bottom dropped out of the domestic hide market. Hides became virtually worthless in the State of Iowa and all the other cattle-producing areas of this country. This contributed to a serious decline in cattle prices inflicting real hardship on our cattle producers.

In order to meet this emergency situation resulting from the drying up of the domestic market for hides, the cattle industry of this country launched an energetic campaign to build up an alternative market overseas at great effort and expense. This effort has now succeeded and we have a flourishing export market for hides which greatly reduces our trade deficit. But the shoe manufacturers and the Secretary of Commerce would now penalize that success and take its fruits away from the cattle producers of America.

Now, I say that we should not permit that to happen. Why should the shoe manufacturers be guaranteed a preferred market for hides which they do not deserve? It is not the cost of hides which is making the price of shoes go up in this country. Why the cost of all the hide that goes into a \$35 or \$40 pair of men's shoes is about 50 cents; perhaps 75 cents. The shoe manufacturers are trying to make the cattle producers, the cattle industry the scapegoats in this situation. I say that everyone who is interested in fairplay will want to vote not to give them that preferred market. The Secretary of Commerce should not have power to earmark the increase in our hide production for the exclusive use of American shoe manufacturers. I say, let us pass this amendment and remove such fetters from American trade abroad. Let us continue to go forward building up our sales to foreign countries and reduce this alarming deficit in our foreign trade balance.

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

Mr. MAYNE. I yield to my colleague from Iowa.

Mr. SCHERLE. Mr. Chairman, I rise in support of this legislation. I commend my colleague for the excellent statements which he has made.

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

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

Mr. CORMAN. I will state as a cattle raiser I will vote for the hides if you will vote for the hamburgers.

Mr. MAYNE. That decision has already been made. The import quotas on foreign meat have been completely lifted for the balance of this year. You can import hamburger meat to your heart's content for the rest of this year. I urge all my colleagues to vote "aye" on the Gonzalez amendment.

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. THONE (at the request of Mr. MAYNE) was granted permission to extend his remarks at this point in the RECORD.)

Mr. THONE. Mr. Chairman, imposing a quota on exports of cattle hides is an absurdity. This action by the U.S. Department of Commerce is inconsistent with the intent of Congress and with the stated aims of the administration.

This action was inconsistent with the intent of Congress in passing and extending the Export Administration Act. It is an uncontested fact that the production of cattle hides exceeds domestic requirements. The intent of Congress in this regard was to set quotas only in cases where materials were in short supply for our national needs. The administration is trying to defend the setting of quotas on the technicality that a determination had not been made by the Secretary of Agriculture that cattle hides were being produced in quantity exceeding domestic requirements.

The quota on exports of cattle hides is inconsistent with the stated policy, and the unquestioned need, to expand U.S. exports and improve our balance of payments.

The quota on exports of cattle hides is consistent with the administration's stated objective of keeping prices down on consumer goods, including shoe prices.

The quota on cattle hides is inconsistent with the stated goal of both the Congress and the administration of raising farm incomes to equitable levels.

The cattle industry of my home State of Nebraska has taken two serious blows in recent weeks. They were told to face unrestricted competition from meat producers around the world. This action was said to be in the interest of the consumers. Now, they are being told that they must not be allowed to find the best price in the world for their cattle hides. This action can only be said to be in the interest of a few companies that manufacture shoes.

Congress must take action to correct the administration's inconsistency and its absurd action.

Mr. ASHLEY. Mr. Chairman, this amendment goes much further than simply to the matter of hides. It goes to the protection and insulation of all agricultural products. If that is what we



want to do, and I sense that it may be the will of the House to do that, then, of course, the amendment will be accepted.

I would simply direct your attention to the fact that what this amendment does is to dilute the basic authority of the Export Administration Act of 1969 which reads in part as follows:

(2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

There are three reasons, three basic justifications, for the imposition of export controls: Short supply, foreign policy, and national security. Now, what this amendment says is, "Wait a minute, that is going too far." Regarding export controls, the amendment says, "Yes, we will allow the export control of agricultural products for purposes of national security or foreign policy, but not from the standpoint, unlike any other product in our society, for the purpose of short supply, rampant inflation, heavy foreign demand." Not just hides, but all agricultural products are to be insulated.

If we want to do this for agricultural products, why not for timber? Why not for mineral resources? Why not for automobiles and all the rest? That is the question that we have to answer.

Hides are one thing, that is bad enough, but this amendment goes beyond hides and provides this kind of insulation for all agricultural products.

Because the controls on cattle hides are controversial and may not be fully understood by all concerned, I would like to explain the basis on which the Secretary of Commerce decided to establish this control program, and how it operates.

First, let us consider the events which preceded this decision. During the period 1953-70 and well into 1971, composite cattle hide prices had ranged around 14 cents per pound. However, during the latter part of 1971, those prices began an upward spiral reaching a level of 27-29 cents per pound during May and June of this year and actually averaging 29.75 cents on July 14, the day before the Commerce Department took action. This kind of increase, passed through to the retail level, can be expected to bring an increase of about \$2.80 for a pair of men's oxfords.

Needless to say, this upward trend caused considerable concern to the domestic users of cattle hides, such as the tanners and the shoe manufacturers, who claimed that these price increases were due to the abnormal foreign demand for U.S. cattle hides.

The Department determined not to take any action until after it had had an opportunity to collect the necessary data, to study and evaluate them, and then to determine whether controls were warranted under the short supply criteria of the act. These criteria are, as

many of you already know "to protect the domestic economy from the excessive drain of materials and reduce the serious inflationary impact of abnormal foreign demand."

Department officials met with industry representatives but found they did not agree as to the causes of the rise in cattle hide prices and future prospects in that market. Hence, Commerce undertook its own extensive study. The Bureau of the Census surveyed the domestic industries involved to determine the supply and demand factors at work in the cattlehide markets. Mandatory questionnaires were sent throughout industry and responses were carefully studied and tabulated. Inquiries were made through our commercial posts abroad. The Department specifically inquired into the situation prevailing in Argentina and Brazil which had been principal suppliers of cattlehides in the world market but which had recently halted all hide exports. Simultaneously, at the request of the Price Commission, the Internal Revenue Service audited meat packers to determine whether they had followed the cost pass-through rules in setting their hide prices.

The Department's evaluation of the data it had collected enabled it to reach its decision. First, it was demonstrated that the embargoes imposed by Argentina and Brazil have resulted in a transfer of the world demand normally satisfied by their cattlehide supplies to demand for U.S. cattle hides. Moreover, it appears that these embargoes are not to be lifted soon enough to provide relief for U.S. industries. Both Argentina and Brazil appear determined to develop their own tannery and shoe industries and their controls on hide exports can therefore be expected to continue for some time in the future.

Beyond the drain of U.S. hides caused by Argentina and Brazil's action, I would note that an increase in world demand for shoes as a result of rising standards of living has contributed to the increasing exports of cattle hides from the United States.

Second, the Department of Commerce found a projected increase in domestic demand for cattle hides, mainly due to projected increases in domestic shoe production. This represents a most encouraging turnaround for our domestic shoe industry, whose production has been declining for several years. It also represents a turnaround in domestic hide consumption, which has declined in recent years but is projected to increase in 1972.

Against this picture of growing foreign and domestic demand, projected domestic supply based on estimated cattle slaughter showed an increase which was inadequate to meet the overall demand. Also, domestic user's inventories of hide and leather, an important facet of their supplies, were seriously depleted.

When the data on supply and demand were put together, a picture of serious shortage emerged. Demands were up, supplies down, and a shortfall of supplies was projected to be over 1,500,000 hides.

Thus, the conditions for controls were found to be present—serious price infla-

tion, abnormal foreign demand, and domestic supply shortage. These facts provided the basis for Secretary Peterson's decision to introduce controls on hide exports.

The remaining issue then was how best to implement a program of controls so as to assure an adequate domestic supply and curb the inflationary pressures while minimizing the disruptive effect which controls could have on some segments of industry. First, he chose an export-quota level which is reasonable and not too restrictive. Unlike the action taken in 1966, the present quota levels do not force a sharp rollback in export levels, but rather hold exports at the 1971 level, which was a record high. Thus, domestic hide producers need not fear that their export markets will be damaged, and no glut of hide supplies is likely to occur.

Next the Department has devised a method of controls which will guide the economic benefits to American consumers and the farmers and ranchers—the cattle producers. This is how the program works.

A ticket system of controls will begin operation on September 1. Commerce will establish quotas for cattle-hide exports for 3-month periods. Then, their Office of Export Control—OEC—will issue cattle hide export tickets for the number of cattle hides equal to the quota for each period.

Importantly, they will issue the tickets not to the exporters but to the cattle hide producers, principally packers. The tickets will be freely transferable. Since exporters can export hides only under validated export licenses, and since the exporters must present cattle hide export tickets in order to obtain these licenses, exporters will have to acquire tickets from the cattle-hide producers.

Then, the Price Commission will require that the revenue from the sale of cattle hide tickets must be treated as revenue received from the animal. Another Price Commission rule operates to limit the profit margins of the packers to a maximum level. Taken together, these rules should require the packers to pass on the revenues of the sales of cattle hide tickets to domestic consumers in the form of low hide prices or to the farmer and rancher in the form of higher prices for their cattle.

To sum up, there are two major differences between the control program which Secretary Peterson announced on July 15 and the cattle hide program introduced by Commerce in 1966. First, there is the degree of control. In 1966 quotas were stringently set so as to seriously roll back exports and apply to certain categories of hide pieces for which there is no domestic demand. This caused unnecessary hardship to the U.S. producers, the U.S. exporters and to the foreign buyers. The quotas set this year for the transition period and the first 3 months of the ticket system require no cutback from the historic high level of exports set in 1971. Second, there is the benefit to the rancher and the consumer through the ticket system. Whereas the program in 1966 allowed exporters to maximize their profits on the basis of the increases in

world prices caused by our limitation on exports, the program this year insures, through the ticket system, that this benefit should reach ranchers and the American consumer.

In conclusion, the necessity for the cattle hide export controls has been adequately demonstrated and the program appears reasonably designed to solve the problem on the fairest terms for all segments of the industry concerned. To terminate this program before it has had an opportunity to be shown to work seems to me unfair. Accordingly, I urge that this amendment be defeated and the extension of the Export Administration Act as provided by H.R. 15989 be passed without any further delay.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, after long months of struggle, meetings, speeches, letter writing to urge the Department of Commerce to recognize the cattle hide supply problem that has been wreaking havoc with the footwear and tanning industries, on July 15, that Department finally offered some element of relief in the way of export controls on hides. Now we are being asked to adopt amendments to H.R. 15989, Council on International Economic Policy—Export Administration Extension Act, that would weaken or nullify this July 15 order. To obtain even this action of the Secretary of Commerce which in so many ways was more an admission that severe material supply problems exist in the footwear industry, rather than a real effort at providing relief—witness the fact that hide costs are at an alltime high and also the fact that the export levels for hides will be set at last year's levels which to use Secretary Peterson's own words "are very high by any standard."

Hardly any New England State is without an important stake in the footwear and tanning industry—particularly with the critical unemployment problems we already face. I, therefore, urge you to defeat these crippling amendments which would include the Secretary of Agriculture in any decisionmaking capacity on the hide situation and thereby seal off export controls on scarce materials as an avenue of relief. The Secretary of Agriculture has demonstrated that he is the spokesman of the farm bloc, including the cattlemen and hide industry. It is interesting to note that when Secretary Butz assumed office, one of the first speeches he delivered promised the agricultural sector that there would be fewer Government controls, not more forthcoming. This is the same man who fought including food prices under price controls in the current economic stabilization program.

In short, the Commerce Department has already studied to death the hide supply problem. I see no reason for including another agency in the decision-making process. It is imperative that we beat back any amendments along the lines adopted by the other body yesterday—any amendment to require the Sec-

retary of Commerce to obtain approval of the Secretary of Agriculture before exercising authority to limit exports on agricultural commodities, including animal hides and skins, would in effect tie the hands of the Commerce Department. The domestic footwear and tanning industry and workers need this relief measure if they are to continue operation.

I ask at this point that the text of several of the petitions, letters and remarks I have delivered over the past several months on this subject be printed in the RECORD.

Mr. Chairman, it is not my intention to take too much time and I hope we can avoid a teller vote and also a rollcall vote later on this matter.

After months of struggle and many speeches and much letter writing to make the Department of Commerce recognize the price of cattle and hide problem that has been wreaking havoc in the tanning industry, on July 15 the Department finally offered some relief in the way of export control of hides. But all they did was restrict the hides to the 1971 level—which is the highest level of exports in the history of this Nation. In 1971 the cattle producers of this country enjoyed the greatest amount of profits ever in the history of this country.

What do the cattle people want? They want egg in their beer. We can go into the meat markets of this Nation and find the consumers are having the life gouged out of them. The average working family in this country cannot afford to buy meat, and yet the cattle people want to get the high prices for meat from the domestic market—and high prices for hides from domestic tanneries.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ASHLEY, and by unanimous consent, Mr. BURKE of Massachusetts was allowed to proceed for 5 additional minutes.)

Mr. BURKE of Massachusetts. Mr. Chairman, I do not want to impose here on the time of the House but we have high unemployment in this country. Billions of dollars are being paid out on welfare in order to pay these fat cat cattle barons. Billions of dollars. The welfare bill in Massachusetts alone this year is \$1 billion. When I first went into the legislature the total budget for the State government was only \$60 million.

We have passed legislation this year asking for the extension of unemployment compensation benefits. How much do we have to do to subsidize cattle barons? All we are asking for is a little bit of fair play and a little bit of compassion on the part of these fat cat cattle barons who are reaping the harvest at the expense of all the American people by gouging them with high prices and then depriving the footwear people and the leather people of this country of the hides.

One cannot buy an American-made baseball glove today in any store of this country, and yet here we have these cattle people crying the blues. Why, they are loaded down to the gunwales with money and profits and they want more profits. They are asking this Congress to

put through this amendment, and all it does is restrict the control of exports to a very light degree.

In 1971, there occurred the greatest year the cattle producers of this country ever had, and they are asking 70 percent of the American people to pay the bill, to pay the bill for the fat cats, to pay the bill for the special interests.

Yes, one can stand up here and wail about the high cost of welfare, but it is the fat cat cattle barons among those who are the cause for creating welfare costs in this country, also contributing to high unemployment.

Mr. KYL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the gentleman who just left the well answered a number of questions for himself. I would remind those Members who might be swayed by this type of eloquence that it is an undeniable fact that the average worker of America today has to work fewer hours to supply his family with food than at any other time in the history of this Nation, and the food which that family now gets is of higher quality than it has ever been before in our history.

I will ask a question rhetorically, so that I need not yield for an answer, but I just wonder if this American shoemaker would buy domestic leather of the same quality if he had to pay a higher price for it than he would have to pay for imported leather. There is no more selfishness on one side of this proposition than there is on the other.

To the gentleman from Ohio I will say that it is the agricultural trade which gives us our balance, if there is a balance in international trade.

To answer the gentleman's question further, I would say that the products we export from our agricultural production are annually renewable resources, which makes them a great deal different from those minerals, et cetera, of which the gentleman was speaking. In fact, the agricultural export situation is about the only bright spot for the United States in this day.

For those who have no provincial interest, I wish to remind the Members of a couple of basic facts.

Under the export control program on hides, which has been adopted, we have a situation which cannot be administered. The basis for that program is totally unworkable and complicated involving a system of tickets which are given for export. Somehow the benefit of those tickets is supposed to be passed on to the consumer or to the shoemaker or to the cattle producer. No one knows how. One cannot find out an answer from anyone as to how this shall be done. If there is a packer also in the leather business, I think one might assume where the benefit will go.

Finally I should like to make this point again for those who are not provincially involved in this argument. There are some who would have us believe that the foreign buyers get some kind of a bonanza by buying American hides. That is absolutely not true, because they must pay a premium for those hides and add the cost of transportation on top of that.



This is still the most fundamental factor. The leather users have told the beef people of the West, "We do not want your hides; we cannot use your hides." So those people went out to the world markets and, in selling the hides to those markets, produced dollars for the American balance of trade, for the benefit of everyone.

The present program which the Commerce Department has adopted is unworkable. This amendment offers a solution. I would strongly urge, on the basis of logic and reason, that this amendment be adopted.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I want to thank the gentleman for injecting reason and rationality into the discussion at this time. I must confess that I was personally carried away on the tide of rhetoric of the gentleman from Massachusetts. I found myself also despising those "fat cat" cattlemen who have had it so good all these years, and feeling despair for the shoe manufacturers and for their thousands of employees who are suffering.

Mr. KYL. May I say to the gentleman that one reason why we have a short supply of beef today, and therefore a relatively higher price, although it is not out of line, is the fact that the beef producers for so long suffered from such a low price that many of them went out of business. Production dropped. Demand rose. That is the reason for the present price situation.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. It should also be pointed out for persons who might not realize it that cattle production is not a part of the farm subsidy program.

Mr. KYL. They get no subsidies.

Mr. TEAGUE of California. They get no subsidies.

Mr. KYL. That is correct.

Mr. PURCELL. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, just a few weeks ago the Secretary of Commerce exercised authority provided him by the bill we now have under consideration and issued an order restricting the export of cattle hides from this country. The amendment offered by Mr. GONZALES, like the one which passed the Senate by a vote of 52 to 35, would bridle the authority upon which Secretary Peterson relied for his order. I consider myself a cosponsor of the amendment and urge its passage.

Export controls of any kind over hides or any other product are very strong measures to take. Export controls are big guns which are usually saved for periods during which the national security is endangered by a domestic shortage of some commodity or during which severe inflation or threats of drastic increases in domestic unemployment would be a direct result of continuing exports. We just do not have those circumstances today—either of them—with regard to cat-

tle hides. Secretary Peterson's restriction on cattle hide exports was an expedient and dangerous decision which should be rescinded.

The decision represents yet another in what has become an incredible string of Government attacks—yes, attacks—upon the American cattle producer. Recently, the President announced with considerable fanfare that he was lifting the quotas on meat imports into the United States for the rest of the year. The American consumer, it was to be inferred, would directly benefit from boosting the supply of beef on the grocery shelf thus driving down the price of that favorite steak. But the American consumer stands to lose just as much as the cattleman from this action, the meat import action, and yesterday's FDA announcement concerning cattle feed additives such as DES.

The beef carcass is often sold for less than the price paid for the feeder animal on the hoof; therefore, the importance of the value of byproducts to the packing industry cannot be overstated. Byproduct value determines whether the packer will post a profit or loss figure for the individual transaction under study. Government actions affecting the export or import of cattle hides are, therefore, of direct concern to the packing industry.

As important as any nonedible byproduct of the packing operation, hides are a subject of world commerce. Actions to block or limit their export, with the resultant lowering of domestic value of the hide, will have the effect of increasing meat prices at retail. Higher meat prices are inevitable because the sum total of the packing operation must continue to provide some return to the industry in order for it to continue to maintain its production of beef carcasses.

But the administration has now blocked the export of domestic cattle hides because someone has convinced them of the political mileage to be made. Capitalizing upon an easy and emotional trick of blaming the ever-rising cost of shoes and leather goods on the price of rawhides, the Secretary of Commerce has joined in further dampening the incentive for domestic cattlemen to meet the demands of their countrymen. The administration has triggered a backfire upon its own supposed meat import objectives—lower meat prices.

Today a cattle hide is worth about \$17. Out of one hide can be made 20 pair of men's shoes or 40 pair of women's shoes; so the price of the leather in a shoe represents on an average only about 3 percent of the total \$25 or \$30 price tag.

If the administration's action could drive hide prices down to as much as half their peak price—the price of leather in a \$30 pair of shoes would drop from 90 to 45 cents. Does anyone in this Chamber really have the courage to stand up right now and promise the American consumer that he or she can look forward to paying 15 or 20 or 30 cents less for a pair of \$30 shoes in the future?

If anyone feels the urge, I caution you first to remember what happened in 1966. At that time the administration was besieged by tanners and shoe manufacturers to lock the doors on hide ex-

ports. Do not do it for us, they said—do it for the consumer. By the end of the summer of 1966 the prices of men's shoes had risen 8.4 percent while women's shoe prices rose 7 percent. In August 1966, one major shoe manufacturer reported it expected a 15-percent increase in sales and earnings for the rest of the year.

Throughout 1966 cattlehide prices plunged, as they were supposed to. As a result, the cattlemen paid for the shoe-man's profit and the consumer was ignored.

Secretary Peterson's decision, then, represents just another episode in what continues to look more and more like genuine fraud perpetrated upon the consumer at the expense of the livestock producer. The approval of this amendment will indicate that Congress is fed up with a trend of the Federal Government singling out the producer to mollify hidden but noisy corners of the world of middlemen.

There are strong reasons to put this authority in check once and for all.

If we are serious about wanting lower meat prices, then it is utterly ridiculous to threaten the meatpacking industry. To ask for low meat prices and even lower hide prices is to have your cake and eat it too. Those Members who ask for both, and this administration which is trying to convince the consumer he is getting both, are behaving irresponsibly and at the expense of the public.

If we are serious about wanting lower production costs for shoes, then why try to resurrect the same masked threats of 1966? Why not attack some of the real problems? Let the tanners move to the Panhandle of Texas. Freight costs represent a lot higher percentage of the retail shoe price tag than do hide costs. If they will set up next door to a packing house in northwest Texas—I will guarantee that hide prices five times what they are right now would not hurt them.

The producer has been kicked too many times. The consumer has been told too many lies. This amendment should be passed in the interests of helping both—for once.

Mr. BURKE of Massachusetts. Will the gentleman yield to me to allow me to correct something?

Mr. PURCELL. I will if it is for a correction.

Mr. BURKE of Massachusetts. I did not mean to say "fatcat cattlemen." I mean to say "fatcat cattle barons."

Mr. PURCELL. That does tend to clear it up. If you have any fatcat cattle barons, I do not know where they are. I will say in 1966 when the same people prevailed on the same people, I guess, if the Republicans had no more sense than to keep the ones that the Democrats had who are doing this sort of thing, they put an embargo on hides.

Mr. ALBERT. Will the gentleman yield?

Mr. PURCELL. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Chairman, I wish to associate myself with the remarks of the distinguished gentleman and commend him on the amount of work he has done on this subject.

His district borders mine. We have common problems and our people are concerned over the order of the Secretary of Commerce. I join him and many others in protesting the absurd order of the Secretary of Commerce to restrict the export of cattlehides from the United States. This action is illogical and unfair to thousands upon thousands of cattlemen throughout the Nation including many who live in Oklahoma and in my district.

Many of my constituents have told me of their concern about the action of the Department of Commerce in imposing export controls on cattlehides. This action will cost cattlemen and farmers millions of dollars by closing a large part of their market.

The President of the Oklahoma Cattlemen's Association, Mr. Creede Speake, who lives in my district, has expressed these concerns in a letter to Secretary of Commerce Peter G. Peterson which I include at this point in the RECORD:

OKLAHOMA CITY OKLA.,  
July 17, 1972.

HON. PETER G. PETERSON,  
Secretary, U.S. Department of Commerce,  
Washington, D.C.

DEAR MR. PETERSON: Those of us in the cattle industry are disappointed by your recent action to restrict the export of cattle hides from the United States.

The Commerce Department did the same thing in 1966 to do nothing but lower the value of cattle hides. Cattlemen lost millions of dollars throughout the country and shoe prices went up 25 per cent despite the restrictions.

This action is illogical and unfair to the thousands of small cattlemen throughout Oklahoma. Our average operator in Oklahoma has only 27 cows, which at maximum production would still place him well below the poverty level set by the Federal Government.

Cattle producers have never asked for, or received, Federal subsidies to produce beef. We have had to adjust our operations for maximum efficiency. This is the first time in 20 years that prices for cattle and their by-products have approached a level of profit comparable to other segments of the U.S. economy.

With the export restrictions you have initiated, millions of dollars will be squeezed from the small cattle producers in favor of the large leather processors in this country. Consumers and cattlemen alike will suffer the ill effects of this move and we urge you to reconsider a decision which had been made six years ago with disastrous effects.

Respectfully,

CREEDE SPEAKE, JR.,  
President,  
Oklahoma Cattlemen's Association.

County cattlemen's associations throughout Oklahoma, including the Love County Cattlemen's Association, have communicated to me their strong support of Mr. Speake's position.

I strongly support the amendment and urge its adoption.

Mr. PURCELL. I thank the distinguished Speaker, and I now yield to the distinguished chairman of my committee, the gentleman from Texas (Mr. POAGE).

Mr. POAGE. I want to thank the gentleman from Texas for the fine statement he has made and the fine work he has been doing for the last several days in trying to put a stop to this iniquitous and unnecessary order that was issued.

He has done a good job, and I congratulate him.

Mr. PURCELL. Mr. Chairman, I yield to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Chairman, I am delighted to associate myself with the remarks of the gentleman in the well.

Mr. Chairman, I want to clarify the issue of whether the Government shall control the export of cattle hides by focusing attention on the essential effect of such controls. I believe the question is broader than the argument that if hides are not exported, the price of leather will decline and shoes will be cheaper. I suggest that my fellow Members ought to examine the effect of such controls on the price of meat.

In my south Texas district, ranching is an important industry. The raising of cattle is, like other businesses, essential to the economy. I want to remind fellow Members, who may not be acquainted with the cattle business, that the production of meat is only one factor in the work of the rancher. When he sells an animal to a packer, other factors enter into the price which the packer is willing to pay. One of the most important factors is the value of the cattle hides.

As far as meat prices are concerned, some of us have different explanations for the high retail costs. This is not the time to renew the discussion of whether blame is to be assessed and who is to bear the blame. We can all agree, I believe, that if meat were more abundant, the consumer would pay less in the market.

But I want to stress again that the marketable meat on a carcass is only one factor in what the packer will pay the rancher or the feedlot operator. The packer calculates, too, what the byproducts will bring, and the cattle hides are important factors. I say that controlling the sale of hides, however helpful it may be to the shoe industry, is harmful to the American housewife and will contribute to a higher cost of living.

I further believe that in contemplating controls on exports, we ought to remember that we have a major deficit in our balance of trade. As my colleagues know, that figure represents an overwhelming segment of our dollars being spent overseas as compared to the sales of our products to other nations. In cattle hides, we have a situation where the foreign demand gives us some opportunity to whittle away at the deficit in our balance of trade, with resulting benefits to our national economy.

Here, as in the price of meat, I urge that consideration be given to the national interest and to determination of the greatest good for the greatest number. On that basis, I urge that we reject the controls.

Mr. CLEVELAND. Mr. Chairman, I rise in opposition to the amendment. Just about a year ago President Nixon moved decisively to bring inflation under control by declaring, first a wage and price freeze, and then a system of wage and price controls. For too many years our economy had been running out of control. This month there is mounting evidence that these strong economic pol-

icies are working. Inflation is indeed slowing. Employment is rapidly increasing. Virtually all economic indicators are increasingly favorable.

It is ironic that at the very time this good news is upon us, we should be faced with this effort by a special interest to sabotage these efforts. Just as it is incumbent upon Congress to exercise fiscal restraint, so too is it imperative that we resist the efforts of some to undermine economic stability in order to protect special interests.

The price of cattle hides has doubled within a year. This increase was not only fueling the fires of inflation, but it was also causing direct damage to what is left of the domestic shoe industry. Coming as I do from New Hampshire, I am particularly concerned by this situation. Because of my concern over this serious situation, I wrote Secretary of Commerce Peterson in April, to urge strong action to control exports. I was heartened that after months of study, he took the decisive step of imposing controls.

As the senior Senator from New Hampshire (Mr. CORTON) has said, for us to pass this amendment requiring the concurrence of the Secretary of Agriculture in continuing these controls would be akin to us asking a fox guard a chicken coop.

Mr. Chairman, I would like to commend the efforts of my colleague from New Hampshire (Mr. WYMAN) and those of Congressman BURKE of Massachusetts. I would also like to be associated with the remarks of the two Senators from New Hampshire when this amendment was before the Senate. Those remarks can be found in the RECORD of August 1, 1972.

I yield to the gentleman from Massachusetts (Mrs. HECKLER).

Mrs. HECKLER of Massachusetts. Mr. Chairman, I, too, rise in opposition to this amendment. I feel the subject has been adequately covered by our great spokesman from Massachusetts (Mr. BURKE) whose leadership in this field has been so well documented and goes back many, many years. In fact, we call him our cattle hides leader.

But seriously, Mr. Chairman, I am opposed to this amendment for the simple reason that it would do violence to the American consumer who would be forced to pay a higher price for his shoes and to the American worker, particularly in the hard-hit New England area, who would be seriously affected.

Neither the consumer nor the worker, Mr. Chairman, can afford any further hardships. It seems to me that we in the Congress have an obligation to come to their relief as often as possible. This is one way. Let us take it.

I urge defeat of this amendment.

Mr. CLEVELAND. Mr. Chairman, I yield to the gentleman from Massachusetts, another great admirer of the distinguished gentleman from Massachusetts (Mr. BURKE) who wishes to extol his oratory. I yield to Mrs. HICKS.

Mrs. HICKS of Massachusetts. Mr. Chairman, I rise in opposition to the amendment, and I certainly want to commend the great speaker, our colleague from Massachusetts (Mr. BURKE) and associate myself with his remarks.



Mr. Chairman, I rise to oppose the amendment to H.R. 15989, which would include the Secretary of Agriculture in the decisionmaking process of limiting exports on hides.

Recently, at a meeting of some 400 leather goods manufacturers from New England with Government officials in Faneuil Hall, Boston, a warning was issued that the New England shoe and leather industries faced extinction, due to the skyrocketing prices of leather, caused by increasing foreign demands for American hides. Higher prices and shorter supplies result in higher leather prices, higher leather products, principally leather shoes.

After the meeting in Faneuil Hall, the Secretary of Commerce, recognizing the plight gave some help to the situation in controlling the export of hides. This amendment will cripple and may even nullify the action by the Secretary of Commerce.

I urge my colleagues to oppose the amendment.

Mr. CLEVELAND. Mr. Chairman, I yield to the gentleman from Maine (Mr. KYROS).

Mr. KYROS. Mr. Chairman, I rise in opposition to the proposed amendment which would restrict the broad authority contained in the Export Administration Act, enabling the President and the Secretary of Commerce to handle pressing domestic shortages, free of the binding restrictions favoring special interest groups.

This amendment is precipitated by the recent action taken by the Secretary of Commerce to impose a system of export tickets on July 15, after many months of pleading and urging by the representatives of the shoe industry. It cannot be said that the Department of Commerce acted hastily in this matter, since the Bureau of the Census initiated an exhaustive, detailed study for 3 months before the export limitations were finally announced. The ticket system is not scheduled to begin until September 1, and today the House of Representatives is being asked to overrule the Secretary's carefully researched action before the ruling is even implemented. I hasten to add that Secretary Peterson took this action very reluctantly, and only after the data gathered showed that some export control was absolutely necessary. The Export Administration Act authorizes the Secretary to act only:

To protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand.

Secretary Peterson stated that:

Price inflation alone does not justify controls. The statutory standards require foreign demand as well as serious price inflation.

Abnormal foreign demand was the direct cause for an increase in the price of hides, rising over 100 percent in just a few months. Due to an embargo placed on the exports of hides by the Argentine Government, the United States had become the sole major exporter of cattle hides. Foreign demand had shifted almost exclusively to the United States,

and foreign buyers were enjoying a great advantage at the expense of domestic purchasers because of the recent currency reevaluation. It was under these conditions, with no sign of relief in the future, that the Secretary of Commerce finally imposed the export ticket system. Secretary Peterson selected the method of these tickets so that the savings would have to be passed directly to the consumers.

Hides are the main material used in producing leather, and also the major expense in the construction of shoes, excluding labor costs. Therefore, it is not surprising to learn that shoe prices may increase by \$1 to \$4 despite the export ceiling restrictions. After all, the price of hides had doubled in a few months, and the action on July 15 came too late for fall shoes.

As a Representative from a State where the shoe industry is the largest single employer, I am well aware of the hardships facing our domestic shoe industry without adding more problems beyond its control. Argentina is not the only country placing an embargo on the export of cattlehides. Other major sources of cattlehides have also recently closed their supply of hides to the world market, namely Brazil, India, and Uruguay. Thus, the mild action taken by the Secretary of Commerce was essential to preserve the domestic shoe industry from folding completely.

In Maine alone, we lost more than 8,000 jobs in the leather footwear industry in a matter of 4 years. In a State without even a million inhabitants, this drastic loss of employment resulted in a jobless rate of well over 8 percent, persisting to this present time. In just 1 year, 13 shoe firms employing 3,000 people have closed. These numbers and figures do not describe the misery and sadness caused in thousands of families, where the head of household, often past middle-age, was unable to find other job opportunities.

As a sponsor of legislation urging the President to impose some temporary export control on cattlehides, I ask the House not to negate the responsible and necessary action taken by the Commerce Secretary.

Mr. CLEVELAND. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. DONOHUE).

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that the great majority of my colleagues will join in resoundingly rejecting this proposed amendment to eliminate the provision in this bill that is designed to prevent the exportation of hides from the United States during this period of substantial economic recession in our country.

All the objective, authoritative evidence that has been revealed in this discussion very clearly shows that the accelerated exportation of hides from the United States over the last several months, because of the decline of hide exportation in Argentina, has left the American leather and shoe industries throughout the country and particularly in my own State and regional area, with less than 50 percent of the needed supply and the record further shows that hide prices

have increased by 80 percent since the wage-price freeze was imposed.

Mr. Chairman, it is obvious that prevention of and restriction upon the increasing exportation of hides from the United States is desperately required in order to reduce drastically inflated prices of shoes for the American consumer, to stop any further devastation of the already crippled shoe industry due to a lack of hides and encourage the stabilization of hide prices in the world market.

In simple summary, Mr. Chairman, undeniable statistics prove that the problem of soaring prices in leather and shoes is a critical one for the American consumer, that the lack of sufficient hides is having an increasingly deteriorating effect upon our domestic leather and shoe industries and tanning companies and that our general unemployment situation with the additional threatened unemployment of greater numbers of workers in the shoe and leather industries throughout the country and the Massachusetts and New England area is a continuing economic calamity.

The objectives of the hide exportation prevention provision in this bill are clearly to save our domestic shoe and leather industries from complete destruction through no negligence of their own, to reasonably preserve employment opportunities for innumerable workers who otherwise and inevitably would have to turn to public assistance and to keep the prices of shoes and leather products within the range of the average American family's income.

Mr. Chairman, I submit that these objectives are of priority concern to and impact upon the national interest and they can only be realized and attained by the rejection of this pending amendment so I therefore and again urge my colleagues to overwhelmingly defeat it.

Mr. CLEVELAND. Mr. Chairman, I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The imposition of export controls on cattle hides was, in my opinion, a mistake. Cattlemen the Nation over will suffer from this action.

I recognize, of course, the basic reasoning that went through the minds of the officials of the Commerce Department and the Cost of Living Council who bear the responsibility for inflation control. Their rationale was that if the quantity of cattle hides that are to be exported can be controlled, then the prices at which domestic shoe manufacturers acquire these hides will be reduced. That is fine theory but just does not work out in practice.

The exports of hides are up only slightly this year compared with the first 6 months of 1971. The latest figures indicate that this increase amounted to only 2 percent. At the same time, the demand for cattle hides has dropped along with declining shoe production.

Of course, shoe prices have been going up, just as the case has been with a number of other prices. But trying to tie the shoe price rise to cattle hides is

something that just cannot be justified. For example: The value of the leather in a cattle hide accounts for 75 cents to \$1.50 in a pair of shoes that may cost anywhere from \$20 to \$40.

The imposition of the control system on such a small part of the shoe price structure will, it seems to me, be doomed to failure from the very beginning.

Another point that I would like to make is that the system imposed by the Commerce Department, while possibly preferable to the quota system they tried in 1966 under the Johnson administration, seems to me to be most unwieldy and probably unworkable. The creation of a "certificate" plan is more a tribute to the mental agility of the bureaucrats in the Commerce Department than it is to any effectiveness in actually meeting the inflation problem.

What I fear is that the price to the cattle producer is going to be reduced while the price to the consumer is going to either stay the same or go up.

Mr. Chairman, I do not know why agriculture should always be put in the back seat of economic policy. Wage settlements call for increased wages. Housing, clothing, entertainment, and a host of other costs—including taxes—keep going up the point where farm people find themselves in a very uncomfortable cost-price crunch.

Cattle prices and hide prices are not too high. These prices are fair to consumers and I therefore hope the committee will approve the amendment offered by my colleague from Texas.

Mr. CLEVELAND. Mr. Chairman, I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON. H. CLAUSEN. Mr. Chairman, I rise in support of the amendment to remove the President's authority to control the exports of cattlehides. I am of the opinion that this subject must be further studied on a more comprehensive basis since there appears to be a great gap between the cattlemen on the one hand, and the wholesale and retail consumer of leather goods on the other.

Recently the Department of Commerce placed controls on the export of cattlehides. However, this is not a total ban in that exports will be kept at the present level. The problem we now face is that if the price of hides is reduced by creating an artificial surplus, we can expect a sharp increase in the price of meat which has a far greater inflationary impact than the slight rise in leather goods.

Even though the price of hides has doubled in recent months, the impact on the leather goods retail market will only amount to \$.50 per pair of shoes. Leather goods have been one of our most stable consumer items.

America's cattlemen now have a unique opportunity to catch up with the past and it is truly unfortunate that so many people have such short memories for those who have provided Americans with an abundance of food. Studies show that the meatpackers make their profit from the sale of byproducts such as hides. If the value of that byproduct becomes depressed, they will have to de-

crease their price to the farmer who would, in turn, reduce production and create a shortage of meat; or lower their production, thus raising meat prices. Either way, the consumer will lose.

In short, Mr. Chairman, it is my deep concern and sincere hope that the Congress will take into account the overall picture. Should we have unrealistically cheap leather goods or unrealistically high meat prices? I believe that we must look closer at this problem and I urge my colleagues to vote in support of this amendment.

Mr. ST GERMAIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this is one of those unfortunate situations we occasionally find ourselves in. I certainly can well appreciate and understand the position of the proponents. By the same token I hope that they can be just as sympathetic to the position of the opponents because those of us who come from other sections of the country other than the producer sections have been beleaguered not only by the manufacturers, not only by the tanners. You must add to them the parents of the children who call us, our constituents, and say "Why does the price of shoes keep going up?" And then you get the retailers calling you and sending you their invoices, which on a monthly basis indicate a constant and steady increase in the price of shoes to them that they have to pass on to their customers.

Then you must understand that we too have to react.

One thing that puzzles me is the fact that we come up with this type of amendment which in reality does not belong in this legislation, rather than taking the proper course of action for the proponents, and that is to demand a meeting with the Secretary of Commerce. He will be back shortly. But while he is away there should be someone here who represents him whom you can speak to, or, if what you have argued is correct—that the plan is unworkable, then say "Give us a workable plan."

I do not think the Secretary of Commerce is out to gouge the producers. If you can demonstrate to the Secretary of Commerce that you have a legitimate argument he will listen. I am sure he will. However, Mr. Chairman, I feel that in all justice the amendment does not belong in this legislation. This is not the manner in which to deal with this. You should sit down with the Secretary of Commerce, iron the differences out there. Otherwise, the next thing we know, the Export Administration Act will be completely and totally meaningless.

As the gentleman from Ohio said, this would be step No. 1 and where do we go from here?

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

Mr. ST GERMAIN. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I think the gentleman from Rhode Island is making a very, very significant and important point here. As was pointed out by the distinguished gentleman from

Ohio, this goes far beyond the question of hides, or of putting a quota on hides, or stopping the exportation of hides. But, in a case of this kind, I guess it makes a difference as to whose hide is being gored.

Mr. Chairman, I presume that many of the speeches that have been made here in the last three-quarters of an hour today will be made many times between now and November.

Mr. Chairman, I oppose the amendment offered by my distinguished colleague from Texas (Mr. GONZALES).

The amendment—it would divest the executive branch overnight of its authority to control cattlehide exports, leaving it all but powerless in the face of a dizzying upward spiral in cattlehide prices worldwide—might be a lethal blow to the American shoe industry.

That may sound like fiery rhetoric, Mr. Speaker, or like melodramatic exaggeration. But it is not: controls on cattlehide exports may mean survival itself for a broad swath of the U.S. shoe industry and for the jobs of its workers.

Beleaguered for the past several years—indeed, for the most of the past decade—the shoe industry is now operating on a profit margin so slender it threatens to vanish within months.

Foreign shoe manufacturers, enjoying access to cheap labor and to government subsidies undreamed of here in the United States, are taking up a larger and larger share of our marketplace each year.

Shoe plants throughout the country have already shut down, throwing hundreds of thousands of men and women out of work.

The Bates Shoe Co. in Webster, Mass., a town within my congressional district, is just one of many 1972 casualties I could cite here: The company, once thriving, closed on July 19, idling 300 workers.

What remains of the U.S. shoe industry, still gamely competing with its foreign adversaries, now faces a new threat: The price of cattlehides—the raw material for shoes—is moving beyond the reach of most American firms.

From the early 1950's through 1971, cattlehide prices remained remarkably stable at about 14 cents a pound. Toward the end of last year, however, the first signs of a disquieting new trend appeared. Prices began moving upward—slowly at first, then meteorically. By the spring of this year, the price had more than doubled to 29 cents a pound. And by July 14—the eve of the Commerce Department's decision to restrain exports—the price had approached a wholly unforeseen 30 cents a pound.

Congressman WILBUR MILLS, chairman of the Ways and Means Committee, foresaw the alarming dimensions of this problem early this year.

Speaking March 2 on the House floor, Mr. MILLS made a convincing case for the export controls that the Commerce Department established 4 months later:

I am greatly concerned that the export loophole inviting foreign speculative exploitation of the American hide market is at one and the same time inflating our costs and deflating our employment.

"Stagflation" is more than a theory so



far as the inflation of American hide costs and the deflation of the American shoe and leather industry are concerned. It is a costly fact.

U.S. hide prices have roughly doubled in the past year. Export demand has bid them up. The jump in hide exports is matched by a corresponding jump in shoe imports, which have been running close to half of U.S. shoe production—as against a mere 5 percent in 1960. According to the Department of Commerce, imports soared to no less than two-thirds of U.S. shoe production in January.

This ratio of import to a basic American product is insupportable. It calls for prompt and incisive action by the President—just as soon as he is able to focus again on domestic and economic affairs.

In the case of the distress suffered by America's import-sensitive textile and steel industries, presidential relief actions were prompted when the ratio of imports to production hit the sore nerve represented by 10 percent.

The policy implications of this spectacle are even more disturbing than the actual toll taken by hide cost inflation and shoe industry shrinkage.

No other power of standing in the world today freely invites its competitors to strip it of its proprietary raw materials, while inviting them at the same time to flood its markets with lower-cost products fabricated from these same proprietary raw materials. I do not believe that America is still so rich or so naive that she can afford or agree to remain so improvident.

The increase in cattle hide prices stems largely from the embargo that Argentina and Brazil have established on their hide exports.

These two countries—once the world's most opulent sources of cattlehides—are now husbanding this resource, convinced they must develop their own tanning and shoe industries.

As a direct result, Mr. Chairman, the foreign demand for U.S. cattlehides has reached proportions no one could have envisioned a decade ago—sharply diminishing the supplies available here, on one hand, and sharply increasing their price, on the other.

It is plain, Mr. Chairman, that export controls are necessary to keep prices at least remotely within reason.

The Commerce Department's control system will prove evenhandedly fair to everyone engaged in cattlehide sales—to ranchers and packers, tanners and shoe manufacturers, exporters and consumers.

Unlike the export controls undertaken in 1966, the new program calls for no dramatic cutback in cattlehides shipped overseas.

Instead, the Commerce Department controls will hold exports steady at the 1971 level—a record high in itself.

Other safeguards—these the principal responsibility of the Office of Export Control and the Price Commission—will prevent any kind of profiteering or freebooting in the sale of export tickets for cattlehides.

Indeed, any windfalls stemming from the inflated price of hides will be passed along to the rancher, the ultimate source of the product, and to the consumer, the ultimate user.

In sum, Mr. Chairman, the control system will help rescue the foundering shoe

industry without damaging the economic interests of ranchers or exporters.

Again, I urge the defeat of this amendment.

Mr. BROOKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The sudden action by the Secretary of Commerce in the middle of July restricting the export of cattle hides from this country has resulted in severe hardship not only for the ranchers and farmers, but also to the shipping industry and related activities. It could ultimately mean the loss of hundreds of jobs and thousands of dollars in our Nation's ports.

In my own district, the impact of this order is being felt in a most cruel and unexpected way. One company alone had planned to ship some 320,000 hides from the port of Galveston this year. A chartered vessel is expected to reach Galveston on August 15 to load 160,000 of these hides. It is estimated that the port of Galveston, the longshoremen in Galveston, and peripheral maritime industries will lose as much as a quarter of a million dollars, if the 320,000 hides are not shipped. More than half of that \$250,000 is dependent upon the 160,000-hide shipment scheduled for August. It is estimated that some 350 employees will be directly affected by these shipments.

Mr. Chairman, contracts for these shipments had been signed prior to the issuance of the Secretary's order. Twenty-six thousand hides are on hand; the chartered vessel is expected to depart Germany for Galveston momentarily; the shippers have committed themselves on the remaining hides and stand to lose millions of dollars if the August shipment is not allowed. This particular company is in the unusual position of not having been in business last year and, therefore, has no scale by which to measure a hardship quota for August. It is my understanding that the Department of Commerce has agreed to permit the shipment of only the 26,000 hides now on the dock or in railcars on the way to Galveston.

Mr. Chairman, I do not believe that Congress intended this act to be administered in such a way as to abruptly and without warning completely close the door on a type of business activity which has been routinely engaged in throughout our economic history. This is not an emergency situation, though it may require some attention. I do not believe it would be asking too much to require that the Department of Commerce and the Department of Agriculture and anyone else with responsibilities in this area devise a more reasonable solution. Congress never intended for this act to be used to benefit one segment of the domestic economy by the destruction of another segment.

The effect which the Secretary's order would have on our balance of trade is also of considerable concern to me. Along with many of my colleagues, I am not convinced that the domestic hide situation is in such serious condition as to require the severe action that has been

taken. The injurious side effects may be far more damaging to both our domestic and our foreign economy.

The amendment offered by Mr. GONZALEZ, identical to that accepted by the Senate on Tuesday, offers a reasonable solution to this ill-advised action.

Mr. WYMAN. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I like to think that the minds of those who are not completely captive to provincial considerations in this great body are still open.

We have heard a lot of talk today, and some of it represents legitimate district concerns. But what should not be overlooked is the fact that the Department of Commerce did not pull the order that has been issued out of thin air. It did so only after extensive and protracted investigation. There may not have been formal hearings in a technical sense, but the reason for the order was that the prices of hides were going out of sight. There is nothing involved here today that says that the constituents of the gentleman from Galveston or any other area will not have their hides sold.

What is at stake here, ladies and gentlemen, are hundreds of thousands of jobs in a country in which exists a certain measure of price controls affecting the shoe industry for example, but which do not affect and do not control foreign purchases. The net results—dollars not being patriotic—is products that can be sold to foreign bidders at higher prices are going abroad to the great detriment of American industry and in particular the shoe industry, which is operating at a profit margin very close to zero.

If this action is taken today, whether it involves 50 cents per pair of shoes or 75 cents per pair of shoes or a dollar, it means that thousands of people are going to be forced out of their jobs. It means there are going to be additional welfare problems, and an additional segment of this economy which is going to present terrific problems for us next year in the field of tax reform.

Two years ago this House passed orderly marketing legislation. But the other body killed it.

The concern here today is the need to reserve to American industry a certain segment of America purchasing power in the American economy for the protection of American jobs.

That is what the export order of the Department of Commerce is all about. It is what we should have in this country to protect our workers.

It seems to me that it is the responsibility of the Congress of the United States to protect the jobs of the American working men and women. I do not think the proposal of the gentleman from Texas, which is now before the House, does this at all. I am not going to talk about fat cats or the like. What is at stake is the overriding interest in America of many, many people who are rightly more concerned about the defeat of what is now before this House than they are with its passage.

I urge my colleagues to resoundingly defeat the proposal of the gentleman from Texas.

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

Mr. WYMAN. I yield to the gentleman.

Mr. CONTE. Mr. Chairman, I compliment the gentleman from New Hampshire for his fine remarks and I associate myself with his remarks.

Mr. Chairman, I rise in opposition to the amendment. New England consumers and businessmen are already afflicted with a number of artificially high prices. The passage of this amendment would only add an additional cross for them to bear.

To contract catastrophic increases in cattle hide prices resulting from a decline in Argentine and Brazil exports, the Department of Commerce last month, quite properly, slapped controls on domestic exports. Before these controls were imposed, purchasing countries almost uniformly turned to the United States as a source for cattle hides to fill the gap left by the actions of Argentina and Brazil. As a result, the export of hides from the United States in the first half of this year left the American leather and shoe industries with less than 50 percent of the supply that was needed. Hide prices consequently increased 80 percent since the wage-price freeze was imposed. This situation had ill-effects on not only American, but also Western European leather industries.

The action taken by the administration was designed to avoid further economic chaos. If we remove the authority for the administration to control the export of cattle hides, we are inviting a return of that economic chaos. A vote for this amendment is a vote for an inflationary rise in shoe prices for the American consumer. A vote for this amendment is a vote for further devastation to the shoe industry already crippled because of a lack of supply.

Price stabilization is one of the major goals of the phase II economic program—a program that we have overwhelmingly endorsed in this body. I urge my colleagues in the House not to strike a fatal blow to domestic shoe manufacturers and tanning companies. Do not deny the American consumer his right to have the shoe and leather products he needs at a price he can afford.

Vote down this amendment.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that debate on this amendment, and all amendments thereto, now close.

Mr. ZWACH and Mr. HUNGATE objected.

The CHAIRMAN pro tempore. Objection is heard.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Chairman, I move that debate on this amendment, and all amendments thereto, do now close.

The CHAIRMAN pro tempore. The question is on the motion offered by the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, we will get unanimous consent for all Members to revise and extend their remarks after we go back into the House.

The CHAIRMAN pro tempore. The question is on the motion offered by the gentleman from Texas.

Mr. DENT. Mr. Chairman, I was on my feet seeking recognition three or four times during the debate and did not receive it. I do not believe that the motion is in order.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that all debate close in 10 minutes.

The CHAIRMAN pro tempore. Will the gentleman from Texas please restate his motion?

Mr. PATMAN. I move that this amendment and all amendments thereto be voted on within 10 minutes.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. GERALD R. FORD. Did the gentleman from Texas indicate that his motion involved this amendment and all amendments to the bill?

Mr. PATMAN. And to the bill.

The CHAIRMAN pro tempore. That is not the way the Chair understood it. Does the gentleman wish to amend his motion?

Mr. PATMAN. Yes, Mr. Chairman, I do.

The CHAIRMAN pro tempore. Will the gentleman restate his motion?

Mr. PATMAN. Yes, sir; that we vote on this bill and all amendments thereto within 10 minutes.

The CHAIRMAN pro tempore. As the Chair understands the motion, the gentleman from Texas moves that all debate on this bill cease in 10 minutes.

Mr. PATMAN. That is correct.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. YATES. Does that mean that all Members will be precluded from offering amendments after the expiration of the 10 minutes?

The CHAIRMAN pro tempore. No; the Members just have 10 minutes in which to complete the debate.

Mr. YATES. I thank the Chairman.

The CHAIRMAN pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. PATMAN).

The motion was agreed to.

The CHAIRMAN pro tempore. The Chair will recognize each of the Members standing for approximately 1 minute.

The Chair would like to recognize those who wish to speak in favor of the Gonzalez amendment or against the Gonzalez amendment first. So, if those Members whose names I just read will seek recognition, we will debate the Gonzalez amendment first.

The Chair recognizes the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I appreciate being recognized. I would like to correct some of the misconceptions which have been going on. The gentleman who just spoke said that hide prices have gone out of sight. That is ridiculous. They are selling for no more today than they were 20 years ago,

and to blame hide prices for the increase in shoe prices over the last 20 years is idiotic.

Second, I have got awfully big feet, but hides are 43 cents per pound and I do not have more than a dollar's worth of rawhide in my shoes, no matter how you add it up, so the statement by the shoe industry that the price of shoes is going up \$5, because of the increased cost of hides is pure buncombe.

Let us be frank about it. An administration official under this administration can make a darn fool error, which is what the Secretary of Commerce did just as well as an administration official in the last administration could, which is what the Secretary of Commerce under the Democratic administration did in 1966. A darn fool error still remains a darn fool error, and we ought to correct it on the floor of the House.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, our cattle farmers are now getting the same price for their product as was received a quarter century ago. Since then the farmers' production costs and cost of living have increased many, many fold.

The President was wrong in seeking to freeze the income of cattle farmers while his costs continue to spiral. We now must undo the inequitable action of the President. I am confident my colleagues will join me in supporting this important amendment. It is essential for the best interests of our farmers and the Nation as well.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, in listening to the debate it just occurred to me after commenting that when you export hides, you export a product that has been manufactured into shoes and it takes jobs to manufacture shoes. Therefore, with reference to the exportation of jobs, I wish the gentleman from Pennsylvania (Mr. DENT) had been as eloquent in his argument against this amendment as he had been in support of the earlier amendments.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, I rise in support of the Gonzalez amendment. I am not a member of the Banking and Currency Committee, the Foreign Affairs Committee, the Agriculture Committee or the Ways and Means Committee, therefore as the saying goes, I approach this subject with all the confidence of an ignorant man. However, I do not believe I am alone in that condition. I have heard from many constituents vitally concerned with this problem, and who do understand it.

In previous years, I believe in 1966, a similar policy was adopted against American hide exports. The action was effective in lowering hide and cattle prices. Later when Executive Department officials considered the cattle and hide



market sufficiently depressed, they nullified this restriction.

The prices had risen because foreign countries, specifically Japan, had been purchasing hides for leather for their shoe industry. After we restricted these exports and depressed prices, the Japanese went to plastics and synthetics. For shoes so that when restrictions were removed, hide prices remained depressed. The Japanese continued to manufacture and export shoes to this country but our policy had succeeded in making sure no American was allowed to sell hides to that industry.

It did not require 20/20 hindsight to see how foolish that policy was. It's hard to believe the administration would seek to reinvoke a policy already proven unworkable, ineffective, damaging to American balance of trade, balance of payments, depressing farm income and I hope all of those who have noticed how much lower shoe prices have gotten in the last 6 years will write me a letter. The consumer was not benefited, nor did it provide relief from the unfair pressures exerted on our domestic industry by foreign imports.

We are told hide prices have risen. At the same time, we are told they have reached the levels of 20 years ago. Who in the world is willing to work for what he got 20 years ago? If farmers are doing well, why are they leaving the farms in droves to add to the housing, job and school problems faced by our cities?

I urge you to support the Gonzalez amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, this is one of the funniest situations. The cattlemen are right. The shoe people are right. The tanners are right. The whole situation is that what we have been doing is wrong. We are living with a concept of trade that has long gone by the board. We are shipping a raw product that is essential to our own welfare. Sure, the shoe industry chased off naugahyde and other synthetics. Yes, it is \$1 a pair for each pair of shoes made of naugahyde, and with 8 million hides that amounts to \$160 million for 400 million pairs of shoes.

We talk about balance of payments. There are 35 percent of our shoemakers in the State of Pennsylvania, the largest shoemaking State of the Nation, who are out of work.

Why? It is not the price of hides. It is the price of tanning, which goes to \$6 an hour. By the time the hide goes into the shoes the shoemaker is paying for the high price of tanning. That amounts to only 60 cents a day in the tanneries in Japan in the factories I visited.

Let us get down to the basics. We have forgotten one thing. We have forgotten a basic thing. Now forget the balance of payments and forget the international economic policy and think about one thing and the farmers will not have to worry. What we have to think about is the balance of jobs, the opportunity for employment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from South Dakota (Mr. DENHOLM).

Mr. DENHOLM. Mr. Chairman, I rise in support of the amendment and I associate myself with my distinguished colleague who has spoken in support of the amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Chairman, I would like to emphasize two things. In the first place this is a nonpartisan amendment. This is the Curtis amendment which was adopted in the Senate word for word. This is not a Democrat amendment or a Republican amendment. It is a nonpartisan amendment.

It is suggested somehow or other if we were to keep these hides, that we are not going to use in the United States, it will produce some increase in employment. We are not going to produce any more shoes because we keep these hides here. We have twice as many hides as we need to produce the shoes we are going to produce in the United States. We are not going to create any more jobs by refusing to sell these hides.

It is simply a fact that we have something on hand for which we can get some foreign money, and we are told now, "Just do not sell it. Just store it." At whose expense? I do not think it is fair to say that the producers of those hides must find that 10 percent of the value of the cattle in the United States is now unsalable.

Mr. ULLMAN. Mr. Chairman, I would like to add my voice today in support of the amendment of the gentleman from Texas.

This amendment would require that the Secretary of Commerce obtain prior approval from the Secretary of Agriculture before exercising authority to limit exports on agricultural commodities, including animal hides and skins. The amendment also stipulates, most logically, that the Secretary of Agriculture cannot give prior approval to export limitations when the supply of such items exceeds the domestic requirements.

In plain language, Mr. Chairman, all this amendment really does is require that the Secretary of Commerce do his homework before ordering a limitation on agricultural commodity exports. It requires him to go to the Department of Agriculture—the experts—and obtain from those experts the information necessary to exercise reasonable judgment on limiting agricultural exports.

On July 15, the Secretary of Commerce issued an order restricting, controlling, and regulating the export of cattle hides from this country. In my judgment, and in the judgment of many others, it seems the Secretary of Commerce issued this order without doing his homework.

I can see in no way how the Secretary's order can possibly make a useful contribution toward containing inflation, or reducing the price of beef at the retail level, or reducing the retail price of domestic shoes.

I can certainly sympathize with the problem of tanners and shoe manufacturers who find they are repeatedly undersold in the U.S. market by foreign manufacturers. But their problem, as we

have studied it in the Ways and Means Committee, is not with the cost of raw materials but with the cost of labor and with productivity. In fact, the cost of raw materials for shoe manufacturers is one of the least important factors affecting price.

At today's prices a cattle hide generally sells for around \$17. Men with detailed knowledge of the shoe industry tell us that each hide contains enough leather for 20 pairs of men's shoes or 40 pairs of women's and children's shoes. Based on a price of \$24 per pair, simple arithmetic shows that the leather in a pair of men's shoes represents about 3½ percent of the retail price. It is obvious, then, that reducing the price of hide will have no significant effect on the retail price of a pair of shoes.

Consequently, I fail to see how reducing domestic leather prices somewhat, and raising export prices somewhat, will produce a marked change in the real factor involved here—the cost of labor. In effect, what the Government has tried to do is force down the cattlemen's price for leather to offset the shoe manufacturers' cost of labor.

A simple check with the Department of Agriculture would have shown the Secretary of Commerce what the real situation is. That is why I support this amendment, and why I think it should be made retroactive to July 1.

I do not want to mitigate the problems facing tanners and shoe manufacturers. I know there is a strong foreign demand for hides, and I know how strongly the U.S. shoe market has been undercut by foreign competition.

However, attempting to limit export of domestic hides will not solve the problem. It only thrusts another needless problem on cattle producers who have already seen restrictions on foreign beef eliminated at the very time they are preparing in feed lots throughout the country a large supply of beef to meet domestic demand. Both of these actions, in turn, have come just as our cattle growers are beginning to show the first honest return on their work and investment in years.

I do not want to see the beef cattle industry in Oregon, or in the Nation, made a whipping boy because we continue to apply simple solutions to complex problems. The real problem lies in establishing a broad policy on foreign trade, in keeping this country competitive in terms of productivity, and in terms of firm agreements on international monetary arrangements. Until we are willing to face these decisions, no amount of bandaid solutions such as limiting hide exports will have any real effect.

Mr. SCHERLE. Mr. Chairman, in the latest of a series of moves designed indirectly to reduce the revenues of livestock producers and processors, the administration has given a "hiding" to the hide export market. Earlier the White House revoked meat import quotas and directed the Defense Department to cut back its purchases of meat. Both of these actions aimed to relieve demand pressures on the domestic meat supply and—the administration hoped—to stabilize meat prices for the consumer. The most

recent target of governmental market meddling is the export of hides. As in the case of meat prices, increased worldwide demand has caused a strong upsurge in the hide market, affording producers and processors a good return for their products for the first time in many years.

The official rationale for limiting exports to the 1971 level is to aid the consumer by lowering the price of shoes and other leather goods. By the time a pair of shoes reaches a retail outlet, however, the raw material accounts for only 5 percent of the final prices. Therefore a reduction in the cost of hides would not substantially affect shoe prices for the consumer. In fact, the chief beneficiary of this move will be the domestic leather products industry, hard pressed by the rising cost of labor and squeezed by foreign competition.

Because of this ruling, Iowa—the Nation's largest exporter of hides—close to \$20 million worth last year—stands to lose about a million dollars in overseas sales. At a time when the economy is lagging and our balance of trade is suffering an unprecedented deficit, it is senseless to penalize the most productive sector of the economy by limiting exports and curtailing needed revenues from abroad. If the administration really wants to help the consumer, it should reduce import duties on foreign shoes. But this is an election year, and White House advisers do not want to alienate the powerful unions which control domestic industries. So once again the producers of raw materials are asked to bear the burden of curbing inflation to benefit other, less efficient sectors of the economy.

It is a dangerous balancing act. Farm income has finally improved in recent months from its disastrous levels of previous years, but if the Government continues to issue edicts that nibble away at the hard-won gains of the agribusiness industries, the administration may find it has more than the unions to worry about in November.

Mr. LLOYD. Mr. Chairman, the Department of Commerce announced on July 15 of this year that export controls were being imposed on cattle hides to cut down the inflationary pressures on the prices of shoes and other leather goods. Secretary Peterson said the decision was made due to the rapid increase in hide prices over the past few months and a developing worldwide shortage of hides.

Everybody supports necessary efforts to protect the American consumer from large increases in the price of leather goods. The question is whether the imposition of export controls will significantly reduce the price the consumer pays for these goods or simply hurt the American livestock producer and hide buyer and distributor.

There is also lack of agreement on whether or not there is or will actually be a shortage of hides. The Commerce Department has estimated that the domestic supply will increase this year, but that the domestic demand for hides will almost entirely equal this increased

supply. The Department of Agriculture, on the other hand, estimates that there will be an increase of nearly 1.4 million hides this year, far in excess of increased domestic demand. Instead of a shortage export controls could lead to a surplus of hides developing that could wreak havoc with the hide market and seriously depress cattle prices.

It also seems folly to tie this imposition of controls onto rising shoe prices. It has been estimated that in connection with men's footwear the price of the hide itself involves between 3 and 5 percent of the total cost of the shoe. If we take a pair of \$25 men's shoes as an example and assume that quotas reduce hide prices by 50 percent the most that a consumer could expect to save on these shoes would be between 40 to 65 cents.

Back in 1966 the Commerce Department also put export controls on hides and while the price dropped disastrously to the livestock farmer, shoe prices actually increased.

It would appear, therefore, that there is actually no shortage of hides imminent and that even if export controls were successful in reducing hide prices, the benefit to the American consumer would be minimal.

At the same time the effect upon the livestock industry and those who rely largely upon the export of hides, as do many smaller producers in the West, could be disastrous.

Throughout the western part of the country, beef slaughterers, hide dealers, and hide exporters depend on foreign countries, particularly those in the Far East as a market for their product. These producers have worked hard to develop this market, because large eastern tanneries and shoe manufacturers are not in the market for the type of hides available in the West. Nothing can hurt the continuing growth of our agricultural exports more than a reputation for unreliability in making products available and continuing export controls could contribute to such an unfortunate reputation developing.

Mr. SKUBITZ. Mr. Chairman, I rise in support of the amendment.

The arguments advanced in opposition to the amendment are just as erroneous—just as fallacious as those advanced some time ago—when an effort was made by the chainstore operators to prove that the increased price of beef was due to the price of cattle on the hoof. Well, that one fell of its own weight when it was shown that the price of beef on the hoof was exactly the same as it had been 20 years hence. This is true of the price of hides also. The prices of hides are the same today as they were 20 years ago.

If the price of shoes are higher—then look to the increased cost of labor—increased costs of transportation—increased middle man's profits—do not blame the cattlemen.

Mr. HARRINGTON. Mr. Chairman, I rise to strongly protest the amendment being offered by the gentleman from Texas (Mr. GONZALEZ). I feel that this amendment which is aimed at just hide exports will not only be extremely detri-

mental to the region I represent, but is detrimental to the entire United States.

Recently, the Commerce Department, acting under authority granted in the Export Administration Act, placed export controls on hides. This action was necessary because it was found that excessive foreign demand for American hides was seriously threatening the existence of the domestic leather and shoe industry.

The price of hides has increased more than 100 percent during the last year. This has not only severely undermined the leather industry, but has affected the entire Nation by greatly increasing the price of shoes—a price increase that affects the poor far greater than the general populace. Without export controls the price of an average pair of women's boots could increase almost \$5 a pair. A pair of men's shoes will be boosted \$2.24 a pair.

But aside from the economic hardship that terminating hide controls will cause to the leather industry and the general public, taking away from the President the power to place export controls on these items will seriously undermine the power of the President to deal with foreign countries.

The present crisis in hides was not brought about by normal market activity, but by the unilateral decisions of Argentina and Brazil to embargo their cattle hide exports. If the President can not respond to these kinds of measures, the viability of all American industries are potentially endangered.

This amendment is narrow in scope and clearly represents a special interest. If the gentlemen from Texas had an ideological problem with the export quota problem, he should revise his amendment to cover all industries. It is simply not fair to single out cattle hides as the only product for which the President cannot exercise his authority to impose export controls.

Mr. MELCHER. Mr. Chairman, the cattle hide embargo instituted by Secretary of Commerce Peterson is a disservice to both consumers and producers in this country. It is economic nonsense that upsets sensible business practices and could be the opening, because of a devious coupon system, for outright black marketeering harking back to the Price Administration days during and immediately following World War II.

Since the announcement of the hide embargo, live cattle prices have dropped, but it does not result in lower retail meat prices for consumers. The meatpacker, when faced with lower prices for the hide, naturally has to stick on a higher price for the carcass resulting in proportionately higher meat prices in the stores. That is when the economic nonsense occurs, as the squeeze applied to the meatpacker does an injustice to the producer because he gets lower prices for the live animals, and the housewife in her meat purchases for the family is not helped either.

Of course the reasoning, faulty as it is, behind the hide embargo was to protect the shoe industry from what they call high priced hides. The fact is that hide prices are slightly lower than they aver-



aged 21 years ago during 1951. In addition, the actual amount of hide involved in a pair of leather shoes only represents a few pounds of raw cattle hide which is selling for 27 cents a pound for packer steer hides. It is extremely difficult to relate the cost of the raw materials at that price to justify the retail prices of shoes. In fact it is phony. The administration has made a grave error in instituting an embargo for they are insulting the intelligence of the American public by attempting to mislead us into believing there is any justification whatsoever for their embargo action.

The House must rectify this error by repealing the authority for the embargo and when we do so, we shall be acting in a positive manner for the best interest of all the people giving consumers and producers of meat animals fair treatment.

Mr. CULVER. Mr. Chairman, I rise in support of the amendment to lift the ban on exports of cattle hides.

I would like to express my deep concern over the administration's recent decision to control the export of hides. This export control has several negative effects.

First, it sets an unfortunate precedent undercutting our efforts further to remove international trade barriers. If the United States sets up trade restrictions then it is reasonable to assume that other countries will take comparable actions and be more resistant to the reduction of their discriminatory trade practices.

Second, there is not any clear demonstration that this is an effective tool of inflationary control. Hides do not constitute the primary cause of price increases, and this export restriction is at best a marginal stopgap measure wholly disproportionate to the injuries suffered by our agricultural economy. It is unfortunate that the administration has yielded to certain special interest pressures in embarking on this course.

Last, the fundamental importance of agricultural export markets to the Nation's balance of payments, as well as to economies of our agricultural States, makes it essential that the United States actively promote the removal rather than the addition of new barriers to agricultural trade.

In short, limiting the amount of hide exports seems to be neither defensible on its merits, nor will it achieve its declared objectives. Therefore, I urge adoption of this amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Texas (Mr. PATMAN) to close the debate.

Mr. PATMAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

Mr. Chairman, I ask for a vote.

Mr. GROSS. Mr. Chairman, there is no need to repeat the arguments made by my colleagues from Iowa and others in behalf of this amendment which is necessitated by the high-handed action of certain administration officials in putting drastic restrictions on the exports of cattle hides.

If cattle prices were low and hides

cheap—as they have been altogether too many times through the years—there would be no outcry from those who represent the leather processing industry. There would be no derisive references to the "fat cat cattlemen."

The facts are that the leather used in a pair of shoes is a mere fraction of the cost regardless of the price of hides. Labor costs and inflation are pricing American made shoes out of the market.

As a matter of fair play and as a matter of serving notice on the bureaucrats they cannot make fish of some American producers and fowl of others, this amendment should and I believe will be approved by a decisive margin.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The question was taken; and on a division (demanded by Mr. BURKE of Massachusetts) there were—ayes 87, noes 65.

#### TELLER VOTE WITH CLERKS

Mr. BURKE of Massachusetts. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. BURKE of Massachusetts. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman pro tempore appointed as tellers: Messrs. GONZALEZ, DENT, J. WILLIAM STANTON, and BLACKBURN.

The Committee divided, and the tellers reported that there were—ayes 177, noes 158, answered "present" 2, not voting 96, as follows:

#### [Roll No. 298]

#### [Recorded Teller Vote]

#### AYES—177

Abourezk	Duncan	McKay
Adams	du Pont	McKevitt
Albert	Eckhardt	Mahon
Andrews, Ala.	Edwards, Ala.	Mallory
Andrews,	Erlenborn	Mathis, Ga.
N. Dak.	Evans, Colo.	Matsunaga
Archer	Fascell	Mayne
Arends	Findley	Meeds
Ashbrook	Fisher	Melcher
Aspinall	Flynt	Michel
Baring	Foley	Mikva
Beicher	Fountain	Mills, Md.
Bennett	Frey	Mollohan
Bergland	Fuqua	Montgomery
Betts	Gallifanakis	Murphy, N.Y.
Blackburn	Gibbons	Nichols
Blatnik	Gonzalez	O'Hara
Boggs	Gray	Passman
Bolling	Green, Oreg.	Patman
Bray	Griffin	Pettis
Brinkley	Gross	Poage
Brooks	Gubser	Powell
Brotzman	Haley	Preyer, N.C.
Brown, Ohio	Hall	Price, Tex.
Broyhill, Va.	Hammer-	Purcell
Buchanan	schmidt	Quile
Burleson, Tex.	Hansen, Idaho	Rallsback
Burison, Mo.	Harsha	Randall
Burton	Helms	Reid
Cabell	Henderson	Rhodes
Camp	Hicks, Wash.	Robinson, Va.
Carlson	Hillis	Roncallo
Casey, Tex.	Hogan	Roush
Cederberg	Hull	Roussellot
Chappell	Hungate	Roy
Clausen,	Ichord	Roybal
Don H.	Jacobs	Runnels
Clawson, Del	Johnson, Calif.	Ruth
Collins, Tex.	Jones, Ala.	Sandman
Colmer	Kazen	Satterfield
Corman	King	Scherle
Crane	Kyl	Schwengel
Culver	Landgrebe	Scott
Curlin	Latta	Sebelius
Davis, Wis.	Long, Md.	Shipley
de la Garza	McClory	Shoup
Dellenback	McCollister	Shriver
Denholm	McEwen	Slak
Dorn	McFall	Skubitz

Smith, Calif.	Thompson, Ga.	Whalley
Smith, Iowa	Thompson, N.J.	White
Snyder	Thomson, Wis.	Whitten
Spence	Udall	Widnall
Springer	Ullman	Wiggins
Steed	Van Deerlin	Winn
Steiger, Ariz.	Vander Jagt	Wright
Stuckey	Veysey	Yates
Talcott	Waggonner	Young, Tex.
Taylor	Ware	Zion
Teague, Calif.	Whalen	Zwack

#### NOES—158

Abzug	Frelinghuysen	Moorhead
Addabbo	Frenzel	Morgan
Alexander	Garmatz	Mosher
Anderson,	Gaydos	Moss
Calif.	Gialmo	Murphy, Ill.
Annunzio	Goodling	Natcher
Ashley	Grasso	Obey
Aspin	Green, Pa.	O'Konski
Badillo	Griffiths	O'Neill
Barrett	Grover	Patten
Begich	Gude	Perkins
Blaggi	Hamilton	Pike
Blester	Hanley	Pirnie
Boland	Harrington	Podell
Bow	Harvey	Price, Ill.
Brademas	Hastings	Pucinski
Brasco	Hathaway	Rangel
Brown, Mich.	Hawkins	Rees
Broyhill, N.C.	Hechler, W. Va.	Reuss
Burke, Fla.	Heckler, Mass.	Riegle
Burke, Mass.	Helstoski	Robison, N.Y.
Carey, N.Y.	Hicks, Mass.	Rodino
Carney	Holifield	Roe
Carter	Horton	Rosenthal
Celler	Hosmer	Rostenkowski
Chisholm	Howard	St Germain
Clancy	Hunt	Sarbanes
Clark	Johnson, Pa.	Saylor
Cleveland	Jones, N.C.	Scheuer
Collier	Karh	Schneebeli
Collins, Ill.	Kastenmeier	Seiberling
Conover	Keating	Smith, N.Y.
Conte	Kemp	Staggers
Cotter	Kluczynski	Stanton,
Coughlin	Koch	J. William
Daniel, Va.	Kyros	Stanton,
Daniels, N.J.	Lent	James V.
Dellums	McCloskey	Steele
Dent	McCulloch	Steiger, Wis.
Devine	McDade	Stratton
Diggs	McKinney	Sullivan
Donohue	Macdonald,	Symington
Dow	Mass.	Tiernan
Downing	Madden	Vanik
Drinan	Mallard	Vigorito
Dulski	Mann	Waldie
Dwyer	Mazzoli	Whitehurst
Edwards, Calif.	Metcalfe	Williams
Ellberg	Miller, Ohio	Wolf
Evins, Tenn.	Mills, Ark.	Wylder
Fish	Minish	Wylie
Flood	Mink	Wyman
Ford, Gerald R.	Mitchell	Yatron
Forsythe	Mizell	Young, Fla.

#### ANSWERED "PRESENT"—2

Byron	Hays
Abbott	Ford,
Abernethy	William D.
Anderson, Ill.	Fraser
Anderson,	Fulton
Tenn.	Gallagher
Baker	Gettys
Bell	Goldwater
Bevill	Hagan
Bingham	Halpern
Blanton	Hanna
Broomfield	Hansen, Wash.
Byrne, Pa.	Hébert
Byrnes, Wis.	Hutchinson
Caffery	Jarman
Chamberlain	Jonas
Clay	Jones, Tenn.
Conable	Kee
Conyers	Keith
Danielson	Kuykendall
Davis, Ga.	Landrum
Davis, S.C.	Leggett
Delaney	Lennon
Dennis	Link
Derwinski	Lloyd
Dickinson	Long, La.
Dingell	Lujan
Dowdy	McClure
Edmondson	McCormack
Esch	McDonald,
Eshleman	Mich.
Flowers	McMillan
	Martin
	Mathias, Calif.
	Miller, Calif.
	Minshall
	Monagan
	Myers
	Nedzi
	Nelsen
	Nix
	Pelly
	Pepper
	Peyser
	Pickle
	Poff
	Pryor, Ark.
	Quillen
	Rarick
	Roberts
	Rogers
	Rooney, N.Y.
	Rooney, Pa.
	Ruppe
	Ryan
	Schmitz
	Sikes
	Slack
	Stevens
	Stokes
	Stubblefield
	Teague, Tex.
	Terry

Thone Wilson, Zablocki  
Wampler Charles H.  
Wilson, Bob Wyatt

Mr. BYRON. Mr. Chairman, I would like to vote "present."

The CHAIRMAN. The gentleman will be recorded as voting "present."

Mr. HAYS. Mr. Chairman, I would like to be recorded as voting "present" because I am in the cattle business and any way that I voted could be construed as a vote in my own personal interest.

The CHAIRMAN. The gentleman will be recorded as voting "present."

#### PERSONAL EXPLANATION

Mr. MONAGAN. Mr. Chairman, I did not actually vote, but I would like to be recorded as being opposed to the amendment.

The CHAIRMAN. The gentleman's statement will appear in the record.

So the amendment was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GIBBONS, Chairman pro tempore 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. 15989) to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes, pursuant to House Resolution 1071, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

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

Is a separate vote demanded on any amendment?

Mr. ASHLEY. Mr. Speaker, I demand a separate vote on the so-called Wylie amendment.

The SPEAKER. Is a separate vote demanded on the other amendment? If not, the question is on the amendment. The amendment was agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 1, strike out line 3 and all that follows thereafter through page 8, line 24, and on Page 9, strike out lines 1 and 2 and strike out "Sec. 201. Section" on line 3, and insert in lieu thereof "That section".

The SPEAKER. The question is on the amendment.

Mr. ASHLEY. Mr. Speaker, I demand tellers.

#### PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, the committee bill in title I was amended in several instances during consideration of the bill in Committee of the Whole. Subsequent to that the Wylie amendment was approved which struck title I from the bill.

If the Wylie amendment at this point is defeated, will we return to title I, as it was in the committee bill, or as it was at the time it was voted on?

The SPEAKER. As it was in the original committee bill.

Mr. PATMAN. As amended.

The SPEAKER. The Chair will state, not as it was amended; as it was in the original bill.

Mr. ASHLEY. Mr. Speaker, with that explanation I will withdraw my request for tellers.

The SPEAKER. The question is on the amendment on which a separate vote has been demanded.

The amendment was agreed to.

#### PARLIAMENTARY INQUIRY

Mr. PUCINSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PUCINSKI. Mr. Speaker, in view of the vote on the Wylie amendment, if this bill is approved by the House does that mean the conferees can conceivably restore title I because of the action by the other body?

The SPEAKER. The Chair will state that the Chair is not in a position to answer that question at this point as to what action the other body will take.

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.

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

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the yeas appeared to have it.

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

The SPEAKER. The Chair will count. Two hundred sixty-eight Members are present, a quorum.

So the bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 3726), to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill as follows:

#### S. 3726

An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes

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

#### TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

Sec. 101. This title may be cited as the "Equal Export Opportunity Act".

Sec. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof

a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

Sec. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

Sec. 104. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the President shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the President determines that adequate evidence has been presented to him demonstrating that the absence of such a control would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than nine months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials, and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which may be or are claimed to be more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form."

(b) (1) Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period



for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

Sec. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c) (1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical matters, worldwide availability and actual utilization of production and technology, or licensing procedures. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b) (2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Any member of any such committee who is not an officer or employee of the United States shall be entitled to receive compensation at not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, during such time as he is engaged in the performance of his duties as a member. Each member may be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at least every three

months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

Sec. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

Sec. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

Sec. 108. The provisions of this title take effect as of the close of July 31, 1972.

## TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

### SHORT TITLE

Sec. 201. This title may be cited as the "International Economic Policy Act of 1972".

### STATEMENT OF PURPOSES

Sec. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

### FINDINGS AND POLICY

Sec. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (1) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (2) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

### CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Sec. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

### MEMBERSHIP

Sec. 205. The Council shall be composed of the following members and such additional members as the President may designate:

- (1) The President.
- (2) The Secretary of State.
- (3) The Secretary of the Treasury.
- (4) The Secretary of Defense.
- (5) The Secretary of Agriculture.
- (6) The Secretary of Commerce.

(7) The Secretary of Labor.

(8) The Director of the Office of Management and Budget.

(9) The Chairman of the Council of Economic Advisers.

(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

### DUTIES OF THE COUNCIL

Sec. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advise the President in the preparation of the International Economic Report required under section 207;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry. Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendment and roll of any trading partner with which we have a substantial trade deficit;

(3) collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows;

(4) consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(5) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity; and

(G) preserving the existing diversified industrial base of the United States.

## REPORT

Sec. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States;

(3) a review of the impact of international voluntary standards, the foreign investments of U.S. based transitional firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment; and

(4) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

## EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

Sec. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and direct the Council staff. He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b) (1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

Sec. 309. The provisions of this title II shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

## AUTHORIZATION FOR APPROPRIATIONS

Sec. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed \$1,400,000 for fiscal year 1973.

## MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PATMAN moves to strike all after the enacting clause of S. 3726 and insert in lieu thereof the provisions of H.R. 15989 as passed, as follows:

That section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

Sec. 2. Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this act.

The motion was agreed to.

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

The title was amended so as to read: "To extend the export administration act of 1969, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 15989) was laid on the table.

## APPOINTMENT OF CONFEREES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the bill (S. 3726) to extend and amend the Export Administration Act of 1969, to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. PATMAN and BARRETT, Mrs. SULLIVAN, Messrs. REUSS, ASHLEY, ST GERMAIN, WIDNALL, JOHNSON of Pennsylvania, BLACKBURN, and BROWN of Michigan.

## GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to

revise and extend their remarks and include relevant extraneous matter.

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

There was no objection.

## FURTHER MESSAGE FROM THE SENATE

A further 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 House to the bill (S. 3284) entitled "An act to increase the authorization for appropriation for completing work in the Missouri River Basin by the Secretary of the Interior."

The message also 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. 15093) entitled "An act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1973, and for other purposes."

The message also announced that the Senate agrees to House amendments to Senate amendments numbered 2, 4, 27, 34, and 41 to the foregoing bill.

The message also 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. 15418) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1973, and for other purposes."

The message also announced that the Senate agrees to House amendments to Senate amendments numbered 4, 12, 15, 21, 23, 26, 28, and 35 to the foregoing bill.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13089) entitled "An act to provide for acceleration of programs for the planting of trees on national forest lands in need of reforestation, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TALMADGE, Mr. EASTLAND, Mr. JORDAN of North Carolina, Mr. MILLER, and Mr. AIKEN to be the conferees on the part of the Senate.

## 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 remainder of the week, if any, and the schedule for next week.

Mr. BOGGS. Will the distinguished minority leader yield?



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

Mr. BOGGS. Mr. Speaker, in reply to the gentleman from Michigan, we have completed the program for this week and it is my intention to ask to go over to next week.

The program for next week is as follows:

Monday is Consent Calendar day and there are 24 suspensions. I shall not read all 24 of them but I include them at this point for printing in the Record:

H.R. 12101, Supreme Court widows annuities;

H.R. 15883, protection of foreign officials;

S. 3645, Radio Free Europe authorization;

S. 1819, uniform relocation assistance;

H.R. 11357, National Labor Relations Act amendment;

H.R. 15376, Service Contract Act amendments;

S. 3824, Corporation for Public Broadcasting construction authorization;

H.R. 15927, railroad retirement temporary increase;

H.R. 14847, air passenger fees;

H.R. 9128, jurisdiction over barges in foreign commerce;

H.R. 13825, legal actions on behalf of Indians;

H.R. 1553, Fossil Butte, Wyo., National Monument;

H.R. 6618, Gunboat *Cairo* restoration;

H.R. 9594, Grant-Kohrs Ranch, Montana, National Historic Site;

H.R. 13201, John D. Rockefeller, Jr. Memorial Parkway;

H.R. 12114, Warm Springs Reservation of Oregon;

S. 1943, rabbit meat inspection;

H.R. 15922, Railroad Retirement Act administration;

H.R. 10486, master chief petty officer;

H.R. 13697, Coast Guard flag officers;

H.R. 14891, Coast Guard reservists;

H.R. 12383, mailing of drugs for analysis;

S. 2956, war powers; and

S. 596, International agreements; transmittal to the Congress within 60 days.

Mr. Speaker, I might say we had hoped to get unanimous consent to consider these suspensions in 2 days, but we were not able to do so. I think it is probably not possible for us to do so. I think it is not possible for us to do them all on Monday.

The gentleman from Michigan (Mr. GERALD R. FORD) has the remainder of the schedule.

Mr. GERALD R. FORD. Mr. Speaker, it is my understanding that there are four or five primaries on Tuesday. If we look at the schedule that is outlined, there inevitably will be several votes on Tuesday. Is there any possibility of having general debate on, for example, the Foreign Assistance Act of 1972 and move those other matters down to Wednesday and the balance of the week?

Mr. BOGGS. Will the gentleman indicate the States having primaries?

Mr. GERALD R. FORD. I am familiar with one, Michigan. I am told there are primaries in Missouri, Georgia, and South Carolina, and I understand one other.

Mr. BOGGS. I believe the gentleman's request is a reasonable one. I would be perfectly happy to make that arrangement. I have not had an opportunity to talk to Chairman MORGAN, as to whether he would be available for Tuesday, but subject to the approval of Chairman MORGAN and the ranking Republican member of that committee I would be happy to make that switch.

Mr. DULSKI. Mr. Speaker, if the gentleman will yield, I can appreciate the concern of the minority leader, but that request was made when we had a primary in New York, and there are other primaries I missed votes on.

Mr. GERALD R. FORD. Let me say that I do not have any primary problem, but I know two of our Members in Michigan have a head-to-head confrontation.

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

Mr. GERALD R. FORD. I yield to the majority leader.

Mr. BOGGS. The gentleman from New York is undoubtedly correct. We have had situations this year when it was impossible not to have a vote on a given primary day, but in most cases we have sought to accommodate Members.

The primary means that both Democrats and Republicans in these States will be involved. If there are four primaries, or five primaries, and if it meets with the approval of the chairman of the Committee on Foreign Affairs, Mr. MORGAN, I will be happy to make that arrangement. I believe it is a reasonable request.

Mr. GERALD R. FORD. I am deeply grateful to the majority leader. So far as I am concerned, we can play it quite flexibly until we find out. I am sure Members will accommodate one another.

Mr. BOGGS. As soon as we can we will try to get it resolved. I would hope to have some information with respect to that matter shortly, and I will make a further announcement as soon as I can.

#### ADJOURNMENT OVER TO MONDAY, AUGUST 7, 1972

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn 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 scheduled for Calendar Wednesday on Wednesday next be dispensed with.

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

There was no objection.

#### GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and in-

clude extraneous matter during debate on my amendment to H.R. 15989, today.

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

There was no objection.

#### LEGISLATIVE PROGRAM FOR TUESDAY, AUGUST 8, 1972

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

Mr. BOGGS. Mr. Speaker, I have been able to work out the arrangement previously discussed, so that the remainder of the program will be:

Tuesday:

H.R. 16029, Foreign Assistance Act of 1972, open rule, 3 hours of debate; general debate only; and

H.R. 13694, American Revolution Bicentennial Commission, open rule, 1 hour of debate; general debate only.

Wednesday and balance of week:

H.R. 15417, Labor-HEW appropriations, fiscal year 1973, conference report;

H.R. 12350, Economic Opportunity Act amendments, conference report;

H.R. 16029, Foreign Assistance Act of 1972, conclude consideration;

H.R. 15690, agriculture-environmental and consumer protection appropriations, fiscal year 1973, conference report;

H.R. 13694, American Revolution Bicentennial Commission, conclude consideration, and

H.R. 15003, consumer product safety, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced later.

Mr. GERALD R. FORD. Mr. Speaker, let me say that I am deeply grateful for the cooperation of the gentleman from Louisiana.

Mr. BOGGS. I am pleased to be able to cooperate.

#### RAMIREZ WON'T TESTIFY ON SPANISH-SPEAKING EDUCATION

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

Mr. EDWARDS of California. Mr. Speaker, I am distressed to announce that Mr. Henry Ramirez, Chairman of the Cabinet Committee on Opportunities for the Spanish Speaking, has declined for the second time to appear before the Civil Rights Oversight Subcommittee. In a letter to the Judiciary Committee, Mr. Ramirez said that he had been notified by the White House that other matters required his priority attention and that he could not appear to testify on the educational problems of the Spanish speaking. Mr. Ramirez was originally invited by the Honorable EMANUEL CELLER to testify on June 8, 1972, before the subcommittee. The reports of the U.S. Commission on Civil Rights on the education of the Spanish speaking were scheduled for discussion at those hearings. Mr. Ramirez had been chief of the Mexican-American studies division of the Office of Civil Rights program and policy at

the time the Commission prepared those reports and seemed eminently qualified to testify before the subcommittee. Yet, on May 31, without explanation, Mr. Ramirez declined the chairman's invitation, and was unwilling to suggest any alternative dates.

The invitation was reissued for hearings at a later date on the same important topic and Mr. Ramirez finally accepted. Then, at the request of the White House and less than 24 hours before he was scheduled to appear, Mr. Ramirez notified the committee that he would not attend.

As a Mexican-American educator, as Director of the Civil Rights Commission's reports, and as Chairman of the Cabinet Committee on Opportunities for the Spanish Speaking, Mr. Ramirez would seem a preeminent witness on the educational problems of the Spanish speaking. It would seem, too, that these problems would deserve Mr. Ramirez's foremost attention. I am at a loss, therefore, to understand why White House scheduling requires Mr. Ramirez to cancel his appearance before the subcommittee.

The Civil Rights Oversight Subcommittee is charged with monitoring the effectiveness of the Federal Government in implementing all of the important civil rights legislation which originated in the Judiciary Committee. As the Civil Rights Commission reports indicated, Mexican-American children are being denied the opportunity of equal education in the Southwest. Our subcommittee's hearings were aimed, not only at exposing problems, but also at exploring solutions to those problems. In the Cabinet Committee's own words, Committee functions are to advise Federal departments and agencies in their programs related to the Spanish-speaking populace of the country. The Civil Rights Oversight Subcommittee and the Cabinet Committee on Opportunities for the Spanish Speaking should be working together in their probe into the education of Spanish-speaking children.

The Senate Committee on Appropriations recommended a \$260,000 cut from the House allowance and budget request for the Cabinet Committee. In its report on appropriations for HEW and related agencies, the committee said that it feels that the Cabinet Committee's performance has not been effective and that it is not making sufficient progress to warrant the increase requested for additional personnel. I would hope that scheduling requirements by the White House would not further hamper Mr. Ramirez and the Cabinet Committee in their efforts to try to affect policy changes which touch the lives of this country's 12 million Spanish-speaking persons.

#### INDIANA DUNES NATIONAL LAKESHORE

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

Mr. ROUSH. Mr. Speaker, I am today reintroducing a bill to increase the authorization ceiling contained in the orig-

inal bill, Public Law 89-761, establishing the Indiana Dunes National Lakeshore. I introduced this bill first on July 24 when I received specific information from the Department of the Interior as to the amount of funds that would be necessary to complete purchase of the lands already authorized. The amount the Department of the Interior informed me that would be needed is \$4,636,500, and the authorization ceiling is to be raised by that amount. This is the essence of the bill introduced today. I am reintroducing this bill in order to include as cosponsors other members of the Indiana delegation who wish to add their names to this legislative proposal.

The House Interior Committee in 1966, in a favorable report on the authorizing legislation commented as follows:

Of all outdoor recreation "environments" the shoreline has an unusually strong appeal for Americans. As ORRRC [the Outdoor Recreation Resources Review Commission] noted in its study on shoreline needs, this popularity is no accident because there are such a wide variety of both active and passive pleasures available. Swimming, boating, water skiing, fishing, hiking, beachcombing, sunbathing, picnicking, camping, sightseeing, or just plain relaxing are all common pursuits, not to mention the enjoyment derived from nature study, photography, painting and sketching.

Located at the Southern end of Lake Michigan—less than 50 miles from the Chicago-Gary industrial complex—the proposed Indiana Dunes National Lakeshore fits the nation need like a glove. . . . Nowhere in the Great Lakes is there a greater need for shoreline recreation areas.

We have waited long enough in the middle west, Mr. Speaker, for the fulfillment of the congressional promise issued in the passage of the act establishing the Indiana Dunes National Lakeshore 6 years ago.

Moreover, the President has encouraged the idea of parks to the people—

Merely acquiring land for open space and recreation is not enough. We must bring parks to where the people are so that everyone has access to nearby recreational areas. . . . Only if we set aside and develop such recreation areas now can we ensure that they will be available for future generations.

There is no place in the United States where the need for a park in an urban area is greater than in this industrial complex in the Midwest. It is estimated that by 1980 there will be more than 11 million people within a 100-mile radius of the national lakeshore, within easy access of this potentially valuable recreational area and by that time or possibly sooner, annual visitation to the proposed lakeshore is expected to reach several million.

This bill today would authorize increasing the authorization ceiling so that the remaining 15 percent of land can be acquired by the National Park Service.

#### BUDGET BUSTING—THE SENATE PASTIME

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

Mr. WYLIE. Mr. Speaker, I think it is time that we as Representatives of the

people of the United States began to face our responsibility for the ever-increasing pace of Federal spending. Each year this rampant pace increases in speed—making it more difficult for individuals and the Government itself to bail out of the merry-go-round of fiscal spending.

The House has made an effort to maintain some basis of sane policy and fiscal responsibility. But, I admonish the Senate for its role in the foreboding fiscal future and even more I wish to focus attention on its dismal showing in the past. The duty of the Senate is to become more aware of the source of Federal funds—to deal judiciously with the funds at hand and not to treat the budget as a nothing document. One would think that the Senate's favorite pastime is to see how much it can defy budget restraints.

It is interesting to note in the recent edition of the legislative checklist of appropriation bills published by the Library of Congress that in almost every instance the Senate exceeded every House-passed measure appropriating funds for fiscal year 1972. In total, the difference in amounts passed by each Chamber places the Senate far out in front by \$13,106,368,078.

Thus far in the authorizations for fiscal year 1973, the Upper Chamber is once again exceeding the House by \$343,472,200. The Senate obviously has no concern or appreciation for the limits of Federal funding originating in the taxpayer's pocket.

I urge my colleague in this Chamber to be the Janus or Cerebus of the Treasury and to be ever watchful of Federal spending—to restrain the Senate from dipping into the empty Treasury vault and to put an end to its budget busting; to force the Senate to accept the responsibility with which the peoples of their various States entrusted them, that is, to protect their taxes for essential means. Let us put an end to the building of a huge debt skyscraper and reduce the spending to a moderate level.

This week three conference reports were presented to the House for appropriations for fiscal year 1973. In almost each case the other body increased the amount above the House and above the budget. In these three bills the total difference alone is \$1,751,124,600.

#### REPRESENTATIVE WIGGINS INTRODUCES BILL TO AMEND THE IMMIGRATION AND NATIONALITY ACT WITH REFERENCE TO VISAS SUBMITTED BY FOREIGN NATIONALS

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

Mr. WIGGINS. Mr. Speaker, I am today introducing a bill to amend the Immigration and Nationality Act with respect to the approval of visa applications submitted by foreign nationals. The purpose of my bill is to moderate the bureaucratic arrogance displayed by some consular officials overseas not only to foreign nationals seeking to visit



our country, but also to their friends or relatives in this country, including Members of Congress who may seek to lend a helping hand in their behalf.

Under the present law, a foreign citizen who is otherwise eligible for a visa must establish to the satisfaction of the consular official that he intends to visit this country only temporarily and does not seek to become an immigrant. The burden is on the alien, under the law, to establish his nonimmigrant status as the result of a statutory presumption found in section 1184(b), title 8 United States Code.

This is a salutary provision of the law, if it is administered reasonably. But, as we all know, when absolute discretion is vested in a government official, the opportunity for arrogance and arbitrary decisionmaking is ever present. Under normal procedures, an American citizen has recourse to the courts to redress arbitrary and capricious actions by his Government. A foreign citizen, outside of the United States but seeking to enter, has no such protection and must depend entirely upon the good judgment, or the whim, of the American official with whom he must deal. Arbitrary action does not harm only the foreign national, in many cases. American friends and relatives may also be frustrated, and without a remedy, when a consular official acts arbitrarily with respect to a foreigner's visa application.

My bill, introduced today, does not alter the statutory presumption of immigrant status on an otherwise qualified foreign applicant for a visa. It deals only with the manner of overcoming that presumption when an American citizen is aggrieved by the decision of a consular officer that the foreign applicant is to be denied a visa because he is presumed to be an immigrant.

Under the bill, upon the written request of a citizen of the United States, the consular official is required to submit a written statement describing the evidence upon which his determination was made, the reasons for his determination, and a description of the evidence needed to overcome the presumption that the alien is an immigrant. Thereafter, under the bill, the alien applicant may submit additional evidence and the consular official must review his prior determination of immigrant status on the basis of the new evidence and submit to the U.S. citizen making the request a written statement containing the basis for his final decision.

Frankly, Mr. Speaker, this modest bill is prompted by my inability to obtain satisfactory answers from the Department of State concerning the denial of a visa application of great interest to a constituent of mine when there was abundant and uncontroverted evidence that the alien seeking a visa intended only to visit friends for a temporary period. My repeated requests to the consular office resulted only in the cryptic reply that the applicant failed to overcome the presumption of immigrant status. If such cavalier treatment is accorded to a Member of Congress there can be little doubt that other American

citizens have had similar experiences at the hands of consular officials.

It is believed that my bill will help to introduce a degree of reasonableness into a statutory procedure which breeds arbitrary action. I urge the members of the Judiciary Committee to give prompt consideration to the bill.

#### THE NATIONAL DISASTER IN HOUSING BASIC POLICY STATEMENT

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

Mr. MITCHELL. Mr. Speaker, this body will soon consider the Housing and Urban Development Act of 1972. Black Americans experience daily the impact of a disastrous housing situation. Each day, we suffer from exploitation, exclusionary practices, and overcrowding. Black Americans, whether they rent or purchase their homes, pay a black tax, that extra profit which is possible only because of the apartheid practices in housing in this Nation.

At its 63d annual convention, the National Association for the Advancement of Colored People adopted the following housing policy statements and resolutions. I hope that my colleagues will give careful consideration to these as we debate the Housing and Urban Development Act of 1972:

#### THE NATIONAL DISASTER IN HOUSING— BASIC POLICY STATEMENT

Central city, core area, inner-city, the ghetto—whatever the name the meaning is clear, black people, poor people, the disadvantaged, those sections of towns and cities to which most members of minority groups are restricted. Today the nation must deal with one of the most crucial and difficult issues affecting racial minorities . . . "Where Shall They Live?"

Never before in our history have so many had to confront problems so immense and so basic. The disastrous state of housing, the intolerable conditions in the slums of our nation, and the rapidly increasing rate of residential racial segregation can no longer be ignored.

Nearly all metropolitan areas in the nation are experiencing the disintegration and deterioration of its cities—the chief underlying cause of which is racism. The mass flight of middle-class whites to the suburbs, the increasing concentration of the poor and the black in poverty-stricken areas, the rapid movement of industry and jobs away from those most in need, are all manifestations of the pervasive racial prejudice and discrimination which influence our daily lives and our future. The vicious practice of both subtle and blatant racism has contributed directly to the mounting costs of public services in the face of declining revenues. Inadequate legislation and appropriations supported by the absence of moral leadership, all the way from the local level to the White House, add impetus to the current dilemma.

With half the nation's blacks contained in just fifty urban centers where the incidence of housing abandonment, defaults and foreclosures is rising at an alarming rate, whole neighborhoods are becoming showcases of social pathology and physical decay. The Administration and the Congress is pondering the question of whether to pull out its funds and programs from central city areas. The NAACP cannot and will not remain

silent while the politicians, the money managers and the power-brokers play russian roulette with the fate and rights of black Americans.

None of the government's present housing programs come to grips with the worsening problem of our cities. Larger subsidies than ever before were provided not to families, but to lenders and the industry. This approach to solving our problems has not worked. Government criteria for funding subsidized housing specify where housing cannot be built but fail to assure sites in areas it will approve. To 94% of all blacks outside the South who now live in urban areas and the one out of four occupying dilapidated or substandard housing, the shortage of good housing at an affordable price is acute and desperate.

Further, the Nixon Administration is hopelessly entangled in shocking scandals, ineptness, dishonesty and a waste of public funds—mostly at the expense of the powerless poor and racial minorities. We stand at the cross roads of a collapse and disaster in housing. Drastic and immediate measures are necessary to avoid the devastating and inevitable consequences of civil disorders, alienation and further polarization of race and class.

We believe it is time now for massive reform and a major reassessment of federal housing policies and programs. We call for emergency interim action by the Administration to restore trust and performance in government, and to assure free and equal access to an adequate supply of standard housing for the poor and all racial minorities.

NAACP units in all areas of the country are called upon to initiate new and continuing actions to achieve the objectives set forth in these and previous resolutions.

#### RESOLUTION NO. 1—DECLARATION OF DISASTER AREAS

We deplore the recent utterances by the Secretary of HUD that the Nixon Administration has run out of answers and solutions to the problems of central city areas and is contemplating the withdrawal of community development funds from some twenty cities, whose conditions they consider unsolvable.

We therefore call upon the Nixon Administration to immediately declare all such cities as "disaster areas" and to release emergency funds to these areas without delay. We call upon the Congress to pass necessary legislation to give the government authority in such disaster areas to rebuild and refurbish such areas without regard to state and local restrictions. We predicate such action upon the full involvement of local area residents in the planning, redevelopment, ownership and management of the facilities provided. Further, all redevelopment should be carried out in a manner that is fair and equitable to all concerned and to attract the broadest social, economic and racial mix, consistent with civil rights laws and national housing goals.

#### RESOLUTION NO. 2—GOVERNMENT RESPONSIBILITY

The NAACP contends that the Nixon Administration must assume a major responsibility for: 1) the increasing abandonment of housing, 2) the continued decline of inner-city areas, 3) the growing rate of mortgage defaults and foreclosures, 4) the red-lining practices of entire neighborhoods by lenders and insurers operating under federal regulations, and 5) the failure to use its authority and/or to request adequate funds to counsel lower-income families on a scale commensurate with the problem.

Such problems have been accelerated by a number of factors within the housing agency itself, including the constant reorganizing of HUD; lack of proper training of its staff; issuance of a rash of new regulations with

vastly-increased responsibilities while cutting-back personnel; and failure of its management to curb maladministration, inefficiency and insensitivity by its officials.

We call for immediate and positive emergency actions by all federal housing agencies to clean its own house, to end the flagrant dishonesty of its officials and those it deals with, to suspend or disbar speculators, fast-buck operators and others who use government programs to exploit and victimize minorities and the poor.

Further, we demand prompt and equitable relief for the victims of faulty appraisals, shoddy construction and unscrupulous practices. Confidence and integrity in government must be restored. Local counselling must be provided any low-income family through direct grants to cities and private organizations in areas where the problem is most acute—whether it be for the purchase or rental of housing, subsidized or unsubsidized, federally assisted or unassisted. Finally we insist that there be full compliance with and increased monitoring of the enforcement of all civil rights and equal opportunity statutes and regulations.

#### RESOLUTION NO. 3—SCATTERED-SITE HOUSING

The NAACP reaffirms its long-standing policies in support of the principles of scattered-site housing as a means to break-down artificial barriers erected by local governments and neighborhood activities to restrict racial minorities and the poor to slum ghettos. We are opposed to forced segregation under whatever guise of camouflage it may appear.

We believe that housing compounds for the poor, located in poverty areas, help perpetuate the cycle of unemployment and underemployment, poor education, inadequate public services and recreation, the lack of community pride, and reduces the level of control among its residents.

Open housing in all areas is essential if minorities are to be able to live where the job opportunities are, rather than having to commute great distances at much sacrifice from deteriorating inner-city neighborhoods.

#### RESOLUTION NO. 4—METROPOLITAN-WIDE APPROACHES

Central city problems must be met and dealt with on a metropolitan-wide scale if lasting solutions are to be realized. We believe that new structures must be created and empowered to plan, develop and finance large-scale improvements on an area-wide basis, and in a manner to affirmatively expand housing opportunities with due consideration to the human needs, racial considerations, and economic well-being of the entire region.

Such structures may take the shape of metropolitan housing and development authorities, city-county government consolidations or other forms. Appropriate authority must be vested in them to secure performance. Branches must assure that political representation of blacks is not diminished but instead is increased in the process.

We call for adequate funds for the acquisition and write-down of land in suitable locations that will expand economic and racial integration in housing. Categorical grants should be provided to supplement local budgets for schools, water and sewage systems, recreation, health and social services required for new or rehabilitated housing in both urban centers and outlying growth and development areas.

The NAACP supports the concepts embodied in emerging fair-share housing plans for allocations for units of housing for low and moderate income persons throughout the planning area. However, such plans must be carefully reviewed by Branches to assure the actual expansion of housing for minorities on a non-discriminatory basis will result and that they will not serve to further restrict

mobility or rights. Whenever possible fair-share plans ought to contain a mechanism for overriding exclusionary restrictions cloaked under the guise of suburban home rule.

Without the ability to achieve performance, fair-share housing plans, like many local fair housing laws, are ineffective and, in the long-run harmful to the best interests of minorities.

#### RESOLUTION NO. 5—FEDERAL PROJECT SELECTION CRITERIA

New HUD regulations, the Project Selection Criteria, to implement the President's housing policies and to comply with recent court decisions, went into effect February 7, 1972. We believe these regulations are not accomplishing the purposes as set forth in its objectives. During the brief existence, it has pitted black against black, inner-city against suburb, and government against people—all vying for scarce allocations of subsidy funds.

The Association opposes the Project Selection Criteria in its present form and believes it will serve to further divide people by race and class. We call for scrapping the present criteria and substituting rules oriented more to the achievement of decent housing and suitable environments in all neighborhoods without placing undue burden upon racial minorities and the poor who are disproportionately limited in where they may live. Housing options, rather than being expanded, have been drastically reduced by the present criteria.

Municipalities who do not wish to provide housing for low-income families remain free to deny such housing while continuing to receive federal funds for other purposes. Urban centers in desperate need of new housing presently receive a lower priority for subsidy funds.

The NAACP believes that a metropolitan-wide plan providing for the balanced distribution of subsidized housing based upon need, job locations, neighborhood diversity and environmental betterment should be established for each urban area. Projects located so as to fulfill approved plans should receive funding priority. Communities failing to accept or provide such housing ought not to receive any form of HUD assistance including unsubsidized housing approval.

Because of the growing conflicts resulting from these regulations we call upon the Association to take emergency action to obtain immediate revision of these criteria.

#### RESOLUTION NO. 6—HOUSING MAINTENANCE ALLOWANCES

Programs which subsidize housing projects have had limited success. Subsidized housing programs should be revised to emphasize aid to families. We believe a full-scale national program, federally funded and directed, must be instituted to provide a housing maintenance allowance to all families with a proven need. A policy of subsidizing the family rather than the housing, will enable minorities and other families earning below the median income, to vastly expand their choice of housing and locations, thus eliminating forced concentration of the poor in certain neighborhoods.

Housing allowances should encourage landlords to maintain their properties as families will be free to move to other housing. Nearly twice the number of families now being assisted could be helped with the same amount of funds presently expended for housing subsidies. We recommend strong standards be adopted to assure the adequate pre- and post-occupancy counselling of all families, to assure that minimum housing standards are maintained, and to assure the preservation of confidentiality as to improve human dignity and respect of the individual. Further, we insist upon the strict enforcement of non-discriminatory statutes to as-

sure free choice in housing and better quality of life.

#### RESOLUTION NO. 7—PROPORTIONAL REPRESENTATION IN DECISIONMAKING

The present deplorable state of housing for low-and-moderate families in general, and for black people in particular, has been reached largely without the meaningful involvement of those for whom improvements are intended. The belief held most minorities and supported by an examination of the wide-spread failures in housing and community development projects, clearly indicates that those who occupy decisionmaking positions in such programs do not possess adequate knowledge, understanding, motivation, and experience to effectively represent the interest of classes of people whose needs must be met.

All too often the causes of failure in urban renewal, housing for the poor, and similar development programs is falsely or unfairly attributed to the residents of an area or the housing occupants. In certain instances, this is true because the people have had no real voice in determining matters affecting their environment. In most cases of breakdown or failure it has been a lack of awareness or understanding of the values, the life-style and realistic needs of the poor and disadvantaged minorities. Paternalism, and in many cases, outright prejudice and discrimination motivate decisionmakers.

It is apparent to the NAACP that minorities are inadequately represented on the boards, commissions and other appointive bodies having control of housing programs.

We believe that equitable representation can and must be achieved as a prerequisite for success in improving conditions in the areas where blacks live and for the good of the community at-large.

The NAACP therefore calls for action at the federal, state and local level to assure the appointment of community selected persons on local housing authorities, urban renewal agencies, planning bodies, transportation authorities, and the like. The minority community must have a full voice in the selection process to assure the protection and promotion of their interests.

Further, such representation should constitute, as a minimum, the approximate number of minorities in proportion to their percentage of the total population in the metropolitan area or municipality.

Where federal or other public funds are involved we demand proportional representation on the administering agency and in their supporting staff. If, after a reasonable period for achieving these goals, efforts are unsuccessful, we call for the immediate withholding or termination of all public funds to that municipality or metropolitan agency.

In view of the enormous impact for change this resolution may have in decision-making process, both nationally and locally, it is hereby resolved and directed that all units of NAACP survey their community and take such direct action as may become necessary, including public protest and demonstrations, to achieve the purposes of this resolution.

#### ECONOMIC EMPOWERMENT THROUGH HOUSING DEVELOPMENT—BASIC POLICY STATEMENT

Black may be beautiful but that's not enough today. Without green power, fair housing promises became hollow and distant. Without residential mobility, access to economic opportunities will continue to be unequal.

The Housing Industry in 1971 represented expenditures of nearly \$30 billion. It is reliably estimated that Blacks share in less than two percent of the total. The production of housing exceeded 2 million units in 1971, the highest amount since 1951. Of this amount, nearly 500,000 units received direct federal



financial assistance. Nationally black income in 1970 came to 61% of white income.

Today, the construction of housing presents the easiest and fastest way for minorities to advance into the economic mainstream of our nation, yet we continue to see the production of housing and related facilities, to be occupied or used mainly by blacks, become a source of profits and other economic gains insuring almost exclusively to the benefit of the white majority community.

We believe that it is time for new and creative federal programs to be instituted to help minorities achieve parity of income with the white majority. Equal economic opportunity in housing shares equally in our concern and preoccupation with equal housing opportunity.

#### RESOLUTION NO. 8

Ample precedent exists for the special allocation of housing funds to special interests to further national goals and objectives. HUD's Operation Breakthrough program, designed to advance industrialized housing technology, marketing aggregation systems, and overcoming building and zoning code restrictions, received in fiscal year 1972, subsidy funds to construct 25,000 housing units, all of which served to benefit private producers of housing.

The Department of Defense enjoys set-aside funds to provide lower-cost housing for servicemen. Approved model cities and urban renewal programs across the country receive earmarked funds to produce housing. State-created housing agencies also operate their program with allocated funds.

The NAACP believes it necessary in order to correct the effects of past racial discrimination. Equal consideration should be given to minority groups to advance them into the economic mainstream, to reduce unemployment, and to create skilled manpower, all in the interest of meeting the nation's housing needs.

We therefore call upon the Department of Housing and Urban Development to immediately inaugurate a National Minority Set-Aside Program of not less than 25,000 housing units a year over the next three years. Such a program can provide, under existing legislative authority and funds now available, technical and bonding assistance to contractors and management, and contract services to other housing professionals. Special grants should be authorized in support of this program to provide entry-level and advanced training of minorities in order for them to become proficient and experienced in developing and managing successful housing projects. We believe a program of this nature will not only serve the national interests of this country, but will also create urgently needed opportunities for minorities where none now exist. Further, the related economic benefits it will generate in low-income areas will contribute immeasurably to the general economic advancement and social well-being of entire communities.

#### RESOLUTION NO. 9—COMPENSATORY TRAINING PROGRAMS

In furtherance of national government policies to pursue programs that help to correct the effects of past discrimination, the NAACP calls for a commitment to action by the adoption of a nation-wide program to provide compensatory training for racial minorities through 1) fellowships for college-level training leading to degrees in housing-related professions, 2) Paraprofessional training aimed at high-school graduates not attending college, for careers in housing as technicians as semi-professional occupations, and 3) On-the-Job Training in housing, planning, development, production, and management fields for persons not completing high school and adults seeking different careers with upward mobility.

We believe further that special grants

should be made available to financially pressed minority-operated colleges and universities. These funds will serve to further these objectives while also helping to preserve valued educational institutions which are uniquely equipped to carry out such programs.

Supporting funds are also called for to institutionalize this program as a means to advance the skills required in order for minorities to compete more equally with majority Americans. These additional funds should be used to provide for 1) stipends during training, 2) research and development programs, 3) grants to minority-owned businesses to enable them to compete more effectively, and 4) contracts with major institutions developers and builders, to absorb the additional costs of training and participation in the program.

We urge full consideration of this resolution by the Department of Housing and Urban Development, other federal agencies and the Congress.

#### RESOLUTION NO. 10—STATE HOUSING AGENCIES

We further demand that where Federal funds such as HUD 236 funds are used to supplement private agencies such as Mass. Housing Finance Agency, that these agencies demand of private developers seeking these funds that these private developers contract the services of minority contractors in the construction and development of all housing projects in urban renewal areas and throughout the State where Federal funds are disbursed for the development of housing and other projects, whether they be State, Federal or locally sponsored, and,

We further demand that such agencies provide technical assistance to minority contractors in becoming private housing developers and provide waivers of bonding for minority contractors.

#### CHAIRMAN WRIGHT PATMAN CELEBRATES BIRTHDAY ON AUGUST 6

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

Mr. ANNUNZIO. Mr. Speaker, August 6 is the 79th birthday of the distinguished chairman of the House Banking and Currency Committee, Honorable WRIGHT PATMAN. On this occasion I congratulate him and extend my best wishes to him and his wife Pauline.

WRIGHT PATMAN continues to be the indefatigable champion of what is fair. Not what is fair only to some of the people or to a few bankers, but what is fair to all of the people, no matter what their station in life happens to be. The special interest and the financial manipulators must first face WRIGHT PATMAN before they attempt to assault the integrity of the dirt farmer or the salaried worker.

Money can create problems, but can also be made to solve problems. For four and one-half decades, WRIGHT PATMAN has been applying his dynamic brilliance to solutions of the problems which money can cause the individual in a modern industrial society. As a member of the Banking and Currency Committee, I can personally testify to the dedication with which Mr. PATMAN has served the interests of all the people of our country.

WRIGHT PATMAN has long been a critic of the Federal Reserve System. He has suggested stronger congressional control over the Federal Reserve Board. The House of Representatives, since the beginning of the Republic, has taken pride

in the fact that it is most representative of the people and their interests. Chairman PATMAN has been ever vigilant in the interest of preserving the power of the legislative branch against the encroachments of the increasingly powerful executive branch.

WRIGHT PATMAN's struggles against usury have now become legendary. He is a man who realizes that credit abuses are often responsible for high crime rates and civil disorders in our cities and he is continuing the fight to stop these credit abuses.

In an age of ever-increasing mechanization and depersonalization of our society, we all have felt the need for a more human and individual approach to the problems which we face. WRIGHT PATMAN has been fighting the anonymity of conglomerates for many years. He believes that small businesses must be protected from monopolies. He has protected the rights of veterans. He was instrumental in the passage of the Truth-in-Lending Act, the Federal Credit Union Act, and the model cities program, as well as the Bank Reform Act and welfare reform proposals.

It has been an inspirational experience for me to serve with this farsighted and humane man. WRIGHT PATMAN has served, grown with, and guided this country in a most remarkable way. Once again, I welcome the opportunity to wish WRIGHT PATMAN, on the occasion of his 79th birthday, continued good health and many more years of service in the interests of our great Nation.

#### JOHN G. SCHMITZ

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

Mr. HUNGATE. Mr. Speaker, the late Adlai Stevenson, in moderating a political meeting, once concluded:

May the best man win... although it never happened in my case.

There are those of us in the House who believe that may have happened to several of our colleagues this year.

One man with whom you do not have to agree in order to respect and admire is JOHN SCHMITZ.

The following article by Lou Cannon, in the Washington Post, seems a good profile of a man who never lacks the courage to tell the emperor when he has no clothes on. It pays tribute to his sense of humor and, surely, the American public will not hold that against him in the long run. The people can take a joke. In fact, they have elected several.

The article follows:

ORANGE COUNTY'S JOHN SCHMITZ: A SENSE OF HUMOR BETRAYED HIM

(By Lou Cannon)

The name of John G. Schmitz is not exactly a household word outside of Orange County, California, which Schmitz has represented in the House of Representatives these past two years. But American politics may never be the same if the American Party makes good on its promise and nominates Schmitz for President at its convention in Louisville this week.

Schmitz, a onetime junior college instructor, gained some brief national attention in

1964 when he became the first avowed member of the John Birch Society to take a seat in the California Legislature. Reporters, intrigued by the phenomenon, asked him why he had joined the society and Schmitz startled them all by replying: "I had to do something to get the middle-of-the-road vote in Orange County."

That was only the beginning. In the months that followed, Schmitz relentlessly assaulted the still-popular notion that True Believers, particularly of the Right, are bereft of a sense of humor. He voted "no" so often that some of his constituents took to asking him what he was accomplishing in Sacramento. "I've come pretty far in life for a Catholic Bircher with a mustache," Schmitz began his reply. When California Gov. Ronald Reagan proposed a big budget reduction with a fanfare of publicity and then withdrew it, Schmitz accused him of being an "Indian-taker." When fellow conservatives unbraided Schmitz for voting against a Neanderthal bill that would have encouraged sterilization of welfare mothers, Schmitz told one of them: "You've got to remember that beneath this conservative exterior beats a Catholic heart."

He was the most conservative member of the State Senate, and, as time passed, he began to be an effective one. He seemed to realize that his fundamental beliefs on non-involvement by the state in almost all human behavior except military defense was made more palatable by a willingness to see himself as others saw him. He never forgave Governor Reagan for becoming a fiscal pragmatist in office and Reagan, in turn, had little use for Schmitz after the unfortunate slur of his "Indian-taker" remarks, especially after Schmitz promoted an anti-Reagan conservative tract entitled, "Here's the Rest of Him." But Schmitz was essentially correct in his description of Reagan's budgetary tactics. The governor had announced big paper cuts that made him a national hero among conservatives and then restored them when the spotlight was elsewhere.

Reagan, in fact, was pleased to see Schmitz head off to Congress, although his fellow legislators had grown fond of him and missed Schmitz after he was gone. Predictably, he found Washington a strange place where the Constitution seemed to be frequently quoted and rarely invoked. Schmitz responded in the only ways he knew how, first by compiling a right-wing voting record that put almost every other conservative congressman to shame and secondly, with a kind of reverent irreverence that few of his colleagues seemed to understand. On one of his first appearances on the Washington cocktail circuit, Schmitz abruptly looked up from his shrimp toward the chandeliers of the Senate caucus room and observed that he was "standing on hallowed ground—this is where Sen. Joe McCarthy held his hearings." Another time, at a conservative meeting where Schmitz knew few of the guests, he walked up to a man dressed in brown suit and tan shirt and said, "I didn't know we were supposed to come in uniform."

One night, at a reception celebrating William F. Buckley's switch to public television, Schmitz asked this reporter to introduce him to Buckley, a mistake that was promptly committed. Schmitz, who looked with suspicion upon Buckley because of the columnist's opposition to John Birch Society policies, said that he had always wanted to meet the brother of Patricia Bozell. But there were bright spots for Schmitz, even in Washington. He hailed the appointment of Melvin Laird as Secretary of Defense but strengthened the blow by observing that his own first candidate had been Bismarck.

Despite all this, Congress was somehow less congenial to the Schmitz temperament than the Legislature had been. His apocalyptic newsletters on the Soviet and Chinese

menaces, on the doubtful excursions of Henry Kissinger and on the evils of birth control somehow seemed to fall on deaf ears.

But in the end it was his sense of humor that betrayed him. When President Nixon went to China, Schmitz remarked that he didn't mind the President's going but was worried that he might come back. This was too much for a majority of Schmitz's constituents, many of whom pride themselves on the fact that Orange County is the home of President Nixon's San Clemente residence. At the June primary this year, Republican voters narrowly denied Schmitz renomination to Congress.

Schmitz, who believes that a new political alignment is in the offing along ideological lines, seems almost happy to be rejected. "I refused to walk lock-step and insisted on abiding by my campaign promises," he says. "I understand what happened. It's much more pleasant to believe that your congressman is wrong than to believe that your President is. . . . But the President is not abiding by his promises. When the Democrats do what he does they call it deficit spending, but we call it the full employment budget."

A sense of humor is a risky business in politics, as Adlai Stevenson and varieties of lesser men have learned to their dismay. Americans want politicians to take their politics seriously and this in turn is usually confused by politicians with taking themselves more seriously than anyone can bear. Schmitz takes himself seriously enough, but he shows some respect for the language, and the world illuminated by his humor is more complicated and interesting than the one described in his ideology. You do not have to like what Schmitz stands for to cherish the hope that he will remain an engaged member of the political system he cherishes. As the bumperstrips for his first congressional campaign maintained: "When You're Out of Schmitz, You're Out of Gear."

#### ANOTHER HORRENDOUS LOOPHOLE

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, because of my interest in highway safety I have been following the various proposals made to help overcome the problems in the auto insurance area. I am vitally interested in finding solutions which would be fair and accomplish the objective of helping the consumer.

Nevertheless, one thing is clear, S. 945, the so-called no-fault insurance bill is not adequate or an honest answer to the problem. It has become clear that it has a horrendous loophole. There is unanimous agreement among insurance experts, those who favor and oppose the bill, that it will give the trucking industry a \$1.5 billion bonanza in reduced insurance premiums for their vehicles.

Under S. 945 trucks would no longer have to pay for injuries or damage they cause to others or their property. Therefore, property damage liability is almost totally eliminated and the cost of bodily injury liability is substantially reduced. Commercial vehicle premiums, now at \$3.7 billion, would be reduced to \$2.2 billion, a savings of \$1.5 billion.

For instance, under the bill, if a car, waiting at a stoplight is rear-ended by a truck, the truck is not required to pay for the disproportionate damage which normally results from such an accident. The truck only has to pay for the injuries suffered by its own driver and for the

damages, usually small, to the truck itself. The owner of the car would have no recourse against the truckowner and would have to buy insurance to pay for the injuries to the passengers of his own vehicle and for the repair or replacement of his demolished car.

This bill gives the trucking industry one other benefit by stipulating that their insurance would only have to cover injuries not otherwise covered by workmen's compensation.

What is incredible to me is that the trucking interests evidently were able to ward off any attempts to modify S. 945. A proposal was made to shift the loss over the first \$5,000 to the person responsible for the accident. This modest proposal, which still would save the premium, was acceptable.

This type of arrogance is typical. Already, trucks do not pay their fair share of the gasoline tax, their record for violating safety regulations is notorious, their lack of progress in making their vehicles more safe is well known. Yet now they are pushing for a loophole that would mean a \$1.5 billion windfall for them.

While authorities differ on what S. 945 will mean for the average car owners, it is clear that there will be little or no savings on car insurance premiums. In fact, for many car owners it is certain that substantial increases will be forthcoming, particularly in rural areas.

It is clear to me that action on S. 945 should be postponed. Certainly, the bill does nothing for the average consumer while the big trucking interests will reap the harvest.

#### OCCUPATION OF CZECHOSLOVAKIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. GERALD R. FORD) is recognized for 3 minutes.

Mr. GERALD R. FORD. Mr. Speaker, August 21 of this year will mark the fourth anniversary of a heinous event, an event that shocked the world, the Soviet-led invasion and occupation of Czechoslovakia.

To again grasp the full hideousness of what transpired on August 21, 1968, we must let our minds drift back to the period just before the invasion.

Of what were the Czechs and Slovaks guilty? Summed up most simply, they were guilty of trying to humanize socialism.

This is the crime for which they were punished. This was the crime for which they were stretched on the rack of Communist tyranny, Soviet oppression. And they have writhed on that rack for 4 years now.

It is time all the world demanded that the Soviet Union end its occupation of peace-loving Czechoslovakia. There should now be a universal demand that the Soviet yoke be lifted from the neck of this defenseless freedom-loving country.

We are all agreed that the Soviet-led invasion of Czechoslovakia was brutal and unjustified.

We are all agreed that the invasion and the present Soviet occupation are in direct violation of the principles of in-



ternational law and the rights of a sovereign nation.

And the Soviet Union continues to violate the sovereignty of a member state of the United Nations and the principle of self-determination of peoples.

Let us all raise the cry that Soviet troops must be withdrawn from Czechoslovakia. No good man should sleep easily until the last Russian soldier departs from Czechoslovakia's soil.

#### JANE FONDA IN HANOI

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

Mr. EDWARDS of Alabama. Mr. Speaker, actress Jane Fonda may receive academy awards for her acting ability, but she deserves a bad review for her recent political performance in Hanoi.

Miss Fonda has charged, without documented proof, that American pilots are purposely bombing dikes in North Vietnam. An action which, she says, will result in death for thousands of North Vietnamese civilians.

What Miss Fonda and all the other Jane Fondas of the world are ignoring are the horrifying atrocities being committed by the North Vietnamese on the innocent people of South Vietnam.

How many times have you heard that 3,537 South Vietnam civilians were killed in the South during 1971 by North Vietnamese acts of terror? This figure does not include the countless thousands of others who died from military acts.

During 1971, an average of 318 South Vietnamese civilians were assassinated per month and another 624 were wounded or injured seriously as the result of Northern terrorism on the South.

In May of this year, 441 South Vietnamese civilians were assassinated and 957 were injured by the Vietcong.

The conscience of the United States has been pricked by an alleged American-committed atrocity at Mylai, and by the civilian casualties caused by the U.S. bombing of North Vietnam.

Little or no attention, and certainly no equivalent reporting, has been given to similar Vietcong or North Vietnamese atrocities which have occurred on a scale that makes Mylai almost insignificant in comparison.

At the time Hanoi complained of six civilian casualties as a result of the first American raid on the North, which followed the North's invasion of the South, the North was firing 122-mm. rockets indiscriminately into Saigon and Phnompenh, killing more than 10 times this number.

The North's Russian 180-mm. guns have pounded Anloc and Quangtri to rubble. They will do the same to other Southern villages and cities, if they get within range, without any consideration whatsoever for the civilian population.

Most people have heard of the massacres at Hue in 1968 where the Vietcong and North Vietnamese, after Hue's capture, executed 5,700 people—as assessed from the mass graves found afterwards—but who knows that in cap-

tured documents they gloated over these figures and complained that they had not killed enough?

The numerous massacres of women and children and the unnecessary acts of atrocities on the Southern civilian population are beyond calculation.

It has been estimated by those who have followed the war that as many as 1 million civilians, out of the South's 18 million population, will be murdered if the North ever conquers the South.

The ranks of those seemingly eager to act as agents for North Vietnam's current propaganda offensive were joined after Jane Fonda's trip by former Attorney General Ramsey Clark who flew to Hanoi from Moscow with a group of far left-wingers from the Stockholm-based "International Commission of Inquiry into U.S. Crimes in Indochina."

I am sick of those in our country who spend all of their time weeping for the civilians of North Vietnam without scrutinizing the enemy.

Certainly we are concerned with all civilians, but let us take a look at all sides before appealing to the conscience of the Nation.

#### UNEMPLOYMENT COMPENSATION EXTENSION BILLS

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Mrs. ABZUG) is recognized for 10 minutes.

Mrs. ABZUG. Mr. Speaker, I wish to note at this time my sponsorship of two bills to expand the scope of the unemployment compensation programs established under Public Laws 91-373 and 92-224.

The Federal-State Extended Unemployment Compensation Act of 1970—contained in Public Law 91-373—establishes an unemployment program paid for half by the Federal Government and half by the State. There are two requirements which must be met before a given State may participate in this program: First, the State must have an unemployment rate in excess of 4 percent; second, its unemployment rate must be 20 percent higher than the average for the 2 previous years. While there may be some acceptable rationale for the former requirement, I can see no reason for the latter, and my bill being introduced today would permit any State to enact legislation excusing it from meeting that requirement. It makes no sense to keep a State and its unemployed workers from participating in a program such as this just because their already high-unemployment rate has not become 20 percent higher over a 1- or 2-year period. The mere fact of a high-unemployment rate should be sufficient to render a State eligible for this kind of assistance, and my bill would so provide.

The program established under Public Law 92-224, while similar, is entirely paid for by the Federal Government and takes effect only where the State's unemployment rate is in excess of 6.5 percent. This is also an unreasonable requirement, and my bill, H.R. 18069, would reduce this percentage to 5.75 percent.

Our working men and women are the

backbone of America, and if national economic conditions prevent them from finding work, the Nation must provide for them.

#### RETIREMENT OF HOLLIS R. WILLIAMS

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

Mr. MILLS of Arkansas. Mr. Speaker, Mr. Hollis R. Williams, Deputy Administrator for Watersheds, Soil Conservation Service, retired on June 30, 1972, after almost 38 years of Federal service. My illustrious colleague, the Honorable W. R. POAGE, placed a statement in recognition of his service in the CONGRESSIONAL RECORD of June 29, 1972. I have had the privilege of knowing Mr. Williams for over 40 years and wish to supplement Mr. POAGE's statement.

Mr. Williams was born in Mayflower, Ark., on June 13, 1910. He attended both Arkansas State and Hendrix Colleges in Conway, Ark., and was awarded a B.S. degree in physical and biological sciences in 1932. Mr. Williams began his career with the Soil Conservation Service at Conway, Ark., in 1934. He was transferred to the regional office at Fort Worth, Tex., in 1936, and was made Chief, Administrative Services Division in 1942. During this period, he earned a law degree from North Texas School of Law. After an excellent performance in this assignment, he was made State conservationist for Arkansas in 1946. At this time, he was the youngest person to be named to this responsible position.

In 1957, Mr. Williams was transferred to the Washington office to serve as the field representative of the Administrator for the Southeastern States. In 1959, he was designated as Deputy Administrator for Watersheds. During the 13 years he served in this capacity, the watershed program of the Department of Agriculture became of age. The scale of the program increased from 1,148 applications and 180 watersheds approved for operations as of June 30, 1959, to 2,935 applications, 1,662 authorized for planning, and 1,060 watershed projects approved for operations as of June 30, 1972. These projects cover 227 million acres.

In addition to the increased scale, the watershed program increased in scope. From a program oriented to flood prevention, drainage, and irrigation, it has grown to include recreation, fish and wildlife enhancement, municipal and industrial water supply, and water quality management as purposes. This program now is one which truly provides for rural community development. It not only protects and preserves some of our most valuable resources, but also provides a means of stimulating the local economies, increasing personal incomes, and improving the quality of life in rural communities.

But Mr. Williams' accomplishments have not been limited to the watershed program. He has been active in advancing the total soil and water conservation movement through local self-governing

conservation districts, served as adviser to the National Watershed Congress, and made invaluable contributions to the Water Resources Council. He was a charter member of the Council of Representatives of this organization.

Mr. Williams was always highly responsive to requests for services from the Members of Congress. His responses were always adequate and helpful. We will miss him, a highly dedicated public servant.

We wish for him and his lovely wife Virginia much happiness in his retirement.

#### NIXON'S PANAMA POLICY INVITES SERIOUS TROUBLE

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, as all Members of the Congress who have followed Isthmian Canal policy matters know, the Department of State, without the authorization of the Congress and hence in direct violation of article IV, section 3, clause 2 of the U.S. Constitution, is now engaged in negotiations with the Panamanian Government for a new Panama Canal treaty or treaties that would surrender U.S. sovereignty over the U.S.-owned Canal Zone territory to Panama. Because the Panama Canal is one of the vital crossroads of the world absolutely essential for interoceanic commerce and Hemispheric defense, this is a matter of prime importance.

In furtherance of the Department of State objectives, Ambassador David H. Ward, recently appointed as Assistant Chief Negotiator for the United States, on May 12, 1972, addressed the Pan American Council of Chicago on the subject of "A Modern Treaty for the Panama Canal."

The first section of his address is historical and with few exceptions acceptable. The second section on the "Broad Principles for Hemispheric Relations" summarizes announced current U.S. policy objectives as regards Latin America about which there are wide differences of opinion among the well informed. The third section on "Panamanian Aspirations and U.S. Interests" calls for an "orderly and deliberate" transition from U.S. sovereignty over the Canal Zone to Panamanian and at the same time for the retention by the United States of responsibility for the operation and defense of the Canal. This is a self-contradictory policy position because the protective frame of the Canal Zone is indispensable for both operations and defense. A fourth section on "Future Increases in Facilities" urges construction of a canal at sea level or the major modernization of the existing canal but leaves out important angles in the problem.

These aspects include the fact that the major modernization of the existing canal according to the well-known Terminal Lake-Third Lock Plan as covered in pending legislation does not require a new treaty with Panama, that the extravagant sea-level proposal would re-

quire a new treaty with Panama and purchase of a right of way that would have to be added to the costs of construction, and that it dismisses the ecological dangers of a sea-level canal which is strongly opposed by conservation and scientific groups. In fact, it accepts the view of the 1970 Anderson sea-level panel that the biological risks are "acceptable." Most of the conclusions in the address are plain absurdities or completely fallacious.

Fortunately, there are in our country writers with the background of experience and ability to challenge such self-serving State Department propaganda as that expressed by Ambassador Ward. Among them are Maj. Gen. Thomas A. Lane, a distinguished engineer and author with Canal Zone experience in the U.S. Army. In a recent article he calls for the reassertion by a President of the United States that our sovereign powers over the Panama Canal are held in trusteeship for the world and that they will be held in perpetuity as defined in the 1903 Treaty.

In order that the Congress and the Nation may be informed as to what is transpiring with respect to the Panama Canal, I quote General Lane's article and Ambassador Ward's address as parts of my remarks:

[From Human Events, August 5, 1972]

#### NIXON'S PANAMA POLICY INVITES SERIOUS TROUBLE

(By Thomas A. Lane)

Ambassador David H. Ward is special representative of the United States for Panama Canal treaty negotiations. In an address to the Pan American Council at Chicago, he explained the premises of his present work. His misconceptions about the United States interest in the Panama Canal Zone are cause for concern.

In 1903, in preparation for building the Panama Canal, the United States received from Panama, by treaty and in perpetuity, all rights and powers in a 10-mile-wide Canal Zone which it would possess if it were sovereign. Ambassador Ward said that these powers were conveyed, "because of various problems including those concerning health and sanitation."

His comment was misleading. The United States actually exercised powers over health and sanitation *outside* the Canal Zone. It had taken sovereign powers in the Canal Zone not for health and sanitation but because these powers were essential to the future operation of the canal.

In building an interoceanic canal, the United States was venturing a very great commitment of the wealth of its people. It was also taking trusteeship for a new waterway to serve not merely the United States but the world. It undertook to provide security for the canal and to hold it open to world commerce on reasonable terms. That is why it was necessary to have powers of sovereignty in the Canal Zone.

When in 1923 the Panama ambassador in Washington raised the question of sovereignty, Secretary of State Charles Evans Hughes, later a distinguished chief justice of the Supreme Court, said, "Our country would never recede from the position it had taken. . . . This government could not and would not enter into any discussion affecting its full right to deal with the Canal Zone and to the entire exclusion of any sovereign right or authority on the part of Panama."

Through succeeding years, American Presidents have undermined that once staunch stand. At first, adjustments were made to

increase annual payments to Panama and to surrender rights outside the Canal Zone. In recent decades, token compromises of sovereignty such as flying the flag of Panama in the Canal Zone have been made. The effect of these concessions has been to put a premium on anti-Yankee politics in the Republic of Panama and to intensify agitation for the retrocession to Panama of U.S. sovereign powers in the Canal Zone.

The logical consequence of this diplomacy was the rioting of January 1964, when Panamanian mobs attacked Canal Zone installations. Thereafter, President Johnson's representatives, led by former Secretary of Treasury Robert Anderson, negotiated three treaties which would relinquish U.S. sovereign powers in the Canal Zone and create a bi-national management for canal operations. Panama failed to ratify the treaties, so they were never submitted to the U.S. Congress for consideration.

The Nixon Administration started a new series of negotiations with Panama. As in other areas of vital U.S. interest, it simply continued the Johnson policy. Robert Anderson is still the chief negotiator.

At Chicago, Ambassador Ward outlined a program to cede zone territory to Panama and ultimately to terminate U.S. sovereign powers in the Canal Zone. Each President asks not what sound policy requires but what he must give to placate Panamanian politicians for the remainder of his administration.

The powers of sovereignty were taken in 1903 not for transient considerations but for enduring requirements of security which are more compelling today than they were in 1903. Without these powers, the United States could no more hold Panama than the British and French could hold Suez.

Every act of an American President which suggests that these powers could be surrendered encourages the Communist cadres in Panama to launch new assaults against the American presence in the Canal Zone.

We need today the reassertion by an American President that our powers of sovereignty in the Canal Zone are held in trusteeship for the world and that they will be held in perpetuity. He should call upon Panama to honor the partnership defined in the treaty of 1903.

Ambassador Ward tells us that President Nixon is barking up the wrong tree.

[From the Department of State Bulletin, June 12, 1972]

#### A MODERN TREATY FOR THE PANAMA CANAL (Address by Ambassador David H. Ward<sup>1</sup>)

The story of the Panama Canal is well known to Americans, and it is one in which we rightly take considerable pride. The canal enabled ships to reduce the length of their voyages, sometimes by as much as 8,000 miles, thereby appealing to our liking for efficiency. Patriots were equally pleased by the construction episode. We conquered the jungle and the mosquito, where the French company had lost a fortune and 22,000 lives.

The canal enterprise was, and remains, unique. While it affords us special benefits, it likewise presents special problems of a political nature. These problems must be addressed constructively if a sound relationship with Panama is to continue and if we wish to keep alive the possibility of building a new canal in Panama in later years. We would be unwise, and do not wish, to ignore legitimate nationalist aspirations in Latin America. For these reasons we are negotiating a new treaty with Panama.

<sup>1</sup> Made before the Pan American Council at Chicago, Ill., on May 12 (press release 115). Ambassador Ward is Special Representative of the United States for Panama Canal Treaty Negotiations.



Any discussion of the problems we face today must begin, but by no means end, with a discussion of the convention of 1903. This treaty, although amended and reaffirmed in 1936 and 1955, governs the U.S. presence in Panama much as it did when the canal opened in 1914.

The treaty is 69 years old, and no one need be reminded of the great changes in the world generally, and in Latin America in particular, that have taken place since that time. In 1903, because of various problems including those concerning health and sanitation, it was judged necessary for the United States to hold a 10-mile-wide zone under its control for construction and operation of the canal. Accordingly, the 1903 treaty provides that the United States can exercise all rights and powers in the Canal Zone it would possess if it were the sovereign and can exercise these rights in perpetuity. The treaty thus stops short of an explicit grant of sovereignty to the United States.

The builders of the canal set out to create a community with the necessary government services and utilities in which the large labor force could live and work in good health and good order. This task was accomplished as part of the process of building the canal, and that community exists today. At present, we have the necessary stores, housing, power and water facilities, courts, police, post offices, schools, hospitals, and the like, all under U.S. ownership.

The Canal Zone is thus in many ways independent of Panama and outside of its legal control. This fact has caused friction with Panama. The physical aspects of the zone have also been a cause of difficulty. The zone bisects Panama, adjoins Panama's two largest cities, Panama City and Colón, and occupies land that Panama would like to use for urban expansion. The two deepwater ports of Panama are in the zone, and travelers from western Panama must pass through the zone to reach Panama City, which they are of course free to do.

Panama is paid an annual annuity of about \$2 million for the canal and received indirectly, through U.S. purchases and payment of wages to Panamanians, about \$167 million in 1971. This is about 65 percent of Panama's total foreign exchange earnings and the basis for about 35 percent of its gross national product. The direct payment is considered inadequate by Panama on the ground, among others, that tolls, which have never been raised, could be increased to finance a much greater payment.

Canal Zone operations today are under the overall supervision of the Secretary of the Army. A major general in the Army Corps of Engineers serves in the zones in a civilian capacity as Governor of the zone and President of the Canal Company. He is responsible for the governmental functions in the zone, the operation of the canal, the management of the housing and commercial services provided for the employees of the company, and the like. A U.S. court and a U.S. attorney also operate in the zone.

About 12,000 Panamanians and 4,000 Americans work for the canal operation. Approximately 7,500 Panamanians and 40,000 Americans live in the zone, and residence therein is limited to U.S. Government personnel and their families. About 13,000 of the Americans are military personnel stationed in the zone, and they and their families share the schools and hospitals run by the Canal Company.

This is the present situation. Panama believes it to be outdated and is pressing for the right to govern the zone, for an end to the provision whereby the U.S. rights continue in perpetuity, for full ownership of a good part of the lands in the zone, for a greatly increased annuity, and for certain limitations on U.S. military rights. Panama is not, however, seeking the right to operate the canal.

These matters have been under discussion

for some years, and in 1967 negotiators of the United States and Panama reached agreement upon three draft treaties to replace the 1903 treaty. These treaties were never ratified by Panama and were consequently never submitted to the U.S. Senate.

In 1971 negotiations resumed, and since the 1967 draft treaties were formally rejected by Panama, a new basis for agreement is being sought.

#### BROAD PRINCIPLES FOR HEMISPHERE RELATIONS

Before reviewing the approach which the United States is taking to some of the specific problems presented by the negotiations, it is worth noting that the Panama Canal, although in many respects unique, is not an isolated foreign policy problem. Instead the U.S. approach to the negotiations springs from broader principles which we apply to Panama generally and to our other relations in the inter-American system and in the world.

President Nixon, in this year's foreign policy report to Congress, recognized that although our relations within the hemisphere have a special durability, it is time to lay the basis for a more mature political relationship.<sup>2</sup> He stated: "Henceforth a sense of hemisphere-wide community (can) be sustained only on a new, more realistic basis." His report also observes that the problems in our Latin American relationships are basically political and that the hemisphere is composed of nations increasingly assertive of their individual identities and less amenable to U.S. tutelage than in the past. Hence our policy is to eschew efforts to dominate and instead seek a mature partnership with Latin American nations, recognizing the limits on our ability to solve every problem that arises in the hemisphere. This policy is exemplified by four major themes laid down by the President. These find expression in our policy concerning the Panama Canal enterprise and Panama generally, and are as follows:

First, a wider sharing of ideas and responsibility in hemispheric collaboration.

Second, a mature U.S. response to political diversity and nationalism.

Third, a practical and concrete U.S. contribution to economic and social development.

Fourth, a humanitarian concern for the quality of life in the hemisphere.

These broad principles of course require sharpening in the specific case. In particular, a careful assessment of our national interest in the canal must be a primary guide to the course of action to be followed. Traffic passing through the canal continues to increase, and the U.S. portion of this traffic has been rising in absolute terms and as a percentage of the total. In 1970, 14 percent of total U.S. oceanborne trade passed through the canal, as compared with 10 percent in 1950. The canal is also of considerable military significance and is used by all but our largest naval ships and for logistical purposes. Our most important national interest in the canal enterprise is thus to insure that the canal remains available for our commercial and naval shipping.

#### PANAMANIAN ASPIRATIONS AND U.S. INTERESTS

With these general and specific concerns in mind, the President has determined that a great deal can be done to meet legitimate Panamanian aspirations without jeopardy to our national interest in the canal.

Referring again to the four themes of our Latin American policy, the first theme—a wider sharing of responsibility—is exemplified by the agreement of the United States to the assumption by Panama of greater and greater responsibility for the civil government of the Canal Zone. Supporting services

such as grocery stores and restaurants would be operated in the zone by Panamanian entrepreneurs, and Panama would make use of zone lands in ways consistent with U.S. responsibility for operation and defense of the canal. Panama would also play a greater role in defense of the canal.

The second point—a mature response to nationalism—is also met by the proposed changes just mentioned and by our agreement to set a date in the next century when Panama would have an option to terminate the treaty if a satisfactory new arrangement could not then be negotiated. This will end the perpetuity provision, which has been a substantial cause of dispute over the years. Treaty provisions to insure the continued right of the United States to make use of the canal would of course survive any such termination.

The third theme—a concrete contribution to economic and social development—is exemplified by our willingness to turn over to Panama substantial zone land and port facilities which are no longer needed for operation or defense of the canal, to open up certain retained lands to Panamanian development, and to raise the level of compensation to Panama by a substantial amount.

The fourth point—a concern for the quality of life in the hemisphere—is served by almost all of the changes that we have proposed to make and by the new relationship which will result from a new treaty.

The United States has, as does Panama, certain affirmative requirements of its own in the new relationship, and these spring generally from the national interest in the canal mentioned earlier. It is our position that a U.S. Government agency will continue the functions necessary to the actual operation of the canal and the conduct of governmental activities that will eventually be assumed by the Government of Panama. Tolls would remain under the control of Congress. The transition from a U.S. government in the zone to one that is generally Panamanian should be an orderly and deliberate one, and rights necessary to an effective operation of the canal will be needed. The United States must also retain the right to defend the canal. This will require the continued maintenance of military forces in the vicinity of the canal. Finally, we seek a definitive option either to expand the existing canal by the construction of a new and larger lane of locks or to build a sea-level canal in Panama. Further explanation of this latter point is appropriate.

#### FUTURE INCREASES IN FACILITIES

In 1970 the Presidential Commission headed by former Treasury Secretary Robert Anderson, who has since 1964 also been the chief negotiator in Panama treaty matters, concluded that the best site for a sea-level canal in Central America was about 10 miles west of the present canal. This site is outside the present Canal Zone, and new treaty rights would be required. The Commission recommended that a decision on the \$3 billion canal be made at a date sometime in the future when the existing canal begins to show signs of becoming overburdened. The canal would have an initial capacity of 34,000 transits per year and could be expanded to accommodate in excess of 100,000 transits. This compares with the current annual usage of 14,000 transits and with the maximum capacity for the present canal of 26,000 transits. The Commission recognized that the great cost of the canal might make full amortization of its expense impossible but concluded that it had considerable political and military advantages.

There has been much discussion of danger to the ecology from a sea-level canal. The Commission concluded that the risk of adverse ecological consequences appeared to be acceptable but stated that long-term studies were needed and that tentative provisions

<sup>2</sup> The complete text of President Nixon's foreign policy report to the Congress on Feb. 9 appears in the BULLETIN of Mar. 13, 1972; the section entitled "Latin America" begins on p. 358.

should be made for a freshwater barrier in the midsection of the sea-level canal.

Another possibility is expansion of the existing canal by the addition of a third lane of larger locks. It appears unlikely, however, that this need to expand capacity will become pressing until around the end of this century.

There is some concern on the part of the Government of Panama that construction of a sea-level canal would create serious economic dislocations—a long period of inflation during construction, followed by a drastic decline in employment and business activity in general when construction terminates and lock canal jobs are eliminated in the change-over to the sea-level canal.

An exhaustive study of the potential economic impact of a sea-level canal by the Stanford Research Institute in 1969 concluded that this problem of adjustment is one of manageable proportions. Over the long run a sea-level canal would attract more traffic than the existing canal, and the phase-down in employment would thereby be lessened. The institute concluded that after the adjustment period the growth of Panama's economy would continue at a higher level than would be true had the sea-level canal never been built. The sea-level canal would thus be a new and expanded facility to replace a lock canal that will eventually become obsolete. When it is considered that more than a third of Panama's gross national product flows from canal operations it is readily apparent why the creation of a new canal, with greater capacity, will be a tremendous long-term benefit to Panama.

Our approach to our treaty relationship with Panama thus reflects the constructive and forthcoming attitude that the United States has taken toward Panama in other matters. Panama has long been one of the highest per capita recipients of U.S. development assistance in the hemisphere, and this assistance, together with benefits from Canal Zone goods and services, has helped sustain a record of economic growth over the past decade that is one of the highest in Latin America. Congress has recently increased Panama's sugar quota and has provided \$90 million in loans and grants for the construction of the Pan American Highway through the Darien Gap.

Both through our treaty policy and in these other programs the United States has sought to foster a relationship in which the processes of change and national development can take place in an atmosphere of mutual respect and cooperation. We seek a mature and reasonable partnership with Panama which will endure for the benefit of both parties and world commerce. We recognize Panama's aspirations to play a greater role in canal affairs and to assume responsibility for the government of the Canal Zone. At the same time we seek full recognition by Panama of the national interest of the United States in the reliable, safe, and efficient operation of the Panama Canal.

#### INTRODUCTION OF GSA EXCESS PROPERTY AND SUPPLY SERVICES BILL

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

Mr. HARRINGTON. Mr. Speaker, I rise to introduce, along with Congressman O'Konski and Congressman FRASER, two bills which will clarify the status of GSA's excess property program, and its program to allow authorized Federal grantees to utilize Federal supply sources commonly known as the grantee program. Similar legislation is

being introduced in the Senate by Senator MONDALE.

These two programs, which were initiated in 1967, allow Federal grantees—vocational schools, colleges, and universities, antipoverty agencies, law enforcement agencies, community action agencies, and others—to utilize excess property and GSA supply sources in order to carry out the purposes of their grants. There is only one reason why these programs were started—to save the taxpayer money by stretching the purchasing power of the Federal tax dollars given these grantees to their fullest possible extent.

Although the two programs—the excess property program and the grantee program—share a common goal of saving the taxpayers money, they are in no way interrelated. They are distinct and independent programs administered by the General Services Administration.

However, on May 16, the Office of Management and Budget ordered the GSA to amend its regulations to completely terminate both programs. These amendments were published by the GSA in the Federal Register of June 1, with a provision for a 30-day comment period. Because of the large number of comments received by GSA, the comment period was extended for another 30-day period.

Yet, despite the fact that comments on the regulation changes were still being received, the Department of Health, Education, and Welfare unilaterally terminated its excess property program for its grantees on July 14.

In order to clarify and rectify the confusing situation that has arisen concerning the excess property and grantee programs, I am today introducing two separate pieces of legislation.

The first piece of legislation concerns only the excess property program. This program allows an executive agency to provide to its grantees equipment and material no longer needed by the agency. An amendment to the OEO bill offered by Senator MONDALE authorizing a continuation of the excess property program passed the Senate, but was rejected by the Conference Committee because of a germaneness problem. The legislation I am introducing today will authorize executive agencies to make excess property available to grantees, if the agency determines in writing that the property will expand the ability of the grantee to carry out the purpose for which the grant was made, and result in a reduction in the cost to the Government of the grant. Furthermore, the Administrator of GSA will be required to prescribe regulations governing the operation of the excess property program.

At this point, I include in the RECORD the text of the bill:

H.R. 16186

A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the use of excess property by certain grantees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483), is amended by adding at the end thereof the following new subsection:

"(1) Each executive agency shall furnish excess property to any grantee under a program established by law and for which funds are appropriated by the Congress if the head of that executive agency determines that the use of excess property by that grantee will (1) expand the ability of that grantee to carry out the purpose for which the grant was made, (2) result in a reduction in the cost to the Government of the grant, or (3) result in an enhancement in the product or benefit from the grant. Any determination under the preceding sentence shall be reduced to writing and furnished to the grantee involved. The Administrator shall prescribe regulations governing the use, maintenance, consumption, and redelivery to Government custody of excess property furnished to grantees under this subsection."

Mr. Speaker, I would like to point out also that the wholesale business groups who oppose GSA supply source program, do not oppose the continuation of the excess property program.

The second piece of legislation we are introducing today deals with the GSA supply source program—or the grantee program. Since there has been a great deal of confusion over exactly what the GSA grantee program is I ask unanimous consent to include in the RECORD the text of a GSA Fact Sheet on the grantee programs and a newspaper article written by Ralph Nader on the efforts being made to terminate it:

#### FACT SHEET: FEDERAL GRANTEE USE OF SUPPLY SOURCE

##### I. THE POLICY

To maximize the impact of Federal grant dollars, grantees of Federal agencies are permitted to utilize GSA supply sources when a granting Federal agency authorizes the grantee's use of the Federal supply system in furthering the purpose of a specific Federal grant.

The use of GSA supply sources is optional on the part of the grantor agency, the grantee and the contractor. The grantor agency decides whether or not to authorize the use of GSA supply sources by its grantees. Even when authorized, grantees are generally not required to use GSA supply sources. They are free to contract with the private sector to obtain the supplies and services needed. If the private sector can provide better delivery times, better maintenance schedules or better service overall, grantees can and should take these factors into consideration when selecting a source of supply.

Grantees may generally order items directly from a Federal Supply Schedule contractor or through the GSA depot system. However, the Schedule contractor may have a wholesaler/distributor/dealer network set up to handle the types of small volume orders which a grantee normally would place and which the contractor would prefer that the grantee use. The contractor can include in his contract with the Government a requirement that any Federal purchaser must order through or use this network. Regardless of whether such a term is included in his contract, a Federal Supply Schedule contractor may refuse to fill direct orders from grantees. In such a case, the grantee could purchase directly from the distributor.

Many other services are available to grantees through GSA including use of excess Federal property when it is requested by the grantor agency. This grantor agency in turn makes this property available to its grantees for use during and in support of a grant. Generally, the Federal Government retains title and the grantor Federal agency is accountable for the property.

As the agencies administering the grants could purchase supplies and materials from



GSA sources and then give them to the grantees (whether this policy existed or not), permitting the grantees to deal directly with GSA sources saves time and eliminates the agencies as middle men.

## II. BACKGROUND

This policy was begun in 1967 in response to the President's call for cost reduction in Government. At that time GSA issued GSA Bulletin FPMR A-17 which authorized Federal agencies to use GSA supply sources in fulfillment of Grant Programs. The policy is currently outlined in Part 101-33 of the FPMR, issued in 1971.

Cost reimbursement contractors have been permitted to use GSA supply sources as a means of reducing Federal expenditures since 1949. Subcontractors of these contractors have been permitted to use GSA supply sources since the General Accounting Office suggested it in 1964.

The Office of Economic Opportunity authorized its grantees to use GSA supply sources in 1965. When certain of the OEO funded anti-poverty programs were transferred to the Department of Health, Education, and Welfare and the Department of Labor, these departments authorized their grantees to use GSA sources.

## III. RESTRICTIONS AND CONTROLS

The mere fact that an institution is the recipient of a Federal grant does not entitle it to unrestricted use of the GSA supply system. The use of the system is limited to Federal grantees furthering the purposes of a specific Federal grant.

GSA has established controls which prohibit grantee use of GSA supply sources unless GSA is in receipt of a specific, current authorization from the Federal grantor agency. These controls also prevent the use of GSA supply sources after the termination or expiration of a grant. Federal grantor agencies have the responsibility to control and restrict the authorized grantee to purchasing only items to be used to further the purposes of the specific grant. Grantees are subject to audits and financial guidance by the grantor agency.

## IV. RELATIONSHIP TO INTERGOVERNMENTAL COOPERATION ACT OF 1968

In implementing this policy GSA does not rely on the terms of the Intergovernmental Cooperation Act of 1968 (Public Law 90-577), which permits the exchange of certain information and services between and among Federal and state and local governments. The grantee policy existed before, and is basically unchanged since the enactment of the Intergovernmental Cooperation Act of 1968. In 1969 it was determined that this act did not permit state and local governments to purchase through the GSA supply system. The grantee policy is not a means for circumventing this determination. State and local governments and institutions are prohibited from purchasing through GSA supply sources unless they hold a Federal cost reimbursement contract or are Federal grantees authorized to use those sources in furtherance of a specific Federal grant.

## V. SALES TO GRANTEEES

During FY 1971, sales to grantees from GSA sources other than Federal Supply Schedules (depot sales, etc.) amounted to approximately \$5 million out of the total of \$717 million for all agencies. Total agency sales from the Schedules (excluding automatic data processing equipment) for FY 1971 approximated \$721 million. (Since the present reporting system of Schedule sales provides only the total dollar volume and does not break it down by ordering activity, we are unable to estimate the Schedule sales to grantees.)

## VI. GSA CONCERN FOR SMALL BUSINESS

The GSA grantee policy is in no way intended to establish competition with private

industry. It is limited solely to Federal grantees performing Federal programs. GSA, by law, is required to insure that a fair share of its procurements go to small business concerns. GSA uses set-aside procedures so that small businesses are often accorded exclusive rights to compete for contracts. When total GSA procurements are reduced by the purchases of motor vehicles from large businesses and major construction and public utility procurements, 58.6 percent of the balance is procured from firms classified as small business.

Furthermore, regarding GSA's multiple-award Federal Supply Schedule contracts, the General Accounting Office reported in 1969 on the effects of GSA's discount policies on small businesses relative to contracts for scientific instruments, electronic equipment and laboratory equipment. Their report stated that, overall, small businesses were not being hurt and substantial savings to the Government were being achieved by this method of negotiation.

## VII. SAVINGS TO THE GOVERNMENT

A primary mission of GSA is to contract for common-use items for the Government by the most economical and efficient methods possible. In fulfilling this mission, GSA contracts at discounts from commercial prices which normally cannot be matched by individual agencies buying alone. As grantees have access to these GSA sources of supply, they and their grantor agencies benefit from the economies and efficiencies of these contracts. The grantees not only realize the benefits of GSA pricing, but also avoid the expense and administrative difficulty in locating potential contractors, soliciting bids, making awards, executing contracts and performing the other necessary procurement functions which could reduce their capability and resources with which to perform the grant function.

## VIII. PENDING ACTIONS AND STUDIES

1. The Commission on Government Procurement has included at least a limited review of the grantee program as one of its study topics. The Commission's report is due to the Congress in late 1972.

2. We have recently reiterated GSA policy to each of the Federal grantor agencies and requested each to (a) reemphasize to its grantees that their right to purchase from GSA supply sources is restricted to furthering the purposes of a specific grant, (b) furnish GSA with copies of their current control regulations, (c) be prepared to investigate any complaints of abuse of the policy, and (d) furnish GSA with cost-comparison data showing representative procurement savings from a sampling of their grantees.

3. The Office of Management and Budget, in coordination with Federal departments and the General Accounting Office, is considering uniform property management and financial controls for Federal grant programs.

4. A suit has been filed by 18 various Trade Associations challenging the legality of this policy. GSA will be represented in the litigation by the Department of Justice and is not in a position to offer comments on the merits of the suit.

General Services Administration, May 2, 1972.

[From the Washington Star, July 16, 1972]

## NADER ARTICLE

### GSA GRANT PLAN THREATENED

Should schools, colleges, hospitals and other recipients of federal grants be allowed to purchase or use needed equipment from the federal government's property supplies, or should they be required to buy these items on the market at much higher prices?

This is the question that has pitted the Nixon administration and a power coalition of wholesalers and distributors, with annual sales of \$300 billion, against an unorganized group of federal grant recipients in the ed-

ucational, health, research and local governmental fields.

It all started in 1967 when the Johnson administration initiated a policy permitting the General Services Administration, the government's buying agent, to open its supply sources in fulfillment of grant programs. Also, GSA excess property could be borrowed by these recipients, under the 1967 regulation. The idea was to stretch the federal grant dollar. Professor Fairfax Leary claims it is saving the taxpayers about \$400 million a year.

There are other advantages to the GSA policy, which the White House has now demanded be revoked. For example, a southern city's department of education says the policy saves on inventory tie-ups and paperwork and permits quicker purchases at about 25 percent savings. Another state department of education notes, not only savings of almost 44 percent, but more realistic, competitive bids from private suppliers.

Rigged bids, collusion, and outright monopolies have long been associated with state and local government procurement practices. Private hospitals and other research and educational institutions which have to purchase diagnostic, therapeutic and scientific instruments have had similar experiences.

The comparatively tiny GSA regular and surplus supply outlet helps keep corporate price gougers less greedy and a little more competitive.

Items purchased by federal grantees from GSA surplus are not frivolous; they include office supplies, school laboratory items, cleaning materials and other essentials. From spark plugs to garbage cans some purchase prices have been as much as 50 to 65 percent lower.

The National Association of Wholesalers, and its allied trade groups, have been lobbying strenuously for the past five years to overturn government attempts to devise government procurement policies that save taxpayers' money. In 1969 they succeeded, also through the White House, in blocking GSA from coordinating purchases with state and local governments. GSA buys directly from the manufacturers. Most state and local governments buy from wholesalers, paying over \$6 billion a year in markups and commissions. This inefficient procurement pattern often benefits campaign contributors and corrupts state and local politics.

So powerful was the lobbying effort of the NAW coalition on Congress and the White House that the GSA dropped its plan in 1969, just as it is now about to implement a White House directive to close its doors to federal grant recipients. In recent weeks, some of these recipients, such as junior colleges, are mounting a protest from all over the nation. They are demanding a public hearing so that all the facts can be considered openly and not in closed-door exchanges between budget director Caspar Weinberger and trade association representatives.

Financially hard-pressed local governments and vocational schools want to state their case and show how they have been able to purchase or use needed equipment that they otherwise could not have afforded. Their chief supporter in Congress has been Sen. Walter Mondale, D-Minn.

Weinberger likes to talk about economy in government, but he practices waste and distorts the GSA program with misleading alarums about minor abuses. Instead of seeing that abuses are stopped, he wants to throw out the entire program. In election year, a booming \$300 billion wholesale and distribution lobby is obviously worth more to the White House than a paltry \$400 million saving to the taxpayer and better equipped schools and hospitals.

Mr. Speaker, critics of the grantee program have claimed that abuses of the program have occurred. The phrase turn-

ing the country into one "big PX," is often used. While, undoubtedly, some abuses of the program have occurred, as they do with almost all programs, cutting all grantees off from supply sources is neither a proper or a just solution.

The grantees have almost all prepared their fiscal year 1973 budget requests to reflect the savings to which they thought they were entitled. If the grantee program is terminated, the grantees will be forced to decrease the amount of service they were to provide to their communities, and instead pay the money earmarked for that purpose to a small group of wholesale distributors.

The legislation being prepared today will allow presently authorized grantees to continue to use GSA supply sources until October 1, 1973. It will also allow new grantees to receive authorization to utilize GSA supply sources if they meet a set of rigid criteria governing entrance into the program.

Finally, the General Accounting Office is directed to prepare a report to Congress on the procurement program. The GAO will determine whether or not the Government will save money by the continuation of the grantee program, and will also investigate the impact of the program on small businesses and other business interests. This report must be submitted to Congress by July 1, 1973.

I include the text of the bill in the RECORD at this point:

H.R. 16185

A bill to require a study of the practices, policies, and procedures of all Government agencies relating to the availability of certain goods and services through Federal supply and service sources, to amend the Federal Property and Administrative Services Act of 1949 to permit certain grantees and contractors of Government agencies to procure certain goods and services through Federal supply and service sources, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General shall conduct a study of all practices, policies, and procedures of Federal executive agencies relating to the use of Federal supply and service sources, as defined in section 201(f)(3) of the Federal Property and Administrative Services Act of 1949, by prime grantees and price cost reimbursement contractors of those agencies. Not later than July 1, 1973, the Comptroller General shall transmit to the Congress a report setting forth, for each agency—

(1) the total cost to the agency of making such supply and service sources available to such grantees and contractors;

(2) comprehensive statistical measure of any adverse competitive effects caused by the availability of such sources to small business concerns or to any other significant segment of the business community; and

(3) the reduction in cost to such grantees or contractors resulting from the availability of such sources.

SEC. 2. Section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481) is amended by adding at the end thereof the following new subsection:

"(f) (1) Notwithstanding any other provision of law, during the period beginning on the date of enactment of this subsection and ending on October 1, 1973, each executive agency shall, except as provided in paragraph (2), authorize prime grantees and prime cost reimbursement contractors of that agency to

use Federal supply and service sources if the head of the executive agency involved determines that—

"(A) the use of such source is in the best interest of the Government;

"(B) such use would lower the cost of purchased items to the grantee or contractor; and

"(C) supplies or services sought are suitable for the purpose of grant or contract.

Any determination by an agency head made under this subsection shall be in writing and shall be furnished to the grantee or contractor.

"(2) Any prime grantee or prime cost reimbursement contractor who was lawfully using Federal supply and service sources on July 1, 1972, shall be eligible to continue such use during the period specified in paragraph (1) without regard to the determinations required by an agency head under such paragraph. Such eligibility shall terminate on October 1, 1973.

"(3) For the purposes of this subsection, the term 'Federal supply and service sources' includes Government vehicles and related Government services, and the Federal Telecommunications System."

Mr. Speaker, I believe my bill is a reasonable means of protecting the rights of Federal grantees without indefinitely extending the program. However, I have every confidence that the GAO study will prove that the grantee program is a valuable and money-saving program, both from the perspective of the grantees and the communities they serve, and the Federal Government and the taxpayers who support it.

#### MASSIVE TAXPAYERS' REVOLT

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

Mr. GALIFIANAKIS. Mr. Speaker, it is hardly surprising that we are witnessing a massive taxpayers' revolt in the United States today. For years concerned citizens have voiced their opposition to a tax system they perceived as unfair and inequitable. As recently as 1969, Congress attempted to alleviate some of these injustices. But it was not long before we in Congress heard the public's reaction to these measures. The American people told us then, and their cries across the land are telling us now, we did not do enough, we must go farther.

The American people are raising legitimate questions about the inequities in our present system of taxation. They are asking the right questions, but unfortunately no one knows the right answers. Tax reform is a complex and difficult issue. There are many instances where enacted provisions were designed to do one thing and ended up doing precisely the opposite. When President Nixon proposed the job development credit, he stated that—

It would provide the strongest short-term incentive in our history to invest in new machinery and equipment that will create new jobs.

Yet a recent study of this provision has shown that after a 2½-year period, unemployment will be reduced by only 0.3 percent, while its long-term effect will be to increase the gross national product by a sizable 0.6 percent. It is an ex-

tremely difficult task to predict accurately how a specific tax measure will affect the economy.

Right now before the Congress are a multitude of proposals dealing with just this area. And yet if each of these proposals are examined closely, it is apparent that practically every bill approaches tax reform from a different perspective. The whole range of possible action is covered. At one end of the spectrum there is the call for the termination of all tax preferences, and on the other end, there are those who favor action that would amend, revise or repeal only individual provisions that they have determined to be unsatisfactory. The effect of all these various proposals has been to confuse the Congress, not enlighten it.

The bill which I am now offering for your consideration is designed to end this confusion. This bill asks Congress to establish a commission, composed of members from the executive branch, the Senate and the House of Representatives, as well as equal participation by private citizens selected by these respective bodies. This commission would be required to make specific recommendations for each section of the Internal Revenue Code. Such recommendations would expressly state whether a particular provision should be continued as is, modified in a specific respect, or repealed outright. This commission would be empowered to hold hearings across the country, examining this issue with businessmen and academicians, and all Americans who want their voices heard. This commission would be required to submit its findings to the Congress no later than December 31, 1973.

To act responsibly, Congress must have a thorough understanding of the problems. Since 1969 the most extensive study made was released last month by the Joint Economic Committee. And this study only dealt with seven provisions. One might imagine that such a report would have reached clear cut conclusions. This was not the case. The chairman of that committee, offered the following comment upon the release of the study:

While these studies were conducted by highly competent professional economists, there is no unanimous opinion within the economic community. I hope these studies will stimulate debate and public discussion on this important subject of tax reform.

A well balanced panel such as I've suggested would provide this badly needed public forum, as well as a fresh new perspective in this area.

It is my opinion that this approach is the best means for insuring our people that the steps we do take, are the steps we should take.

#### BLACK DEATH AT BLACKSVILLE

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

Mr. HECHLER of West Virginia. Mr. Speaker, Thomas N. Bethell, the author of "Coal Patrol," has produced another fine piece of reporting in connection with



the fire at Blacksville No. 1 Mine in West Virginia which resulted in the deaths of nine coal miners. The article follows:

REPORT FROM BLACKSVILLE No. 1

BLACKSVILLE, W. VA., Sunday, July 23, 1972.—Fire burns 650 feet below, and on the surface, under the broiling sun, you can see the thick dark smoke rushing upward through the exhaust fan. A few yards away, one of the fourteen rescue crews at the scene goes slowly down into the mine aboard an elevator, making last-minute adjustments to back-pack breathing gear and helmet lights.

The crew that has just come out is quiet and grim; the men are realists; they don't believe that the nine miners trapped underground could possibly be alive. The rescuers will go on looking as long as possible, but the fire is running out of control and the mine atmosphere is lethal with carbon monoxide. The miners underground were equipped with W-65 self-rescuers—breathing gear capable of sustaining them for sixty minutes in carbon monoxide concentrations of two per cent. The percentage is much higher than that, according to the rescue crewmen; and the fire has been burning for eighteen hours . . .

In the parking lot the weary rescue crewmen stand in the heat and dust and spit on the ground, trying to clear their lungs; they aren't saying much; there isn't all that much to say; it has all been said before. This isn't just another mine disaster, it's a Consol disaster, and it's not unexpected; at least that's what these men tell you. These particular men don't work for Consolidation Coal Company, but they know Consol by reputation, as everybody does in northern West Virginia: Consol is king around here and has never been hesitant about letting people know it. You work in Consol's mines and live in Consol's towns and shop in Consol's stores and vote for Consol's candidates. And when you mine coal for Consol you feel the pressure all the time. "They want that coal coming out of there," says Ron Statler, who works at the Blacksville No. 1 mine, "and they don't want you slowing things down. Not for any reason."

Blacksville No. 1 is a new mine, planned as something of a showcase of modern technology. Development began in the summer of 1968, and the first train loaded with coal left the mine in late March 1969, headed for East Coast power plants. That first summer of production, the mine employed 150 men. Development of a twin mine, Blacksville No. 2, was launched, and Consol officials projected full development of both mines by early 1973. At that time, both mines would employ about 500 men apiece, producing some 3,000,000 tons a year apiece, ranking them among the 15 or 20 biggest mines in the U.S.

But plans fell behind schedule. By this summer Blacksville No. 1 was producing 4600 tons per day, for an annual rate of 900,000 tons; only about a third of the way toward full production. The workforce, however, was up to 330 (302 underground, 18 surface workers), or more than three-fifths of the total force projected for 1973. The result: low productivity—a relatively large workforce producing relatively little coal.

There were various reasons. Blacksville No. 1 is a longwall mine. Longwall mining, although used extensively in Europe, is new to the U.S. and Consol's miners had trouble adapting to it. Company engineers were also unfamiliar with the system. And, to a great extent, the workforce was composed of very young, very inexperienced miners. At considerable trouble Consol could have shifted a few veterans from other nearby mines to Blacksville No. 1 to provide leadership for the new recruits. But the company hadn't made a habit of doing that in the past, and didn't do it at Blacksville. So the great majority of men working at this new, difficult mine were green. For example, one of the foremen,

Justin Beach, was only 23, and his only experience was at the Blacksville operation.

Why so many young men at Blacksville? Again, various reasons. In the ceaseless cycle of economic upturns and downplunges that characterizes the coal industry, companies have never offered a steady training program and the labor supply fluctuates wildly. Consol might have had to recruit older men if the national employment picture were brighter, but these days a young West Virginian is hard pressed to find work at the usual places—the factories and assembly lines of Detroit, Cleveland, Chicago. The typical Blacksville miner fought in Vietnam, came home, went job-hunting, came up empty-handed. But the mines were there, and you could make maybe \$40 a day under the current union contract. These days you don't find that kind of money anywhere else in West Virginia; if you could, Consol would have a rugged time trying to coax men into its mines. The miners at Blacksville went underground mostly with no intention of spending the rest of their lives digging coal. They hope to make a small pile of money and find a better job before their luck runs out and the law of averages catches up and they get badly hurt; or killed.

IN 4 YEARS, 165 DEAD

The law of averages catches up with Consol miners with brutal regularity and frequency. It caught 78 of them at Farmington in 1968 in a single massive blast. In all, 97 Consol miners died on the job that year. In 1969, with no major disaster, 21 Consol miners died. The figure was 17 the next year. It dropped to 9 in 1971, the best year Consol had had since 1962. But in 1972 the picture was bleak before the year was even half over; by June 30, 12 Consol miners had been killed. Federal mine inspectors in West Virginia were sending reports to Bureau of Mines headquarters in Washington, showing with startling clarity the seriousness of the safety problem at Consol's mines: in the first 6 months of 1972, they had found thousands of violations of the 1969 Federal Coal Mine Health & Safety Act, and in 104 cases had judged those violations serious enough to warrant ordering all the men out of the mines until the violations were corrected. Teams of inspectors investigated each fatal accident. Their conclusions followed a pattern that hasn't changed in the past decade: in more than 90 per cent of the fatalities, the blame lay with management. A senior Bureau official, asking not to be identified, says that Consol's corporate attitude has not improved perceptibly since the Farmington disaster. "They are," he says, "the same arrogant bastards as always, and they would rather spend their money wheeling and dealing in Washington than cleaning up their mines."

You hear the same thing, in different words, at Blacksville. Ron Statler, who runs a continuous-mining machine at Blacksville No. 1 and serves as president of Union Local 1588 at the mine, is talking with Harry Patrick, reform candidate for UMW international secretary-treasurer. Patrick, who works a few miles away at Bethlehem Steel's Barrackville mine, is explaining some of the safety precautions used at Barrackville to prevent mine fires. Barrackville, as both men know, has a reputation as one of the safest mines in the country, partly because Patrick and the other miners there are single-mindedly tough about walking out over safety violations. Statler is near despair. He runs a tough local, but with Consol nothing seems to work. "I swear," he says to Patrick, "I swear that everything Bethlehem does, these sons of bitches do just the opposite."

The mine fire started at about 8 p.m. on July 22. It was on a weekend shift—Saturday—and no coal was being mined, according to the company. There were 40 men in the mine. Several of them were moving a

huge continuous-mining machine from one section to another. Somehow the machine made contact with an energized overhead trolley wire. Sparks flew wildly in the dark passageway. Coal dust, hydraulic fluid, and accumulated grease on the machine began burning. One of the men reportedly tried to disconnect the power at a nearby circuit-breaker, but the breaker failed to function. Some minutes later, men working elsewhere noticed the smoke rolling past them as it was sucked through the mine's ventilation system. They phoned in to the mine dispatcher. The stories conflict at this point. In some versions, they were told not to worry, that everything was under control. In other versions, they were told to stay where they were and await further instructions. There weren't any further instructions. The communications system went dead, presumably because the spreading fire burned it out. Nobody heard from the missing miners again.

It was more than two hours after the fire broke out before anybody from Consol notified the Bureau of Mines. By that time people in the town of Blacksville were already hearing rumors that something was wrong in the mine, and an editor a few miles away in Morgantown was asking one of his reporters to find out what was going on. The reporter couldn't get anyone at the company to tell him. The confusion continued into the night. It grew worse as West Virginia officialdom got into the act. Dispatched by Governor Arch Moore, press officer Norman Yost told reporters that the fire was under control, and everyone was safe.

After the Buffalo Creek flood in February, it was Yost who told reporters that some 30 to 35 people who had been presumed dead had miraculously found shelter in a cave and had been discovered there, shivering and hungry but unharmed, two days later when rescuers reached their refuge. The story turned out to be completely without foundation. At Blacksville, Yost's report on the fire and the miners turned out the same way.

The West Virginia state mining law, revised exactly twelve months ago, is explicit on the subject of how to move machinery. Section 22-2-6 spells it out: "... When equipment is being transported or trammed, no person shall be permitted to be in by the equipment in the ventilating split that is passing over the equipment." Even though that language wouldn't mean much to a layman, Ron Statler and many of the other men in Local 1588 know the statute by heart, practically word for word. In a coal mine, air is sucked through the otherwise draftless corridors by powerful fans. To be "inby" a machine means, basically, to be downwind of it. If the machine catches fire, anyone inby it will be caught by the smoke, the fumes, and—most lethally—the odorless carbon monoxide that replaces oxygen in a blaze. Continuous mining machines are huge affairs; they take up almost all the available airspace in a mine passageway. There were 9 men inby the mining machine when it caught fire. The passageway was blocked; the air around them quickly fouled. They had no escape. Thirty-one men outby the machine—upwind of it, in other words—managed to get out of the mine.

David Smith, the chief of a rescue crew from a nearby Eastern Gas & Fuel Company mine, was irate about the fire when he talked to Harry Patrick and UMW presidential candidate Arnold Miller about it on Sunday afternoon. He, too, knows the state law by heart. He and his buddies have fought Eastern's management over the same issue and have tried to get help from United Mine Workers headquarters in Washington. There's been no response. On Sunday afternoon, UMW District 31 president Leonard Pnakovich showed up at Blacksville to confer with mine officials. The Eastern rescue crewmen ignored him and went out of their way to talk with Miller and Patrick. Pnakovich is an

appointee of UMW president Tony Boyle; Miller and Patrick, along with Mike Trbovich, are running to unseat Boyle in the upcoming court-ordered UMW election. "We want you to win," Smith told Miller. He waved his arm angrily in the direction of the dirty brown smoke pouring out of the exhaust fan. "There's not a damn thing going to be done about situations like this until we get somebody in there who's not afraid to tell these damn companies where they get off."

There were rumors that Boyle might be coming to the mine by helicopter. The miners talking with Miller and Patrick said they wished he would. But they didn't think it was likely. Local 1588, said Statler, is solidly against Boyle. "We haven't forgotten Farmington," Statler said. It was while 78 men were still trapped underground in Consol's Farmington mine that Boyle arrived and told reporters that Consol was "safety-minded" and "cooperative." "Like to see him come flying in here and say that today," Statler said. "He wouldn't get out alive." But no helicopter appeared bearing Boyle, and from his office in Washington, no statements were issued.

#### KEEP THE PRESS OUT

Halfway up the access road to the mine there is a cluster of state police cars. One trooper says they are there at the instructions of Governor Moore, another that they are there at the request of Consolidation Coal Company. Either explanation is possible; Moore had his troopers close off access to Buffalo Creek after the disastrous February flood, and Consol learned after its 1968 disaster at Farmington that it is bad for public relations to let reporters get too close to a mine. Now the company has gone so far as to prepare a manual for its public relations men to use during awkward moments. The watchword: keep the press out. At Blacksville, the manual is being followed. By pure luck, two reporters elude the blockade. We poke around briefly in the sweltering heat of the mine office, where the rescue operations are being directed. There is a constant coming and going of sweaty, weary men. Federal officials are asking for information on the mine's ventilation system. By now, late on Sunday afternoon, there's no sign that anyone is holding out much hope. And it's obvious why the press is excluded: they would, of course, get underfoot, but beyond that, there would be image problems. Without actually seeing the mine office, your mind's eye forms the impression of a military command post, functioning with the precision of drill teams.

It's not like that. The scene seems surprisingly disorganized and casual and aimless. Near a Coke cooler, two state troopers, fatbelled and perspiring, are telling each other jokes. Rescue crewmen are slumped, exhausted, at a table. It is all sweat and grime except for John Corcoran, the president of Consol, who has somehow escaped the heat and the dust. His lightly-striped shirt is unsoiled; the cuffs aren't even rolled up; his pin-stripe pants are still holding their press; there is a fine shine on his shoes. He walks out of the building accompanied by an aide and heads across a parking lot. Coming in the other direction are half a dozen women—relatives of the men trapped in the mine. They are keeping a vigil in another mine building provided by the company—a place where, as it happens, the press cannot get at them. The women cross the lot and stand in the dust talking to John Corcoran for a few moments, maybe a minute. He continues on his way, talking to his aide again. The women continue on their way, more slowly. They are bareheaded in the broiling sun, two of them staring ahead at nothing, another looking down at the ground, hardly moving. She is very pale; not quite crying.

Later we drive slowly away from the mine in Ron Statler's car, past the gumchewing trooper who leans down to stare into the car

suspiciously as we go by. Arnold Miller and Harry Patrick are fuming. They have been briefed by Bureau of Mines officials and have talked at length with men from the rescue crews and they know that the 9 missing miners will not be rescued unless there is a Grade A miracle, and they are both veteran miners who don't like to rely too much on miracles. They know the fire could have been avoided—the overhead trolley wire should have been de-energized before the mining machine was towed underneath it; circuit-breakers ought to have tripped out automatically, in any case, when the contact was made between machine and wire. But the breakers didn't trip and both Miller and Patrick are sure they know why: because somebody had wired around them. It's all too common in mines—the current's always getting overloaded, and when a circuit-breaker trips long minutes are lost re-setting them and reducing the power load. What bothers Miller and Patrick most is not that companies do this kind of thing; they expect as much. It's that the UMW bosses in Washington won't do anything about it. Nobody wants to be called strike-happy, but Miller and Patrick both know that if they were running the union there would be a day of mourning all across the coalfields—a mass walking-out, a hundred thousand men staying home, the precious coal staying underground. "If they want the coal, they can come and dig it themselves." That's the kind of gauntlet John L. Lewis used to delight in flinging down at the feet of the coal operators. A reporter in the back seat thinks of John Corcoran trudging underground in his pin-stripe suit, with a pick and a shovel, and wishes he would live to see the day.

#### "IMMINENT DANGER" . . . 19 TIMES

The big rich coal seams of northern West Virginia are full of a silent, odorless peril called methane, a gas formed—like coal—by the decomposition of organic matter. It never posed a threat to anyone for millions of years because it is harmless unless mixed with air, and there was no air in the coal seams until men began digging mines. During the past half-century, however, methane explosions have accounted for a high percentage of the more than 100,000 miners who have been killed in mine accidents. Finally in 1969 with the passage of the new federal coal law, it became mandatory for the Bureau of Mines to spot-check at least once every five working days all mines in which more than a million cubic feet of methane is liberated per day.

Consol's Blacksville No. 1 is one of the most gassy mines in the country, as it happens, so it has seen its share of inspections since 1969. Checking electrical equipment, ventilation, coal-dust control, cable-splices, sloppy maintenance and everything else that might contribute to an explosion (with certain concentrations of methane, all it takes is the smallest spark), the federal inspectors have cited the mine for violations of law no less than 485 times.

Up to the day of the fire, inspectors had visited Blacksville No. 1 129 times. On 19 occasions they had ordered the men out of the mine after discovering violations serious enough to create an "imminent danger," in the language of the law. The men in Local 1588 have mixed feelings about the inspectors (some of them, the men say, are too cozy with the mine management) but generally they are glad to have them around; they act as a brake on the production-happy people who run Consol.

Inspectors were in the mine as recently as July 20, two days before the fire broke out. They ran a spot check in one working section—not the same section in which the men were to be trapped—and wrote up a violation notice for "excessive accumulations of loose coarse coal, oil, and grease on and

around the controls and traction motor of the continuous mining machine."

"I think it's fair to say that's a common problem at Consol mines," an inspector would comment later. "I think it's an indication that they just don't pay enough attention to your basic maintenance. Any kind of down-time on a machine cuts into your production, you see. Well, it's taking a risk to let that stuff build up on a machine. It's dangerous, it can flash up fast and burn like holy hell and you won't be able to get near it for the heat. So we cite them for it, but they go right on doing it."

Alan Cole, a Bureau of Mines information officer, says that Blacksville No. 1 had been cited for accumulations of flammable materials 24 times—an indication that mine management did indeed tend to ignore the citations. Maybe it was because of a sense of security. For all the safety violations, the mine had a good record, by industry standards, in lost-time injuries. There had been only one fatal accident—in 1969—and in 1971 the mine had an accident frequency rate of 5.8 per million man-hours, which was far superior to the industry average of 41.6. Some of the men at Local 1588 say that's because they wouldn't let themselves get pushed into taking obvious risks.

But in any event risks were there, and the inspectors kept running across them. On July 20, for example, the mine was cited not only for unacceptable dust and oil accumulation but for other hazards as well: a methane monitor was not functioning, and a circuit-breaker on a continuous-miner wouldn't de-energize the power when it was placed in the "off" position—indicating, most probably, that it had been tampered with. Without having seen the inspection report, Arnold Miller and Harry Patrick would later conclude, on their own, that the same thing had contributed to the fatal fire.

Only weeks from now, after the post-disaster investigation has been completed, will anyone be able to say with certainty whether that conclusion is correct. Meanwhile, however, a search through available federal records turns up a staggering account of endlessly repeated violations—seemingly an invitation to disaster. In April, for example, checking the sections where the disaster would later occur, inspectors docked Consol for improperly grounded electrical equipment, inadequate ventilation, and excessive dust. Other reports show citations for similar offenses and for others: three locomotives operating without brakes, an emergency escapeway not being maintained, a fire extinguisher missing from a personnel carrier, dust building up around conveyor belts, a shuttle-car power cable making contact with a high-voltage line, excessive accumulations of oil on the continuous-miner in section A-3 (where the disaster occurred). In January an inspector pulled all the men out of the mine after discovering dangerous dust levels in A-3 and other sections. Other inspectors at other times chided Consol for not installing fire hoses. Over and over the company was cited for inadequate ventilation. The list goes on; the file at the Bureau of Mines is as thick as half a dozen Sunday papers.

#### INITIATIVE AND ECONOMIC ACHIEVEMENT

But you are going to have to produce more than a foot-thick file before Howard Hardesty will be impressed. He is just plain bored with this kind of thing. "Those who hammer away at the business community," he says, "are for the most part a negative lot. They reject, and they rebuke, and they reproach, and they frequently view with alarm, but hardly ever do they come up with anything constructive."

Howard Hardesty is happy with a term he has coined for the critics of the coal industry. "If you accept 'entrepreneur' as the generic term for 'businessman,' perhaps we can refer



to these single-minded, persistent, and totally myopic critics of businessmen as *antipreneurs*." Antipreneurs, he says, are "active today as never before . . . they are changing some basic attitudes in this country. They are converting the United States of America from a nation that once respected initiative and economic achievement . . . to a nation that imputes to its businessmen the most venal motives and most despicable conduct." Howard Hardesty, for one, has no patience with such people.

Understandably, because he himself is filled with respect for initiative and economic achievement, having built a highly successful career on them. He was just another lawyer once, practicing in Fairmont, not far from Blacksville, moving easily in the political swim of northern West Virginia, but not much noticed elsewhere. Then, in 1961, he was appointed state tax commissioner, serving in the administration of Governor W. W. Barron. During his 18 months in office, he set up a revised system of property appraisal. The most valuable property in West Virginia is coal and the largest owner of coal is Consolidation Coal Company. When Mr. Hardesty left office, he went directly to work for Consol as its general counsel. He moved up rapidly, becoming a vice president in 1965, executive vice president in 1966.

That was the year when Consol merged with Continental Oil Company to create the largest oil-coal combine in the United States, and Howard Hardesty was one of the key people in negotiations. The merger called upon all his skills as a tax expert, since it was important to negotiate a sale in which taxes on Consol's \$446.1 million in assets could be minimized. The sale went through, resulting in what then Senator Albert Gore would later call "one of the greatest tax dodges in history."

Howard Hardesty was the only Consol executive who went directly into the upper echelons of Continental Oil, becoming senior vice president in 1968, with responsibility for "government relations and public affairs." Continental's government relations, as he happily discovered, are conducted at a pretty rarefied level. Leonard McCollum, the company's long-time chairman, has been a leading member of what is probably Washington's most influential lobby—the American Petroleum Institute—but on a personal level he is also a warm admirer of President Nixon and in 1968 he collaborated closely with Republican Party chairman Rogers C. B. Morton to raise many millions of dollars in contributions from friendly oilmen. Morton is now the Secretary of Interior, directly in charge of the Bureau of Mines; no one, of course, would accuse anybody of influence-peddling, but just in case there was any doubt about Mr. McCollum's continuing loyalties, he put together a party in Texas last winter and raised \$5 million for the President's 1972 campaign in a single evening. That may have been an example of the kind of "initiative and economic achievement" that Howard Hardesty understandably admires; it certainly ought to make "government relations" easier.

There are, however, other sources of strength to fall back on, just in case. Continental's president, John McLean, is co-chairman of the National Petroleum Council, the quasi-official body that determines, among other things, national policies on matters relating to oil—and, since oil companies are also coal and uranium and gas companies, policies related to the entire subject of energy. The other co-chairman is Hollis M. Dole, Assistant Secretary of the Interior for Mineral Resources. The Bureau of Mines is part of his division. When Mr. Dole's immediate predecessors left government service, they went directly into the oil industry; Mr. Dole will not discuss reports that he is headed there too, should Mr. Nixon be defeated in November. But he cannot be un-

aware of the financial incentives involved. John McLean, for example, is paid more money than President Nixon, and Howard Hardesty is paid almost as much. It isn't unreasonable for Mr. Dole to be looking ahead to a day when he can double his salary . . . but that probably has nothing to do with his persistent silence as one disaster after another afflicts the mineral industries.

"Government relations" operate at many levels. Down a rung from Hollis Dole is Elbert Osborn, the director of the Bureau of Mines—again, a Presidential appointee whose future depends in part on the election this November. There have been reports that Dr. Osborn is on close terms with Consolidation president John Corcoran (who doesn't make as much as President Nixon, but, at \$150,000 makes more than four times as much as Dr. Osborn, at \$36,000). They have been seen, for example, dining out together in Washington, accompanied by other influential coal-industry men. After persistent questioning, the information office of the Bureau of Mines will relay only the information that Dr. Osborn has met Mr. Corcoran and other coal men "a few times." "Although they were dinner meetings, they were not social affairs," the Bureau says, adding that Dr. Osborn was interested in hearing about industry's problems in complying with the federal coal law—a subject that presumably could have been discussed just as well in his office. "Some of the meetings were held at the Metropolitan Club in Washington," the Bureau says, and "one meeting was hosted at the Cosmos Club."

Perhaps nothing of this smacks of favoritism. But, for the record, it might be noted that Dr. Osborn has never invited Ron Statler to the Cosmos Club. Or Arnold Miller; or Harry Patrick; or Mike Trbovich.

Pointing out this kind of thing marks you as an "antipreneur" in Howard Hardesty's world. Most reporters today, he says, are "products of a very liberally-oriented undergraduate school" and are "totally inexperienced in business affairs." "It's our job," he told the American Mining Congress a few months ago, "to give them a true insight into what goes on." Not long after that speech was delivered, a reporter in West Virginia, Jim Haught, unearthed a fascinating insight into what goes on. Poking around in the business affairs of Howard Hardesty's former employer, ex-Governor Barron (who has since gone to jail, for bribing the foreman of a jury which was considering evidence about several dummy corporations that Barron created), Haught discovered that in 1968 Barron had secretly worked for the election of the current Governor, Arch Moore—even though Barron is a Democrat and Moore is a Republican who had often denounced Barron. It appears now that by helping Moore, Barron hoped for immunity from prosecution. In any event, during the campaign he approached former Governor Cecil Underwood, who is a Republican but an old foe of Moore's and who had withheld his endorsement. According to Haught, Barron promised Underwood a lucrative industry job if he would support Moore. Underwood inquired further and found that the job was with Consolidation Coal. The man making it available—as Underwood confirmed when Haught asked him—was Howard Hardesty. Underwood didn't take the job, but that's not really the point. Moore is now the Governor of West Virginia, Hardesty is the second-ranking executive in the most powerful company operating in West Virginia, and when you contemplate the failure of West Virginia to cope with the fact of death and injury in its mines—well, you would like not to be an antipreneur, but sometimes it gets very, very hard.

Finally, on Monday afternoon methane ignites in the mine and there is an explosion; then a second explosion. The rescue crews are ordered out and John Corcoran goes to

tell the press that the mine will be sealed shut, with its 9 victims still inside. "We dare not continue," he says, and there is no one to argue the point. It is by now much too late to save anyone in Blacksville No. 1.

#### THE CONSOL WATCHDOG

There is a reason for unsafe coal mines. It is not "inherent danger," "an act of God," or "the miner's fault." It is that some companies do not care enough to spend the money or energy to make their mines safe. Safety, health and environmental protection are a matter of attitude; and this corporation's attitude . . . is to "get out the coal at all costs." The costs are high: death, injury, disease, destruction.

The angry words are written about Consolidation Coal Company. The author of them, a young lawyer named J. Davitt McAteer, has been single-mindedly pursuing Consol's management for more than two years, running a one-man campaign for corporate responsibility. McAteer was in West Virginia University Law School when Consol's No. 9 mine blew up a few miles away from his home, killing 78 miners. Safety wasn't just an abstract issue. Friends that he grew up with went into the mines; Consol miners came to trade at his father's store; he knew some of the men who died in the No. 9 blast.

In 1970 he produced a mammoth 679-page report, "Coal Mine Health and Safety in West Virginia"—the first attempt to piece together a comprehensive look at the industry and its steely grip on the most impoverished state in Appalachia. Now he works as a consultant to Ralph Nader at Nader's Center for Study of Responsive Law in Washington. This spring he startled Consol officials by showing up at the company's annual meeting armed with a "counter-annual report" documenting the side of the coal industry that stockholders don't hear about. The report is full of statistics backing up his charge that Consol's record is part of "a national scandal." Scattered through it, too, are abrupt insights into what's wrong—for example, this young miner talking about Consol's "training program": "I was assigned to work with this old guy. The first day it was dark, dusty and noisy. He told me a couple of things but I couldn't hear him. The next day he was sick, so I took the job." McAteer points out that Consol doesn't even have a safety manual for its foremen "but contents itself with posting flyers—'Work Safely' for example—on bulletin boards around the mines." He asked a miner about the company's safety meetings: "Oh, we don't have safety meetings. We just talk about what went on over the weekend."

Over this past weekend, what went on was disaster. McAteer drove out from Washington, talked with miners, went back to brief Nader and decide what, if anything, he could do about Consol that he hadn't already tried to do before. Copies of his report, meanwhile, are still available to anyone who wants to read a warning that was issued well in advance—or who wants to help Consol's one-man watchdog committee. The address: J. Davitt McAteer, P.O. Box 19052, Washington, D.C., 20036.

#### WIDOWS' FUND

At Coal Patrol's press time on July 26 there was no list available yet of the widows, children, and other dependents of the victims at Blacksville No. 1, but the members of UMW Local 1588 had met a few hours previously and agreed to begin immediately to set up a fund for the survivors. They were acutely aware that funds set up after other mine disasters have too often been controlled by local politicians, banks, attorneys and others with close connections to the coal industry; this time, they promise, there are to be no "administrative expenses" mysterious or

otherwise, and all money collected will go to the families of the victims. They ask that contributions be sent by check or money order only—no cash. The address: Widow's Fund—Blacksville No. 1, UMW Local 1588, P.O. Box 16, Blacksville, W. Va., 26521.

#### LEAVES OF ABSENCE

By unanimous consent, leaves of absence was granted as follows:

Mr. PELLY (at the request of Mr. GERALD R. FORD), on account of official business.

Mr. BAKER (at the request of Mr. ARENDS), for today, on account of the funeral of a friend, Mr. A. C. Pinckley, Sr.

Mr. PEPPER (at the request of Mr. O'NEILL), for today, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HASTINGS) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. SCHWENGEL, for 10 minutes, today.

Mr. GERALD R. FORD, for 3 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

(The following Members (at the request of Mr. MCKAY) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mrs. ABZUG, for 10 minutes, today.

Mr. MILLS of Arkansas, for 10 minutes, today.

Mr. FLOOD, for 10 minutes, today.

Mr. HARRINGTON, for 10 minutes, today.

Mr. GALIFIANAKIS, for 5 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HANNA, to extend his remarks following those of Mr. ASHLEY, today, in the Committee of the Whole.

Mr. POCELL, immediately prior to the consideration of the amendment offered by Mr. CULVER.

Mr. HECHLER of West Virginia and to include extraneous matter, notwithstanding the fact that it exceeds two and one-half pages of the CONGRESSIONAL RECORD, and is estimated by the Public Printer to cost \$565.

Mr. GROSS on H.R. 15989 immediately preceding the vote on the Gonzalez amendment.

Mr. ALBERT to include extraneous matter in the remarks he made during debate today.

(The following Members (at the request of Mr. HASTINGS) and to include extraneous matter:)

Mr. ARENDS.  
Mr. CARTER in five instances.

Mr. GROVER.  
Mr. ZION in two instances.  
Mr. VEYSEY in two instances.  
Mr. HOSMER in four instances.  
Mr. SHRIVER.  
Mr. SCHERLE.  
Mr. WYMAN in two instances.  
Mr. ROBISON of New York.  
Mr. STEIGER of Arizona.  
Mr. LENT in five instances.  
Mr. FINDLEY.  
Mr. CRANE in five instances.  
Mr. BRAY in three instances.  
Mr. BAKER.  
Mr. BURKE of Florida.  
Mr. FRELINGHUYSEN.

(The following Members (at the request of Mr. MCKAY) and to include extraneous material:)

Mr. GRIFFIN in two instances.  
Mr. ASPIN in 10 instances.  
Mr. JOHNSON of California.  
Mr. Anderson of California in three instances.  
Mr. PUCINSKI in 10 instances.  
Mr. HARRINGTON.  
Mr. PREYER of North Carolina.  
Mr. ROYBAL in 10 instances.  
Mr. GONZALEZ in three instances.  
Mr. RARICK in three instances.  
Mr. HANNA.  
Mr. ICHORD.  
Mr. GALIFIANAKIS.  
Mr. DANIELS of New Jersey.  
Mr. SYMINGTON.  
Mr. WALDIE in two instances.  
Mr. CASEY of Texas.  
Mr. PEPPER in two instances.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3157. An act to promote maximum Indian participation in the government of the Indian people by providing for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and by encouraging the development of the human resources of the Indian people, and for other purposes; to the Committee on Interior and Insular Affairs.

#### ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 489. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point unit of the Klamath Indian irrigation project, Oregon;

H.R. 9938. An act to amend the Federal Food, Drug, and Cosmetic Act to provide for a current listing of each drug manufactured, prepared, propagated, compounded, or processed by a registrant under that Act, and for other purposes;

H.R. 15093. An act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1973, and for other purposes; and

H.R. 15418. An act making appropriations for the Department of the Interior and re-

lated agencies for the fiscal year ending June 30, 1973, and for other purposes.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 247. An act for the relief of Albert G. Feller and Flora Feller; and

S. 3284. An act to increase the authorization for appropriation for completing work in the Missouri River Basin by the Secretary of the Interior.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

On August 2, 1972:

H.R. 6745. An act to amend section 122 of title 28 of the United States Code to transfer certain counties of the central division of the judicial district of South Dakota; and

H.R. 12979. An act to amend title 28, United States Code, to authorize the recall of retired commissioners of the U.S. Court of Claims for temporary assignments.

On August 3, 1972:

H.R. 5721. An act pertaining to the inheritance of enrolled members of the Confederated Tribes of the Warm Springs Reservation of Oregon;

H.R. 11350. An act to increase the limit on dues for U.S. membership in the International Criminal Police Organization;

H.R. 14108. An act to authorize appropriations for activities of the National Science Foundation, and for other purposes; and

H.R. 15635. An act to assist elementary and secondary schools, community agencies, and other public and nonprofit private agencies to prevent juvenile delinquency, and for other purposes.

#### ADJOURNMENT

Mr. MCKAY, Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 23 minutes p.m.), under its previous order, the House adjourned until Monday, August 7, 1972, 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:

2210. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering the 6 months ending June 30, 1972, on personal property donated to public health and educational institutions and civil defense organizations under section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and on real property disposed of to such institutions under section 203(k) of the act, pursuant to section 203(o) of the act; to the Committee on Government Operations.

2211. A letter from the Secretary of Transportation, transmitting the 1972 national transportation report; to the Committee on Interstate and Foreign Commerce.

2212. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 to grant additional arrest authority to offi-



cers of the Customs Service; to the Committee on Ways and Means.

2213. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 to provide an exemption from the restrictions of the trademark laws, and for other purposes; to the Committee on Ways and Means.

2214. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to permit charges for certain services; to the Committee on Ways and Means.

2215. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to modernize the procedures for licensing and disciplining customs brokers, and for other purposes; to the Committee on Ways and Means.

2218. A letter from the Assistant Secretary of the Interior, transmitting a report on the reclassification of lands in the Willwood Irrigation District, Shoshone project, Wyoming; to the Committee on Interior and Insular Affairs.

#### RECEIVED FROM THE COMPTROLLER GENERAL

2216. A letter from the Comptroller General of the United States, transmitting a report that more needs to be done to assure that physicians' services—paid for by medicare and medicaid—are necessary; to the Committee on Government Operations.

2217. A letter from the Comptroller General of the United States, transmitting a report on the need for improvements in the management system to assess performance of Agency for International Development-financed projects in India; to the Committee on Government Operations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 15989. A bill to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes (Rept. No. 92-1260—pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRADEMAs: Committee on House Administration. House Resolution 1070. Resolution providing for printing as a House document the joint report to the House of Representatives by the majority and minority leaders on their recent mission to the People's Republic of China (Rept. No. 92-1284). Ordered to be printed.

Mr. BRADEMAs: Committee on House Administration. Senate Joint Resolution 254. Joint resolution to authorize the printing and binding of a revised edition of Senate Procedure and providing the same shall be subject to copyright by the author (Rept. No. 92-1285). Ordered to be printed.

Mr. DULSKI: Committee on Post Office and Civil Service. Report on improved manpower management in the Federal Government (Rept. No. 92-1286). Referred to the Committee of the Whole House on the State of the Union.

Mr. DULSKI: Committee on Post Office and Civil Service. H.R. 12383. A bill to amend chapter 30 of title 39, United States Code, to permit a person, in complete anonymity, to send substances in the mails which they suspect are drugs to Government officials for analysis, and for other purposes; with an amendment (Rept. No. 92-1287). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHARLES H. WILSON: Committee on Post Office and Civil Service. H.R. 14153. A

bill to amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires, inquiries, and other requests of the Bureau of the Census, to provide for a mid-decade sample survey of population, and for other purposes (Rept. No. 92-1288). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALDIE: Committee on Post Office and Civil Service. H.R. 11563. A bill to amend chapter 87 of title 5, United States Code, to waive employee deductions for Federal employees' group life insurance purposes during a period of erroneous removal or suspension (Rept. No. 92-1289). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALDIE: Committee on Post Office and Civil Service. H.R. 15659. A bill to extend civil service Federal employees group life insurance and Federal employees health benefits coverage to U.S. nationals employed by the Federal Government (Rept. No. 92-1290). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALDIE: Committee on Post Office and Civil Service. S. 1031. An act to credit certain service rendered by District of Columbia substitute teachers for purposes of civil service retirement (Rept. No. 92-1291). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 3824. An act to authorize appropriations for the fiscal year 1973 for the Corporation for Public Broadcasting and for making grants for construction of noncommercial educational television or radio broadcasting facilities; with an amendment (Rept. No. 92-1292). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. House Joint Resolution 1225. Joint resolution to provide for the termination of hostilities in Indochina, subject to the release of all American prisoners of war and the safe withdrawal of the remaining U.S. forces from Indochina, and for other purposes; with an amendment (Rept. No. 92-1293). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 1081. A resolution providing for the consideration of H.R. 13694. A bill to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended (Rept. No. 92-1294). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1082. A resolution providing for the consideration of H.R. 16029. A bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 92-1295). Referred to the House Calendar.

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 11158. A bill to amend section 931 of the Internal Revenue Code of 1954, as amended; with amendments (Rept. No. 92-1300). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. S. 596. An act to require that international agreements other than treaties, hereafter entered into by the United States, be transmitted to the Congress within 60 days after the execution thereof (Rept. No. 92-1301). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. S. 2956. An act to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; with amendments (Rept. No. 92-1302). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 15577. A bill to give the consent of Congress to the construction of certain

international bridges, and for other purposes (Rept. No. 92-1303). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 15462. A bill to remove certain limitations on annual operation and maintenance expenditures applicable to the U.S. section of the International Boundary and Water Commission, United States and Mexico, and for other purposes (Rept. No. 92-1304). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 15461. A bill to facilitate compliance with the treaty between the United States of America and the United Mexican States, signed November 23, 1970, and for other purposes (Rept. No. 92-1305). 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. RODINO: Committee on the Judiciary. H.R. 1777. A bill for the relief of Anka Kusanovic (Rept. No. 92-1296). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 3899. A bill for the relief of Maria Camilla Giuliani Niro (Rept. No. 92-1297). Referred to the Committee of the Whole House.

Mr. FLOWERS: Committee on the Judiciary. H.R. 5324. A bill for the relief of Rosita E. Hodas; with an amendment (Rept. No. 92-1298). Referred to the Committee of the Whole House.

Mr. HOGAN: Committee on the Judiciary. H.R. 5923. A bill for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland; with an amendment (Rept. No. 92-1299). 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 Mrs. ABZUG:

H.R. 16180. A bill to amend section 203(e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970 to permit the States to suspend the application of the 120-percent requirement for purposes of determining whether there has been a State "off" indicator; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 16181. A bill to amend title 5, United States Code, to include as military service for purposes of civil service retirement all service in the National Guard; to the Committee on Post Office and Civil Services.

By Mr. DENHOLM:

H.R. 16182. A bill to amend section 8(b) of the Soil Conservation and Domestic Allotment Act to extend the eligibility of county committee members to succeed themselves; to the Committee on Agriculture.

By Mr. DENT (for himself, Mr. GAYDOS, and Mr. FLOOD):

H.R. 16183. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts paid as wages for domestic service if such service is covered by the Federal minimum wage law; to the Committee on Ways and Means.

By Mr. GALIFIANAKIS:

H.R. 16184. A bill to establish a Commission on Tax Reform; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. FRASER, and Mr. O'KONSKI):

H.R. 16185. A bill to require a study of the practices, policies, and procedures of all Government agencies relating to the availability of certain goods and services through Federal supply and service sources, to amend the Federal Property and Administrative Services Act of 1949 to permit certain grantees and contractors of Government agencies to procure certain goods and services through Federal supply and service sources, and for other purposes; to the Committee on Government Operations.

H.R. 16186. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the use of excess property by certain grantees; to the Committee on Government Operations.

By Mr. PREYER of North Carolina:

H.R. 16187. A bill to provide for disciplined and responsible action in the consideration and execution of the Federal budget; to the Committee on Government Operations.

By Mr. RODINO (for himself, Mr. CELLER, Mr. EILBERG, Mr. FLOWERS, Mr. SEIBERLING, Mr. DENNIS, Mr. MAYNE, Mr. HOGAN, and Mr. McKEVITT):

H.R. 16188. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. ROUSH (for himself, Mr. MADSEN, Mr. JACOBS, Mr. BRADEMANS, and Mr. HAMILTON):

H.R. 16189. A bill to amend the act entitled "An act to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes," approved November 5, 1966; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN (for himself and Mr. KOCH):

H.R. 16190. A bill to amend Public Law 91-508 to limit the disclosure of bank records by financial institutions, and for other purposes; to the Committee on Banking and Currency.

By Mr. STAGGERS:

H.R. 16191. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958, as amended, to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to amend title XI of such act to authorize the President to suspend air service to any foreign nation which he determines is encouraging aircraft hijacking by acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft; and to authorize the Secretary of Transportation to suspend the operating authority of foreign air carriers under certain circumstances; to the Committee on Interstate and Foreign Commerce.

By Mr. WIGGINS:

H.R. 16192. A bill to permit an interested U.S. citizen to request a consular or immigration officer to review the presumed immigrant status determined for an alien by such officer; to the Committee on the Judiciary.

By Mr. ZWACH:

H.R. 16193. A bill to amend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. DANIELSON:

H.R. 16194. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mr. DELLUMS:

H.R. 16195. A bill to enforce the constitutional right of females to terminate pregnancies that they do not wish to continue; to the Committee on the Judiciary.

H.R. 16196. A bill to protect confidential sources of the news media; to the Committee on the Judiciary.

H.R. 16197. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mr. DENHOLM:

H.R. 16198. A bill to establish an executive department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mr. GRAY:

H.R. 16199. A bill to amend the Public Buildings Act of 1959, as amended, to provide for the construction of a civic center in the District of Columbia, and for other purposes; to the Committee on Public Works.

By Mr. KOCH:

H.R. 16200. A bill to provide for more equitable coverage under the emergency unemployment compensation program; to the Committee on Ways and Means.

By Mr. MATSUNAGA (for himself, Mr. TEAGUE of Texas, Mr. UDALL, Mr. RHODES, Mr. STEIGER of Arizona, Mr. ANDERSON of Illinois, Mr. BYRNE of Pennsylvania, Mr. ASPIN, Mr. HUNT, Mr. CHARLES H. WILSON, Mr. NICHOLS, Mr. GUBSER, Mr. WHITEHURST, Mr. PRICE of Illinois, Mr. FISHER, Mr. STRATTON, Mr. PIKE, Mr. LEGGETT, Mr. PIRNIE, Mr. YOUNG of Florida, Mr. ANNUNZIO, Mr. BENNETT, Mrs. HANSEN of Washington, Mr. CASEY of Texas, and Mr. BURTON):

H.R. 16201. A bill to authorize the Secretary of the Navy to construct and provide shoreside facilities for the education and convenience of visitors to the U.S. Ship Arizona Memorial at Pearl Harbor and to transfer responsibility for their operation and maintenance to the National Park Service; to the Committee on Armed Services.

By Mr. PERKINS (for himself and Mr. PUCINSKI):

H.R. 16202. A bill to authorize payments to State educational agencies for elementary and secondary education; to the Committee on Education and Labor.

By Mr. ROE:

H.R. 16203. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit rescue squads to obtain sur-

plus property; to the Committee on Government Operations.

By Mr. SYMINGTON:

H.R. 16204. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of Georgia:

H.R. 16205. A bill to provide a limit on Federal Government expenditures and net lending; to the Committee on Government Operations.

By Mr. FISH:

H.R. 16206. A bill to amend title 38 of the United States Code to prevent loss of veteran compensation and pension benefits as a result of increases in social security benefit payments under Public Law 92-336; to the Committee on Veterans' Affairs.

By Mr. EILBERG:

H.J. Res. 1273. Joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day"; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H. Con. Res. 673. Concurrent resolution to collect overdue debts; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. SMITH of Iowa, Mr. J. WILLIAM STANTON, Mr. DIGGS, Mr. DELLUMS, and Mr. WYLIE):

H. Con. Res. 674. Concurrent resolution to collect overdue debts; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. ROUSSELOT, Mr. WYDLER, Mr. BROYHILL of North Carolina, Mr. KEITH, Mr. ROBISON of New York, Mr. SPENCE, Mr. STUBBLEFIELD, Mr. McFALL, Mr. HALPERN, Mr. RODINO, Mr. NICHOLS, Mr. DENT, Mr. HARRINGTON, Mr. HATHAWAY, Mr. ROY, Mr. FLOOD, Mr. KEE, Mr. GRAY, Mr. DICKINSON, Mr. BURKE of Florida, Mr. THOMPSON of Georgia, Mr. HALEY, Mr. STEELE, and Mr. O'NEIL):

H. Con. Res. 675. Concurrent resolution to collect overdue debts; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROYHILL of Virginia (by request):

H.R. 16207. A bill for the relief of Albert Fleischhaker; to the Committee on the Judiciary.

H.R. 16208. A bill for the relief of Richard B. Bradley; to the Committee on the Judiciary.

By Mr. HOSMER:

H.R. 16209. A bill for the relief of Winstone L. Rackerby; to the Committee on the Judiciary.

## SENATE—Thursday, August 3, 1972

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

### PRAYER

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

Almighty God, Creator and Lord of Life, who hast made the heart of man a temple for Thy spirit, in this quiet pause

open our hearts that we may be receptive to the divine entrance. May there come upon us the hush of solemn thoughts, a new awareness of Thy presence, a more fervent love of Thy ways, a more resolute determination to do Thy will. May the busy pace of daily duty never deprive us of the knowledge of Thy constant grace and goodness and Thy guiding light.

Preserve us from all that is base or

mean or unworthy. May integrity of character and fidelity to high trusts be the cardinal and crowning glory of our lives. Nourished by Thy spirit and filled with Thy grace may we be good workmen for Thee, for this Nation, and for the world. And when evening comes breathe through the things that are seen the peace of the unseen and eternal.

We pray in the Redeemer's name. Amen.