made in accordance with published rules stating the time, place, fees, to the extent authorized by statute, and procedures to be followed,".

(c) Section 552(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(5) Each agency, upon any request for records made under paragraph (1), (2), or (3) of this subsection, shall—

"(A) determine within ten days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of any such request whether to comply with such request and shall immediately notify the person making such request of such determination and the reasons therefor;

"(B) in the case of a determination not to comply with any such request, immediately notify the person making such request that such person has a period of twenty days (excepting Saturdays, Sundays, and legal public holidays), beginning on the date of receipt of such notification, within which to appeal such determination to such agency; and

"(C) make a determination with respect to such appeal within twenty days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of such appeal.

Any person making a request to an agency for records under paragraph (1), (2), or (3) of this subsection shall be deemed to have exhausted his administrative remedies with respect to such request if the agency fails to comply with subparagraph (A) or subparagraph (C) of this paragraph. Upon any determination by any agency to comply with a request for records, such records shall be made available as soon as practicable to such person making such request."

(d) Section 552(a)(3) of title 5, United States Code, is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of law, the United States or an officer or agency thereof shall serve an answer to any complaint made under this paragraph within twenty days after the service upon the United States attorney of the pleading in which such complaint is made. The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this section in which the United States or an officer or agency thereof, as litigant, has not prevailed."

SEC. 2. (a) Section 552(b)(2) of title 5, United States Code, is amended by inserting "internal personnel" immediately before "practices", and by inserting "and the disclosure of which would unduly impede the functioning of such agency" immediately before the semicolon at the end thereof.

(b) Section 552(b)(4) of title 5, United States Code, is amended by inserting "obtained from a person which are privileged or confidential" immediately after "trade secrets", and by striking out "and" the second time that it appears therein and by inserting in lieu thereof "which is".

(c) Section 552(b)(6) of title 5, United States Code, is amended by striking out "files" both times that it appears therein and inserting in lieu thereof "records".

(d) Section 552(b)(7) of title 5, United States Code, is amended to read as follows:

"(7) investigatory records compiled for any specfiic law enforcement purpose the disclosure of which is not in the public interest, except to the extent that—

"(A) any such investigatory records are available by law to a party other than an agency, or

"(B) any such investigatory records are—

"(i) scientific tests, reports, or data.

"(ii) inspection reports of any agency which relate to health or safety, or

"(iii) records which serve as a basis for any public policy statement made by any agency or officer or employee of the United States or which serve as a basis for rule making by any agency;".

Sec. 3. Section 552 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Each agency shall, on or before March 1 of each calendar year, submit a report to the Committee on Government Operations of the House of Representatives and the Committee on the Judiciary of the Senate which shall include—

"(1) the number of requests for records made to such agency under subsection (a);

"(2) the number of determinations made by such agency not to comply with any such request, and the reasons for each such determination;

"(3) the number of appeals made by persons under subsection (a)(5)(B);

"(4) the number of days taken by such agency to make any determination regarding any request for records and regarding any appeal;

"(5) the number of complaints made under subsection (a)(3); and

"(6) a copy of any rule made by such agency regarding this section;

during the preceding calendar year."

SENATE—*Tuesday, October 17, 1972*

The Senate met at 11 a.m. and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our fathers and our God, who has made and preserved us a nation, we beseech Thee to cleanse, guide, and guard this Nation through the crucial days ahead. Give Thy higher wisdom to the President and all our leaders, that under Thy providence they may discharge their duties according to Thy will. Guide both Houses of this Congress through the deliberations of this day that all may fitly serve Thee and the needful legislation be accomplished. At the end grant them the satisfaction of work well done.

Now unto him that is able to keep you from falling, and to present you faultless before the presence of his glory with exceeding joy,

To the only wise God, our Saviour, be glory and majesty, dominion and power, both now and ever. Jude 1: 24, 25.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 17, 1972.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ROBERT C. BYRD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, October 16, 1972, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished Republican leader seek recognition?

Mr. SCOTT. Mr. President, it is so late in the session that words fail me.

I suggest the same course to my colleagues. [Laughter.]

Mr. MANSFIELD. Mr. President, I agree with the distinguished minority leader, but there are exceptions when a few words are appropriate and, in my opinion, necessary, when we note the departure from this Chamber of some of our colleagues who will be leaving this year and will not be with us when the 93d Congress convenes.

TRIBUTE TO SENATOR ANDERSON OF NEW MEXICO

Mr. MANSFIELD. Mr. President, I should like to say a few words this morning about an old, valued, and trusted friend, the distinguished senior Senator from New Mexico (Mr. ANDERSON).

It has been my personal pleasure and privilege to serve with CLINT ANDERSON in both the House and Senate. It has also been my privilege to watch him perform effectively with understanding and with efficiency as the Secretary of Agriculture under the Truman administration.

CLINT ANDERSON is a man who has had many vicissitudes and difficulties throughout his lifetime. As a young man, he migrated from South Dakota to New Mexico because of a lung condition. Since that time, other afflictions have been his lot, but despite the physical disabilities which they caused, CLINT ANDERSON was able to rise above them and to become an outstanding Member of this body, a true representative of the people of New Mexico and a man whose wisdom, advice, and counsel was valued by all of us.

I will feel a sense of deep personal regret with the retirement this year of Senator CLINT ANDERSON of New Mexico, but I shall value his friendship and remember him for the many fine things which he performed in the administration downtown and as a Member of the House and Senate.

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TRIBUTE TO SENATOR ELAINE EDWARDS OF LOUISIANA

Mr. MANSFIELD. Mr. President, Senator ELAINE EDWARDS of Louisiana is also leaving us, after an all too brief stay. But the lady from Louisiana has made her mark in this Chamber and I, for one, deeply regret that she will not be with us next year.

She has been quietly effective. She has attended to her duties with a degree of responsibility and integrity which has represented her State well.

So, it will be bon voyage to Senator ELAINE EDWARDS whom we will miss, but we will remember her because of her dignity, her good sense, her calm judgment, and her attendance to her duties as a Senator of the United States.

TRIBUTE TO SENATOR FRED HARRIS OF OKLAHOMA

Mr. MANSFIELD. Mr. President, Senator FRED HARRIS of Oklahoma is leaving us also. He did not seek reelection. But while in this body, FRED HARRIS achieved a reputation as a man of independent-minded judgment, as a man who sought to resurrect the principles of the old Populist cause which was so prevalent in the early years of this century in his part of the country as well as in mine.

He has been devoted to the welfare of minorities. He has done everything he possibly could on behalf of the general welfare of the people of this Nation as a whole.

We will miss FRED HARRIS but he, likewise, will have left his monuments—monuments that to a great extent are the predicates upon which the Nation's future agenda must be based.

TRIBUTE TO SENATOR DAVID GAMBRELL OF GEORGIA

Mr. MANSFIELD. Mr. President, Senator DAVID GAMBRELL of Georgia came to this body replacing the great Richard Brevard Russell. During his period of service, DAVID GAMBRELL made many outstanding contributions. He looked after the interests of the State of Georgia at all times. He had the broad national point of view. He was respected by the Members of this body for the many contributions which he made.

I am disappointed to see DAVID GAMBRELL leave this body because he has contributed so much to it. But I wish him well in the future in the State of Georgia. I would hope that he would look upon the Senate as a place to which he could return from time to time and that those of us who have such great respect for him, for his integrity and dedication, would be free to counsel him when the occasion arose.

TRIBUTE TO SENATOR EVERETT JORDAN OF NORTH CAROLINA

Mr. MANSFIELD. Mr. President, I have had the opportunity to serve with Senator EVERETT JORDAN during all of his years in the Senate. I have served with him on various committees. I have found him to be a man of understanding and character and a man who was willing to listen to the other man's point of view; a man who conducted himself with dignity, integrity, and dedication.

He has been a true representative of the people of his State. He is a valued Member of this body, and it is with deep personal regret that I note the passing from this scene at the end of this session of this outstanding Senator, who has contributed so much to his State, his region, and the Nation as a whole.

Mr. SCOTT. Mr. President, in the remaining days of this session we say our goodbys to our colleagues who have retired and will not be with us when the 93d Congress opens in January.

The Members not coming back to be our loyal opposition include the lovely ELAINE EDWARDS; our longtime friend and former Agriculture Secretary CLINTON ANDERSON; the energetic FRED HARRIS; one of the South's fine gentlemen, EVERETT JORDAN; and one of the most promising young men to come to the Senate, DAVID GAMBRELL, incidentally, he is our youngest Member.

We will miss them all. We will have memories of their service and of the marks each made on this Senate. Good luck to each of you.

EMERGENCY HEALTH PERSONNEL ACT AMENDMENTS OF 1972

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3858.

The PRESIDING OFFICER (Mr. TUNNEY) laid before the Senate the amendment of the House of Representatives to the bill (S. 3858) to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes, which was to strike out all after the enacting clause, and insert:

SECTION 1. This Act may be cited as the "Emergency Health Personnel Act Amendments of 1972".

SEC. 2. (a) Section 329(a) of the Public Health Service Act is amended to read as follows:

"SEC. 329. (a) There is established, within the Service, the National Health Service Corps (hereinafter in this section referred to as the 'Corps') which shall consist of those officers of the Regular and Reserve Corps of the Service and such other personnel as the Secretary may designate and which shall be utilized by the Secretary to improve the delivery of health care and services to persons residing in areas which have critical health manpower shortages."

(b) Section 329(b) of such Act is amended to read as follows:

"(b)(1) The Secretary shall (A) designate those areas which he determines have critical health manpower shortages, (B) provide assistance to persons seeking assignment of Corps personnel to such designated areas to provide under this section health care and services for persons residing in such areas, and (C) conduct such information programs in such designated areas as may be necessary to inform the public and private health entities serving those areas of the assistance available under this section.

"(2)(A) The Secretary may assign personnel of the Corps to provide, under regulations prescribed by the Secretary, health care and services for persons residing in an area designated by the Secretary under paragraph (1) if—

"(i) the State health agency of each State in which such area is located or the local public health agency or any other public or nonprofit private health entity in such area requests such assignment, and

"(ii) the (I) local government of such area, and (II) the State and district medical, dental, or other appropriate health societies (as the case may be), certify to the Secretary that such assignment of Corps personnel is needed for such area.

If with respect to any proposed assignment of Corps personnel to an area the requirements of clauses (i) and (ii) of the preceding sentence are met except for the certification by the State and district medical, dental, or other appropriate health societies required by clause (ii) and if the Secretary finds from all the facts presented that such certification has clearly been arbitrarily and capriciously withheld, the Secretary may, after consultation with appropriate medical, dental, or other health societies, assign such personnel to such area. Corps personnel shall be assigned under this section on the basis of the extent of an area's need for health care and services and without regard to the ability of the residents of an area to pay for health care and services.

"(B) In providing health care and services under this section, Corps personnel shall utilize the techniques, facilities, and organizational forms most appropriate for the area and shall, to the maximum extent feasible, provided such care and services (i) to all persons in such area regardless of the ability of such persons to pay for the care and services, and (ii) in connection with (I) direct health care programs carried out by the Service; (II) any direct health care program carried out in whole or in part with Federal financial assistance; or (III) any other health care activity which is in furtherance of the purposes of this section.

"(C) Any person who receives health care or services provided under this section shall be charged for such care or service at a rate established by the Secretary, pursuant to regulations, to recover the reasonable cost of providing such care or service; except that if such person is determined under regulations of the Secretary to be unable to pay such charge, the Secretary shall provide for the furnishing of such care or service at a reduced rate or without charge. If a Federal agency, an agency of a State or local government, or other third party would be responsible for all or part of the cost of the care or service provided under this section if such care or service had not been provided under this section, the Secretary shall collect from such agency or third party the portion of such cost for which it would be so responsible. Any funds collected by the Secretary under this subparagraph shall be deposited in the Treasury as miscellaneous receipts and shall be disregarded in determining (i) the amounts of appropriations to be requested under subsection (h), and (ii) the amounts to be made available from appropriations made under such subsection to carry out this section."

(c) Section 329(c) of such Act is amended (1) by striking out "Service" and inserting in lieu thereof "Corps" and (2) by inserting at the end thereof the following: "The Secretary may reimburse applicants for positions in the Corps for actual expenses incurred in traveling to and from their place of residence to an area in which they would be assigned for the purpose of evaluating such area with regard to being assigned in such area. The Secretatry shall not reimburse an applicant for more than one such trip."

(d) Section 329(d) of such Act is amended—

(1) by striking out "Service" in the first sentence and inserting in lieu thereof "Corps", and by inserting before the period at the end of such sentence the following: ",

except that if such area is being served (as determined under regulations of the Secretary) by a hospital or other health care delivery facility of the Service, the Secretary shall, in addition to such other arrangements as the Secretary may make to insure the availability in such area of care and services by Corps personnel, arrange for the utilization of such hospital or facility by Corps personnel in providing care and services in such area but only to the extent that such utilization will not impair the delivery of care and treatment through such hospital or facility to persons who are entitled to care and treatment through such hosptial or facility";

(2) by striking out "If there are no such facilities in such area" in the second sentence and inserting in lieu thereof "If there are no health facilities in or serving such area";

(3) by adding after the second sentence the following new sentence: "In providing such care and services, the Secretary may (A) make such arrangements as he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies, and (B) secure the temporary services of nurses and allied health professionals."; and

(4) by inserting "(1)" after "(d)" and by adding at the end the following:

"(2) The Secretary shall conduct at medical and nursing schools and other schools of the health professions and training centers for the allied health professions, recruiting programs for the Corps. Such programs shall include the wide dissemination of written information on the Corps and visits to such schools by personnel of the Corps."

(e) Section 329(f) of such Act is amended (1) by striking out "Service" in paragraphs (1) and (3) and inserting in lieu thereof "Corps", and (2) by striking out "to select commissioned officers of the Service and other personnel" in paragraph (2) and inserting in lieu thereof "to select personnel of the Corps".

(f) Subsection (g) of section 329 of such Act is redesignated as subsection (h) and the following new subsection is inserted after subsection (f) of such section:

"(g) The Secretary shall report to Congress no later than May 15 of each year—

"(1) the number of areas designated under subsection (b) in the calendar year preceding the year in which the report is made as having critical health manpower shortages and the number of areas which the Secretary estimates will be so designated in the calendar year in which the report is made;

"(2) the number and types of Corps personnel assigned in such preceding calendar year to areas designated under subsection (b), the number and types of additional Corps personnel which the Secretary estimates will be assigned to such areas in the calendar year in which the report is submitted, and the need (if any) for additional personnel for the Corps; and

"(3) the number of applications filed in such preceding calendar year for assignment of Corps personnel under this section and the action taken on each such application."

(g) Subsection (h) of section 329 of such Act (as so redesignated by subsection (f) of this section) is amended by striking out "and" after "1972;" and by inserting immediately before the period at the end the following "; and $25,000,000 for the fiscal year ending June 30, 1974".

(h) Section 329 of such Act is amended by adding at the end thereof the following new subsection:

"(l) For purposes of this section, the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands."

SEC. 3. (a) The Secretary may not close or transfer control of a hospital or other health care delivery facility of the Public Health Service unless—

(1) he transmits to each House of Congress, on the same day and while each House is in session, a detailed explanation (meeting the requirements of subsection (b)) for the proposed closing or transfer, and

(2) a period of ninety calendar days of continuous session of Congress has elapsed after the date on which such explanation is transmitted.

For purposes of paragraph (2), continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period.

(b) Each explanation submitted under subsection (a) for closing or transferring control of a hospital or other health care delivery facility of the Public Health Service shall—

(1) contain (A) assurances that persons entitled to treatment and care at the hospital or other facility proposed to be closed or transferred and persons for whom care and treatment at such hospital or other facility is authorized will, after the proposed closing or transfer, continue to be provided equivalent care and treatment through such hospital or other facility or under a new arrangement, and (B) an estimate of the cost of providing such care and treatment to such persons after the proposed closing or transfer; and

(2) the comments (if any) made by each—

(A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which the hospital or other facility is located or which is served by the hospital or other facility, and

(B) section 314(b) area-wide health planning agency whose section 314(b) plan covers (in whole or in part) such area,

after the Secretary has provided each such agency a reasonable opportunity to review and comment on the proposed closing or transfer.

For purposes of paragraph (2), the term "section 314(a) State health planning agency" means the aegncy of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) (referred to in paragraph (2) as a "section 314(a) plan"), and the term "section 314(b) area-wide health planning agency" means a public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) (referred to in paragraph (2) as a "section 314(b) plan").

SEC. 4. Section 741(f)(1)(C) of the Public Health Service Act is amended by striking out "agreement with the Secretary to practice his profession for a period of at least two years in an area in a State determined by the Secretary" and inserting in lieu thereof "agreement with the Secretary to practice his profession (as a member of the National Health Service Corps or otherwise) for a period of at least two years in an area in a State designated under section 329(b) or otherwise determined by the Secretary".

SEC. 5. Title II of the Public Health Service Act is amended by adding after section 224 the following new section:

"PUBLIC HEALTH AND NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP TRAINING PROGRAM

"SEC. 225. (a) The Secretary shall establish the Public Health and National Health Service Corps Scholarship Training Program (hereinafter in this section referred to as the 'Program) to obtain trained physicians, dentists, nurses, and other health-related specialists for the National Health Service Corps and other units of the Service.

"(b) To be eligible for acceptance and continued participation in the Program, each applicant must—

"(1) be accepted for enrollment, or be enrolled, as a full-time student in an accredited (as determined by the Secretary) educational institution in the United States, or its territories or possessions;

"(2) pursue an approved course of study, and maintain an acceptable level of academic standing, leading to a degree in medicine, dentistry, or other health-related specialty, as determined by the Secretary;

"(3) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be selected for civilian service in the National Health Service Corps; and

"(4) agree in writing to serve, as prescribed by subsection (e) of this section, in the Commissioned Corps of the Service or as a civilian member of the National Health Service Corps.

"(c) Each participant in the Program will be authorized a scholarship for each approved academic year of training, not to exceed four years, in an amount prescribed by the Secretary and payable in monthly installments. The scholarship shall not exceed an amount equal to the basic pay and allowances of a commissioned officer on active duty in pay grade O–1 with less than two years of service, plus an amount to cover the reasonable cost of books, supplies, equipment, student medical expenses, and other necessary educational expenses which are not otherwise paid as a part of the basic tuition payment.

"(d) The Secretary may contract with an accredited educational institution for the payment of tuition and other education expenses, not otherwise covered under subsection (c) of this section, for persons participating in the Program. If necessary, persons participating in the Program may be reimbursed for the actual cost of tuition and other educational expenses authorized in this subsection, in lieu of a contract with the educational institution.

"(e) A person participating in the Program shall be obligated to serve on active duty as a commissioned officer in the Service or as a civilian member of the National Health Service Corps following completion of academic training, for a period of time prescribed by the Secretary which will not be less than one year of service on active duty for each academic year of training received under the Program. At least one-half of the period of service required by the preceding sentence must be spent providing health care and services (1) in an area designated under section 329(b), (2) as a member of the Indian Health Service or the Federal Health Programs Service and in an area (determined under section 329 or otherwise) to have a health manpower shortage, or (3) in connection with any program, designated by the Secretary, for the provision of health care and services in such an area. For persons receiving a degree from a school of medicine, osteopathy, or dentistry, the commencement of a period of obligated service can be deferred for the period of time required to complete internship and residency training. For persons receiving degrees in other health professions the obligated service period will commence upon completion of their academic training. Periods of internship or residency shall not be creditable in satisfying an active duty service obligation under this subsection unless the internship or residency is served in a facility of the Service or other facility of the National Health Service Corps.

"(f)(1) If, for any reason, a person fails to complete an active duty service obligation under this section, he shall be liable for the payment of an amount equal to the cost of tuition and other education expenses, and scholarship payments, paid under this section, plus interest at the maximum legal prevailing rate. Any amount which the

United States is entitled to recover under this paragraph shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

"(2) When a person undergoing training in the Program is academically dismissed or voluntarily terminates academic training, he shall be liable for repayment to the Government for an amount equal to the cost of tuition and other educational expenses paid to or for him from Federal funds plus any scholarship payments which he received under the program.

"(3) The Secretary shall by regulation provide for the waiver or suspension of any obligation under paragraph (1) or (2) applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(g) Notwithstanding any other provision of law, persons undergoing academic training under the Program shall not be counted against any employment ceiling affecting the Department of Health, Education, and Welfare.

"(h) The Secretary shall issue regulations governing the implementation of this section.

"(i) To carry out the Program, there is authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1974."

Mr. SCOTT. Mr. President, reserving the right to object, and I do not intend to object, would the Senator advise me with whom it has been cleared on this side?

Mr. KENNEDY. The ranking members of the committee have been alerted. And this is in conformity with the wishes of the Senator from New York (Mr. JAVITS), the Senator from Pennsylvania (Mr. SCHWEIKER), the ranking minority member of the full committee as well as of the Health Subcommittee. It is with their understanding and approval and at their urging that we are taking the action we are taking today.

Mr. SCOTT. Mr. President, I thank the Senator. I had been so informed. I merely wanted the record to show it.

Mr. KENNEDY. Mr. President, on behalf of the Senator from New York (Mr. JAVITS) and myself, I move that the Senate concur in the amendment of the House to the bill (S. 3858) to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes, with the following amendments which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to state the amendments.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with and that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 4, line 1, of the House engrossed amendment, immediately after the word "service", insert the following: "on a fee-for-service or other basis".

On page 4, line 11, of the House engrossed amendment, immediately after the word "collect", insert the following: ", on a fee-for-service or other basis,".

On page 9, line 7, of the House engrossed amendment, strike out "comments (if any) made by" and insert in lieu thereof the following: "approval of".

On page 9, line 17, of the House engrossed amendment, strike out "comment on" and insert in lieu thereof the following: "approve".

Mr. KENNEDY. Mr. President, the bill currently pending before the Senate, S. 3858, the Emergency Health Personnel Act Amendments of 1972, was passed by the House of Representatives on October 13. The Senate passed the original bill in mid-August.

I am pleased that most of the important provisions of the Senate bill have been retained in this House-passed version. There are several items, however, which the House has dropped, and which are essential to the bill. The amendment I have sent to the desk adds these provisions to the House-passed bill.

The first is a provision which permits the Secretary of Health, Education, and Welfare to collect for services offered by National Health Service Corps personnel in the manner he finds most efficient and effective in any particular situation. It permits him to use fee-for-service collections, or "any other basis." It is our intent that where circumstances warrent it, these fees might be paid on a prepayment, capitation, or any other basis.

The second provision requires the review and approval of Local 314 and 314(b) health planning agencies prior to congressional consideration of Department of Health, Education, and Welfare plans for the transfer or closure of Public Health Service hospitals and clinics. The House provides only review and comment to these organizations. In its consideration of this bill, the Senate committee considered it vital that local agencies that are expert on the needs of the communities involved be given an authoritative say in the disposition of the Public Health Service hospitals and clinics. It is worth noting that these planning agencies already have the authority to prevent private and public hospitals in their communities from being reimbursed under medicare. The intent of this authority is to assure that efficient use is made of all health facilities in the community concerned. It was clear to the Senate committee that if the Federal Government can place this requirement for review and approval on community and private institutions, it can place the same requirements on its own actions in a community.

I urge the Senate to accept these amendments. As I said earlier, the sole purpose of the amendments is to reinstate provisions that were formerly in the Senate-passed bill.

The PRESIDING OFFICER (Mr. TUNNEY). The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

COMMUNITY MENTAL HEALTH CENTERS—H.R. 16676

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 16676.

The PRESIDING OFFICER (Mr. TUNNEY) laid before the Senate H.R. 16676, an act to amend the Community Mental Health Centers Act to extend for 1 year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children, which was read twice by its title.

Mr. KENNEDY. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. Mr. President, I move to strike out all after the enacting clause and insert in lieu thereof the amendment in the nature of a substitute which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) section 201 of the Community Mental Health Centers Construction Act is amended to read as follows:

"SEC. 201. There are authorized to be appropriated for grants for facilities of public and other nonprofit community mental health centers under this title $100,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974."

(b) Section 207 of such Act is amended to read as follows:

"SEC. 207. No grant may be made under any provision of the Public Health Service Act for any fiscal year, for construction of any facility described in this title unless the Secretary determines that funds are not available, under this title to make a grant for the construction of such facility.".

(c) Section 224(a) of such Act is amended to read as follows:

"(a) There are hereby authorized to be appropriated to enable the Secretary to make initial grants to community mental health centers, under the provisions of this part, $60,000,000 for the fiscal year ending June 30, 1973, and $90,000,000 for the fiscal year ending June 30, 1974. For the fiscal year ending June 30, 1973, and each of the twelve succeeding fiscal years there are hereby authorized to be appropriated such sums as may be necessary to make grants to such centers which have previously received a grant under this part and are eligible for such a grant by the year for which sums are being appropriated under this sentence.".

(d) Section 246 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(e) Section 247(d) of such Act is amended to read as follows:

"(d) To carry out the purposes of this section there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973, and $60,000,000 for the fiscal year ending June 30, 1974."

(f) Section 252 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(g) Section 253(d) of such Act is amended to read as follows:

"(d) To carry out the provisions of this section there are authorized to be appropriated $14,000,000 for the fiscal year ending June 30, 1973, and $14,000,000 for the fiscal year ending June 30, 1974.".

(h)(1) Section 261(a) of such Act is amended by inserting after "June 30, 1973," the following: "and $90,000,000 for the fiscal year ending June 30, 1974,".

(2) Section 261(a) of such Act is further amended by striking "construction and staffing of facilities" and inserting in lieu thereof "facility and operating costs of facilities".

(3) Section 261(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the next fourteen fiscal years such sums as may be necessary to make grants for operating costs with respect to any project under part C or D for which an operating grant was made from appropriations under subsection (a) of this section for any fiscal year ending before July 1, 1974."

(i)(1) Section 271(d) of such Act is amended to read as follows:

"(d)(1) There are authorized to be appropriated $30,000,000 for the fiscal year ending June 30, 1973, and $45,000,000 for the fiscal year ending June 30, 1974, for grants under this part for facilities and for initial grants under this part and for training and evaluation under section 272.

"(2) There ase also authorized to be appropriated for the fiscal year ending June 30, 1974, and for each of the next eleven fiscal years such sums as may be necessary to continue to make grants with respect to any project under this part for which grants for operating costs were made from appropriations under paragraph (1) for any fiscal year ending before July 1, 1974."

(2) Section 271(a) of such Act is amended by striking the words "construction of" and "of compensation of professional and technical personnel."

(3) Section 271(b)(3) of such Act is amended by striking the words "construction of".

(4) Section 271(c) of such Act is amended by striking the words "costs of compensation of professional and technical personnel" and inserting in lieu thereof the words "operating costs".

(j) Section 256(e) of such Act is amended to read as follows:

"(e) There are authorized to be appropriated to carry out this section $60,000,000 for the fiscal year ending June 30, 1973, and $75,000,000 for the fiscal year ending June 30, 1974.".

(k)(1) Paragraph (1) of section 220(b) is amended by striking the word "eight" and inserting in lieu thereof "eleven" and by striking the word "four" and inserting in lieu thereof "seven".

(2) Paragraph (2) of such section is amended by striking the word "three" immediately after the word "next" and inserting in lieu thereof "six".

(3) Such subsection is further amended by adding at the end thereof the following new paragraph:

"(3) In any year where funds appropriated do not reach the level required to fully fund applications for assistance under paragraphs (1) and (2), the Secretary shall distribute the funds available as follows: 30 per centum for applicants under paragraph (1) and 70 per centum for applicants under paragraph (2)."

(l)(1) Section 220(a) of such Act is amended by striking the words "of professional and technical personnel" and inserting in lieu thereof the words "for operational costs".

(2) The caption for part B of such Act is amended to read as follows:

"PART B—GRANTS FOR INITIAL COSTS OF OPERATION OF CENTERS"

(m) Section 220 of such Act is further amended by adding at the end thereof the following:

"(d) Notwithstanding subsection (b) of this section, the Secretary may make additional grants to each center equal to 5 per centum of such costs, which maintains a bona fide program under parts C, D, F, and G, for each such program. In no case shall grants exceed 100 per centum of such costs for any project."

(n)(1) Section 221(a) of such Act is amended by striking out "and" at the end of paragraph (4); by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and by adding after paragraph (5) the following new paragraphs:

"(6) the services to be provided by the center are made available to any health maintenance or health service organization if in the catchment area for such center;

"(7) such center has a program whereby it screens, and where practicable provides treatment for, persons within its catchment area, who may be admitted to a State mental health facility; and

"(8) such center has a program for the followup care of persons within its catchment area, who are discharged from a State mental health facility."

(2) Section 221(b) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(o) Part B of such Act is amended by adding at the end thereof the following new section:

"GRANTS FOR CONSULTATION SERVICES

"SEC. 225. (a) In the case of any community mental health center, alcoholism prevention and treatment facility, specialized facility for alcoholics, treatment facility for narcotic addicts, and other persons with drug abuse and drug dependence problems, or facility for mental health of children, or mental health of the elderly to which a grant under part B, C, D, F, or G, as the case may be, is made from appropriations for any fiscal year beginning after June 30, 1972, to assist it in meeting a portion of the operating costs the Secretary may, with respect to such center or facility, make a grant under this section for consultation services in addition to such other operating grants for such center or facility.

"(b) A grant under subsection (a) with respect to a center or facility referred to in that subsection may not exceed 100 percent of such costs.

"(c) For the purposes of making initial grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973, and $5,000,000 for the fiscal year ending June 30, 1974."

(p)(1) Section 242(a) of such Act is amended by striking the words "costs (determined pursuant to regulations of the Secretary) of compensation of professional and technical personnel" and inserting in lieu thereof the words "operating costs (determined pursuant to regulations of the Secretary)";

(2) Section 242(b)(1) is amended by striking the word "three" and inserting in lieu thereof "six" and striking the word "eight" and inserting in lieu thereof "eleven";

(3) Section 242(b)(2) is amended by striking the word "three" and inserting in lieu thereof "six";

(4) The section caption of section 242 of such Act is amended by striking the word "STAFFING" and inserting in lieu thereof "OPERATING".

(q) Section 243(a) of such Act is amended by striking the words "compensation of professional and technical personnel" and inserting in lieu thereof "operating expenses";

(r) Section 244 of such Act is amended by striking the words "a project for the construction or initial staffing" and inserting in lieu thereof the words "facility and operating costs".

(s)(1) Section 251(a) of such Act is amended by striking the words "of construction" and "of compensation of professional and technical personnel" and inserting in lieu of the latter the words "operating costs".

(2) Section 251(c) of such Act is amended by striking the words "costs of compensation of professional and technical personnel" and inserting in lieu thereof the words "opertaing costs".

(3)(A) Section 256(b)(1) of such Act is amended by striking the word "eight" and inserting in lieu thereof "eleven".

(B) Section 256(b)(2) of such Act is amended by striking the word "three" wherever it appears and inserting in lieu thereof the word "six".

(4) Section 254 of such Act is amended by striking the words "a project for the construction or initial staffing of a" and inserting after the word "facility" the words "operating costs".

Mr. KENNEDY. Mr. President, the House has passed and sent to the Senate a bill which would extend the existing provisions of law in respect to community mental health centers for 1 additional year. At the time the House acted it had before it the companion bill which had passed the Senate, S. 3716, which would extend the community mental health centers program for 2 years as well as make a number of substantive changes in the law. The House chose not to act on the Senate-passed bill.

I believe it is urgent that the Congress extend and improve this vital health program. And I am hopeful that the amendment which I propose to offer to the House bill will be acceptable to the other body. My amendment incorporates all of the substantive changes which the original Senate bill included, such as the authorization for operational grants as contrasted to staffing grants, and facility grants as contrasted to construction grants. In addition, the amendment includes special emphasis on consultation and education services in mental health center programs as well as special emphasis on programs to assist persons who have been hospitalized in State or county mental hospitals.

My amendment extends the program for only 1 additional year, like the House-passed bill.

I am hopeful that it will be possible to make these needed improvements in the law but to do so in a manner which does not foreclose the opportunity of either the House or the Senate to make whatever additional improvements may be necessary.

Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

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

The bill (H.R. 16676) was read the third time and passed.

Amend the title so as to read: "An act to amend, the Community Mental Health

Centers Act to extend for 1 year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children, and for other purposes.".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Mr. President, could the Chair inform me when this would be sent to the House? Would it go forthwith?

The PRESIDING OFFICER. There should be a message shortly.

Mr. KENNEDY. I thank the Chair.

EXPRESSIONS OF CONCERN AND PRAYERS FOR SAFETY OF REPRESENTATIVE HALE BOGGS, REPRESENTATIVE NICK BEGICH, AND THEIR COMPANIONS

Mr. LONG. Mr. President, the Nation, especially those of us who serve in Congress, and those of us who hail from Louisiana, are extremely dismayed at the bad news that a plane carrying the majority leader of the House of Representatives, the Honorable HALE BOGGS, is missing. A search is due to resume again in about 1 hour in the effort to find the lost plane.

At this moment we can only pray that this is not the type disaster which we all fear. Representative NICK BEGICH and some of his staff were aboard the plane with Representative BOGGS.

Our sympathy goes to his family and loved ones at this time. We pray for Representative BOGGS and Representative BEGICH, and their companions, and we all hope the results of the search today may be favorable. We extend our sympathies to Mrs. Boggs in this hour of sorrow, and also the Boggs family.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MANSFIELD. Mr. President, I wish to join with the distinguished Senator from Louisiana in the statements which he has just made about the situation which confronts Representative HALE BOGGS and Representative NICK BEGICH, of Alaska.

When the White House called me last night about the possibility that something might have happened, I was, of course, very much distressed. But the search is still going on. I hope that it will be possible to rescue these two men and their companions. In the meantime, we all join with the distinguished Senator from Louisiana in praying for the survival of all members on the aircraft and for their safe return soon to Washington.

Mr. LONG. Mr. President, the latest information available to me is that the search will resume at about noon, Washington time, which is approximately 7 o'clock Alaskan time. Prior to that time organized search is not possible. Daybreak occurs in the next hour and at that point the search by, I believe, 35 or more planes will resume. We hope very much it will be successful.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ROBERT C. BYRD) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE U.S. SOLDIERS' HOME

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the U.S. Soldiers' Home, for fiscal year 1971, and the report of Annual General Inspection of the Home, 1971, by the Inspector General of the Army (with accompanying reports); to the Committee on Armed Services.

REPORT ON SERVICES TO AFDC FAMILIES

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on Services to AFDC Families, dated October 1972 (with an accompanying report); to the Committee on Finance.

REPORT OF FEDERAL LAW ENFORCEMENT AND CRIMINAL JUSTICE ASSISTANCE ACTIVITIES

A letter from the Attorney General, transmitting, pursuant to law, a report on Federal Law Enforcement and Criminal Justice Assistance Activities (with an accompanying report); to the Committee on the Judiciary.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classification for certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORT ON NEW CONSTRUCTION FUNDS IN THE HILL-BURTON PROGRAM

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on new construction funds in the Hill-Burton program (with an accompanying report); to the Commission on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H.R. 16925. An act to amend title 37, United States Code, to extend the authority for special pay for nuclear-qualified naval submarine officers, authorize special pay for nuclear-qualified naval surface officers, and provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes (Rept. No. 92-1307).

EXECUTIVE REPORTS OF A COMMITTEE

Mr. MAGNUSON. Mr. President, as in executive session, I report favorably sundry nominations in the National Oceanic and Atmospheric Administration which have previously appeared in the CONGRESSIONAL RECORD:

Robert D. Hopkins and sundry other officers, National Oceanic and Atmospheric Adminstration, for permanent promotions in the grades of lieutenant, lieutenant (junior grade), and ensign.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 1536. An act to amend section 319 of the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 14934. An act to amend title 5, United States Code, to make levels III and IV of the Executive Schedule applicable to certain positions within the Department of Justice, and for other purposes; to the Committee on Post Office and Civil Service.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MATHIAS:

S. 4126. A bill for the relief of Miriam Alvarado;

S. 4127. A bill for the relief of Lydia Melendez. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for Mr. McGOVERN):

S. 4128. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. RANDOLPH:

S. 4129. A bill to provide a mechanism to improve health care in rural areas through the establishment of the Office of Rural Health Care in the Department of Health, Education, and Welfare and a National Council on Rural Health, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RANDOLPH:

S. 4129. A bill to provide a mechanism to improve health care in rural areas through the establishment of the Office of Rural Health Care in the Department of Health, Education and Welfare and a National Council on Rural Health, and for other purposes. Referred to the Committee on Labor and Public Welfare.

THE RURAL HEALTH ACT OF 1972

Mr. RANDOLPH. Mr. President, I introduce the Rural Health Act of 1972, in the hope that it will be reviewed and considered by Senators and by the Department of Health, Education, and Welfare during the time between the adjournment of the 92d Congress and the beginning of the 93d Congress. It is my further hope that hearings can be held on this legislation soon after the first session of the 93d Congress convenes.

Mr. President, this legislation would accomplish three major goals: First, the coordination of Federal programs for health care delivery to rural areas of

the United States; two, a full assessment of the health of rural Americans and the health care they receive; and three, assurance, to the extent feasible, that rural areas receive their fair share of Federal funds for health care delivery.

These goals would be accomplished by the establishment of an Office of Rural Health Care within the Department of Health, Education, and Welfare, to be headed by a Deputy Assistant Secretary under the Assistant Secretary for Health and Scientific Affairs, and by the establishment of a National Council on Rural Health.

It is widely recognized that the health of our rural citizens is not statistically as good as the health of those in metropolitan areas. It is also known that the delivery of health care in many rural areas is either inadequate or nonexistent. Numerous excellent legislative measures have been enacted over the years to improve health care delivery in rural America.

Last year the Comprehensive Health Manpower Training Act became law. That measure included a provision, which I sponsored, to establish a national health manpower shortage area clearinghouse in the Department of Health, Education, and Welfare. Another provision in that act which I also sponsored requires the Secretary of Health, Education, and Welfare to use his best efforts to provide Public Health Service physicians in each county in the United States which does not have a resident physician. Both provisions were designed to improve the delivery of health care in rural and other medically underserved areas.

Two years ago the Emergency Health Personnel Act was enacted. Its purpose, too, was to increase the number of doctors and allied health personnel in medically underserved areas. These are examples of the ways in which the Congress has been attempting to attack the root cause of poor health in rural America.

The bill I introduce today would provide further needed emphasis in the fight for better rural health care. The Office of Rural Health Care would be the focal point in the Federal system for: first, administering all Federal programs in the Department which relate to health care in rural areas; second, coordination with other Federal agencies whose activities relate to rural health care; third, coordination of rural health care personnel training; and fourth, evaluating departmental programs relating to rural health care. The Office would also provide technical assistance to rural communities, organizations, and individuals interested in improvement of rural health care.

The Rural Health Act of 1972 would also establish a National Council on Rural Health, the purpose of which is to study the health of persons living in rural areas, the adequacy of rural health care delivery, and the effect of Federal programs on the improvement of the health of persons living in rural areas. The Council would be required to submit its study, along with its recommendations for additional legislation and administrative action, to the Secretary and the Congress within 2 years after its appointment.

Mr. President, this proposal is similar in scope and intent to a measure introduced on October 11, 1972, in the House of Representatives by Congressman ROY, a member of the Committee on Interstate and Foreign Commerce.

I ask that the text of the bill be printed at this point in the RECORD.

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

S. 4129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Rural Health Act of 1972".

OFFICE OF RURAL HEALTH CARE

SEC. 2. (a) There is established within the Department of Health, Education, and Welfare an Office of Rural Health Care to be directed by a Deputy Assistant Secretary for Rural Health Care under the direct supervision of the Assistant Secretary for Health and Scientific Affairs. Such Deputy Assistant Secretary shall be appointed by the Secretary of Health, Education, and Welfare.

(b) The Secretary is authorized to provide the Office of Rural Health Care with such full-time professional and clerical staff and with the services of such consultants as may be necessary for it to carry out its duties and functions.

(c) The Secretary shall utilize the Deputy Assistant Secretary for Rural Health Care—

(1) to administer all Federal laws for which the Secretary has administrative responsibility and which provide for, or authorize the making of grants or contracts related to, health care programs in rural areas;

(2) to provide a liaison with the activities carried on by other agencies and instrumentalities of the Federal Government (including but not limited to, the Department of Agriculture, Department of Transportation and the Office of Economic Opportunity) relating to health care programs in rural areas;

(3) to coordinate training for necessary manpower for health care programs in rural areas;

(4) to be responsible for the evaluation of the other Department of Health, Education, and Welfare programs related to health care in rural areas and to make periodic recommendations to the Secretary; and

(5) to insure, to the maximum extent feasible, that a fair share of the funds appropriated pursuant to titles III, VI, VII, VIII, IX, and X of the Public Health Service Act are expended for projects in, or which primarily benefit, rural areas. "Fair share" for the purpose of this clause means a percentage equal to the percentage of total residents of the United States who reside in rural areas.

(d) For the purpose of providing technical assistance to rural communities and to entities and individuals interested in the improvement of health care in rural areas, there shall be in each regional office of the Department of Health, Education, and Welfare one or more representatives of the Office of Rural Health Care. Such technical assistance may include—

(1) assistance in making preliminary surveys of the health of persons residing in a rural area and of the delivery of health care to such persons and in developing a statement of the needs of such area for improvement in the health care delivery provided such persons; and

(2) providing information (A) on the characteristics and advantages of each health care delivery system which could be utilized in a rural area, and (B) on public and private sources of information and technical and financial assistance for improving health care delivery systems in rural areas. In providing such assistance the Deputy Assistant Secretary for Rural Health Care shall utilize the information and resources of the National Health Manpower Shortage Area Clearinghouse established pursuant to the Comprehensive Health Manpower Training Act of 1971 (Public Law 92–157).

NATIONAL COUNCIL ON RURAL HEALTH

SEC. 3. (a) The Secretary of Health, Education, and Welfare shall appoint a National Council on Rural Health (hereinafter in this section referred to as the "Council") to consist of ten members selected from among individuals who are recognized authorities in the fields of rural development, rural health care delivery, and health professions education.

(b) (1) The Chairman of the Council shall be selected by the Secretary from among its members, and may employ such staff personnel as the Council determines are required to assist in carrying out its duties under this section.

(2) The provisions of title 5, United States Code, relating to appointments in the competitive service and to classification and rates of compensation shall not apply to members of the Council or to staff personnel employed under paragraph (1). Members of the Council (other than members who are full-time officers or employees of the United States) shall, while serving on business of the Council, be entitled to receive a per diem allowance at rates not to exceed the daily equivalent of the rate authorized for grade GS–18 of the General Schedule. Each member of the Council, while so serving away from his home or regular place of business, may be allowed actual travel expenses and per diem in lieu of subsistence as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

(c) (1) The Council shall conduct a study and shall within twenty-four months after its appointment submit to the Secretary and the Congress a complete report on—

(A) the health of persons residing in rural areas of the United States,

(B) the adequacy of health care delivery to such persons, including analysis of the systems of such health care delivery, and

(C) the extent to which Federal programs are involved in, and effectively assist in, the improvement of the health of such persons and health care delivery for them.

(2) The Council shall recommend to the Secretary and to the Congress such legislative and administrative action as it determines to be necessary, including the manner in which problems identified under paragraph (1) may be resolved and the role the Federal Government should play in resolving such problems.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a) For the purpose of operating and maintaining the Office of Rural Health Care established pursuant to section 2 of this Act, there is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1973; $4,000,000 for the fiscal year ending June 30, 1974; and $6,000,000 for the fiscal year ending June 30, 1975.

(b) For the purpose of operating and maintaining the National Council on Rural Health established pursuant to section 3 of this Act, there is authorized to be appropriated $50,000 for the fiscal year ending June 30, 1973; $100,000 for the fiscal year ending June 30, 1974; and $150,000 for the fiscal year ending June 30, 1975.

SENATE RESOLUTION 380—SUBMISSION OF A RESOLUTION CONCERNING AN ELECTRONIC VOTING SYSTEM FOR THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 380

Resolved, That the Committee on Rules and Administration be authorized and directed to conduct a feasibility study relative to the design and installation of an electronic voting system in the Senate Chamber, the purpose of which would be to reduce the time required for voting and to provide for the simultaneous recording and displaying of such votes in the Chamber and other desirable locations within the Senate.

ADDITIONAL STATEMENTS

AMERICA'S HEALTH CARE CRISIS

Mr. KENNEDY. Mr. President, as chairman of the Senate Health Subcommittee, I have spoken out frequently regarding the dismal and shortsighted policy of this administration regarding America's health care crisis. Today I would like to briefly expand upon that sorry record by including at the end of my remarks an excellent article by William Hines, which appeared in last evening's Washington Star-News. Mr. Hines' article, entitled 'Health Policy for 150 Soviets," describes how the Nixon administration has arranged for complete health care coverage for 150 Soviet citizens who are temporarily visiting the United States as a part of an exchange agreement with Russia. The article points out how the insurance coverage for the Soviets covers all illnesses with no questions asked. And the entitre cost of the coverage is to be paid by the U.S. Government. It is a cruel irony, Mr. President, that this administration would go to such lengths to insure international reciprocity when it has done so little to bring equivalent health care coverage to its own citizens.

How is it, Mr. President, that Nixon and the insurance industry can quickly find a way to provide health insurance for visitors from a foreign land when they are seemingly incapable of doing an equivalent job for those whom they purport to serve?

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

U.S. PAYS PREMIUMS—HEALTH POLICY FOR 150 SOVIETS

(By William Hines)

How would you like to buy a health insurance policy that would pay every cent of all your hospital and doctor bills for anything from a hangnail to a heart transplant—no fine print, no questions asked, all for $18.98 a month, and paid by the government?

Well, sorry, but it's not available—at least not to you. But up to 150 Soviet citizens on temporary duty in this country will qualify for this incredibly thorough Blue Cross-Blue Shield coverage. What's more, the premiums are being paid for by Uncle Sam.

About the nearest thing to the health policies being written for the Russians is the "high option" Blue Cross plan for federal employes.

That costs $23.96 monthly—about $5 more than the Soviet deal—and covers roughly 80 percent of an individual's average requirements. Under a cost-sharing formula worked out by the Civil Service Commission, the U.S. contributes $8.21 and the employe $15.75.

An irate taxpayer might conclude at first glance that some crypto-Commie in the Department of Health, Education and Welfare has taken just another example of the international back-scratching custom called "reciprocity."

In the Soviet Union when somebody gets sick he goes to a doctor and, if necessary, is hospitalized until he gets better or dies. In any event there's no pre-admission inquisition about what kind of insurance he carries, and no bills or hassles later from either the doctor or the institution.

"There was a certain amount of embarrassment here," a Blue Cross spokesman said, referring to the fact that while Americans stricken in Russia are entitled to free care, Russians in the Untied States weren't.

So representatives of HEW and the Soviet Ministry of Health worked out an arrangement last spring which was embodied in the "Agreement for Health Cooperation" signed in May during President Nixon's visit to Moscow. It covers Soviet citizens studying the health care system in this country.

Although the cooperative health agreement was heralded by HEW Secretary Elliot L. Richardson and others for its promise in fields of cooperative research, nothing much was said at the time about the super-Blue Cross health policies.

Details were worked out later between HEW and the Blue Cross Assn., which was selected to arrange the coverage because it is the largest single health insurance carrier in the country and has a national network of health plans.

AN ASIAN MUNICH?

Mr. SCOTT. Mr. President, I ask unanimous consent that the editorials published in the Washington Evening Star, the Pittsburgh Press and the Philadelphia Inquirer on candidate McGOVERN's most recent peace plan be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star and Daily News, Oct. 11, 1972]

MCGOVERN'S ASIAN MUNICH

The most comforting thing about Senator McGovern's Vietnam peace plan is that, given the good sense of the American electorate as reflected in the recent public opinion polls, his chances of ever being in a position to implement it are, to put it mildly, slight.

In last night's televised speech, the Senator from South Dakota lashed out with almost equal bitterness against both President Nixon and President Thieu. He charged Mr. Nixon with enlarging the war and being interested only in saving face and preserving the Thieu regime. The South Vietnamese government he characterized as being a bunch of thieves and drug-pushers "not worth one more American dollar, one more American prisoner, one more drop of American blood." It is doubtful if a candidate for the highest office of any nation has ever so viciously attacked a regime with which his own government is allied.

And the Democratic candidate for President had not a single word of blame or condemnation for North Vietnam, a regime which has waged war against all its neighbors, never held a free election since the Communist seizure there and steadfastly refused to abide by the Geneva protocol governing treatment of prisoners of war.

McGovern's prescription for ending the war is simply to run up the white flag in the hope that somebody in Hanoi will salute. He would unilaterally halt all bombing and other "acts of force" in Indochina, terminate the shipment of military supplies to the war zone and withdraw all American forces (and their equipment) from Vietnam, Laos and Cambodia within 90 days. The expectation is that Hanoi would return all American prisoners during that 90-day period, as well it might in return for such a sell-out.

Once the prisoners were returned and the missing accounted for, McGovern would then close the American bases in Thailand, pulling out all U.S. forces and equipment and withdrawing American naval power from "the waters adjoining Indochina." After which the U.S. would begin repairing "the wreckage left by this war" and offer amnesty to draft-dodgers.

McGovern, in short, proposes an Asian Munich, a recipe for disaster. It would leave the peoples of South Vietnam, Laos and Cambodia to the tender mercies of the Communists and endanger the security of Thailand, Malaysia and Singapore. It would undermine the faith of nations as disparate and far-flung as Iran, Israel and West Germany in the value of an American commitment. It would mock the sacrifice of the 50,000 Americans who have lost their lives in the defense of South Vietnam, the hundreds of thousands wounded there and the expenditure of billions of dollars. That McGovern made his proposals at a time when Henry Kissinger had extended his talks with the North Vietnamese in Paris to an unprecedented fourth day added a note of irony to the speech broadcast last night from the Senate wing of the Capitol.

McGovern's proposals are neither new, realistic nor imaginative. He proposes not negotiation but capitulation, not an honorable end to the war but a surrender which would lead to a further bloodbath of those who have placed their faith in the United States, not a solution but an abdication of responsibility.

The trauma of the Vietnamese war has been such that it is easy to play upon people's emotions by offering simplistic solutions. But we have no doubt that the American people will treat Senator McGovern's white-flag proposals with the contempt they deserve when the nation renders its verdict on November 7.

[From the Pittsburgh Press, Oct. 11, 1972]

MCGOVERN'S VIET POLICY

In his nationwide TV address last night, Sen. George S. McGovern performed a public service by exposing the weakness of his Vietnam policy more thoroughly than ever before.

He made it clear that as president he would undermine the government of South Vietnam, which is allied to this country.

He would insure a Communist takeover in the south. And then, after all American power had been removed from Indochina, he would "expect" North Vietnam to return U.S. prisoners of war.

Remarkably, Sen. McGovern managed to discuss Vietnam for almost 30 minutes without breathing the slightest criticism of Hanoi or the Viet Cong.

All the fault for violence, bloodshed, cruelty, evil and immorality was placed on the United States and the Saigon administration.

Sen. McGovern sees the war as between a misled United States and "a tiny band of peasant guerrillas in the jungles of little Vietnam."

If that were the case, of course, the "tiny band" would have been eliminated long ago by the South Vietnamese.

The North Vietnamese army, probably the best light infantry in the world, that struck

last March 30 with the coordinated use of tanks, self-propelled guns and antiaircraft missiles, does not exist in McGovern oratory.

In fact, North Vietnam was mentioned only once in Sen. McGovern's speech—and then as an innocent-sounding victim of President Nixon's mining.

There was also "Mr. Nixon's invasion of Cambodia," but no mention of Hanoi's continuing invasion of that hapless country that started many years earlier.

If elected, Sen. McGovern would "immediately stop all bombing and acts of force" throughout Indochina. He would not, however, require the Communists to stop anything—invasion, terrorism, assassination or subversion.

He would "immediately terminate any shipments of military supplies that continue the war."

This is a tricky way of saying he would choke off South Vietnam's arms and ammunition, while China and Russia would continue to supply North Vietnam, thus guaranteeing the south's subjugation.

In a simpler day this would be called stabbing in the back a young state that we helped create and which fought and bled on our side for many years. Now, presumably, it should be called enlightened statesmanship.

Sen. McGovern also would withdraw all U.S. forces from Indochina within 90 days, "along with all salvageable American military equipment."

Apparently, he fears that anti-Communist forces might use our beat-up surplus to fight on.

Finally, after pressing victory on the other side, Sen. McGovern would notify the Communists that "We now expect that they will . . . return all prisoners." He did not say what, if anything, he would do if they refused.

He would, however, send his vice president to Hanoi to speed the POWs' release.

He also did not say what he would do if the North Vietnamese refused to receive his emissary or demanded an enormous ransom, in the guise of reparations, for the prisoners.

Incredibly, Sen. McGovern would not wash his hands of South Vietnam, Cambodia and Laos, but has plans for Thailand too.

That country, also our treaty ally, is on communism's blood-debt list because it granted America air bases to use in the Vietnam War.

Sen. McGovern pledges to close the bases, bring home all troops and equipment and reassign elsewhere any naval vessels in the area.

That almost sounds like an invitation to Hanoi and Peking to export a war of "national liberation" to Thailand by way of neighboring Laos, which they mostly control now.

In sum, the McGovern policy for Southeast Asia is one of blind retreat, abandonment and betrayal—no matter how well it is clothed in pious, moralistic phrases.

[From the Pittsburgh Press, Oct. 12, 1972]

McGOVERN'S HALF TRUTHS

It has already been pointed out in this space that Sen. George S. McGovern's Vietnam policy would lead rapidly to a Communist takeover of much of Southeast Asia.

Nevertheless, his nationwide address on the war Tuesday night contained so many misstatements and distortions that it calls for further discussion.

Particularly noteworthy was Sen. McGovern's creativity in trying to pass off North Vietnamese regular army units that are devastating South Vietnam as "a tiny band of peasant guerrillas."

Elsewhere, speaking of last year's presidential election in South Vietnam, Sen. McGovern states that President Nguyen Van Thieu "issued a decree to force all the other candidates out of the race."

That simply isn't true. Both retired Gen. Duong Van "Big" Minh and then Vice President Nguyen Cao Ky were able to get on the ballot. Seeing that they would be badly defeated by Thieu, they withdrew to embarrass him with a one-man race.

Sen. McGovern also implies that "corrupt Vietnamese officials" are shipping "poisonous heroin from Southeast Asia" into America. He made it sound as though heroin from Vietnam was this country's major drug problem.

Yet any careful newspaper reader could tell him that most heroin smuggled into America comes from Turkish opium refined in Marseilles, France.

Dipping into history for support, Sen. McGovern said "the people of France" in 1954 "chose a new president, Pierre Mendes-France," to achieve peace in Indochina, which he did with a program "very similar to mine."

In point of fact the people of France never chose Mendes-France president. He was named premier by the National Assembly.

This may sound like nit-picking, but there was a vast difference in power and position between the French president and premier, and Sen. McGovern, who was a professor of history around that time, ought to know it.

The above examples by no means exhaust the errors in his Vietnam speech. But they are enough to make the point that a candidate who claims to stand for candor and integrity should take more care to avoid half-truths and wrong and misleading statements.

[From the Philadelphia Inquirer, Oct. 17, 1972]

THE NEW CREDIBILITY

Sen. George McGovern, who has a way of changing his positions rather rapidly, seems to have done it again.

In last week's speech staking out his Vietnam position, he said he would withdraw not only all American forces but "all salvageable American military equipment." Furthermore, he proposed to "immediately terminate any shipments of military supplies that continue the war."

Now it so happens that the South Vietnamese army is fighting with American—not Graustarkian—military equipment. Not illogically, therefore, Sen. McGovern's pledge to withdraw this equipment was interpreted as putting Saigon in a hopeless position in trying to negotiate any kind of settlement on its own with the Northern forces supplied by Russia and China.

Sen. Hugh Scott, for one, said he was shocked by Sen. McGovern's "callous indifference in the destiny of the people of South Vietnam by suggesting their disarmament and leaving our allies helpless before an advancing enemy."

A somewhat less partisan figure, James Reston of the New York Times, concluded that Mr. McGovern had adopted a policy of "not only abandoning Thieu but wounding him on the way out . . . If McGovern takes away not only the Air Force and the Navy but all salvageable military equipment as well, Thieu won't be able to compromise."

The ink was hardly dry on those comments, however, before Mr. McGovern was back on television—this time on the "Today" show—to say that he didn't mean all American military equipment. The phrase, he explained the second time around, should apply only to the equipment and aircraft now being used by Americans in Vietnam.

If the South Vietnamese are left wondering just what Mr. McGovern really means, they have one consolation. At least he hasn't said he's behind them 1,000 percent.

A TRIBUTE TO SENATOR EVERETT JORDAN OF NORTH CAROLINA

Mr. STENNIS. Mr. President, our genial friend from North Carolina has rendered a splendid service in the Senate.

He is a man with natural ability—with commonsense which goes to make a lot of sound judgments.

He is also a man of attainment in the business world, which gives him valuable experience indeed as a basis for judgments on our economy and other national problems. He is dedicated and devoted to service to his country, and he is also a man with fine spiritual virtues, with a natural and wholesome love for his fellow men. He is endowed with a very warm and gracious sense of humor which has served well to make telling points in debate, and to ease moments of tension.

EVERETT JORDAN has served the people of North Carolina with great dedication and effectiveness. He has been a hard working and knowledgeable contributor of facts and logical judgments in the Senate Committee on Agriculture and Forestry, and he has been an enthusiastic supporter of the preservation of North Carolina's ocean beaches and the development of her ports for navigation. His service to the Nation and to the Senate and the Members as chairman of the Senate Rules Committee have been outstanding.

His services have been numerous and great. He will be sorely missed. He and his dear and charming wife Kathrine have made many friends here in Washington who will hope that they have the opportunity to see them often. Mrs. Stennis and I have treasured their friendship and wish them many more years of accomplishment, happiness and usefulness.

A TRIBUTE TO SENATOR GAMBRELL OF GEORGIA

Mr. STENNIS. Mr. President, since I have been here no new Member has made more of a contribution in the Senate in such a short time as has the Senator from Georgia, DAVID GAMBRELL. He came here on February 2, 1971, and lost no time in getting started.

His vigorous mind, his quick grasp of a problem, and his willingness to work, all contributed to the legislative progress being made here and to achievements in many fields of the work of the Senate.

DAVID GAMBRELL has an imposing record of accomplishments in his career. He has been, for example, the youngest man ever to hold the position of president of the State Bar of Georgia. I feel that he has great opportunities for service ahead, and hope that other awards of public service will come his way.

He leaves with the appreciation and respect of us all. Mrs. Stennis joins with me in extending to him, to Mrs. Gambrell and their four children very good wish for the future which we believe will be a very bright and productive and filled with years of happiness and usefulness.

THE MOOD OF THE PEOPLE

Mr. RIBICOFF. Mr. President, the Wall Street Journal has printed an excellent article about the various moods of the people in this country. What the author has to say about the concerns of people may be more important than the rhetoric of all of the collective political

speeches which we will make during this campaign. The changes in and losses of the American spirit which he records in that article may be more important factors in the direction of national purpose of this country than the outcome of any election. I hope that each Member has the opportunity to read this and ponder on its significance for the coming session.

Mr. President, I ask unanimous consent that this article entitled "Aimless America," by Everett Groseclose, which appeared in the Wall Street Journal on Monday, October 16, 1972, be printed in the RECORD.

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

AIMLESS AMERICA—AFFLUENT, POOR, OLD AND YOUNG ALL TURN INWARD, GROW MOODY

(By Everett Groseclose)

HARTFORD, CONN.—When James L. Ragland, grocer, starts talking about his troubles, it takes a lot of listening.

First off, he's black, and his customers are black. And everyone is poor. Mr. Ragland's medium sized, Spartan store, called Pantry One, is located in the heart of North Hartford, a section of town thrice convulsed by riots, pillage, burning. The scars are everywhere. The front of Pantry One, once solid glass, now is built of concrete block.

Second, Pantry One has never been profitable since it was bought by Mr. Ragland and 10 associates from a white owner 18 months ago. "The discount stores are eating us alive. People will come in here to get their eggs and a bottle of milk, but they go to the big discount stores to do their real shopping," says Mr. Ragland.

Moreover, "unemployment in this neighborhood is close to 50%, and a lot of people are pretty desperate," says Mr. Ragland. Indeed, in just the past six months, three vendors have quit servicing his store. "When they would get out of their trucks to make a delivery, somebody would break into the trucks." Even inside the store, thievery is a constant problem. "Why, there are 10 or 15 people who live right in this neighborhood that I can't even let come in the store because they steal so much."

Tuning out the world

With problems like Mr. Ragland has, not knowing from month to month how much longer Pantry One can continue to operate, it's small wonder that he devotes almost all of his time and attention to his business. He's hardly even aware that 1972 is a presidential election year, that the city of Hartford is making significant strides toward easing many of its ills in minority and low-income areas, that countless jobs formerly closed to blacks or browns or women or older workers now are opening up. "I've got more than I can handle just looking after my own affairs," says Mr. Ragland.

If Mr. Ragland is tuned out and turned off, withdrawn and oblivious to matters that don't have an immediate impact on his personal situation, he's only typical of citizens across the country. From New England to the West Coast, the average taxpayers, the men and women who make the economy and the country tick, are backing away from the plans and programs, the causes and crusades that they had enthusiastically jumped into in recent years.

Instead, they're devoting their time and energies to personal matters, to carving out better niches in the world for themselves and their families, often closing their eyes and covering their ears to anything that doesn't have an immediate and quite personal effect on them.

The people are frustrated

That's the conclusion emerging from a rather leisurely cross-country trip, generally following U.S. Highway 6, which stretches from Rhode Island to California. Along the way, in big cities and in little towns, in country stores and in corn fields, surprisingly similar sentiment crops up. Possessed by almost a quiet desperation, residents of America are disregarding the larger issues. They're turning inward.

Says Delbert S. Elliott, a professor of sociology at the University of Colorado in Boulder, just north of route 6: "People are frustrated. They're especially frustrated with institutions—from the top of the federal government on down. They've learned from some very real experiences. They've come to understand that the institutions are running things, and that they're beyond the control of individuals. So people are just giving up. They're directing all their efforts toward influencing the things that, rightly or wrongly, they think they can control."

Such Americans are to be found everywhere along route 6. What follows, in more or less chronological fashion, are brief accounts of chats with some of those people. The people are chosen for no special reason except that they seem to have something to say.

HARTFORD

Tom Parrish, 54 years old, has operated a Mobil service station at the intersection of Main and Pavillion, in the heart of the black community in this insurance-oriented city, for more than 20 years. Once, presumably, the station looked reasonably good. But now, by any measure, it's an eyesore. Old car parts are strewn everywhere. Even the two gas pumps look ready to topple. When it rains, as it did on a recent night, water comes through the station's roof in steady streams in a dozen places.

No matter. Tom Parrish's station, and the little cafe and patent-medicine store across the street that Adam B. Battles owns, are the hub of the black community here. Residents stop by to pass the time of day. To an interloper asking about the gut feelings of the black man today, they make it frightfully clear that some blacks are seething with hatred.

Tom Parrish: "The black man is on rock bottom, where he's always been. The system, Charlie's system, just doesn't permit minorities, especially black people, to go up. Sure, there are lots of aid programs. They give you just enough to keep you in your place and make them feel good, just enough to keep you coming back for more. Charlie is just buying time. He'll add, and he'll take away, always just the right amount to keep you where he wants you. The black man has just given up on the system. He hates it. Now he's doing for himself, and to hell with the system."

Adam B. Battles: "My store got it twice—the riot in 1967 was the worst. I was looted, fire-bombed, all the windows were broken out. It's a miracle I'm still in business. You take your average white businessman, he can get a 30-day account from his suppliers. I'm lucky. Sometimes they give me a week to pay. Most blacks have to pay on delivery."

Is the black man still angry enough to turn to violence "It's there. It could blow up any time. But the next time, if there is one, it won't be riots. We've learned that it's no good to destroy our own, the only things we have. I don't know exactly what it will be like next time. Maybe it will be hostages, like at the Olympics. Or maybe it will be Charlie's home. I don't know what it will be like, but I do know that all you need to get it going is the proper spark."

BREWSTER, N.Y.

Richard G. Allen, 55 years old, lives with his wife, a teen-aged daughter and a son just back from Vietnam, in an aging, two-story brown-shingle house at the foot of Peaceable Hill Lane, where it intersects with U.S. route 6. One thing sets it apart from other houses in this mountainous village of 12,000. Mr. Allen's front yard is full of bird houses—stacks and heaps and rows and piles of them. Thirty or more hang in a single tree. Mr. Allen, who answers the door, is obviously in ill health. His right foot seems to drag, and when he moves about, he's stooped, his arms folded across his stomach, as if he's in pain.

"I had a stroke last August. Before that, I was a kind of handyman, mostly a carpenter. Now I can't do much of anything. I just build bird houses for something to do. Different people come by every once in a while and see them and buy one. I sell them for anything I can get—maybe $2, maybe $50. In the last year, maybe I've sold a dozen."

Inside Mr. Allen's house, the table is set for lunch, with big white coffe cups turned upside down in the center of the plates. In the middle of the table stands a small jar of honey, a carton of milk, a bottle of ketchup. Lunch will consist of bread and honey.

"We don't live very well. All there is my Social Security. It ain't enough to live on, but it's all there is. It doesn't seem like the government gives anybody any special consideration—you know, really looks close at their individual case. It doesn't matter what President is in office. I'll tell you one thing. Social Security is so low that I always spend more than I get. I keep thinking I can make it up if I ever sell any bird houses. But I've about decided it won't ever be a profitable business. It's just something to do until I die."

SCRANTON

When things get busy around the Sheraton Motor Inn in this flood-devastated city, Helen Darlak, wife of the owner, pitches in to help. For a late-night traveler lucky enough to walk in and get a room because another guest has suddenly checked out, she volunteers to put fresh sheets on the bed. Without knowing at the time the identity of her guest, and without a single question being posed, Mrs. Darlak starts talking:

"What do you think about the Kennedys? About all the things they've been through? You know, two of them being shot and all that? It really hits home when it happens to you. You know, it happens to someone you know and love. Then it really gets to you. You sort of understand a little about what the Kennedys have been through. I know. My nephew—his name was Halem, and he was a law student in Detroit—got shot down in the streets and killed. That was March 4, 1971."

Halem, she relates, had gone out with a friend to shoot pool in a Detroit tavern. Two strangers asked to play, and later an argument developed, at which point a third stranger walked over from the bar and entered the fracas. A scuffle developed but ended quickly. Mrs. Darlak says everyone shook hands and parted on friendly terms.

"After a while, Halem and his friend decided to go home. Poor Halem. He was the first one to walk out the door. When he did, he was shot and killed. He was hit by four bullets. Before that, I never thought much about gun control. But now I keep thinking that if somebody hadn't had that pistol, maybe none of it would have happened.

"They're still looking for whoever did it. It sort of makes you lose faith in the police. We did. We decided they couldn't do it. So my family put up a $5,000 reward for information, but nothing ever came of it. We wanted to spare other families from having to go through the same thing.

"Well, get a good night's rest. Pray for my nephew, will you?"

CLEVELAND

Police lieutenant Eugene Orenski, a man with a wife and a married daughter, has

been on the police force 30 years. Soft-spoken and lean, with closely cut hair and neatly pressed uniform, he's in command of about 100 patrolmen. Their territory takes in a large portion of downtown Cleveland and extends generally east, taking in a variety of white ethnic neighborhoods and a large number of black residents. Pulling away from the old, red-stone central police station in his cruiser, he's delighted that someone has finally asked what's bothering today's cop.

"Well, theres' just no question about it. Every policeman feels that the Supreme Court and all of its liberal decisions are hurting the policeman and society. It's society that's really getting hurt. The officer just can't do his job. The courts are too soft, and they aren't processing the cases as fast as they ought to be.

"Just a few minutes ago I was talking with this guy whose car was stolen six months ago. He had a gun, and he went out and caught the guy with his car and held him until officers arrived. But before we could even get the reports filled out, the guy who stole the car was out on bail—they get out in nothing flat—and he's still awaiting trial. It may be a year before he's tried. Meanwhile, he's out free. He can steal more cars to pay for his bail. And that's your average case, nothing unusual about it. . . ."

Lt. Orenski wheels his cruiser into the parking lot behind St. Vincent Charity Hospital, where he often meets with his men. During the next two hours, a number of patrolmen drive in, chat briefly and return to duty. They echo Lt. Orenski's comments and add some of their own.

John Pantus, 46 years old: "Even the kids nowadays make you feel terrible. They talk back to you, and if you cruise by a high school, all you hear is 'Piggy, piggy, piggy.' A few days ago, me and my partner had occasion to walk through a high school during the lunch hour. There must have been 1,000 students milling around in the halls. All the way along, they were chanting, 'Pig, pig, pig.' I guess you can't blame the kids too much. Everywhere we go these days, into their homes and everywhere, all you hear is (obscenity) this and (obscenity) that."

LORAIN, OHIO

It's 9:30 in the morning, and about 30 miles west of Cleveland, route 6 passes by a huge Ford assembly plant. Beside the highway stand acres of small Ford vans; the plant also makes large Ford sedans. Half a block south of route 6, on Oberlin Road, stands the Model-T Inn. It appears once to have been a motel; now it's a bar. Inside, amid the odor of sweat and cigaret smoke and beer and whisky, perhaps 20 auto workers are winding down after their work turn. Sitting at the bar is Larry McGough, 30 years old, who repairs faulty cars when they come off the line.

Mr. McGough, sipping a whisky and water: "If you're talking about what's really bothering the working man, try this on for size. Ford and GM both set records for profits, and our wages are frozen. We really love Nixon. What the hell? We're $52 billion more in debt, everybody is getting on welfare, and the rich don't pay any taxes. You wonder why the average guy is mad? Well, Joe Doe, dummy, has been dumb long enough. I'm a dummy, but I can count to 10. Skippy Peanut Butter is up 10 cents, and my wages are up three cents—don't mean that literally but that's what's happening. Any way you slice it, Skippy is outjumping my wages. The average guy, he's aware of what's going on, what's being done to him. And at the same time, Nixon has let the auto companies go hog wild.

"I'm married, and I've got five kids. I've got family, and I don't have any choice. I'm locked in. I've been in this plant for 12 years, and I've got security. But I'm going to have to do this the rest of my life, and there's not a damned thing I can do about it. Hey man, this is your life. There's no way to move, and there's no way to change it. You're just locked in until the day you die or retire—if you live that long."

KENDALLVILLE, IND.

Miller's Truck Stop, a big refueling station that also offers inexpensive food, showers and bunks to truckers, is known as "one of the good spots" to hundreds of truckers who stop here each week. Inside the cage where a sign proclaims "no credit cards honored," Richard J. Littig, 29, who has "Death before Dishonor" tattoed on his right arm, says the life of a trucker is only marginally better than that of a factory worker.

"What gets me is all this being away from home. I got a four-year-old son. You know how long I got to see my son today? Ten minutes. That's how long. And I was lucky to see him at all. Take last week. I got in from a trip Saturday night, after midnight. I got up Sunday morning at 10, and the terminal called at 11. I took my sweet-ever-loving time about getting there, and I left Sunday about 4 in the afternoon. I got home last night after midnight, and this morning they called at 9. I got to see my son 10 minutes—in a whole week.

"And what's it all for? We ain't going nowhere. You can't even look forward to retirement. Our union (the Teamsters, which administers pension funds on a local basis) won't let you carry your time from local to local. I've been driving 5½ years now, but I switched locals, so I only got 2½ years in the pension fund. Anyway, you've got to be 57 years old and have 20 years in with the same local before you qualify. If you started driving in your early 20s, there ain't no way you can retire. You'll die first. These rigs get to your kidneys first, then your back. In all my years, I've known one guy who got in 20 years with the same local and retired at 57—just one guy.

JOLIET, ILL.

Central High School, an aging, three-story stone structure dating to 1901, occupies almost two square blocks on the eastern edge of this city of 78,000. Four years ago, racial tension among its 2,500 students—about 25% black, 8% Spanish speaking, and the remainder from white families of all income levels—was dangerously high. At one point, about 50 police roamed the hallways dealing with limited disorders, and for two years after that police were called in periodically. Today, says Harold Miller, who taught at Central 11 years before becoming principal four years ago, the picture is just the opposite.

"We have, of course, many problems. But the major one is apathy. There is such a large number of students, maybe 25% or more, who are utterly aimless. They aren't turned on or excited by any of the traditional things, not the traditional values anyway. They aren't saying anything, and they aren't doing anything. They just aren't interested. They're like zombies.

"A lack of direction has always been there, but in the last year, it's gotten bad. The kids just don't care about school. We see it especially in our absenteeism. It's 10% to 12% a day. That's average. And our special programs, those aimed at helping just this kind of student, don't seem to be working. Basically, we try to help them find a vocation. We set up job-related interviews and even help arrange for them to get jobs. We'll line up an interview, or a job, for somebody, and they won't even bother to show up.

"To these kids, the emptiness of graduation is very, very real. It means nothing to them. I keep telling them that they're right. It isn't so important to graduate from high school. What is important is to fit into our society as a useful and productive person. But it's all lost on them. I don't think we've got a single program in the U.S. dealing effectively with this disaffection, this aimlessness and alienation."

MARENGO, IOWA

Four miles south of U.S. route 6, amid the farmlands of Iowa, Andrew Hocker and his family have been raising cattle, pigs, corn and soybeans since the early 1900s. Today, Mr. Hocker and three grown sons farm in the area. Standing out by the corral, watching fat, penfed cattle chew their cuds, Mr. Hocker and two of his sons, Charles and Dennis, both graduates of Iowa State University, express dismay about a system that seems to reward nonfarmers the most.

Charles, age 30: "Inflation bothers the hell out of us, but I'll tell you the biggest thing. It's all these people coming in and buying up the land. They're driving prices straight up. Hell, the plumber in town, right up there in Marengo, is making $7 an hour. He can afford to buy himself a small farm, and that's one more that I can't buy. Or the schoolteacher. Maybe his wife works. Hell, together they're more than $20,000, and they need a tax break, so they buy a farm, maybe 80 acres. There goes another one.

"And then there are the big money men. They want to buy up, a lot of 80-acre farms, and they're willing to pay top dollar to get them. This kind of guy, you can't even find him. He doesn't even live here. He'll hire himself a professional management outfit, or maybe he'll get somebody to sharecrop it. We've had quite a few of the plumber-schoolteacher types buying out around here. And there are four really big money men. One of them runs a merchant marine school in New Jersey. I guess he's got money to burn. He's been paying $450 to $500 an acre for land that ought to sell for $300 to $350." (At those prices, however, the land is considered inexpensive because it's subject to occasional flooding. Most farmland in the area sells for $600 to $650 an acre.)

What about the U.S. sale of wheat to the Soviet Union?

The elder Mr. Hocker: "Well, aside from some of the big shots that may or may not have cleaned up, I figure it was a pretty good deal. It opened up a new market, and I figure it's a good market, and that means it's good for prices. I figure it put a dime on the price of corn. But it just shows you. They got the farmer producing his stuff so cheap that they can afford to export it. That doesn't seem to make sense, now, does it?"

GRINNELL, IOWA

Grinnell College, a highly respected liberal arts institution, stands just north of route 6. Over the years, it has developed a reputation for turning out leading physicians, attorneys and other professionals. It has also, in recent times, developed a reputation of being a hotbed of political activism. Students, it's said locally, will turn out in mass to protest just about anything at the drop of a hat. But this year, says Glenn Leggett, who has been president of Grinnell for eight years, things are vastly changed.

"I'm really very concerned about what's happening. I don't know how to put my finger on it, but I know it's there. We've had a big switch in attitudes and sentiment. The kids just aren't interested in much of anything, except in some cases, where they will go after they finish college."

In 1970, after U.S. troops invaded Cambodia and students at Ohio's Kent State University were shot and killed, Grinnell closed a week before the semester was scheduled to end. "We figured the place would become so political that it would become a bivouac for political-action groups," explains Mr. Leggett. Shaking his head in wonder, he adds: "It would never happen now. Last spring, there was tremendous enthusiasm for McGovern, but that has waned. There was a poll on campus of political views, and only 450 (enrollment is 1,200), even bothered to fill it out." (Of those, 78% favored Senator McGovern.)

"There are many things to make me think we're headed back for an era like the 1950's. Booze is back—and back big—but drugs are out. Why, at our opening football game, we had 2,000 people. That's incredible for us. We usually get maybe 500, no more than 1,500 on special dates, like homecoming when parents and alumni are here. . . . Why, this year we even have a student cheering squad. Not a conventional cheering squad, just some students who sit together and cheer. It's true that their cheers make heavy use of four-letter words, and it's hard to tell how many people come to see the game and how many come to hear the cheers, but it's a cheering squad."

How do students feel?

Tom Shirley, a sophomore from Washington, D.C., whose long dark hair falls past his shoulders: "Frankly, there isn't much to get excited about. Last year, when Nixon mined the harbors in North Vietnam, we had a candlelight march in town. That would never happen now. We all feel pretty discouraged and hopeless, sort of desperate. No one on my floor in the dorm takes a newspaper. We don't figure there's anything of interest in it. It doesn't relate to us personally."

IDAHO SPRINGS, COLO.

Just west of Denver, route 6 plunges into the Rocky Mountains and becomes a narrow, twisting path that winds among mountain peaks. After 50 minutes of driving, a motorist reaches Idaho Springs, well into the mountain country, a town of 2,500 permanent residents. Before the end of the year, Interstate 70, a high-speed highway from Denver, will be completed. And that road, with all its implications, is about the only thing Mayor Douglas V. Watrous, 59, now in his third term, ever thinks about.

"Growth of the village here is really bothering a lot of people. Hell, it's everybody. Five years ago—and for years and years before that—we had just 1,500. We just had a special study done, and now, with I–70 about to make downtown Denver 25 minutes away, they're projecting 17,480 by 1980. That's just eight years away. This is just a sleepy little mountain town, and the people who live here just don't want to see it grow. They plain don't want any more people.

"But I–70, like it or not, means we're going to have to expand. About all we can do is control it as much as we can with sewer hookups, water connections and that kind of thing. . . . I've told the state highway department many times they are a bunch of bastards. They come through a narrow little valley like this and take over half the land. That takes the tax base out of the community, and at the same time it brings us all kinds of other problems. It seems like there's just no way you can buck it. No way you can fight the highway department. Hell, they've got all the power, and we've got none."

MARTINEZ, CALIF.

Grace Episcopal Church sits atop a hill in this town of 18,000, about 30 miles northeast of San Francisco. A vistor finds the Rev. Ellis E. Peterson, the 59-year-old rector, a much troubled man. In many ways, he speculates, the feeling, the mood and the outlook of his church's 200 families typify the attitude of the whole country. Sitting in his office, surrounded by books on religion and philosophy and psychology, stroking his beard, he's bewildered.

"My people are simply frustrated. They've given up on everything you can name—their church, their religion, education, government of all levels. It all seems to be coming apart in little pieces. To them, nothing is solid any more. The result is that they've withdrawn, built a shell around themselves and crawled into it. The war, poverty, the despised, they mean nothing to them unless they touch them personally. Their attitude is, if it's going to affect me, then I'm terribly concerned about it. Otherwise, I'll stay in my shell. . . .

"People are indifferent. They've had so much change so fast, now they just want everything to stop and hold still for a while. They want something they can rely on, something that is solid in their lives. We had a long discussion just yesterday on a little change—just a few words—in the Lord's Prayer. But they want no part of it. They're frightened of this whole business of change.

"I've been in the ministry for 35 years, and I've never seen people as withdrawn and selfish as they are right now. When I preach on our responsibility to mankind, our responsibility to the lost, the unfortunate, the minorities, they just turn off their hearing aids. They don't want to hear it. They don't want to hear about the real problems and what we ought to be doing. I feel like I've never been needed so much, but at the same time, I've never been so lonely and alienated from my parishioners."

APPROPRIATIONS FOR ETHNIC STUDIES BILL

Mr. SCHWEIKER. Mr. President, a critical piece of unfinished business will carry over from the 92d to 93d Congress: appropriations in fiscal year 1973 to implement the Ethnic Heritage Studies Programs Act.

The Ethnic Studies Act, which I was proud to sponsor, was enacted as part of S. 659, the Omnibus Higher Education Amendments of 1972. Authorized for fiscal year 1973 was $15 million.

It is essential that appropriations for the ethnic studies programs receive careful study when Congress reconvenes in January 1973, and that ethnic studies funding be given high priority in the second supplemental appropriations bill for fiscal year 1973 that will be considered at that time.

I was deeply disappointed that no appropriations for the ethnic studies legislation were included in the preliminary first supplemental appropriations bill, H.R. 17034, enacted shortly before adjournment of the 92d Congress. On October 6, 1972, I personally testified before the Senate Apppropriations Subcommittee with responsibility for educational appropriations. I stressed the importance of immediate "start-up money" to enable the ethnic studies programs to get off the ground, and the essentiality of full funding of the entire $15 million authorized by Congress for the ethnic program. Sufficient funds for planning coordination and cooperation will be necessary to realize the full potential to individuals and communities around the United States of ethnic studies programs.

Unfortunately, due to the lateness of this session, and pressures to complete work in the 92d Congress, supplemental appropriations in the educational area were limited to only a small number of programs. Neither the executive branch, which did not include a request for ethnic studies appropriations for this year's supplemental appropriations bill, or congressional Appropriations Committees, wanted to provide supplemental appropriations at this time for new programs recently enacted into law. They indicated that the second supplemental appropriations bill next year would be a more appropriate vehicle for consideration of this program.

I do not agree with this reasoning, and feel strongly that immediate appropriations for ethnic studies was necessary. However, there is still time next year for appropriations during fiscal year 1973 for the programs, and I will continue to press hard for this action as soon as the next Congress convenes next year.

I have appreciated the widespread support from individuals and organizations around the country for the ethnic studies bill. I hope to continue to have their support next year, and hope they will all help inform public officials at national, State, and local levels of the important goals of the ethnic studies programs and of the necessity of immediate funding of the ethnic heritage studies programs to implement these goals.

Mr. President, I request that my testimony for full, immediate funding of the ethnic studies programs be printed at this point in the RECORD.

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

STATEMENT BY U.S. SENATOR RICHARD S. SCHWEIKER

Mr. Chairman: I deeply appreciate the opportunity to personally testify today on behalf of funds for the Ethnic Heritage Studies Programs Act, which was authorized as Section 504 of S. 659, the Higher Education Amendments of 1972, Public Law 92–318.

Through approval of this legislation which I originally introduced as S. 23 in January, 1971, Congress has for the first time indicated official national recognition of ethnicity as a positive, constructive force in our society. It is essential that Congress follow-through this year by providing the necessary start-up funds so the ethnic studies assistance can be begun in a responsible, efficient, and constructive fashion.

The Act authorizes the Commissioner of Education to make grants for programs, development of curriculum materials, and dissemination of information and materials relating to the history, culture and traditions of the various ethnic and minority groups in our country. The Report of the Senate Labor and Public Welfare Committee on this authorization makes Congressional intent clear that ethnic studies programs are to include participation by all groups of people sharing a common history, identity, culture or experience in America as well as the European immigration groups more commonly referred to in the term "ethnic group." The Committee report also indicates, as does the exact language of the bill, that ethnic studies programs are meant to include participation by members of ethnic, minority and other community groups as well as educational and academic grant applicants.

Since I originally introduced the ethnic studies bill, I have been encouraged by the widespread interest in ethnic studies by ethnic, minority, religious, and other community groups around the entire nation. Clearly, the positive emphasis on ethnicity is an idea whose time has come. The demand for national assistance for development and dissemination of ethnic heritage materials is truly a grass roots phenomenon that has now resulted in passage of the Ethnic Heritage Studies Programs Act.

The Office of Education has already undertaken preliminary planning to implement the Ethnic Studies Act. A Fact Sheet, which I would like to include in the hearing record following my remarks, was released on August 18, 1972, describing tentative plans and progress. It is interesting to note that one of the reasons this Fact Sheet was prepared was because of the many requests the Office of Education received from around the

country for information about the program. A small grant was also made to the American Association of State Colleges and Universities to plan a conference on ethnic studies. This organization, incidentally, published, under a grant from the National Endowment for the Humanities, an excellent "State of the Art and Bibliography" summarizing recent material concerning ethnic studies in higher education.

However, these preliminary plans and surveys are no substitute for the basic ethnic heritage studies programs authorized by Congress. It is essential that we provide appropriations in this supplemental appropriation so that the Office of Education can step-up its planning and implementation of the bill and work out a carefully developed program. Only a one-year authorization was approved since the ethnic studies proposal is still essentially a pilot program. But there will be little chance for laying the groundwork for a positive, constructive program for ethnic studies if we delay appropriations for it until 1973 at the end of the fiscal year.

Congress authorized $15 million for the ethnic heritage studies programs. I strongly urge this subcommittee to approve appropriations of this full amount. Considerable planning, coordination, and cooperation will be essential between the Office of Education and the wide variety of academicians and community groups already seriously involved in the development of ethnicity programs. This planning, coordination and cooperation, in fact, will also be essential among all the various applicants for grants under the program. But without sufficient start-up money to allow comprehensive planning, it will be difficult to realize the full potential of ethnic studies among the citizens of this country, and in our communities.

Ethnic studies—ethnicity—is a key educational resource to help all people understand themselves and each other, to help break down barriers of tension and misunderstanding that prevent groups of people in our communities from working together on common problems based on mutual respect. I respectfully urge the appropriation of the full $15 million so that the ethnic studies program can be effectively begun.

SENATOR B. EVERETT JORDAN, OF NORTH CAROLINA

Mr. TALMADGE. Mr. President, I join the Senate today in paying tribute to Senator B. EVERETT JORDAN, of North Carolina—my warm friend of many years, and a Senator dedicated to his State and Nation.

A Member of the Senate for more than 14 years, EVERETT JORDAN rendered distinguished service to the people of North Carolina. There is no more important industry in his State than agriculture, and through his membership on the Committee on Agriculture and Forestry, Senator JORDAN concentrated his efforts in behalf of the farmer. I have served with Senator JORDAN on the Agriculture Committee since he first came to the Senate, and he has been a hard worker and attentive to the needs of American agriculture. As one who was very much involved in the controversy myself, I especially remember Senator JORDAN'S position in the forefront of the successful effort to eliminate the two-price cotton system at a time when U.S. cotton production and the American textile industry were in dire straits.

As the second ranking Democrat on the Committee on Public Works, Senator JORDAN devoted a major portion of his time and legislative talent toward water resources development, water and air pollution control, navigation, and highway legislation. A great many public works projects, like the W. Kerr Scott Reservoir, exist today or are under construction largely because of the diligence of Senator JORDAN.

North Carolinians owe Senator JORDAN a deep debt of gratitude for his long and distinctive service. I am extremely proud of my years of association with EVERETT JORDAN, and I count him as one of my warmest friends. He is a kind and considerate man, and all who have come to know him cherish his friendship.

I shall greatly miss EVERETT JORDAN in the U.S. Senate, and I wish him every success and happiness in all that he undertakes in the future.

IMPORTANCE OF AGRICULTURAL EXPORTS

Mr. DOLE. Mr. President, the farmers of this Nation are its backbone. This has been known for a long time, for we must depend upon his production for our food and fiber.

Through the years of improved transportation and technology, international trade has increased. Sometime to our advantage. Sometime to our detriment. We have learned that our farmers have an ability to produce more—too much for our own consumption—but enough to export food and fiber to other nations. The October issue of Top Op, a magazine published by the Farm Journal especially for larger farm operations, contains an article, entitled, "Big chance to help the country and yourself." The article is the result of an interview about a new book, "World Without Borders," by Lester A. Brown, senior fellow and economist for Washington, D.C. Brown explains very well the important contribution agricultural products already provide to the balance of payments and carries this even further that the exportation of these products is necessary to the economic future of this Nation.

The article, written after an interview by Laura Lane, is worthy of wide distribution and I would ask unanimous consent that this article be included in the RECORD.

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

BIG CHANCE TO HELP THE COUNTRY AND YOURSELF

(By Laura Lane)

"If I were a farmer, I'd knock on every important door in Washington next week, demanding an all-out effort to increase farm exports—to save the day and the dollar. Why? Our trade deficit is the worst in our history. We've got to have a massive breakthrough in farm sales abroad. That's in the national interest. This is one time farmers must have the full support of the White House, Congress, and the Departments of State, Commerce and Treasury—not just the U.S. Department of Agriculture."

This rallying cry comes from Lester B. Brown, who has been calling the international shots with amazing accuracy for more than a decade. Brown, an economist, is a senior fellow of the Overseas Development Council, Washington, D.C. In a Top Op interview before publication of his significant new book, *World Without Borders* (see page 43 for details on how to order it), he elaborated on farmers' big chance to help the country and at the same time to help themselves:

1. Your exports can help meet the energy crisis which is far more serious than the average citizen realizes. "'Rationing of natural gas by power companies is already here," Brown says. "Our sale of cereals and feed grains to Russia is in effect an exchange for petroleum products. The price of gasoline is going up. By 1985 we will be dependent on imports for half of all our petroleum, even if Alaska comes on stream and we can extract oil from shale in the Rockies."

What about minerals? "The cost of importing aluminum, other minerals and energy fuels was $8 billion in 1970; that will increase to $31 billion by 1985 and $64 billion for the year 2000. Traditionally a largely self-sufficient, continental storehouse of energy fuels and industrial raw materials, the United States is rapidly depleting its internal reserves. The result: future dependence on reserves elsewhere.

"Of the 13 basic industrial raw materials, the U.S. depended on imports for more than half of its supply of six in 1970. By 1985 this will increase to nine and by the end of the century to 12. Twenty-eight years hence the U.S. will depend primarily on other countries for its supplies of all basic industrial raw materials except one—phosphate."

Brown points out in his book that the bulk of the exportable crude oil and minerals comes from the poor nations of the world, and of that global supply the U.S. consumes one-third. This imbalance has caused the poor producing countries to gang up on the consuming rich, Brown says. He cites as an example the recent big boost in crude oil prices by the Organization of Petroleum Exporting Countries (mainly Arab nations). And the same kind of tough bargaining is ahead for other minerals we can't do without.

What amounts to a barter of grain for fuel and metals is possible because the U.S. still has "a strong competitive advantage in selling soybeans, corn, grain sorghums and wheat around the world. Why? Our efficient farm methods, temperate climate and abundant land. What Russia would give for a Corn Belt!" Brown observes.

"But we no longer have that competitive advantage in cars and steel, and we're losing it in electronics and airplanes to Japan and Western Europe, especially Germany," Brown says.

Another reason for our deficit in the balance of trade (now $5.127 billion): a massive military budget, much of it spent outside the U.S.

2. You should work for free trade, Brown believes, and this necessitates farmer pressure to change laws and policies which are protectionist. A few U.S. farmers will be hurt, but this course will be best for the most in the long run: "We need to create conditions where capital and technology can flow more readily across national borders. Tariffs and import quotas on petroleum, steel, sugar, fresh and frozen meat and dairy products cost U.S. consumers an estimated $12 billion per year in higher prices and create inflationary pressures. Proposed quotas on textiles and shoe imports alone could cost every U.S. family an additional $54 per year by 1975."

The consumer/taxpayer pays both coming and going. Brown points out—more in higher prices and more in taxes for foreign aid to offset the damage of our protectionism.

Who would be hurt by freer trade? Farmers who produce labor-intensive crops: sugar, strawberries and other fruits, tomato paste, vegetables. And if we get the petroleum and minerals we need, we may have to accept from the poor countries such labor-intensive products as textiles, shoes and electronic components. Those U.S. industries will be hard pressed.

3. You can export farm skills and know-how—that's another way to help. Commod-

ity groups, farmer-owned co-ops and corporations and enterprising individuals can sell their technology. Russia and Eastern Europe would welcome help with animal breeding, soybean processing, feeding grain sorghum, setting up and operating feedlots, grain handling, Brown says. Exported technology also will stimulate demand for the feed grains we raise so efficiently and our breeding stock or animal semen, for example.

If you would like help in exporting technology overseas, write or call the Agribusiness Council, Inc., 229 Park Ave., New York, N.Y. 10017; Phone: (212) 755–7636.

An instance closer home: Since 1964 many knowledgeable California fruit and vegetable growers have moved south of the border to take advantage of low-cost labor. So in effect "we are exporting jobs instead of importing braceros," Brown says in his book.

4. You can help improve foreign relations. Brown knows from his own wide travels and contacts overseas that U.S. farm families are good at busines and personal diplomacy.

"Because of Vietnam, we aren't very popular abroad," he says. "That handicaps us in competing with other countries for raw materials. Most Americans aren't aware how tough our competition really is. Japan depends on imports for 99% of her petroleum needs, so she will offer terms we will find painful to meet. We need chrome ore from Turkey, but Japan has sewed that up with a long-term deal to finance and build a metal-processing plant for the Turks. If we continue to irritate South America and African countries, they can export their resources to Japan, too."

5. You should insist that aid programs really aid mankind—farmers have a precedent for that kind of help. "Development of high yielding dwarf wheat in Mexico made possible The Green Revolution which has benefitted millions. That technology cost only $8 million—a drop in the world's fiscal bucket."

We can find other worthy joint ventures for government and private enterprise in nutrition, public health, literacy training and family planning that will shine up our tarnished image without costing a lot of money, Brown says. A foreign affairs budget of $85 billion, of which $82 billion was for arms and $3 billion for economic and food aid, doesn't show a genuine sense of concern for the rest of the world. Global military expenditures—$204 billion in 1970—*exceed the annual income of the poorest one-half of mankind.*

"Am I my brother's keeper?" Brown believes the "yes" to that Biblical question needs to be broadened to encompass all of mankind. Actions taken in one country often can affect more people outside that country than within. "We can no longer separate the price of gasoline we put in our cars or tractors from the struggle for a better life of 40 million Arabs. Announcement of a new economic policy by President Nixon on August 15, 1971 caused a plunge in the Tokyo stock market from which it has yet to fully recover. The continuing discharge of waste mercury into the Pacific Ocean by Japanese and Chinese industrialists caused swordfish, and perhaps eventually tuna, to be taken off menus in the United States.

"Decisions by a Congressional committee allocating sugar import quotas may have a greater impact on employment in poverty-stricken Northeastern Brazil than anything the Brazilian Government itself can do. In our finite and interdependent world, we must find ways of working together."

VIETNAM: THINGS CHANGE BUT STAY THE SAME

Mr. KENNEDY. Mr. President, the Wall Street Journal last week carried an excellent article by their experienced correspondent, Mr. Peter Kann, analyzing the current situation in Vietnam. Its point—and one that should be understood by more Americans—is contained in the headline: "In Vietnam, Things Change But Stay Same: The War Is Continuing."

What a tragic situation it is when our national leadership can tell us that things are going well in Vietnam, that "Vietnamization" is a success, when, in fact, we learn from Mr. Kann's article that—

> The war has simply progressed a stage beyond destroying cities to save them; the strategy now seems to be destroying cities simply so the other side can't have them.

He writes:

> This presumably is progress.

The people of Indochina may rightly wonder what kind of progress this is. If Americans were dying at the rate the people of Vietnam continue to die, we, too, certainly would question such "progress." As Mr. Kann points out:

> If America, with a population about six times that of the two Vietnams, were being punished at a comparable rate, it would mean at least two million Americans dead and wounded and six million homeless—all in six months.

Mr. President, I ask unanimous consent that the text of the Wall Street Journal article be printed at this point in the RECORD, and I urge my colleagues in the Senate to give it their careful reading.

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

DEATH MARCHES ON: IN VIETNAM, THINGS CHANGE BUT STAY SAME: THE WAR IS CONTINUING

(By Peter R. Kann)

SAIGON.—The flag of the government of South Vietnam once again flies over Quang Tri, five months and many thousands of Vietnamese lives after the city fell to the North Vietnamese army. This presumably is progress.

But Quang Tri is no longer a city. It is a field of rubble, and circling over it in a helicopter recently, one searched the landscape less for any sign life than for any sign that there had once been life.

Quang Tri wasn't so much destroyed as obliterated. One can argue about what percentage of the city was obliterated by American bombers, what percentage by South Vietnamese artillery and what percentage by North Vietnamese cannons. But it seems almost academic. The war has progressed a stage beyond destroying cities to save them; the strategy now seems to be destroying cities simply so the other side can't have them.

The Communist offensive is entering its seventh month. It has precipitated well over one million refugees. A dozen or so "mini-Quang Tris"—devastated district towns—are scattered around the country. The army of South Vietnam is estimated to have suffered 36,000 dead and another 70,000 or so wounded. Communists casualties are estimated at two to six times those of Saigon. Civilian casualties, as always remain largely untabulated. (If America, with a population about six times that of the two Vietnams, were being punished at a comparable rate, it would mean at least two million American dead and wounded and six million homeless—all in six months.)

DEATH AND DESTRUCTION REMAIN CERTAIN

The most significant thing to say about the situation here, after a several months' absence from Vietnam, is simply that the offensive and the death and destruction—continues.

There have been, of course, some recent and perhaps important developments. The thrust of the enemy offensive seems increasingly aimed at pacification. South Vietnam's President Nguyen Van Thieu has been somewhat systematically dismantling his country's democracy, such as it was. Indications are that both sides are dealing seriously with the question of a cease fire. If only on a contingency basis. Flurries of peace rumors have cropped up recently in Paris and Washington.

But the most realistic outlook, according to the majority of observers here, is more months of intensive combat and quite possibly more years of protracted war.

American officials are still arguing over how accurately they predicted the offensive and the timing of it, but no one here claims to have forecast its intensity or duration. In the view of a surprising number of officials here, neither the intensity nor the duration seems to have been greatly affected by America's mining of Haiphong harbor and massive bombing of North Vietnam.

IT COULD HAVE BEEN WORSE

Proponents of the mining-bombing policy now are arguing simply that without it, things could have been even worse; that it has limited Hanoi's use of some heavy equipment like tanks (which Hanoi didn't make good use of anyway); that continuing the mining and bombing for a long period may inhibit Hanoi from launching future large-scale offensives; and that sustained punishment of the North might somehow, sometime still force Hanoi to come to "acceptable" peace terms.

But the private reservations about the policy that are being expressed by senior military and civilian officials here seem to indicate that if President Nixon halted or curtailed the bombing of North Vietnam, the decision would be met with less opposition here than one might expect. ("So the bombing knocks out a dozen trucks," one senior official says. "Any GM dealer in South Bend can supply a dozen new trucks overnight, and so can the Chinese.")

The effectiveness of the American bombing campaign within South Vietnam—including the almost tactical use of B52 strategic bombers—isn't subject to similar reservations. Among supporters and criticis of U.S. policy here, the consensus is that South Vietnam would have fared much worse—and perhaps collapsed—had it not been for American air support. "If it weren't for air power, there would be no South Vietnam—it's that simple," Air Force Gen. Lucius D. Clay Jr. was recently quoted as saying in the military newspaper Stars and Stripes. (Of course, because South Vietnam may not always have U.S. air support and because North Vietnam has always done surprisingly well without air support, South Vietnam's longer-term future remains, as ever, in some doubt.)

THE PROBLEMS OF ASSESSMENT

Assessing the "success" or "failure" of the Communist offensive is difficult, if only because there is little agreement here as to what the various intentions and objectives were in the first place.

If one assumes that the Communists aimed to take some key cities like Quang Tri, An Loc, Kontum and, particularly, Hue and thereby cause the Saigon government to topple (or the U.S. to topple it), then the offensive presumably failed. Quang Tri and An Loc are government-held rubble Kontum and Hue remain government cities. The enemy controls a handful of district towns, or what is left of them, but none are of much political or psychological value in themselves.

"Hell, you've got to say the offensive failed," one influential Vietnamese says. "If the North Vietnamese couldn't take An Loc, then they couldn't take my outhouse." (The

rejoinder to this, however, might be that since three South Vietnamese divisions still haven't succeeded in securing the 40 miles of Route 13 between Saigon and An Loc, they can't even retake the path to the outhouse.)

If the enemy aim was to shatter the South Vietnamese army ("destroy Vietnamization," as documents put it), the investment probably exceeded the rewards. Saigon's army has taken massive casualties, and several divisions were all but wiped out. But in so doing, the enemy concentrated its own forces in semiconventional combat and took even more massive casualties. U.S. analysts say that nearly every Hanoi division has suffered at least 50% casualties in the last six months. (The North Vietnamese army, nevertheless, keeps coming up with surprises: The 5th Division, supposedly crushed at An Loc, has reappeared in the Mekong Delta, and the 2nd Division, supposedly crippled in fighting around Kontum, has surfaced again on the Central Coast.) The South Vietnamese conscription and replacement system seems to be functioning fairly well, and most of Saigon's divisions are at, or near, normal strength.

So, to the extent that the war is a war of attrition, Hanoi's army has been "attrited" more than Saigon's. But the North Vietnamese army may well have proved that it is the better fighting force man for man and that Vietnamization is a "success" only by virtue of American air support. Such a conclusion may have great significance for the future, but in the short run an American-supported Saigon army remains a credible, largely intact fighting force.

To the extent that the war remains political—for control of people or at least for influence over them—the Communists have had some success, even those optimistic about South Vietnam's future concede. Perhaps because their more conventional assaults have been blunted or have proved too costly and perhaps also perceiving South Vietnam's main-force units to be stretched thin, the Communists seem to be turning their attention to pacification—to the Saigon government's control of the countryside.

The Communists have returned to many interior-base areas from which they were painfully pushed over the past four years. From these base areas they are seeking to expand and reexert their presence in the hamlets and to return as much of the countryside as possible to at least "contested" status. "Once they get in the woodwork, it's damned difficult to get them out again," one American general says. Tanks and heavy artillery aren't required for this sort of warfare, and B52 bombers aren't very effective against it.

THE STATISTICAL STORY

Statistics tell only a bit of the story, but there now are over 1,000 Vietcong-controlled hamlets, compared with seven before the offensive, according to American figures. There are, of course, 14,000 hamlets in South Vietnam. But besides the increased number of Vietcong-controlled hamlets, there are also more "contested" hamlets and fewer "secured" hamlets than six months ago. The sensitivity of the situation in the countryside may be indicated by the fact that American Hamlet Evaluation System statistics, once highly publicized as indicators of pacification progress, now are classified.

None of this is to say that the bulk of the rural population now is now outside Saigon's control or even under significant Communist influence. But, as one cabinet minister says, "The Communist presence is once again sensed in our hamlets."

In the Mekong Delta, where much of the population lives, there are now said to be some 20,000 North Vietnamese troops. A year ago the Delta was considered almost entirely pacified, and a few thousand main-force enemy troops were hiding in a few isolated base areas. Since the Delta is at the far end of the North Vietnamese Army's supply chain, the much-increased Hanoi presence there raises questions about the effectiveness of strategic bombing and the inevitable claims by some military men that North Vietnam is on the verge of desperation and defeat.

The same sort of expanded enemy presence in the countryside has taken place along the populous Central Coast—in provinces like Binh Dinh and most recently in Quang Ngai.

In general, it seems fair to say that the military situation is unlikely ever to return to that of the days before the offensive or, particularly, to the high point of Saigon control in early 1971. It took years to pacify hamlets, and it takes years to repacify them.

The Communists may take a certain perverse satisfaction in the swollen refugee rolls. The million miserable victims of the offensive probably blame Saigon as well as the Communists for their plight, and they pose a serious burden on the government's administrative system and economy.

The enemy offensive against pacification can be viewed as part of a long and patient effort to win the war or as an effort to prepare for a possible cease-fire (or as both).

AND, NOW, THE WORD OF THE MONTH

Cease-fire, indeed, has become a common topic of conversation in Vietnam, among Saigon officials in the coffeehouses, common people in their homes and supposedly among Vietcong cadre in the countryside. Among U.S. officials the word of the month is "modalities"—as in "The modalities of cease-fire are highly complex."

Evaluating prospects for a cease-fire is a bit like evaluating prospects of getting to heaven. It is a measure of the inexactitude of Vietnam-watching that one can talk to sources who (A) consider cease-fire a distinct possibility because they say the Communists know they aren't doing well and fear they will be in worse shape in the future; (B) consider cease-fire quite possible because the Communists think they are doing well and are confident of their current military position; (C) consider cease-fire highly unlikely because the Communists are doing well now but think they will do even better in the future; and (D) consider cease-fire very improbable because the Communists are doing poorly now and lack confidence in their current position. The last of these theses is the one advanced by most senior members of the U.S. mission here, though not necessarily by junior officers.

In the most simplistic sense a cease-fire in place would just mean that the armies stop fighting and stay where they are, each side presumably controlling the territory its troops occupy and the people therein. But it isn't that simple, of course.

For one thing, the Communists, publicly at least, have always made cease-fire contingent on a change in the makeup of the Saigon government. The U.S., publicly at least, refuses to consider any "imposed" political changes in Saigon. President Thieu further says that there can't be any cease-fire until all North Vietnamese troops leave South Vietnam—which would amount to a Communist surrender rather than a cease-fire.

A cease-fire in place would thus seem to require either a concurrent political settlement or, at the very least, a real military equilibrium and a recognition by all parties to the conflict that it isn't worth trying to change that equilibrium by force of arms. Neither of these conditions seems to exist at present.

Cease-fire is further complicated because there is no apparent way to decide who controls what in this country. Many areas may simply be considered "contested." Some may be considered under Saigon control by day and under Vietcong by night. What would a cease-fire map look like? a senior U.S. official is asked, "Leopard skin," he replies.

To most observers here, a cease-fire, at this stage, would simply mean a new manner of war. Of course, if it included a halt to American bombing and some limitations on the activities of main-force Saigon and Hanoi units, it would be a less destructive type of war.

WOULD BELA APPROVE?

("If we ever get a cease-fire, it's going to be a Bartok cease-fire, breaking all the rules of harmony," one Vietnamese industrialist says.)

It seems to be for a new type of war, rather than for peace, that both sides are planning. Or, as one senior diplomat puts it, "Both sides are planning not for a cease-fire but for how to violate a cease-fire."

A Vietnamese who is a relative of President Thieu and one of the president's very closest advisers says in a moment of rather alarming candor: "The Communists don't want a cease-fire in place because they know that it would take a year of talks to work out the modalities, and while we talk of modalities, we would also be retaking territory. They are afraid that one night, while we are talking about modalities, we would go out and arrest and kill all their cadre.... Cease-fire is one thing. Modalities are another. They would try to cut our throats, and we have a right to cut theirs." The quote obviously indicates both the government distrust of the Communists and the ample cause that the Communists have to distrust Saigon.

Nevertheless, U.S. analysts say Vietcong cadre have been instructed in various documents, that October will be a "decisive month" of the war, to be followed by cease-fire and negotiations.

(Saigon has also been preparing for that eventuality. President Thieu has been issuing a series of executive decrees aimed at tightening his control over the country. The most significant of these is probably the one eliminating elected hamlet governments and giving appointed military men more control over elected village governments. The elections—"democracy at the rice roots"—have been ballyhooed by U.S. officials for the past five years.)

Basically, Saigon is worried about the political reliability of local elected representatives, although candidates for such posts were permitted to run.

Another new decree imposes the death penalty for graft exceeding one million piasters; earlier decrees had set lower piaster limits for capital punishment. A Saigon lawyer, in the popular mood of cynicism, says the new decree simply keeps pace with devaluations of the piaster.

South Vietnam was never a democracy in the Western sense. Forms were taken more seriously than content, and most real power has always resided with the president and the army. On the other hand, it can be argued that even today, South Vietnam remains well short of totalitarian.

Still the effect of recent moves has been to put more and power in the hands of President Thieu. In the short run, this may produce increased efficiency. In the longer run, however, it can also be seen as having the opposite effect. President Thieu may not always be in power, but the larger he now looms, the more power he now wields, the larger would be the vacuum left behind if he should leave. Is Thieu irreplaceable? a cabinet minister is asked. "Well, not exactly irreplaceable. Just indispensable," he says.

The U.S., by going along with President Thieu's political moves, seems increasingly unwilling or unable to draw distinctions between Thieu interests and American interests. Mr. Thieu, of course, remains an American puppet in the sense that America could dump him by publicly renouncing support and, if necessary, cutting off aid. But that, in the view of most observers here, would leave South Vietnam in a state of chaos. "The U.S. could cut the strings on Thieu, but it won't, and he knows it," one

Western diplomat says. "So he doesn't have to respond if you try to pull the strings. He's a puppet dancing to his own tune."

A TRIBUTE TO SENATOR ELAINE EDWARDS OF LOUISIANA

Mr. STENNIS. Mr. President, I wish to pay my respect and express my appreciation for the services rendered here by the Senator from Louisiana, Mrs. ELAINE S. EDWARDS.

Mrs. EDWARDS made a very favorable impression here indeed as a new Member of the Senate from the 7th day of last August. As a Member from her neighboring State I have been proud of her as she quietly went about her duties in her earnest and positive way. She showed poise, judgment, and the utmost sincerity in her endeavors here, and if time had permitted would have become a most skillful and effective Member.

I want to mention as a point of emphasis a trait that was very obviously and highly commendable. She would always take a direct approach to hard problems and situations, and carry her part of the load, but first of all, she is always a lady.

It has been a privilege to be associated here in the Senate with Mrs. EDWARDS, in her relatively brief tenure as a Member of this body. As she returns to her duties as the first lady of Louisiana, my compliments are extended to her on her service as a Senator. Mrs. Stennis joins with me in offering to Mrs. EDWARDS and her Governor husband of Louisiana every good wish in the future decades ahead.

LAND GRANTS FOR ALASKAN NATIVES

Mr. STEVENS. Mr. President, on September 21, in volume 37 of the Federal Register, No. 184, at pages 19634–39, the Department of the Interior promulgated regulations under which Alaskan Natives and Native groups may obtain land grants. These regulations will be of great importance to citizens throughout Alaska. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

ALASKA NATIVE GRANTS—NOTICE OF PROPOSED RULE MAKING

BUREAU OF LAND MANAGEMENT

[43 CFR PART 2650]

The purpose of this amendment is to provide regulations for the satisfaction of grants of lands and interests in lands made by the Alaska Native Claims Settlement Act of December 18, 1971 (43 U.S.C. 1601–1624).

It is hereby determined that the publication of this proposed rule making is not a major Federal action significantly affecting the quality of the human environment and that no detailed statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C) is required.

In accordance with the Department's policy on public participation in rule making (36 F.R. 8336), interested parties may submit written comments, suggestions, or objections with respect to the proposed rules to the Director (210), Bureau of Land Management, Washington, D.C. 20240 until October 23, 1972.

Copies of comments, suggestions, or objections made pursuant to this notice will be available for public inspection in the Office of Information, Bureau of Land Management, Room 5643, Interior Building, Washington, D.C., during regular business hours (7:45 a.m.–4:15 p.m.).

Chapter II of Title 43 of the Code of Federal Regulations is amended by adding a new Part 2650, as set forth below.

HARRISON LOESCH,
Assistant Secretary of the Interior.

SEPTEMBER 14, 1972.

Group 2600 of Chapter II, Title 43 of the Code of Federal Regulations is amended as follows:

PART 2650—ALASKA NATIVE GRANTS

GROUP 2600—DISPOSITION; GRANTS

Subpart 2650—Alaska Native Grants Generally

Sec.

2650.0–1 Purposes.
2650.0–2 Objectives.
2650.0–3 Authority.
2650.0–5 Definitions.
2650.0–7 Cross references.
2650.1 Provisions for Interim Administration.
2650.2 Application procedures.
2650.3 Valid existing rights.
2650.4 Patent reservations.
2650.4–1 Existing rights and contracts.
2650.4–2 Succession of interest.
2650.4–3 Administration of existing less-than-fee rights.
2650.4–4 National forest lands.
2650.4–5 National wildlife refuge lands.
2650.4–6 Public easements.
2650.5 Survey requirements.
2650.5–1 Areas lacking adequate survey.
2650.5–2 Rule of approximation.
2650.5–3 Selection areas—survey requirements.
2650.6 Selection limitations.
2650.7 Publication of notice.

Subpart 2650—Alaska Native Grants Generally

§ 2650.0–1 Purpose.

The purpose of the regulations in this part is to provide procedures for the orderly satisfaction of grants of lands and interests in lands made by the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688).

§ 2650.0–2 Objectives.

The program of the Secretary is to encourage and assist the beneficiaries of the 1971 Act, supra, to make timely selections of the lands and interests in lands for which it is determined they are eligible, consistent with the terms of the Act.

§ 2650.0–3 Authority.

Section 25 of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688) authorizes the Secretary of the Interior to issue and publish in the Federal Register, pursuant to the Administrative Procedure Act (5 U.S.C. 551, et seq.), such regulations as may be necessary to carry out the purposes of the Act.

§ 2650.0–5 Definitions.

(a) "Act" means the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688), and any amendments thereto.

(b) "Secretary" means the Secretary of the Interior or his authorized delegate.

(c) "Native" means a Native as defined in section 3(b) of the Act who has been certified and enrolled as an Alaska Native pursuant to 25 CFR Part 43h by the Coordinator of the Bureau of Indian Affairs, or other Authorized Officer.

(d) (1) "Village" means any tribe, band, clan, group, village, community, or association in Alaska, including those villages listed in sections 11 and 16 of the Act, which meets the requirements of section 11(b) of the Act.

(2) "Village Corporation" means a profit or nonprofit corporation organized under the laws of the State of Alaska in accordance with section 8, 11, and 16 of the Act.

(e) "Regional Corporation" means an Alaska Native Regional Corporation established under the laws of the State of Alaska in accordance with the provisions of section 7 of the Act.

(f) "Public Lands" means all Federal lands and interests in lands located in Alaska except:

(1) The smallest practicable tract, as determined by the Secretary, enclosing land actually used, but not necessarily having improvements thereon, in connection with the administration of any Federal installation; and,

(2) Land selections of the State of Alaska which have been patented or tentatively approved under section 6(g) of the Alaska Statehood Act, as amended (72 Stat. 341, 77 Stat. 223; 48 U.S.C. chapter 2), or identified for selection by the State prior to January 17, 1969, except as provided in § 2651.4(a)(1) of this chapter.

(g) "Patent" as used in these regulations means the document which conveys to the patentee the legal title to public lands.

(h) "Interim Conveyance" means a patent issued under the authority of the Act which includes lands for which an approved survey by the Bureau of Land Management, other than a protractim diagram, does not exist, or which has not been otherwise surveyed in a manner adequate to withdraw and grant the lands provided for in the Act. Such patents will contain a provision for the issuance of a supplemental patent upon completion of a survey.

(i) "Supplemental Patent" means a patent issued after completion of a survey describing the land included in the interim conveyance in accordance with that survey.

(j) "National Wildlife Refuge" means any part of the National Wildlife Refuge System, including refuges, ranges, areas, and coordination lands.

(k) "Resident" means a Native permanently residing in Alaska at the time of filing his application for enrollment, under the criteria of 25 CFR 43h, 1(k) and 43h. 4(a).

§ 2650.0–7 Cross references.

(a) Native enrollment procedures are contained in 25 CFR Part 43h.

(b) Withdrawal procedures are contained in Part 2300 of this chapter.

(c) Classification procedures are contained in Part 2400 of this chapter.

§ 2650.1 Provisions for Interim Administration.

(a) Prior to any conveyance of grants under the Act, all lands withdrawn pursuant to sections 11, 14, and 16 of the Act shall be administered by the Secretary of the Interior, or by the Secretary of Agriculture in the case of national forest lands, under applicable laws and regulations. As provided in section 17(d)(3) and section 22(i) of the Act, the authority of the Secretary of the Interior and of the Secretary of Agriculture to make contracts and to grant leases, permits, rights-of-way, or easements is not impaired by the withdrawals.

(b) So long as there are no substantial revenues from real property interests conveyed pursuant to this Act, such lands shall continue to receive forest fire protection services from the United States at no cost, as provided in section 21(e) of the Act.

§ 2650.2 Application procedures.

(a) Applications should be filed on forms approved by the Director, Bureau of Land Management. Each application must specify that it is made pursuant to the regulations in the applicable subpart and cite the applicable section of the Act. Applications should be filed in accordance with Subpart 1821 of this chapter.

(b) Regional corporations must submit with their initial application a copy of the authority of the individual filing the application.

(c) (1) Each village corporation must submit with its first selection a duly certified copy of its articles of incorporation, evidence of approval thereof by the regional corporation for that region, a copy of the resolution authorizing the filing, and with each selection a copy of the authority of the individual filing the application.

(2) Native groups, and Natives residing in Sitka, Kenai, Juneau, and Kodiak, if incorporated as provided in section 14(h) (2) and (3), respectively, must submit the same evidence as specified in subparagraph (1) of this paragraph for village corporations with their application for lands.

(d) (1) Regional and other corporations authorized by the Act subsequently filing applications need only refer to the serial number, date and place of the previous filing as reference to the articles of incorporation.

(2) Any change in the officer authorized to act for any corporation should be promptly submitted to the appropriate office of the Bureau of Land Management.

(e) (1) Land description. If the selected lands are surveyed, the legal description of the lands in accordance with the official plats of survey must be used.

(2) (i) If the selected lands are unsurveyed and are described by approved protraction diagrams of the rectangular system of surveys, such description must be used.

(ii) Where the selected, unsurveyed lands, with approved protraction diagrams, also appear on published 1/63, 360 U.S.G.S. quadrangle maps, these maps will be used to portray and describe the selected lands.

(3) The lands selected shall be contiguous and in reasonably compact tracts, except as separated by bodies of water or by lands which are not available for selection, and should conform as nearly as practicable to the U.S. Land Survey System. A tract will not be considered compact if it excludes other lands available for selection within its exterior boundaries or if it is excessively strung out in long narrow strips or stairstep shapes of more than 2:1 ratio in length to width.

(4) The lands selected shall include whole sections where they are available, or include all available lands in less than whole sections.

(5) "Checkerboard" or alternate tract selections will not be permitted except as provided by Subpart 2653.2 of this chapter.

(f) A nonreturnable service fee of $25 will be required to be paid with each application under this Act.

§ 2650.3 Valid existing rights.

(a) *Patent requirements met.* All patents issued under this Act shall exclude any and subject to valid existing rights. Any person who made a lawful entry for the purpose of gaining title to homesteads (Part 2567 of this chapter), homesite or headquarters sites (Part 2563 of this chapter), trade or manufacturing sites (Part 2562 of this chapter), small tract sites (Part 2730 of this chapter), recreation and public purposes sites (Part 2740 of this chapter), or other valid aplications, and who has fulfilled all requirements of law prerequisite to obtaining a patent shall be issued a patent in accordance with applicable regulations.

(b) *Interest protected.* The right of use and occupancy of any person who made a lawful settlement, entry or appropriation of land prior to August 31, 1971, for the purposes cited in paragraph (a) of this section is protected until all requirements of law for a patent can be or have been met, even though the lands involved were reserved or withdrawn in accordance with Public Land Order No. 4582, as amended, or are covered by the withdrawal provisions of this Act: *Provided*, That:

(1) Occupancy has been or is being maintained in accordance with the appropriate public land law, and,

(2) Entry was not in violation of Public Land Order No. 4582, as amended. Any person who entered in violation of that public land order has gained no rights.

(c) *Mining claims, possessory rights.* On any lands conveyed to village or regional corporations, any person who, prior to August 31, 1971, initiated a valid mining claim, location, or millsite under the general mining laws and recorded notice thereof with the appropriate State or local office, shall be protected in his possessory rights for a period of 5 years from the date of the Act, if all requirements of the general mining laws are complied with.

(d) *Mining claims, patent requirements met.* Any person holding a valid mining claim on lands conveyed to regional or village corporations may proceed to patent, if all requirements under the general mining laws are met, at any time before the expiration of the 5-year period specified in paragraph (c) of this section.

(e) *Mining claims, patent requirements not met.* If a patent application has not been filed within the 5-year period specified in paragraph (c), of this section, the claimant's possessory rights will terminate.

§ 2650.4 Patent reservations.

§ 2650.4–1 Existing rights and contracts.

Any patent issued for surface and subsurface rights under this Act will be subject to any lease, contract, permit, right-of-way, or easement and the rights of the lessee, contractee, permittee, or grantee to complete enjoyment of all rights, privileges, and benefits thereby granted him.

§ 2650.4–2 Succession of interest.

Upon issuance of any patent under this authority, the patentee shall succeed and become entitled to any and all interests of the State of Alaska or of the United States as lessor, contractor, permitter, or grantor, in any such leases, contracts, permits, right-of-way, or easements covering the estate patented.

§ 2650.4–3 Administration of existing less-than-fee rights.

(a) *Interim Administration.* Leases, contracts, permits, rights-of-way, or easements granted prior to patent issuance under this authority shall continue to be administered by the State or by the United States unless the agency responsible for administration transfers administration to the patentee. For lands remaining under the jurisdiction of the Secretary, administration of such less-than-fee rights shall be continued by the issuing agency unless all the lands covered by the existing right have been granted under this Act or other appropriate authority. Where all the lands have been granted, administration of such right may be waived.

(b) *Revenue sharing.* In event that patent does not cover all the lands included within any such lease, contract, permit, right-of-way, or easement, the patentee shall be entitled only to the proportionate amount of the revenues reserved under the lease, contract, permit, right-of-way, easement, by the State or by the United States in accordance with section 14(g) of the Act.

§ 2650.4–4 National forest lands.

Any patents issued under this Act for timbered lands located within the boundaries of a national forest shall contain the following reservations:

(a) For a period of 5 years from the date of the patent the sale of any timber from these lands shall be subject to the same restrictions relating to the export of timber from the United States as are applicable to national forest lands in Alaska under rules and regulations of the Secretary of Agriculture; and,

(b) These lands must be managed under the principle of sustained yield and under management practices for the protection and enhancement of environmental quality no less stringent than management practices on adjacent national forest lands for a period of 12 years from the date of the patent.

§ 2650.4–5 National wildlife refuge lands.

Every patent which covers lands lying within the boundaries of a national wildlife refuge in existence on December 18, 1971, shall contain the provisions that (a) the land shall remain subject to the laws and regulations governing use and development of such refuge; and (b) there is reserved to the United States the first right of refusal if the land is ever sold by the village corporation.

§ 2650.4–6 Public easements.

In accordance with section 17(b)(3) of the Act, all patents issued to village and regional corporations shall contain such reservations for public easements as the Secretary finds necessary, after consultation with the State of Alaska and the Joint Federal-State Land Use Planning Commission.

§ 2650.4–7 Patent reservation.

Patents will contain a provision for the issuance of a supplemental patent upon completion of a survey, where the lands are not included in an approved survey by the Bureau of Land Management as specified in § 2625.0–5(h).

§ 2650.5 Survey requirements.

All selections pursuant to this authority shall describe the lands as shown on current plats of survey or protraction diagrams of the Bureau of Land Management, or protraction diagrams of the State where Bureau of Land Management protraction diagrams are not available, and shall conform as nearly as practicable to the U.S. Land Survey System.

§ 2650.5–1 Areas lacking adequate survey.

In any area of Alaska which does not conform to the U.S. Land Survey System, or which has not been surveyed in a manner adequate to grant the lands provided for under this authority, such actions may be taken as are necessary to accomplish the purposes of this Act, and the interim conveyances made shall note that upon completion of a survey appropriate adjustments shall be made to insure that the beneficiaries of the land grants receive their full entitlement.

§ 2650.5–2 Rule of approximation.

To assure full entitlement, the rule of approximation may be applied with respect to the acreage limitations applicable to conveyances under this authority, i.e., any excess must be less than the deficiency would be if the smallest legal subdivision were eliminated (see 62 I.D. 417, 421).

§ 2650.5–3 Selection areas—survey requirements.

(a) The areas conveyed pursuant to this Act shall be surveyed within 20 years from the date of conveyance. Unless the land is already surveyed in accordance with the rectangular system of surveys, exterior boundaries of selected or designated areas shall be monumented at angle points and at intervals of approximately 2 miles on straight lines. No ground survey or monumentation will be made along meanderable water boundaries.

(b) Interior Survey Requirements (1) Lands which on December 18, 1971, were occupied as a primary place of residence, as a primary place of business, or for other purposes, within the exterior boundaries of lands selected or designated for village corporation acquisition, shall be surveyed, provided the lands are to be later conveyed pursuant to valid existing rights as identified in § 2650.3. (2) Lands included in valid claims or entries of record on December 18, 1971, shall be surveyed and segregated from the selections.

§ 2650.6 Selection limitations.

(a) Notwithstanding any other provision of the Act, no village or regional corporation may select lands which are within 2 miles from the boundary, as it existed on December 18, 1971, of any home-rule or first-class city (excluding boroughs), or which are within 6 miles from the boundary of Ketchikan. Where a tract of 5,760 acres or less of selectable public land lies partly outside the 2- to 6-mile radius, none of it shall be subject to selection if the major portion of the tract lies within the applicable radius as drawn from the closest boundary point.

(b) Village and regional selections shall be contiguous and in reasonably compact tracts, except as separated by bodies of water or by lands which are unavailable for selection.

(1) Wherever feasible, village selections shall be in quarter townships or units of not less than 5,760 acres.

(2) Regional selections shall be in whole townships, wherever feasible, unless smaller tracts are approved for selection by the Authorized Officer.

§ 2650.7 Publication of notice.

In all appropriate cases, the Authorized Officer will order publication of notice, prior to the issuance of patent, in accordance with the procedures in Subpart 1824 of this chapter.

SUBPART 2651—VILLAGE GRANTS

Sec.
2651.0–3 Authority.
2651.1 Surface estate grant.
2651.2 Eligibility requirements.
2651.3 Selection period.
2651.4 Selection limitation.
2651.5 Patent reservations.
2651.6 Review of village corporation transactions.

SUBPART 2651—VILLAGE GRANTS

§ 2651.0–3 Authority.

Section 12 of the Act provides for the selection of lands by eligible village corporations.

§ 2651.1 Surface estate grant.

(a) Village corporations eligible for land benefits under the Act shall be entitled to a patent to the surface estate in accordance with section 14(a) of the Act, for not more than the acreage shown in the following table:

Population—April 1, 1970 [1]	*Maximum acreage entitlement*
25 through 99	69,120 acres.
100 through 199	92,160 acres.
200 through 399	115,200 acres.
400 through 599	138,240 acres.
600 or more	161,280 acres.

(b) In addition to the land benefits in paragraph (a) of this section, each eligible village shall be entitled to select and receive a patent to the surface estate for such acreage as is distributed to the village in accordance with section 12 of the Act, as provided in § 2653.3 of this chapter.

§ 2651.2 Eligibility requirements.

(a) Pursuant to section 11(b), the Secretary shall review and determine not later than June 1974, which villages are eligible for benefits under section 14(a) of the Act.

(b) Any Native group found to be not eligible for benefits under section 14(b) of the Act, will be considered for possible benefits under section 14(h)(2) of the Act, as provided in § 2654.5 of this chapter.

§ 2651.3 Selection period.

Eligible village corporations must file their selection applications by no later than December 18, 1974.

§ 2651.4 Selection limitation.

(a) Each eligible village corporation may select up to the maximum acreage determined in accordance with § 2651.1, but may not select more than:

(1) 69,120 acres of land that has been selected by, or tentatively approved to, but not yet patented to the State prior to January 17, 1969, under the Alaska Statehood Act; and,

(2) 69,120 acres of land from the National Wildlife Refuge System; and

(3) 69,120 acres of land from the National Forest System.

(b) To the extent necessary to obtain its entitlement, each eligible village must select all available lands within priority Group I (below) before selecting lands within priority group (2), etc. Priority groups are:

(1) The township or townships within which all or part of the village is located;

(2) Withdrawn lands in the two "rings" of contiguous or cornering townships, as specified in section 11(a)(1) (B) and (C) of the Act;

(3) Deficiency lands withdrawn pursuant to section 11(a)(3) of the Act.

(c) Selections shall be contiguous and in reasonably compact tracts, except as separated by bodies of water or by lands which are unavailable for selection and shall, wherever feasible, be in quarter townships or units of not less than 5.760 acre.

(d) Whenever the Secretary or his authorized representative determines that a dispute exists between villages over land selection rights, he shall direct the villages to arbitrate the dispute in accordance with section 12(e) of the Act, within 90 days of notice to that effect.

§ 2651.5 Patent reservations.

In addition to the patent reservations in § 2650.4 of this chapter, patents issued to village corporations shall be subject to the requirements of sections 14(c) and 14(g) of the Act. Section 14(c) requires the village corporation to convey: (a) To any Native or Non-native occupant the land occupied as a primary place of residence or otherwise, (b) to nonprofit organizations the tracts occupied by them, (c) to any municipal corporation, or to the Federal Government State, or the appropriate municipal corporation title to the surface estate for existing airport sites, airway beacons and other navigational aids, together with such additional acreage or easements to provide related services and airport safety aids. Section 14(g) makes the patent subject to valid existing rights of permittees, leasees, etc. The village corporation succeeds to any and all interests of the State of Alaska or of the United States as lessor with respect to the outstanding lease, or other such right granted prior to patent. The patents to village corporations shall also be subject to the right of the holder of a valid mining claim, location, or millsite to use and occupy so much of the surface thereof claimed and occupied on August 31, 1971, as may be required for all purposes reasonably incident to the mining and removal of the minerals, but not to exceed in extent and area the amount of surface specified in Part 3840 of this chapter.

§ 2651.6 Review of village corporation transactions.

Until December 18, 1981, the regional corporations shall be afforded the opportunity to review and render advice to the village corporation on all land sales, leases, or other transactions prior to any final commitment.

SUBPART 2652—TLINGIT-HAIDA GRANT

Sec.
2652.0–3 Authority.
2652.1 Surface estate grant.
2652.2 Qualifications for land benefits.
2652.3 Lands available for selection.
2652.4 Selection period.
2652.5 Selection limitation.
2652.6 Patent reservations.
2652.7 Review of village corporation transactions.

SUBPART 2652—TLINGIT-HAIDA GRANT

§ 2652.0–3 Authority.

Section 14(b) of the Act directs the Secretary to issue patent to the surface estate of 23,040 acres to the villages listed in section 16(a) of the Act which he finds are qualified to receive benefits.

§ 2652.1 Surface estate grant.

The following villages shall be considered for benefits under this authority:
Angoon, Southeast.
Craig, Southeast.
Hoonah, Southeast.
Hydaburg, Southeast.
Kake, Southeast.
Kasaan, Southeast.
Klawock, Southeast.
Klukwan, Southeast.
Saxman, Southeast.
Yakutat, Southeast.

§ 2652.2 Qualifications for land benefits.

(a) Villages listed in § 2652.1 must be found qualified for land benefits, as provided by section 11(b) of the Act, before they may select lands pursuant to section 14(b) of the Act.

§ 2652.3 Lands available for selection.

Each village corporation for the qualified villages listed under § 2652.1 must select its 23,040 acres from available lands in the township or townships in which all or part of the Native village is located, and, to the extent necessary, from lands in the surrounding townships withdrawn for the Native village by section 16(a) of the Act.

§ 2652.4 Selection period.

All applications for selection must be filed not later than December 18, 1974.

§ 2652.5 Selection limitation.

Selections shall be contiguous and in reasonably compact tracts, except as separated by bodies of water or by lands which are unavailable for selection, and shall, wherever feasible, be in whole sections or units of not less than 1,280 acres.

§ 2652.6 Patent reservations.

Patents issued under the authority of this subpart will include the reservations required by § 2651.5.

§ 2652.7 Review of village corporation transactions.

Village corporation transactions shall be subject to review as provided by § 2651.6 of this chapter.

SUBPART 2653—REGIONAL GRANTS

Sec.
2653.0–3 Authority.
2653.1 Entitlement.
2653.2 Selection limitations.
2653.3 Regional reallocation grant.
2653.4 Patent reservations.

SUBPART 2653—REGIONAL GRANTS

§ 2653.0–3 Authority.

(a) Section 12(a)(1) of the Act provides that when a village selects the surface estate to lands within the National Wildlife Refuge System or Naval Petroleum Reserve No. 4, the regional corporation for that region may select the subsurface estate in an equal acreage from other lands withdrawn by section 11(a), within the region, if possible.

(b) Section 14(e) of the Act authorizes the Secretary to issue patents to regional corporations for the surface and/or subsurface estate, as is appropriate, for the lands selected by them from allocations made by the Secretary pursuant to section 12(c) and section 14(h)(8) of the Act, provided such selections are filed before December 18, 1975.

(c) Section 14(f) of the Act provides that the subsurface estate of lands conveyed to village corporations pursuant to sections 14(a) and 14(b) shall be conveyed to the regional corporation of the region in which the village corporation is located, except lands located in the National Wildlife Refuge System and lands withdrawn or reserved for national defense purposes, including Naval Petroleum Reserve No. 4.

(d) Section 14(h)(2) of the Act provides that the subsurface of lands conveyed to a Native group shall be conveyed to the appropriate regional corporation.

(e) Section 14(h)(3) of the Act provides that the subsurface of lands conveyed to the Natives residing in Sitka, Kenai, Juneau, or Kodiak shall be conveyed to the appropriate regional corporation, unless the lands are located in a wildlife refuge. In such cases the regional corporation will not be entitled to any subsurface grant.

(f) Section 14(h)(5) of the Act provides

[1] Evidence satisfactory to the Secretary may be used to determine population figures

that the subsurface estate of lands conveyed to a Native as a primary place of residence shall be conveyed to the appropriate regional corporation.

§ 2653.1 Entitlement.

(a) All regional corporations, except the Sealaska Corporation and the Thirteenth Region.

(1) Eligible regional corporations may select up to the maximum acreage granted pursuant to section 12(c) of the Act. They will be notified by the Secretary of their entitlement on or before December 17, 1974, after selection by the village corporations of the acreage entitlement under section 12 (b).

(2) Where subsurface rights are not available to the regional corporation in lands whose surface has been patented to a village corporation, the regional corporation may select an equal acreage from other withdrawn lands, as provided in section 12(a) of the Act.

(3) In the event the Secretary determines that lands are available from the 2 million acres authorized for miscellaneous grants under section 14(h) of the Act for allocation to the regional corporations pursuant to section 14(h)(8) of the Act for allocation to the regional corporations pursuant to section 14(h)(8) of the Act, the regional corporations will be notified by the Secretary as soon as practicable. Upon such notification, the regional corporations will be entitled to select the acreage from available lands.

(4) As appropriate, the regional corporations will receive patent to the surface estate of lands, the surface estate of which is patented pursuant to section 14(h) of the Act, as indicated in § 2653.0–3 (d), (e), and (f).

(b) Sealaska Corporation (southeastern Alaska, including Metlakatla).

(1) Pursuant to section 14(f) of the Act, the Sealaska Corporation will receive a patent to the subsurface estate of the lands patented to the villages pursuant to sections 16 and 14 of the Act.

(2) As appropriate, the Sealaska Corporation will receive patent to the subsurface estate of lands, the surface of which is patented pursuant to section 14(h) of the Act, as indicated in § 2653.0–3 (d), (e), and (f).

(c) Thirteenth Region:

(1) If a regional corporation is organized under section 7(c) of the Act, it will not be entitled to any grant of lands, but only to a distribution of funds.

§ 2653.2 Selection limitations.

In addition to the limitations in § 2650.6 of this chapter, each eligible regional corporation shall select the acreage allocated to it from all available land within the region withdrawn under section 11(a)(1) before any lands may be selected from those withdrawn under section 11(a)(3), except that from the lands withdrawn by section 11(a)(1) the regional corporation may select only even-numbered townships in even-numbered ranges, and only odd-numbered townships in odd-numbered ranges;

§ 2653.3 Regional reallocation grants.

(a) Regional reallocation grants shall be computed in accordance with section 12(b) of the Act.

(b) Each regional corporation shall reallocate such acreage allocated to it hereunder among the Native villages within the region on an equitable basis after consideration of historical use, subsistence needs and population.

(c) The action of the Secretary or of a regional corporation taken in accordance herewith is not subject to judicial review, as provided by section 12(b) of the Act.

§ 2653.4 Patent reservations.

In addition to the patent reservations in § 2650.4 of this chapter, patents issued to regional corporations for the subsurface estate of lands, whose surface has been patented to village corporations, shall be subject to the right of the village corporation to approve or disapprove any exploration, development, or removal of minerals from the subsurface estate within the boundaries of the Native village.

SUBPART 2654—MISCELLANEOUS GRANTS

Sec.

2654.0–3 Authority.
2654.0–5 Definitions.
2654.1 Quantity granted.
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Subpart 2654—MISCELLANEOUS GRANTS

§ 2654.0–3 Authority.

Section 14(h) of the Act authorized the Secretary to withdraw and convey 2 million acres of unreserved and unappropriated public lands located outside the areas withdrawn by sections 11 and 16 of the Act, as follows:

(a) Fee title to existing cemetery sites and historical places to the regional corporations for the regions in which the lands are located;

(b) Title to the surface estate of not more than 23,040 acres to any Native group that does not qualify as Native village;

(c) Title to the surface estate of not more than 23,040 acres of land to the Natives residing in Sitka, Kenai, Juneau, and Kodiak who meet the requirements; and,

(d) Title to the surface estate in not to exceed 160 acres of land to a native as his primary place of residence.

§ 2654.0–5 Definitions.

(a) "Cemetery Site" means a burial ground consisting of a number of native gravesites.

(b) "Historical Place" means a distinguishable tract of land or area upon which occurred some historical event, or which is importantly associated with historical or cultural events or persons, or which was subjected to sustained historical activity.

(c) "Native Group" means a community composed of less than 25 Natives who constitute two or more families comprising a majority of the residents of a locality.

§ 2654.1 Quantity granted.

(a) Maximum granted. Not more than a total of 2 million acres may be selected by qualified applicants under section 14(h) of the Act for cemetery sites and historical places, Native groups, corporations formed by Natives residing in Sitka, Kenai, Juneau, and Kodiak, and for primary places of residence. Any Native allotment under the Act of May 17, 1906 (34 Stat. 197), the Act of February 8, 1887 (24 Stat. 389), as amended and supplemented, and the Act of June 25, 1910 (36 Stat. 863), conveyed between December 18, 1971, and December 17, 1975, shall also be charged against this 2 million-acre grant, as provided by section 14(h)(6) of the Act. The conveyance of a Native allotment shall be by certificate of allotment or by an interim conveyance based on a protracted survey.

(b) The filing of a valid formal application under the regulations of this subpart and the provisions of section 14(h) of the Act will segregate the lands applied for from all other forms of appropriation under the public land laws, including the mining and mineral leasing laws, and from section under the Alaska Statehood Act, as amended, subject to valid existing rights.

(c) Grants for the purpose provided in this Subpart 2564 shall be limited to the acreage actually used, or the acreage which can be readily identified by an on-the-ground examination.

(d) Grants to Native groups shall not exceed 1,000 acres for each Native group member, or 23,040 acres for each Native group, whichever is less.

(e) In allocating benefits under this authority, if the Secretary determines that the 2 million-acre grant is insufficient to meet all foreseeable claims, including existing allotment claims, he may reduce the maximum acreage of 23,040 acres allowable under section 14(h)(2) for Native groups, and, if also found necessary, the maximum acreage allowable under section 14(h)(3) to any corporation formed by Natives residing in Sitka, Kenai, Juneau, and Kodiak, the reduction to be in such amount as the Secretary finds necessary to meet all other foreseeable claims.

§ 2654.2 Lands available for selection.

(a) Selections must be made from unreserved and unappropriated public lands located outside the areas withdrawn pursuant to sections 11 and 16 of the Act, and from areas withdrawn pursuant to section 14(h) of the Act.

(b) Selections may also be made for cemetery sites and historical places, Native groups, corporations formed by Natives residing in Sitka, Kenai, Juneau, and Kodiak, and for primary places of residence, from any lands which the Secretary may withdraw for those purposes out of the National Wildlife Refuge System lands or the National Forest lands, as provided by section 14(h)(7).

§ 2654.3 Historical places and cemetery grants.

Regional corporations may select an area of not more than 80 acres for each historical place or cemetery site in existence on December 18, 1971, from lands within the region available for such selection pursuant to § 2654.2. Nominations for larger areas must include a statement justifying the need for the larger areas desired.

§ 2654.4 Selection period.

Applications for selection under this Subpart will be accepted until 2 million acres have been conveyed under the authority of Part 2650 of this chapter, or until December 18, 1975, whichever occurs first.

§ 2654.5 Native group grants.

Qualified Native groups incorporated in accordance with the laws of the State of Alaska may select the surface estate of not more than 23,040 acres which have been withdrawn for selection by a Native group. Except as limited by § 2650.6 of this chapter or other regulation, the acreage to be conveyed shall be not more than 23,040 acres, the maximum allowable under section 14(h)(2) of the Act.

§ 2654.6 Sitka-Kenai-Juneau-Kodiak grant.

Natives residing in Sitka, Kenai, Juneau, and Kodiak, who incorporate under the laws of the State of Alaska may select the surface estate of up to 23,040 acres of lands of a similar character located in reasonable proximity to the municipalities. Except as limited by § 2650.6 of this chapter or other regulation, the acreage to be conveyed shall be not more than 23,040 acres the maximum allowable under section 14(h)(3) of the Act.

§ 2654.7 Native—primary place of residence grant.

(a) Application for a grant under this Subpart may be made by a Native who occupied land described in § 2654.2 as a primary place of residence on August 31, 1971, as determined by the Secretary pursuant to § 2654.7–2.

(b) Primary place of residence is the place which on August 31, 1971, was the applicant's permanent place of abode.

(c) Applications for such grants must be filed not later than December 18, 1973.

§ 2654.7–1 Acreage to be conveyed.

A Native may secure title to the surface estate of only a single tract, not to exceed 160 acres, under the provisions of this subpart, and grants shall be limited to the acreage actually occupied and used.

§ 2654.7–2 Primary place of residence criteria.

The Secretary will consider the following criteria in determining whether the land occupied is a primary place of residence:

(a) Time of Use. Casual or occasional use will not be considered as making the tract applied for a primary place of residence;

(b) Improvements constructed on the land applied for;

(c) Climate; and

(d) Evidence of use.

SUBPART 2655—NATIVE RESERVE GRANTS

Sec.
2655.0–3 Authority.
2655.1 Application procedures.
2655.2 Selection period.
2655.3 Patent reservations.

SUBPART 2655—NATIVE RESERVE GRANTS

§ 2655.0–3 Authority.

Section 19(b) of the Act authorizes any village corporation located within a reserve to acquire title to the surface and subsurface estates in any reserve set aside for the use and benefit of its stockholders or members prior to December 18, 1971.

§ 2655.1 Application procedures.

(a) All applicants hereunder must comply with the requirements of § 2650.2 of this chapter.

(b) When only one village corporation is located on a reserve, the application must be accompanied by evidence showing that the request has been concurred in by a majority of the members or stockholders of the village corporation.

(c) If more than one village corporation is located on the reserve, the application must be accompanied by evidence showing that the request has been concurred in by all village corporations concerned through an election in which all members or stockholders of the village corporations participated.

§ 2655.2 Selection period.

Village corporations electing to take the reserve lands must file their applications not later than December 18, 1973, as required by section 19(b) of the Act.

§ 2655.3 Patent reservations.

All patents issued pursuant to this Subpart are subject to the provisions of section 14(g) of the Act, as provided by § 2650.4 of this chapter.

[FR Doc. 72–16060 Filed 9–20 72; 8:47 a.m.]

SUCCESS OF WORK-STUDY AND EDUCATIONAL OPPORTUNITY PROGRAMS

Mr. TUNNEY. Mr. President, as one of the Senators who have fought every year to keep adequate funding for the Work-Study and Educational Opportunity programs, it is particularly gratifying to learn of examples of the tremendous success which those programs can have.

I recently learned of just such an example in the person of Rodrigo Miranda, a young man who is the eldest of 12 children and this year will begin medical school at UCLA. I want to congratulate that young man, and I ask unanimous consent that a news article describing his academic career be printed at this point in the RECORD.

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

SON OF FARM LABORER ENTERS MEDICAL SCHOOL

SANTA BARBARA.—The eldest of 12 children of an Oxnard farm laborer starts the UCLA Medical School this fall, culminating an educational career which neither a foreign tongue nor midday sun in Texas cotton fields could deter.

He is Rodrigo M. Miranda, 21, who last June completed three years of university work in two at the Santa Barbara campus of the University of California.

Five medical schools accepted him, including his first choice—UCLA.

He begins his studies bolstered by a special eight-week summer program at UCLA designed to prepare students for the rigors of medical education.

Miranda plans eventually to practice "community medicine" within a predominantly Chicano area, hopefully establishing a system of clinics. His shingle may well go up in Oxnard, where he attended high school and where his parents, Tomas and Maria Miranda, live with the family.

He says the Educational Opportunity Program (EOP), a program which provides for undergraduates who demonstrate academic promise and financial need, allowed him to devote full attention to his college studies.

"It freed me from the worry that my education was burdening the family, perhaps even depriving one of my brothers or sisters of food or clothing," he said.

Miranda gives credit to many people for helping with his academic success, but he saves the highest tribute for his father, who encourages all of his children to seize the educational opportunities being offered.

Forced by economic necessity to leave school in Mexico after completing the sixth grade, the senior Miranda is making sure that his children will not have to follow the same path.

His son recalls that he has missed but one day of school in his life because of the need to work.

"Once when we were living in El Paso, Texas, we ran out of food completely, so my father took all of us out of school that day to work in the cotton fields. Our combined wages at the end of the day enabled him to buy enough flour, corn and beans across the river in Mexico to feed us for some time. He never again took us out of school."

Why does Miranda want to become a doctor?

"Even as a boy I was aware of the need for a doctor in the Chicano community," he said. "A doctor was a luxury, one my family couldn't afford. And a doctor who could speak Spanish and relate to his patients was a rarity."

In lieu of modern medicine, home remedies, some made from herbs, are often used for treatment, he said.

The years at Rio Mesa High School in Oxnard were fruitful and crucial ones for Rodrigo Miranda. His teachers were not only good but were supportive, encouraging him to go on to go on to the university. On weekends and in this summer Miranda helped the family finances by picking tomatoes and working in the local library. Ventura Junior College followed high school graduation in 1970; then a successful career at UCSB.

He notes that two of the three Spanish-speaking EOP students at UCSB last year who applied for entrance to medical schools were accepted.

"Statistically this make a good record," he said, "but numerically it's pitiful. The medical needs of the Chicano community are vast. And I'm going to need lots of co-workers."

TRIBUTE TO SENATOR JORDAN OF IDAHO

Mr. BUCKLEY. Mr. President, I regret very much that I was unable to be here the other day when so many of my colleagues rose to pay tribute to the distinguished Senator from Idaho (LEN JORDAN) who will be retiring shortly. I would like, therefore, to take a few moments now to add my own praises to those that were offered on Friday.

It is difficult, Mr. President, to encompass the life of a man in a few short sentences. This is especially true with regard to LEN JORDAN, because his life has been so full, his record of public service so long and distinguished. His lengthy public career, which has included service in his State legislature, tenure as Governor of Idaho, and more than a decade of service in the Senate, is marked at every point with the stamp of his splendid character. Indeed, Mr. President, it seems to me that LEN JORDAN is the very embodiment of those virtues which have made this country great and which have characterized the Senate at its best.

LEN is by nature a quiet man, given neither to ostentation nor self-puffery. He has gone about his work with dignity, diligence, and a deeply ingrained sense of integrity. The people of Idaho have been well served, as have the people of the Nation as a whole. In these days of press agentry and sophisticated public relations, it has been refreshing to know and to learn from LEN JORDAN, who has done his duty without fanfare, without frills. I admire him enormously—for his refined and courtly manner, for his kindness, for his courtesy, and his thoughtfulness. But above all, Mr. President, I admire him for his stanch independence of mind, for his refusal to bend to and fro with the fashions of the times.

LEN JORDAN is, in short, very much his own man, a man who learned at his mother's knee and from his own remarkable and rugged experience, that you get out of life only so much as you put into it, and that courage, the sense of fair play, the willingness to sacrifice, and the sustained capacity for hard work remain, now as ever, the indispensable attributes of a good man and a good society. I have learned much from LEN JORDAN, and I shall treasure our friendship. To him and his good wife and family go my fondest wishes and blessings for a long and happy life.

RETIREMENT OF SENATOR LEN JORDAN OF IDAHO

Mr. CHILES. Mr. President, I want to join with my Senate colleagues in paying tribute to Senator LEN JORDAN from the State of Idaho, who is retiring from the Senate.

The Senator from Idaho came to the Senate after a distinguished career as Governor of his State and service in the Idaho Legislature before that.

In the 2 years I have known Senator JORDAN, his independence of judgment and his resourcefulness have been of great benefit to this country and his State of Idaho as well.

During the time I have had the privilege of serving with him, LEN JORDAN has impressed me with his devotion to duty and his hardworking approach in carrying out his responsibilities.

Certainly, every Member of the Senate will miss his departure, and I want to join my colleagues in wishing him the very best in his future endeavors.

RETIREMENT OF SENATOR JORDAN OF IDAHO

Mr. THURMOND. Mr. President, I would like to take this opportunity to join with several of my colleagues who on Friday, October 13, 1972, paid tribute to LEN B. JORDAN for his fine work in the U.S. Senate.

I remember when LEN JORDAN entered the Senate in 1962 and have seen his devotion to duty and untiring efforts during the 10 years he has been in the Senate. I have firsthand knowledge of the service of Senator JORDAN to the people of Idaho and to our Nation as a whole.

Mr. President, while I know of his work on the Interior and Insular Affairs Committee, the Finance Committee, and the Select Committee on Standards and Conduct, my greatest respect for LEN JORDAN lies in his openminded position on legislation pending on the Senate floor. LEN JORDAN never yielded to the temptation of useless rhetoric during any heated controversy on the floor. He often assumed a neutral role, willing to be swayed by reason and compelling arguments as to the best course of action. Because of this sense of fairness, however, when he did speak, everyone, no matter how adamant they might be in their position, listened and respected him for his wisdom.

I have had the pleasure of worshipping with LEN JORDAN at the Senate prayer group breakfasts. I know him to be a man of the highest moral commitment and am impressed with his spiritual devotion.

LEN JORDAN will long be remembered for his judgment and good will. I congratulate him for his achievements and count him to be one of my most esteemed friends.

Mr. President, I want to wish LEN JORDAN, his lovely wife, Grace, and his family the very best, and I am sure that his years of retirement will be long and happy onces.

DEATH OF DR. RALPH A. MACMULLAN, DIRECTOR, MICHIGAN DEPARTMENT OF NATURAL RESOURCES

Mr. HART. Mr. President, Dr. Ralph A. MacMullan, Director of the Michigan Department of Natural Resources since 1964 and a national leader in the crusade for a clean environment, died September 23, 1972, following a heart attack.

In tragic irony, his death came on the first annual National Hunting and Fishing Day proclaimed by the President following a resolution by Congress to recognize the contributions made by sportsmen over the years to the conservation of the Nation's natural resources.

Besides being a top-notch administrator whose abilities had earned him many prestigious offices and awards, Dr. MacMullan had achieved recognition as one of this country's most dynamic and effective spokesmen in the cause of environmental protection. He was one of the first to speak out against hard pesticides, spearheading a campaign which led to virtual elimination of DDT from use in the United States and much tighter controls over other broad spectrum chlorinated hydrocarbons.

Dr. MacMullan also was a leading advocate of Zero Population Growth, contending that stabilized population is essential to control pollution, resources depletion and aesthetic degradation problems. He often said:

> People are the root cause of all other environmental problems and only by limiting numbers of people to the carrying capacity of our environmental resources can we hope to solve those problems.

More recently, Dr. MacMullan had taken up the cause of land use planning, asserting that careful husbanding of the vital land resources is vital to the future welfare of Michigan and the Nation.

His interest extended into the international sphere, and he was fatally stricken while helping plan a conference of the Michigan Partners of the Americas. He was Gov. William G. Milliken's liaison and protocol officer in Michigan's sister-State relationship with the Japanese prefecture of Shiga, the Dominican Republic and the emerging nation of Belize—formerly British Honduras. The honors which were his reflect, in part, appreciation for the remarkable leadership he gave in many areas.

Dr. MacMullan had been president of the prestigious International Association of Game, Fish and Conservation Commissioners until just a week before his death. He was president-elect of the Wildlife Society and would have assumed the top post next spring.

In 1971, he was named by President Nixon to serve on the 25-member National Advisory Committee on the Oceans and Atmosphere. He also served on the U.S. Department of Agriculture's National Water Bank Advisory Board and the National Park Service's Northeast Regional Advisory Committee. He was the first president of the National Association of State Outdoor Recreation Liaison Officers, and had been second vice president of the National Association of State Environmental Protection Agencies.

Dr. MacMullan was a member of the Wildlife Section of the U.S. State Department's Ocean Affairs Advisory Committee and served on the Board of Directors of the American Forestry Association.

Recent honors included selection to receive Outdoor Life magazine's National Conservationist of the Year Award for 1969 and designation by the National Wildlife Federation as Michigan's Conservationist of the Year of 1970.

Dr. MacMullan was founding president of the Michigan Association of Conservation Ecologists, a past chairman of the Michigan Natural Resources Council and a board member of the Greater Michigan Foundation which annually promotes Michigan Week.

He was a member of Sigma Xi, honorary scientific fraternity and of the recently-formed Michigan Polar-Equator Club.

This remarkable man was born in Detroit on September 2, 1917 and was a 1939 graduate of the University of Michigan with a bachelor's degree in zoology. He was awarded his doctorate in zoology from Michigan State University, East Lansing, in 1960.

Following service in the U.S. Army Air Force as a four-engine bomber pilot during World War II, Dr. MacMullan joined the Michigan Department of Conservation—now Natural Resources—in 1946 as a wildlife biologist. Much of his early career in the department was devoted to pheasant research and management, work which enabled him to write "The Life and Times of Michigan Pheasants," a popularized summary which earned him the coveted Wildlife Society Award in 1956. A gifted and prolific writer, as well as an accomplished public speaker. Dr. MacMullan authored dozens of scientific and popular articles during his lifetime.

He rose steadily through the ranks of the department's game division to the post of assistant chief in 1962. Early in 1964, he was appointed deputy director—staff—of the department and in May of that year, he was named to succeed Gerald Eddy as director. In the latter position, he reorganized the department into its present pattern, broadening its responsibilities far beyond the traditional "fish and game, parks and forestry" pattern to include such concerns as inner-city recreation and the total spectrum of environmental protection problems. Under his leadership, the department more than doubled in personnel and budget during his tenure.

Dr. MacMullan is survived by his wife, Helen, and two daughters, Sally and Teri, to whom I express sympathy.

Tributes poured in from across the nation in the wake of his death.

Governor Milliken called his passing a tremendous loss to Michigan and the Nation and added:

> He was a nationally-recognized conservationist and environmentalist and did much to promote international understanding as well. His efforts in behalf of protecting our environment will be a lasting monument. This man who did so much to preserve Michigan's natural resources was, himself, one of Michigan's finest resources.

Carl Crouse, director of Washington State Department of Game, who succeeded Dr. MacMullan as president of the National Association of Game, Fish and Conservation Commissioners, said simply:

> He was a big man. He led all of us.

I join in these expressions of tribute to a man whose foresight and courage will benefit many generations yet to come.

IMBALANCE IN COLLECTIVE BARGAINING

Mr. DOMINICK. Mr. President, I have thought for some time that several troublesome problems in this country can be traced in part at least, to an imbalance in the relative bargaining power of organized labor and management. I have in the past introduced several bills which would help correct this imbalance. I intend to reintroduce them next year, and am hopeful that Congress will act on them, as well as other legislation needed to restore a proper balance between labor and management.

Senators who recognize this problem should be interested in a recent editorial comment by James D. McClary, president of the Associated General Contractors of America, which appeared in the August issue of "Constructor" magazine. I ask unanimous consent that it be printed in the RECORD.

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

EDITORIAL COMMENT

(By President James D. McClary)

AN OPEN LETTER TO ALL CANDIDATES FOR PUBLIC OFFICE

GENTLEMEN: You are asking for the public trust at a difficult period in our Nation's history. Those out of power, and some in power, are proposing radical changes for this country and its economy. Some changes are going to be made regardless of who the winners are in this fall's electoral contests.

Change is inevitable—in fact, it is necessary. Rational minds accept it. The economy, like any finely tuned machine, requires periodic adjustment. However, any change which is made must be an adjustment only. The basic nature of the machine must not be changed.

For example, when business in this country was young and new, and the labor market unstructured and unorganized, a period of rampant growth did result in unwarranted advantages for the employer and disadvantages for the workingman. Then, labor was organized and labor laws were enacted. These laws properly emphasized the rights of the workingman and provided for a balance with the traditional rights of management.

In the years that followed, a balance was achieved. A laborer received a fair day's pay for a fair day's work. Management discovered it could still make enough profit to continue in business.

But, change is inevitable. Labor laws have been further amended and amplified to the point that the means of obtaining a fair day's pay sometimes is used to obtain an unfair day's pay; a raise without an accompanying increase in production. As the law and its administrators progressively took away management's right to manage, relative strength at the bargaining table again became unbalanced. Now, instead of being able to provide the general public with a defense against the ever-increasing cost of labor, business has been forced to pass that cost on to the consumer.

It is obvious this part of the machinery is again in need of adjustment. As increasing wages force the cost of production upwards, profit margins decline and even more restrictions are placed on the operation of the marketplace. Under these conditions, it is just possible that the machine could break down.

Gentlemen, we do need a change—a change in this, as well as other sectors of the economy. It is absolutely necessary that the all-important balance between labor and management be restored. This is not radical—it is only common-sense logic.

We are proud to be Americans, proud to be independent businessmen, but we have no desire to be the last of an American tradition. So I ask you candidates, regardless of your political persuasion, to tell us, during your campaign, how you propose to go about restoring the basic nature of our free enterprise system—the system which built the greatest economy and gave man the highest standard of living this world has ever known.

BLACK AND WHITE

Mr. CRANSTON. Mr. President, some beautiful lyrics written by Danny Hutton of Three Dog Night—the lyrics are entitled "Black and White"—are sweeping the country.

As we approach the end of this year and as a new year approaches with its new hope and new promise, and as we approach the Christmas Holidays—a time to reflect upon love and brotherhood—I think it appropriate to reflect upon the words, the theme, the thoughts of "Black and White."

So I ask unanimous consent that the lyrics appear in the RECORD at this point.

There being no objection, the lyrics were ordered to be printed in the RECORD, as follows:

BLACK AND WHITE

The ink is black,
The page is white,
Together we learn to read and write.

A child is black,
A child is white,
The whole world looks upon the sight—A beautiful sight.
And now a child can understand
That this is the law of all the land—all the land

The world is black,
The world is white,
It turns by day and then by night.

A child is black,
A child is white,
Together they grow to see the light—see the light.

And now at last we plainly see,
They'll have a dance of liberty—liberty.

The world is black,
The world is white,
It turns by day
And then by night.

A child is black
A child is white,
Together they grow to see the light—see the light.

RETIREMENT OF SENATOR LEN JORDAN OF IDAHO

Mr. DOMINICK. Mr. President, at the close of this session, the Senate will lose, through retirement, one of our finest colleagues, Senator LEN JORDAN. Senator JORDAN'S long public career spans more than a quarter century, from the Idaho State Legislature to the Governor's mansion and the U.S. Senate. In addition, he has served with distinction as a member of our Armed Forces as well as in important international organizations.

To me, Senator JORDAN has been more than an astute legislator and public servant, he has been a great friend. I think of him as a man of great personal courage, a man of deep principle, and a dedicated American. His reputation as a tough, battling human being is well known, whether through his encounter with thugs in a Washington elevator or his hard fighting for legislation on the Senate floor. His loyalty to the Republican Party and the country has been demonstrated time and again over these many years, and I am personally indebted to him for more than one gesture of support and assistance during our time together in this body.

On this occasion, Mr. President, I salute LEN JORDAN for a distinguished public career and wish him every success in returning to private life.

A TRIBUTE TO SENATOR CLINTON ANDERSON, OF NEW MEXICO

Mr. STENNIS. Mr. President, one of the most highly esteemed and respected colleagues I have had here in the Senate is the Senator from New Mexico, CLINTON ANDERSON, who is retiring after 24 years of outstanding service and accomplishments here in the Senate.

Able, earnest, and honorable are traits that tend to describe this man. He has shown a tremendous capacity for work, a quick grasp of problems, and he always has had valuable suggestions and practical solutions to problems of our governmental processes.

Years ago, too, he was a splendid administrator as a member of President Truman's Cabinet, in the capacity of Secretary of Agriculture. He has left his mark in many fields of activities, as in the State government of New Mexico, where he served in several capacities, and in Rotary activities, where he has served as president of Rotary International.

CLINTON ANDERSON'S contributions have been many over a wide field of activities in the Senate. He is one of the most able men I have ever known in public life. I respect him and his judgment greatly. All of us shall miss him here in the Senate floor and in the committee rooms. We shall miss him and his charming wife.

He and his wonderful wife Henrietta certainly have the good wishes of Mrs. Stennis and me for many years of happiness, accomplishments, and continued usefulness in the years ahead. We bid them Godspeed.

SENATOR JORDAN OF NORTH CAROLINA

Mr. JORDAN of Idaho. Mr. President, one of the greatest rewards that I have reaped from my service in the U.S. Senate has been the association with some of our country's outstanding Senators. It is with sadness that I note the departure from this body of one of the most prominent of these men, B. EVERETT JORDAN.

I have often referred to EVERETT as my cousin, and though we are not related through family, we have often been related in thought. I enjoyed working with him while I was on the Public Works Committee, where his sense of humor and sound judgment were often the catalysts needed during long sessions. As a representative of an agricultural State, I have appreciated his conscientious work on the Senate Agricultural Committee.

EVERETT has served the public for many years in a myriad of ways, and we are fortunate to have counted him among us. I salute you, cousin; and Grace joins me in wishing you and Katherine a very happy retirement.

RETIREMENT OF SENATOR JOHN SHERMAN COOPER OF KENTUCKY

Mr. CHILES. Mr. President, it is with a deep sense of regret that we in the Senate view the upcoming retirement of Senator JOHN SHERMAN COOPER of Kentucky. His honesty and integrity will be

sorely missed by Members of both sides of the aisle.

Known as a man who always votes his conscience and never compromises his principles even when the tide of public opinion is not with him, Senator COOPER is an able and dedicated servant of the people of Kentucky.

Born in 1901 in Somerset, Ky., in the foothills of the Appalachian Mountains, Senator COOPER loves his land and its people. After attending Yale University and Harvard Law School, he came home and began an outstanding career in public service which serves as an inspiration to all of us—as a State representative, as a county judge, as a circuit judge, and as a U.S. Senator.

Furthermore, he has represented the United States abroad as our Ambassador to India and Nepal and through his involvement with NATO. His advice has been invaluable to the Senate, especially in his work with the Senate Foreign Relations Committee.

Before I came to the Senate, I was told of Senator COOPER'S fine reputation by Vola Lewis, Harold Gillespie, T. V. Tate, and George Carr, all transplanted Kentuckians now living in my hometown of Lakeland, Fla.

I consider it a privilege and a pleasure to have served with JOHN SHERMAN COOPER, and I wish him and his lovely wife many, many happy, healthy, and productive years.

RETIREMENT OF SENATOR COOPER

Mr. DOMINICK. Mr. President, it is with the utmost admiration and respect that I join my colleagues in saluting the distinguished Senator from Kentucky, JOHN SHERMAN COOPER, as he prepares to retire from service in the U.S. Senate. His work in the Senate has been an example to all of us because of its very selfless and nonpartisan nature. His career has touched many many areas, particularly in foreign affairs, through his work with the United Nations, an Ambassadorship to India and his visible leadership on the Foreign Relations Committee. I am sure there is no Senator who has not at some point during these past years looked to Senator COOPER for sound and thoughtful guidance and counsel. I am going to miss him. I wish him my best in years to come.

MUSKIE SPEAKS ON VIETNAM

Mr. STEVENSON. Mr. President, Senator MUSKIE spoke before the City Club in Cleveland on October 9—precisely 4 years afer President Nixon promised the American people that he would end the war in Vietnam if elected President. President Nixon said that if a new President did not end the war within the next 4 years, he did not deserve to be reelected in 1972.

Senator MUSKIE'S speech documents the failure of this administration's policy in Vietnam. Despite all the bombs dropped, all the lives lost, all the resources wasted, the war goes on. Senator MUSKIE'S speech is an eloquent indictment of this administration's fundamental failure. For the benefit of my colleagues, I ask unanimous consent that it be printed in the RECORD at this point.

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

THERE IS GOING TO BE A SILENCE

Four years ago today, in an American city not far from us here in Cleveland, Richard Nixon promised the American people he would end the war in Vietnam. He said that any American President who did not end that war within four years should not be re-elected.

Four years ago, the American people took Richard Nixon at his word. They made him President.

Now, four years later, we may fairly ask that the President be held to his word.

Surely, his pledge to end the war was the central commitment which won him victory in November. Our country was war-weary, discouraged, and deeply divided by three years of major combat in South Vietnam.

Clearly, an end to the war was possible. The bombing had stopped and the bargaining had begun even before President Nixon took office.

Four years is a very long time.

No previous war in our history had ever lasted four years. Now, after nearly a decade, the war in Vietnam goes on.

During these four years, more bombs have been dropped in Vietnam than in all the years and all the wars we fought before. But the war in Vietnam goes on.

Twenty thousand American men—40% of all the men we have lost in Vietnam—have been killed in these four years. Yet the war goes on.

500,000 fighting men have been killed. A million South Vietnamese have been killed or wounded, and millions more have been made refugees during these four years. As the war goes on.

More than 50 billion dollars—40% of the cost of the war—has been drained out of our country during these four years to pay for war in Vietnam. Ten billion dollars we need at home is being spent there this year. And the war goes on.

During these four years, the fighting has spread to Cambodia and Laos, and Americans have died in these two new countries as well as in Vietnam. Still, the war goes on.

We have bombed the cities and mined the harbors, but the war goes on.

We have made peace with Communist China, but the war goes on.

We signed arms limitation agreements with Russia. The war goes on.

The war goes on and on. It is as if some madness gripped the tools of war—or seized our very minds themselves—to make us stagger on and on in this war which has lost every shred of meaning it ever had for our people.

A week ago, in a press conference in Washington, President Nixon said that the negotiations and the war had reached a "sensitive stage," but he could not predict when a settlement might come—another secret plan!

Americans long for an end to the war, and will give the President credit if he can end it. What most Americans do not understand is why we cannot have peace now.

At each critical expansion of the war during these four years, the President has told us that added destruction and wider war was necessary to speed an end to the conflict.

When he invaded Cambodia in 1970, it was to speed an end to the war.

When he invaded Laos in 1971, it was to speed an end to the war.

When he mined North Vietnam and resumed the massive bombing of the cities in 1972, it was to speed an end to the war.

None of these massive expansions of the war have ended it. Instead, the increased violence has simply led to more violence.

Indeed, no one knows how or when the war will end.

Throughout the bitter campaign in 1968, Richard Nixon sowed the impression that he had a "secret plan" to end the war in Vietnam. He said he could not reveal the details for fear of jeopardizing success, but he declared: "There is a difference between an administration burdened by accumulated distrust, and a new administration that can tell the truth to the American people and be believed."

And his administration is no longer believed. Those who did believe in his "secret plan" must ask what happened to it.

He told us in May of this year that the expanded bombing and the blockade would deny the enemy the means to continue the war. But the very latest intelligence reports from the Central Intelligence Agency, the Defense Intelligence Agency and the Air Force show that the bombing and the mining and the patrolling have not worked.

In six weeks from the beginning of August to the middle of September, North Vietnam succeeded in sending 20,000 fresh troops into the South to join 80,000 already there—14 divisions in all. Moreover, the best current estimate is that these soldiers are receiving 5,000 tons of supplies—including weapons, fuel and food—from the North every day. In the Mekong Delta, supposedly the most pacified region in South Vietnam, Hanoi's forces have increased ten-fold since last March.

In short, the Nixon strategy has failed. It has not brought North Vietnam to its knees or to realistic peace terms. It has not brought victory on the battlefield or a cease-fire. It has only added to the awful toll of war in a land which has known only war for over 20 years.

And what has the Vietnam war done to us at home? It has kept us a society divided, a Nation with too many priorities and too few resources to meet them. It has drained our self-confidence, inflated our economy and mortgaged our domestic and international future.

For every new refugee in Vietnam in the last 43 months there is an American on welfare who was self-supporting before 1969. Deficit spending which might have fueled progress in America, has, instead, created devastation across the Pacific.

Our bombs have made a wasteland in Indochina big enough to swallow up the cities of Cleveland, New York, St. Louis and San Francisco. And in those cities the air grows dirtier; the water more foul. The ten billion dollars that this administration withheld in the last fiscal year from programs such as highway construction, shipbuilding, urban mass transit, model cities programs and water and sewer grants, disappeared, instead down the rathole of war.

The link between our economic failures at home and our military involvement in Vietnam is a direct one. Full employment could have given us the revenues to finance stable domestic growth and an attack on our most pressing social needs. But while we overspent our resources in Asia, we registered only new records of economic failure—record higher in unemployment, record increases in the cost of living, record budget deficits and record deficits in our balance of trade and payments.

Richard Nixon came to office when the unemployment rate stood at 3.3 per cent and the number of jobless totalled 2.7 million. There are now 5 million Americans out of work and the unemployment rate stands—frozen—at 5.5 per cent.

In October 1968 Richard Nixon said, "I have pledged to create 15 million new jobs in the next four years." But while the work force has grown since by eight million, only three million new jobs have been created compared to the ten million jobs created in the Kennedy-Johnson administration.

Richard Nixon promised, and I quote, "to end the alarming inflation." The consumer

price index stood at 107.1 when he took office. This August it was 125.7. That is an inflation rate of over 17 per cent, twice the rate of increase of the Kennedy-Johnson years.

Richard Nixon initially pledged to cut the Federal Budget by eight billion dollars and the first budget he submitted on his own was, he said, in balance with a small surplus. But that projected surplus turned into a $23 billion deficit for fiscal 1971, a $26 billion deficit for fiscal 1972 and a projected deficit of $30.8 billion for this year. His total deficits for three years are more than double the total deficits Lyndon Johnson incurred in five years, and the increase in the national debt under the Nixon administration is equal to nearly one-fourth of the total debt incurred since the Republic was founded.

It has been rare in recent years to find America's balance of payments in the black. It did happen in 1968 under Lyndon Johnson. But since Richard Nixon took office, our payments have been in deficit by record amounts—nearly $30 billion in 1971. And for the first time in 80 years we are running an actual deficit in trade. In 1971, the year the dollar was devalued, we imported $1.5 billion worth of goods more than we exported. Since devaluation, we have had only one trading month in the black, and in the first three quarters of 1972 we have accumulated a trade deficit of over $4.3 billion.

We have traded domestic progress for an illusion of international supremacy. And the cost of that is one we count every day in our taxes, in lost production, in jobs that do not exist and prices that are too high.

More than half a decade ago, our ambassador to Vietnam said that many Vietnamese believed that peace would come without negotiations or peace pacts or any public display. Instead, these Vietnamese believed simply that someday "there is going to be a silence."

There is going to be a silence.

This war will end someday. And—someday—when at last it ends, and our children or grandchildren see pictured a screaming child—naked and alone on a road aflame with napalm—and ask if our country did that—there is going to be a silence.

In whatever way the war ends, after all the negotiations and secret plans, there is going to be a silence.

There is going to be a silence amid the twenty million bomb craters which blister the countryside of Vietnam.

There is going to be a silence in the cell of the last American POW freed from North Vietnam.

There is going to be a silence in the homes in many lands where sons, brothers, husbands, and fathers are gone forever.

And there will be a silence in our hearts when we ask—why?

RETIREMENT OF SENATOR CLINTON P. ANDERSON OF NEW MEXICO

Mr. JORDAN of Idaho. Mr. President, before my own retirement from the Senate, I want to take this opportunity to pay a well-deserved tribute to my colleague on both the Finance and Interior Committees, CLINTON P. ANDERSON, the senior Senator from New Mexico, who also is retiring at the end of this session.

Since my assignment to these two major Senate committees, I have spent many hours in hearings and committee meetings with CLINT ANDERSON, and have come to admire his competence and dedication as a legislator and as an expert on natural resources and conservation, and to value his judgment and his friendship.

Throughout his long career as a State and Federal official and as a member of the House of Representatives and the U.S. Senate, he has exhibited a tenacity of purpose and an independent spirit that gave him a rare prestige among Members on both sides of the aisle, the press, and the public at large.

During his 30 years in the House and Senate, Senator ANDERSON authored many significant pieces of legislation and put his stamp on countless other bills which came through his committees. For his work in the Congress and as Secretary of Agriculture, he has earned a secure place in the annals of U.S. history during the difficult and expansive days of the middle decades of the 20th century.

As CLINT and his good wife prepare to return to New Mexico, I join his colleagues in wishing them a most pleasant retirement, one well befitting a gracious and devoted couple who have given a lifetime of dedicated service to their State and country.

NATIONAL JEWISH HOSPITAL AND RESEARCH CENTER

Mr. DOMINICK. Mr. President, it was my great honor and pleasure on October 4 to serve as chairman of the 73d anniversary dinner for the National Jewish Hospital and Research Center of Denver, Colo.

The dinner, held at the Statler Hilton Hotel here in Washington, D.C., was a great success. Over $80,000 was raised for the hospital's programs.

The National Jewish Hospital and Research Center is a nonsectarian medical center for chronic respiratory diseases. These diseases are increasing at a truly frightening rate. Asthma, emphysema, chronic bronchitis, tuberculosis—these and other respiratory cripplers now afflict an estimated 14 million Americans.

As one of the Nation's foremost facilities for treatment, study, and professional education in chronic respiratory disorders, the National Jewish Hospital and Research Center is an important national resource in defense of respiratory health.

TREATMENT

As a clinical facility of established special expertise in chronic respiratory diseases, the National Jewish Hospital provides a truly national service duplicating no other. Specialized and refined techniques developed there in the treatment of drug-resistant . tuberculosis, severe asthma, and other chronic diseases of lung and airway make NJH a "court of last resort" for near-hopeless sufferers.

For thousands of chronically ill patients, the emotional problems of long illness are as crippling as disease itself. Comprehensive and innovative treatment at NJH helps the patient to achieve emotional as well as physical health.

RESEARCH

Much must still be learned about the beautifully efficient but most fragile link between man and his environment—the respiratory mechanism—and about the diseases which threaten it.

Research at the National Jewish Hospital and Research Center has a twofold mission: First, to carry out studies directly related to the clinical function of the hospital, and second, to throw new light on biological phenomena in general.

EDUCATION

Through a multidisciplinary program of education, the knowledge won by excellence and study at NJH enters the mainstream of medical and scientific progress. National Jewish Hospital and Research Center accepts as a major responsibility and an exceptional opportunity its mission to teach.

Doctors, research scientists, medical technicians, nurses, and students, come to NJH from all parts of the United States and the world for training. In this way the special techniques and skills developed at the Hospital are disseminated to communities throughout the world.

We in the Congress recently passed the National Heart, Blood Vessel, Lung, and Blood Act of 1972. One of the goals of that legislation is the expansion of the Nation's research efforts in the lung disease field. Under the terms of the new law, 15 new lung research centers are to be established. It is my hope that the National Jewish Hospital and Research Center will be designated as one such center. I am firmly convinced that the NJH would be one of the most logical choices possible.

Mr. President, because of the excellence of the NJH, and because of its outstanding humanitarian work since its establishment in 1899, I am very proud to have served as chairman of the recent NJH dinner. Dr. Jesse Steinfeld, the U.S. Surgeon General, presented distinguished service awards at the Dinner to the seven Washington trustees of the hospital: Durwood L. Boeglen, Milton W. King, Sheldon Magazine, Leo Perlis, Jack Pollin, J. Robert Sherwood, and Douglas R. Smith. I would like to include at this point in the RECORD the remarks of Dr. Steinfeld as he presented the awards to each of these dedicated individuals:

PRESENTATION TO DURWOOD L. BOEGLEN

Our first honoree is Durwood L. Boeglen, a noted building supplier in metropolitan Washington, who has been active as an officer of many dinners and as a sponsor of special programs by the hospital—the first time was back in 1965, when he received the hospital's National Honor Award. On behalf of National Jewish Hospital, I am pleased to present the distinguished award to Durwood L. Boeglen.

PRESENTATION TO MILTON W. KING

Our next guest of honor is the dean of the Washington trustees—Milton W. King. Mr. King's commitment to the hospital is deeply rooted in family tradition. He is a second generation trustee of National Jewish Hospital, and was one of the founders of the Washington committee. In addition to his activities here in Washington, he has served the hospital on the national level, as a former vice president of the board of trustees. It is a great privilege for me to present him with this distinguished service award, in recognition of his longstanding devotion to the work of NJH.

PRESENTATION TO SHELDON MAGAZINE

Sheldon Magazine has an impressive list of credits to his name as a trustee of the hospital. He has been a trustee for a past thirteen years, and was recently elected to the post of national vice president of the Hospital. He originated the Washington din-

ners in 1963, and ever since that time he has been a leading sponsor of the benefits. It is a great pleasure to honor him this year with the distinguished service award. Mr. Magazine.

PRESENTATION TO LEO PERLIS

Our next guest of honor, Leo Perlis, is a well known and highly respected leader of the labor movement in the United States. As the national director of community services for the AFL–CIO, he is intimately involved with the problems of social welfare and health care in this country. His special expertise and talents in these areas have been a great asset to National Jewish Hospital. He has been a trustee since 1967 and has been active in the Washington dinners for many years. I am very pleased to present this award for distinguished service to Leo Perlis.

PRESENTATION TO JACK POLLIN

The next award recipient, Jack Pollin, is a leading builder who has been a staunch supporter of National Jewish Hospital for many years. He was elected to the board of trustees in 1971, and he has demonstrated a keen interest in furthering the hospital's work in respiratory diseases.

The hospital is proud to honor him tonight for his unstinting friendship and great concern. And now, on behalf of the hospital, it is a pleasure for me to present this distinguished service award to Jack Pollin.

PRESENTATION TO J. ROBERT SHERWOOD

Our next honoree, J. Robert Sherwood, is always ready and willing to lend his time and his considerable prestige to the hospital's programs, despite his many obligations as the president of one of Washington's largest suburban banks.

He has been a leading supporter of the Washington dinners, and he has also been the key organizer of the annual Baltimore dinners for the hospital. His enormous dedication earned him the hospital's 1970 Honor Award, and it is a great privilege to pay tribute to him once again. I am happy to present the distinguished service award to J. Robert Sherwood.

PRESENTATION TO DOUGLAS R. SMITH

Douglas R. Smith has been a mainstay of the Washington committee for more than a decade. He was honored at the first Washington dinner in 1963, and for the past eight years his leadership as dinner treasurer has contributed immensely to the success of Washington's efforts for the hospital. His great warmth and profound commitment has made him a principal advisor for every facet of the hospital's programs in Washington.

I am delighted to present this award to Douglas R. Smith for his distinguished service to the hospital.

DISCRIMINATION AGAINST HANDICAPPED

Mr. MONDALE. Mr. President, we all know that handicapped persons face terrible injustices which often keep them from participating fully in the benefits of our society. As a member of the Subcommittee on the Handicapped, I have a special interest in identifying the types of discrimination suffered by handicapped persons and doing all I can to eliminate them.

Recently many organizations and individuals representing handicapped persons in Minnesota met to discuss their common problems and what action could be taken to guarantee them the opportunity to participate in the mainstream of American life. The meeting, the Governor's Conference on the Handicapped, was described in an article in the Minneapolis Tribune. I request unanimous consent that the newspaper's account of this meeting, entitled "Handicapped Tell of Discrimination in Finding Jobs and Getting Insurance," be printed in the RECORD.

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

HANDICAPPED TELL OF DISCRIMINATION IN FINDING JOBS AND GETTING INSURANCE

(By Brian Anderson)

Ruth Erickson has been driving for 20 years and has never had an accident.

But when her automobile insurance came due last year her insurance company required that a doctor or nurse ride with her on a test trip and report back to the company before it would renew Miss Erickson's policy.

"I passed my drivers test the first time I took it," she recalled Wednesday. "I know a lady who took it five times before she passed it, and the company sold her insurance right away."

Miss Erickson wasn't totally surprised by the company's requirement because, as a handicapped person crippled by arthritis, she has come to expect, not just inconveniences, but outright discrimination because of her handicap.

She remembers too well, for example, the time she was rejected as a teacher in a rural North Dakota school because she was handicapped, or the insurance agent who refused to insure her car, or the college trustees who didn't like the idea of her working as a clerk at a college because "normal students shouldn't see her."

Wednesday more than 500 handicapped people from around the state joined more than 1,500 people from 73 public and private agencies that work with the handicapped to discuss their needs at the Governor's Conference on the Handicapped, held at the Radisson South.

One of the main concerns of the participants was that their human and legal rights be recognized, and the handicapped had numerous stories to prove their point.

Leanne Nelson, for example, has never been hospitalized in her 33 years, but because she has cerebral palsy she cannot get hospitalization insurance.

Charles Van Heuveln, 25, carries no insurance at all because the insurance that is available to some handicapped people has "outrageous premiums."

When LeRoy Marshall, 42, bought a house in southeast Minneapolis in 1962 he couldn't get mortgage insurance to cover the loan.

"If I had died, the house would have gone to the bank instead of my family," said Marshall, who has cerebral palsy.

Joan Ryan, 24, graduated from St. Paul's Mechanic Arts High School with almost an A average. But when she tried to get into Southwest State College she was told that an attendant could not be found to take care of her, and thus she had to forego that college opportunity.

In a presentation last night to Gov. Wendell Anderson and a number of legislative candidates, the handicapped recommended about 40 measures they believe are vital to the welfare of Minnesota's handicapped people.

They recommended such things as legislation prohibiting discrimination on the basis of physical or mental handicaps, having insurance agents and companies insure the handicapped at reasonable rates, expanding special-education and health-support services for the handicapped, expanding the service authority of day-activity centers to include the handicapped and increasing the number of work-activity centers for severely disabled people who may someday be employable.

"The handicapped for too long just sat back, expecting others to do things for them," Miss Erickson said. "But now we're fighting."

Miss Nelson said she hoped that yesterday's conference "will make the governor and the Legislature more aware" of the handicapped. "And maybe enourage them to do something about it," added Miss Ryan.

"We don't want to be segregated from the public," said Charles Frahm, a young man with cerebral palsy who spoke by pointing to words and letters on a board in front of him.

"We just want the right to live a normal life."

The conference was preceded Tuesday and yesterday morning by the first Rehabilitation Consumers Advisory Conference, where about 150 handicapped people met with vocational rehabilitation counselors and officials to discuss service areas that need improvement.

DRAMATIC CHANGES IN AMERICAN HIGHER EDUCATION

Mr. MATHIAS. Mr. President, in recent years all of us have witnessed the dramatic changes which have taken place in American higher education. Our colleges and universities have had to confront many profoundly difficult problems—problems related to totally inadequate budgets, student demands for innovative course materials, curriculum offerings and teaching techniques, and increasing public pressure for high-quality low-cost learning.

I commend to the attention of my fellow Senators the judicious remarks of an outstanding educator, Dr. James L. Fisher, president of Towson State College in Baltimore, Md., who, together with his faculty and student body, has been striving to create an even stronger institution offering intellectual challenge, personal satisfaction and reward.

Mr. President, I ask unanimous consent that Dr. Fisher's September 8, 1972 address to the faculty of Towson State College be inserted in the RECORD.

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

THE STATE OF AMERICAN HIGHER EDUCATION AND TOWSON STATE COLLEGE

I am delighted to be here today, to welcome you back to another academic year and to welcome those who are new to an exciting company. I stand before you in my fourth year here immeasurably strengthened by my association with you and confident of our future.

My intention this afternoon is to talk to you about the condition and future of American higher education and Towson State College.

Certainly, during the past few years, higher education has undergone a test of internal and external criticism that has amounted to combat. We have debated with one another, and with our supporting society. We have tried to exorcise the demon of impurity only apparently to find him everywhere and nowhere. And now we are all asking, "Where do we go from here?"

Looking to the future implies, of course, an end to our internal revolution, to the violence, vulgarity, distrust and disintegration of the past half decade, and suggests that the dichotomies are being bridged. No one can be certain that this assumption is correct, but I think that one can assume that this phenomenon which came upon us unexpectedly with the shock of a sudden salary reduction, and quickly spread to the entire world of higher education, could leave in the same rapid way. At least I certainly hope so.

I believe that what went wrong in higher education went wrong throughout the world.

Universities in Paris, Berlin, Tokyo and London were as disordered as Harvard, Columbia, Berkeley and Maryland. Serious students of the subject claim that part of the disorder was due to the general condition of man, but certainly a large part can be charged to serious mistakes on the part of the total enterprise of higher education. In large measure, it was and continues to be the kind of abnormal integration of high anxiety and conflicting opinions that characterizes every revolution, when the traditional consensus is eroded and the supportive pillars that stability and growth depend upon become suddenly unstable and then totally collapse.

However one explains the world-wide revolution in higher education, in American institutions all the usual problems were exacerbated or transcended by the Vietnam War, racial conflict, sudden realization of the plight of the poor in the midst of plenty, the pillage of our natural resources, the unfortunate state of national priorities as reflected in the federal budget, and an increasingly unhappy impression of the quality of our national life.

Having made little progress on their assault on racial injustice and the war, the young—an unprecedented proportion of whom were now in college for a variety of right and wrong reasons—turned their frustration on the institution that was the safest and closest at hand, their college or university. The other problems continued in their grinding way so that the new revolution fed upon itself as concern turned to frustration and frustration to hostility and hostility to violence.

Unfortunately, these symptomatic external issues virtually obviated serious attention to our own problems, an increasingly unpenetrable American university—an institution that apparently existed primarily for itself and without real regard for its people, an institution that reproduced itself in a thousand different names all over America, but each in the mold of the Harvards, the Berkeleys and the Marylands. In fact, the infection even spread to the community colleges as many of them quickly abandoned their prime commitments to technical, terminal and continuing education as they too embarked on the course of so-called "academic respectability." We had become the prototype of unexamined assumptions.

Many believe that we were the victims of our own success. We had grown so rapidly that we failed to examine historic assumptions on which were based the higher education enterprise. In this century, the national student body doubled every 15 years until a base of almost 3,000,000 in 1950 amounted to almost 6,000,000 by 1970; bear in mind that in 1870 the national total was 52,000 students. In a century we had grown from 52,000 to 6,000,000 students. Remember also that change during these decades had meant simply increased numbers and physical growth, with only infrequent and token internal change, and never at any real cost to the traditional enterprise. Such conditions may make sense in the production of lunch meat, but for higher education the consequences were drastic.

And many of us painfully remember that few even noticed that the enormous growth in our student bodies did not include those who needed higher education most. To minority youth and others in the lower socio-economic quartile of the population and to millions of mature adults a college degree was the essential ingredient to upward mobility, yet we did virtually nothing until they and a few enlightened colleagues of our number reminded us, often in very dramatic ways.

As if from the blue, students suddenly asked the question most of us had been too preoccupied to ask, "Does this enterprise really provide a good education?" Granted that their suggestions and demands for internal change were not always a move toward educational improvement, but they did start us looking more seriously at what we were doing. Indeed, since Harvard was founded in 1736, student questions and discontent have preceded every substantive period of change in American higher education.

Student questions about governance caught most of us completely unprepared. In their eagerness to reform, many institutions overcompensated so that from being badly governed they now emerged as largely ungovernable. The so-called participatory democracy on our campuses too frequently meant simply endless discussion. Virtually every decision now had to run the gauntlet of so many potential vetoes both within and outside the university that many of our concerned members were either totally radicalized or completely abandoned the effort.

Student governments will not survive if they do not seriously get about the business of representing the best interests of their constituents and the entire campus community. Student government will soon lose all its credibility and acceptance even from students if its only concerns are freer sex, more parking, education without effort and attainment of the heights of utopia without climbing. Academic councils or faculty senates will only be debating societies if they fail to recognize the abuses and more effectively correct them. And, certainly, vice presidents, deans and department chairmen do not exist to pass the buck upward and to avoid the difficult decisions. Leadership is essential at every level—faculty, students, administrators, trustees. We are in this together.

And, certainly, presidents must be faulted for a lack of moral leadership, not just in time of crisis, but also in earlier and peaceful times when presidents too often were blind to the moral as well as economic implications of unbridled growth that was certainly spectacular but of questionable educational value. We continued to see one another at national meetings and determined individual prestige based on institutional enrollment and number and kind of degree programs offered. But we did not use our influence to move for more representative boards of trustees, for greater rewards for those faculty concerned with students, for larger enrollments of minority students, for true educational reform and growth, and for stronger and more intelligent reactions to those students and staff who would not or could not behave and adopt methods consistent with our nature and welfare.

Add to this condition the dimension of financial crisis brought upon us by an increasing public awareness of our unfortunate condition and severely limited tax dollars, and you have an image of higher education that amounts to crisis.

Some states passed legislation regulating class loads. This was done in California in spite of the fact that President Hitch of the University of California had warned that this is like asking how many hours a surgeon spends in the operating room or a minister spends delivering a sermon. Other states attempted to get into the hiring and firing process itself.

Certainly, we must know and feel the fact that virtually all legislatures in this land are proportionately reducing allocations to higher education. I am astounded that some continue in the belief that this is a measure of a worshipful public that only reflects a temporary financial pinch in the public coffer.

From within our profession we are advised by a recent Carnegie Commission Report that the total institutional expenditures of higher education should be and can be reduced by approximately 20% by 1980.

But if we have unwittingly disestablished our credibility we can also conscientiously reestablish it. If we have tarnished our integrity of purpose, we can learn from our frustrated and impossible hopes and move to refurbish our central purpose. We cannot undo the past years, but we can learn from them.

REVIEW OF THE PAST YEAR

While I do not imply that all of these conditions prevail at Towson State College, I certainly do not suggest that we are completely free of them. Indeed, in light of our recent history, I believe that our prospects for both maintaining and prospering are as good or better than any established institution in America.

I was pleased this year about the degree to which the department chairmen's workshop was both realistic and optimistic, for in my judgment both dimensions are imperative to our future. Although I point with pride at our progress at Towson to date, I believe that in spite of all our self-examination and protestations of virtue, we still seem to exhibit a remarkable capacity for buying the same old pig in only marginally different pokes. There are still too many of us who approach institutional renewal as Dorothy Parker, that ascerb commentator on American art and culture, described Katherine Hepburn in a new play. Miss Parker said, "Miss Hepburn last night ran a gamut of emotion from A to B."

Although we are only beginning, last year at Towson there was healthy movement and many milestones testify to our progress. Almost every department can point to improvements initiated to make our teaching and learning environment better. In the knowledge that chronicling achievements result in the sin of omission, I will still attempt to cite some of the high spots of last year:

1. Increased internship opportunities in the Department of Communications and Sciences.
2. New graduate major in Speech Pathology.
3. The art therapy course developed in conjunction with Sheppard-Pratt.
4. New attempts at screening and advising of Education majors.
5. Development of competencies for teacher education.
6. The use of the Keller Method of instruction in the Departments of Psychology and Physics.
7. Over 20 significant research projects completed in our Learning Resources Center.
8. A second Bachelor's degree program.
9. The implementation of our undergraduate degree programs in Arts and Sciences and General Studies.
10. Revisions in the secondary and elementary education Master's program.
11. The development of a Master's degree in General Studies which will be presented to the Academic Council this fall.
12. An expansion of our extension program.
13. The extension of our art collection to a total value of over $500,000.
14. Major grants for Nursing, Occupational Therapy and Oriental Art.
15. The use of media instruction in our current health problems course and in several early childhood courses.
16. The mini-mester which enrolled over 800 students in new academic experiences.
17. Greater use of our programs of credit for experience, Independent Study and College in Escrow.
18. Introduction of open space teaching methods and individual instruction in large sections by the Theatre Department.
19. A revised and more impactful student orientation program.
20. A Middle States evaluation which styled our progress during the last three years as "remarkable." (This year we will be receiving a return visit from the National Council for Accreditation of Teacher Education which I am confident will show such progress in

this area that we will be able to waive goodbye to accrediting groups for a while.)

21. Managerially we are in better shape than ever. Although problems exist, we are admired by virtually every other institution in the state and our administrative costs are the lowest of any four-year public institution in Maryland.

22. Our development program has in less than two years been directly or indirectly responsible for generating approximately $3,000,000 in cash or kind, and has been praised by international authorities.

23. Student services were reorganized in an effort to divorce administrative from student advocacy functions and to make more consistent student and college needs at less costs.

All these and more are credible evidence of our intention to accommodate student diversity of interest and age, and perhaps more importantly, of our ability to contend with and surmount the obstacles of today.

At Towson, budgets for the last three years have increased at approximately $2,000,000 per year (1971: 13.7; 1972: 15.5; 1973: 17.5; 1974: request 22.0). Yet our Board approved request for fiscal 1974 amounts to an increase of approximately 4.0 million dollars. Let me say to you that in my judgment we have absolutely no chance of getting our 1974 budget request of over $22,000,000 in operating funds. The budget request not only fails to consider our recent past, but there simply will not be sufficient funds to go round. Additionally, I believe, that the next fiscal year will see the State of Maryland operate at a substantial deficit. For us, the implications are many and obvious.

Our 1973 budget, while showing an increase of approximately $2,000,000, of which $1,200,000 is in State General Funds, is an extremely tight one—in reality, the tightest in some time. This tightness is due to a great extent to the large amounts of money required for salary increases—certainly a pleasant added cost—and mostly for opening and operating new buildings, specifically the Fine Arts Building. In effect, we will be operating this year on last year's budget ($15.5).

I am in the process of reviewing our local measures and although I am aware and pleased with the departmental economies commissions introduced by Dean Shaw, this review must go far beyond the academic department level. Departmental economics are but one facet of the total situation. Indeed, I discussed the situation this summer with the faculty and student members of our college committees on Fiscal Affairs and Long Range Planning. I have decided that in addition to the departmental economies commissions, it will be my intention in the near future to appoint a *Special College-wide Task Force* consisting of faculty, students and staff to look at priorities and economies from the college perspective and under the chairmanship of Dean Shaw. The Task Force will be asked to advise the Academic Council and ultimately the President. Their role will be to make recommendations regarding institutional priorities and to assist in developing our posture with respect to economies. No instructional or administrative area will be sacrosanct. Among other goals for the Task Force will be (1) to consider instructional economies which will allow us to teach effectively more students at less cost; (2) to consider economies in the academic service area; and (3) to consider instructional and academic service priorities in both new and existing programs and services.

In order to accomplish this demanding and exacting assignment, the Task Force and the departmental commissions will undoubtedly consider many of the things mentioned by Dean Shaw in his provocative paper presented at the Department Chairmen's Workshop, such as teaching methods and the use of the new media, college organization, class size, the role of use of support personnel, reducing the years of study, utilizing bright undergraduates and part-time faculty, possible reassignment of our members, credit-hour production of individual faculty members, administrative services, the role of student fees, and a host of other questions that are most difficult and controversial. The only inviolable areas in their assignment will be faculty-staff salaries and fringe benefits which remain too low.

There is a whole array of models and ideas available that we should investigate bearing in mind, of course, that whatever we do must retain the element of the human. For instance, today there are those persons, respected in our profession, who advocate doing away with the old four-year college module, introducing a baccalaureate program that calls for one year of full-time enrollment and the remainder on a part-time basis. Others talk of entire courses by cassette tapes. Some talk of video-tape lectures and the use of tutors often based in a media center. Many advocate increased numbers of part-time and lesser qualified faculty and doing away with the traditional residence requirements, and they challenge any to scientifically refute their contentions that effective, even more effective learning, takes place under such conditions.

Certainly in the area of graduate study, if we do not begin to "reach out" to our students, their needs will be met elsewhere. Already we are seeing school systems develop their own in-service programs as a way of dealing with a sluggish collegiate enterprise which refuses to deal with the realities of extension programs. If we do not move into this area, most assuredly others will. The loss will be the thousands of people we could have served, and a more personal one of pocketbook that will be felt as there is a decreasing demand for on-campus graduate work.

I am confident that at Towson we can develop a design or designs that will enable us to both economize and prosper. I suggest the posture of those involved in these efforts, and indeed of each of us, should be in the spirit of the recent National Task Force on Higher Education chaired by Frank Newman of Stanford University. For the first time in the history of national efforts for higher education, a federally-funded group attempted to consider higher education from the standpoint of the best interest of society, the people, rather than the best interest and point of view of the institutions. If we proceed using as a common denominator for all our efforts the best interest of students, we will muster a legion that can win any combat.

COORDINATION AND EXTERNAL AUTHORITY

This year the visage of external central authority will become more obvious and influential in Maryland in the form of the Maryland Council for Higher Education. I view this as a good step, but there may be tensions and problems before we see positive results.

Ten years ago a half dozen states had special agencies to plan and coordinate higher education, and now less than a half dozen do not. Because of a number of reasons, state legislators and other elected officials are tired of the inefficiency and duplication and downright waste that have been the result of institutional independence. Certainly, this has been the case in Maryland.

I have said to you that we must not deny or ignore the coming of increased central authority. To do as much is not to have a part in its shaping. Institutional autonomy, yes, but only within carefully prescribed limits. The underlying assumption in centralized planning is that all institutions in the state cannot serve all functions of higher education equally well, and there must be a division of program.

To me, the results of increased central authority across the land indicate that such a condition offers to state colleges considerably more advantage than disadvantage, for we have almost always been given short shrift in the distribution of resources. Again, Maryland is a classic example. Efficiencies are not only accomplished, but there has been a marked increase in faculty salaries and fringe benefits.

My comments about coordination of higher education also assume that because we must compete for limited resources with other governmental functions, higher education is a political enterprise. Alternate decisions about the shapes of future education in Maryland are formulations of political policy, and it has been well demonstrated that a few voices speaking in our best interest are more effective than many well-intentioned but unorganized proponents. If we recognize and appreciate these facts of central planning, we can play an important role in the future of higher education in Maryland.

For recent confirmation let us review the events of the year past. You will recall that in December 1971, we heard unofficially that the Maryland Council was going to give us approximately 30 days to order our program priorities with an eye toward cutting off the bottom 15%. This obviously was both impossible, and perhaps unfounded, but it did portend an attitude and a direction.

In January 1972, we officially received the following from the Maryland Council:

"The Council requests each segment board to determine from its segment viewpoint the relative priority of all the programs offered at each of its institutions or campuses and report to the Council by September 2, 1972 the programs offered at each institution or campus in order of priority."

This was only slightly less possible than its predecessor. At Towson we reacted with a position paper that was later adopted by the other state colleges and the Maryland Council, the gist of which was:

"We are in agreement with what is perceived to be the Council's intent of determination of program priorities; however, we do not agree with the method suggested and in fact feel that the Council's request as presently constructed will be counter-productive to the accomplishment of our common goals."

As I have indicated, the spirit of our paper was accepted and this summer a Special Task Force on Academic Program Priorities was appointed. I am a member of that group. We have met once and appear headed toward the WHICHE program definitions. You will hear further on this subject as developments occur.

During this same period, on February 11, 1972, an enlightened bill was introduced by Delegates Kent and Pesci (House Bill #674) which was passed in May 1972. The implications of HB 674 on higher education will be dramatic, for now the Maryland Council for Higher Education has the authority to approve all new academic programs at public institutions and to review existing programs with the possibility of major alterations. We must bear in mind these things as we encounter 1972–73.

UNREST AND INSTITUTIONAL NEUTRALITY

Last year marked the first in my experience when members of this community were arrested by civil authorities. In retrospect, I do not question, at least in large measure, the motivation of those who were involved in the affairs of last spring, but I sincerely believe that these activities led to no good end. Why is it that institutions like Towson must go through a Disneyland like experience of provincial disintegration before getting about the serious business of social renewal? Why is it that we must first fight one another before gaining the wisdom and the conviction to contend with the real adversary?

The politics at this college in the matter of disruption have been so thoroughly discussed and expounded that I will not belabor them here. Suffice it to say that that policy will

maintain for the future. I pray that I will not again be called upon to verify the intent or letter of these policies.

A university is not a place designed to make people feel comfortable. On the contrary, it should be a place where one hears what he doesn't expect to hear. It should be a place where an individual is rocked back on his cliche-ridden haunches, and experiences an almost Franciscan-like process of revelation and discovery. At the same time, neither is a university a place of intimidation or threat.

The balance is tenuous between intellectual catharsis and chaos, and I believe that balance is best maintained from a position of institutional neutrality. I have before said to you that I believe that institutional neutrality is not only essential to the intellectual freedom of the university, but it is also a practical necessity if we are to survive as our society's forum for the combat of ideas. Academic freedom and institutional neutrality are indispensable and interlaced for they are the bulwarks of this social institution that we call the university.

Sadly, through the years there have been successful attempts to force universities out of institutional neutrality, but very few have succeeded since the accomplishment of academic freedom for faculty members. From the Middle Ages through the church-related institutions of the 19th century and before academic freedom, contrary opinion had virtually no place on the university campus. Often faculty members and students who did not agree with the majority were simply driven out.

Just as it would be wrong for me to agree with those who ask me to get rid of those on the faculty and student body who hold unpopular positions, it would be just as wrong for me to be persuaded or to attempt to use this institution in a way that would threaten the right, indeed the obligation, of each of our members to become involved in the controversial issues of the day. While at times it may be appropriate for groups within the university to maintain and present positions on controversial subjects, we are as an institution necessarily neutral and should remain so regardless of pressures to the contrary. Anything less than institutional neutrality makes a travesty of our purpose and permits the individual members of our community the indefensible luxury of uninvolvement and singlemindedness.

As for me, I will do all in my power to protect the right of all persons to hold any idea and to advocate any position within the law at Towson State College.

One further note on this subject. Because of the arrest conditions of the past year, I am of the opinion that we should no longer expect members of our staff to make arrests during times of turmoil. While I have nothing but praise and admiration for virtually all of those who performed these tasks last spring, I believe that it is beyond reasonable expectation to ask again for such performance. I know personally that the aftermath of such implementations leaves currents of mistrust and hostility that make continuation more anxious and difficult. Therefore, it will be my intention in the unhappy case that such conditions present themselves again to have arrests made by duly authorized external civil authorities.

WOMEN AND BLACKS

Last year, approximately, I had brought to my attention in a variety of ways, the sexist nature of our society and our institution. I think my sentiments in this regard are shared by most of you. While many of our sexist attitudes and behaviors may be unconscious, there is no question in my mind that I and others have thought and behaved categorically regarding the respective roles of women and men. I came to this awareness as a result of having been pressed by concerned members of our community, and I publicly apologize to you for my previous lack of serious attention to this important area. I will say that this new awareness has resulted in a change that is already being reflected at Towson State College regarding the estimate, appointment and promotion of women. To those of you who contributed to my awareness, my thanks.

Regarding Blacks, I believe there remains entirely too much intellectual shoulder shrugging in higher education and at Towson. We must progress beyond the current satisfaction of being able to acknowledge that there are a few more Black faces within sight. Perhaps the vocabulary of justice is so pervasive that we sometimes mislead ourselves into believing that we have achieved a truly egalitarian situation. It may be that our earnest desire to enjoy a condition of absolute and true equality has been thwarted for so long by social and economic circumstances that we have begun to rationalize its possibility. In any case, we simply have not as yet achieved those conditions which are essential to providing a completely viable educational experience for Black students. Many thoughtful Blacks still perceive us as being insensitive and even unwilling. I sense that we are casually and not too reluctantly relinquishing our militant efforts on behalf of Blacks in higher education in favor of issues which are more readily resolved or more currently appealing. While I can understand the nature of such self-deception, I cannot accept the consequences, which can only be a widening dichotomy between black and white.

Today as I reaffirm my pledge, I call for both the obvious support and the cooperation of all our members towards making greater and more measurable steps forward. We must not succumb to the understandable but unacceptable expressions like "Enlightened Blacks do not want to come to ostensible white institutions," or "You can't find qualified Blacks." Blacks are an inherent, important and vital part of our American history and culture, and our institution must more honestly and completely reflect their contributions and importance.

While I know that there are other dragons to be slain, let us together finally put to rest this most fearsome and lingering of those monsters, for if we fail in this we are likely to continue as prey to all sorts of racial and social injustices.

And as I sum these moments of relative tranquility, I ask again that you ponder our nature.

Education has been designed throughout history to pass on existing culture to its young and uneducated. It has served to insure that the knowledge and wisdom available to the old through experience is passed on to the new generation. Such a procedure is valuable and indeed essential so long as conditions have not dramatically changed and are not expected to change substantially. What of a situation when massive change has already developed and further change is known to be inevitable. Then the cultural knowledge of the past may well become a disadvantage rather than an advantage. Some have argued that it is the continuation of past cultural traits into new situations which has led to the collapse of previous civilizations and is leading to the collapse of ours.

Today an increasing number of the best informed members of our society believe that we face a watershed more dramatic than the transition from the agricultural era to the industrial. Many of our finest minds predict the demise of our species within 10 to 100 years. Writers from an ever-widening group of disciplines and areas of confidence are advocating a need for massive changes in patterns of perception and action of mankind if our survival is to be possible.

If this is true, and I think it is, then what we need is to invent a new style and substance of education which will enable students to discover what they need to know in order to live in this new era. While we will not forgo the past, we must insure that we will be better for its knowledge; this certainly has not been the case in all our recorded history. There is so much to do that it will demand only the very best from each of us. If we choose to do these things here, then our future will be secure and good.

My wish for our college and its members is no more and I pray none of us will make it less.

NEW MELONES DAM, STANISLAUS RIVER

Mr. TUNNEY. Mr. President, for several months now I have examined the ramifications of the New Melones Dam to be built on the Stanislaus River.

Although I want to see effective measures taken to protect against the ravages of flood in the region, I believe that not enough attention has been given by the Army Corps of Engineers to spell out specific plans to mitigate the anticipated environmental consequences.

I have had some recent correspondence with the corps regarding this subject, and I think it would be helpful to my constituents and I ask unanimous consent to have those letters printed in the RECORD.

There being no objection, the letter were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 22, 1972.

Col. JAMES C. DONOVAN,
U.S. Army Corps of Engineers,
Capitol Mall,
Sacramento, Calif.

DEAR COLONEL DONOVAN: Thank you for your letter of September 5 in response to mine of August 16. Unfortunately, you misunderstood the purport of my letter, and your response was not adequate to resolve the difficulty I have with the mitigation plans the Corps intends to implement with respect to the environmental impacts derived from the construction of the New Melones Dam.

At the time I wrote you, I was quite familiar with the contents of the Statement of Findings dated May 31, 1972, which you enclosed with your letter. However, when the findings are compared with the Final Environmental Impact Statement, it is clear that the so-called "firm decisions" stated in the findings have not been translated into concrete plans to implement the commitments the Corps has made by virtue of those "firm decisions."

For example, although the findings refer to a decision to provide "a whitewater recreation area between Goodwin Dam and Knights Ferry", the impact statement does not at any point describe the plan the Corps has. On pages 39 and 40 therein, the Corps says that "a reasonable method of mitigating for whitewater has received intensive study and will continue to be investigated." It also points out that there is a four mile stretch which has "potential" for "whitewater kayaking" and that "the results of this test are being analyzed and a specific proposal is being developed." It also says "possibilities for alternative whitewater areas on other rivers such as the Tuolumne River may exist." It appears evident that the Corps has yet to devise a specific plan for implementing its "firm decision" and that, with respect to the whitewater issue, it has not gone beyond investigative and development stages.

With respect to preservation of the downstream riparian habitat, the Corps in its findings promises to "preserve between 3,000 and 8,000 acres of prime riparian habitat." Yet on pp. 7–8 of the impact statement, a

number of alternatives are listed which the Corps states are "under consideration" and that one of them or a variation will be implemented. Again, the Corps' "firm decision" on this matter consists merely of the consideration of a number of possibilities, some of which may well not result in the "perpetual preservation of 4,000 to 8,000 acres of prime riparian "habitat" referred to in my letter of August 16.

Similarly, I have not been advised of the specific plans the Corps intends to implement with respect to providing for recreational access areas to the lower Stanislaus River.

Our fellow citizens should be given firm guarantees that effective mitigation plans will become a reality. In order to assure that satisfactory mitigation does come to pass, the specific detailed plans with regard to the matters raised in my letter should be devised and published, and all necessary approvals should be given prior to going forward with the construction of the main dam. Now that monies have been appropriated for construction, funds needs for environmental mitigation should be requested in the next session of Congress by the Corps, so that dam construction and environmental mitigation will proceed concurrently.

I am grateful for your continued cooperation and interest in protecting the environment.

Very truly yours,

JOHN V. TUNNEY,
U.S. Senator.

SACRAMENTO DISTRICT
CORPS OF ENGINEERS,
September 5, 1972.

Hon. JOHN V. TUNNEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TUNNEY: This is in further reply to the letter of 16 August 1972 from you and Congressman McFall concerning the New Melones Lake project.

We certainly agree with you that mitigation plans should go beyond the investigative and developmental stages. For this reason my Statement of Findings which accompanied the New Melones Lake Environmental Impact Statement (copy attached) and which was indorsed by our Division Engineer and the Chief of Engineers contains the following wording:

"Firm decisions have been made under the authorizing legislation to:

a. Provide a whitewater recreation area between Goodwin Dam and Knights Ferry.

b. Acquire flowage easements over downstream areas to accommodate an 8,000 c.f.s. non-damaging flow and at the same time preserve between 3,000 acres of prime riparian habitat.

c. Acquire lands in fee for recreational access to the river from Knights Ferry to the San Joaquin River.

d. Acquire in fee the prime spawning gravels for the preservation and enhancement of the anadromous fishery resources of the Stanislaus.

e. Acquire under the Corps' recreational authority the desirable caves in the immediate vicinity of the lake either for preservation or for inclusion in the Corps' recreational master plan."

These decisions are firm commitments and are considered definite, consistent with the project authorization, and subject only to the appropriation of funds by the Congress and refinement of functional and design details.

The main dam contract for New Melones was advertised on 16 August 1972. Bids will be opened on 10 October and the contract is scheduled to be awarded shortly thereafter.

We appreciate your continued interest in all aspects of the New Melones Lake project.

A similar reply is being furnished to Congressman McFall.

Sincerely yours,

JAMES C. DONOVAN,
Colonel, CE, District Engineer.

AUGUST 16, 1972.

Re: New Melones Dam.
Col. JAMES C. DONOVAN,
U.S. Army Corps of Engineers,
Sacramento, Calif.

DEAR COLONEL DONOVAN: We have had an opportunity to review the final environmental impact statement filed by the Corps of Engineers with the Council on Enivronmental Quality on July 17, 1972.

We applaud the Corps' efforts to comply with the National Environmental Policy Act with all deliberate speed and we note the steps which are under way to develop plans to mitigate the environmental impacts of the area.

While we certainly want to see effective measures taken to protect against the ravages of flood, we note that the dam will inundate a 16-mile portion of the Stanislaus River which includes an area which has become increasingly popular for rafting trips from Camp Nine to the Parrottis Ferry Bridge. It will also have other environmental impacts which are outlined in the statement.

We feel that mitigation plans should go beyond the investigative and development stages to something more definite.

In order to be reassured that the impact to the area will be minimal, we urge that the following minimum guarantees be provided by obtaining the necessary approvals and authorizations prior to the award of a contract for construction of the main dam at the New Melones site:

(1) Provide a white water recreation area between Goodwin's Dam and Knight's Ferry (or some other more desirable location) which will provide a white water recreation to those who presently use the area to be inundated by the new dam;

(2) Acquire flowage easements for downstream areas to accommodate an 8000 cubic feet per second non-damaging flow and at the same time provide absolute guarantees for perpetual preservation of 4000 to 8000 acres of prime riparian habitat from Goodwin Dam to the San Joaquin River.

(3) Acquire lands in fee to provide recreational access to the river from Knight's ferry to the San Joaquin River;

(4) Acquire in fee the prime spawning gravels for the preservation and enhancement of anadromous fishery resources of the Stanislaus River; and

(5) Acquire under the Corps' recreational authority the desirable caves in the immediate vicinity of the proposed lake either for preservation or for inclusion in the Corps' recreational master plan.

We are sending a copy of this letter to the Council of Environmental Quality with a request that it take appropriate action consistent with the above.

Very truly yours,

JOHN V. TUNNEY.
JOHN J. McFALL.

PENNSYLVANIA AVENUE REDEVELOPMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Indiana (Mr. HARTKE) on the Pennsylvania Avenue bicentennial bill, which passed the Senate yesterday, together with accompanying documents, be printed in the RECORD.

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

REDEVELOPMENT OF PENNSYLVANIA AVENUE

(Statement by Senator HARTKE)

For more than a year, Congress has considered legislation which would establish a mechanism to revitalize the portion of Pennsylvania Avenue between the White House and the Capitol. Now, in the waning hours of this Congress, after months of dormancy and inaction, that proposal has reared its head once again in the form of the bill now pending before the Senate.

Mr. President, I oppose this bill. It is bad legislation which sets a deplorable precedent for renewal projects throughout the Nation. What is worse, it purports to be a model program—one which will be finished in time for the 200th anniversary of our independence.

Rather than renovation, this bill requires destruction. Some of the buildings along Pennsylvania Avenue are blighted and should be torn down. But others suffer from deterioration brought on by neglect. In this latter category are buildings of historical and architectural significance. They are as much a part of our heritage as the documents displayed in museums and the battles enshrined in history books. They represent a part of the American mood. They may be able to survive in two-dimensional pictures, but they will never be able to be understood and appreciated.

The passage of this legislation now before the Senate will mean the creation of another string of sterile glass office buildings surrounded by still more sterile glass buildings. I am enough of a realist to know that we cannot prevent such buildings from being erected, but not on the main avenue of the Nation's capital. Not on the avenue viewed by millions of Americans each year. There are other places for these monstrosities. We need not put them where they are so obvious to so many.

Mr. President, the pending bill is bad legislation for the following reasons:

First, it fails to require that sincere efforts be made to preserve historic landmarks.

Second, it does not provide for adequate participation by District residents in the decision-making process.

Third, it eliminates vital services used by many of Washington's black residents.

Need to Preserve Historic Landmarks

Pennsylvania Avenue is the main street of the Nation's Capital. Any redevelopment which takes place along the avenue is under the direct control of the Federal Government. Thus, both the redevelopment process and the results of redevelopment will express our Government's attitude toward how cities are to be revitalized.

The legislation now before us fails to take cognizance of the fact that Pennsylvania Avenue is a part of a city of almost 1 million people. Redevelopment should be for people, not for buildings. In one blanket statement, it declares that a major portion of the avenue is blighted. This declaration expresses a negative attitude which pervades the bill—an attitude of insensitivity which will result in the failure to adopt a redevelopment plan which realizes the avenue's full potential.

The structures which exist along Pennsylvania Avenue chronicle American architecture and thought from the Federalist period (for example, the building at 306 6th Street and Rhodes Tavern at 15th and F), to a Greek revival fragment of the Metropolitan Hotel, to the Gothic and romanesque revival of the old post office and the National Bank of Washington, the beaux arts style of the Willard and Occidental Hotels, and finally to the 20th century work embodied in Lansburgh's and the Hecht Company.

The latest effort to revitalize Pennsylvania Avenue began in 1962 when a plan to develop the avenue was prepared by the President's Council on Pennsylvania Avenue and its successor, the President's Temporary Commission on Pennsylvania Avenue.

Among the buildings which would be destroyed under the Pennsylvania Avenue plan drawn up by these two Commissions would be the following:

Willard Hotel;
Tariff Commission Building;
Rhodes Tavern;
Old Ebbit Grill;
National Bank of Washington;
St. Patrick's Church;
Greater New Hope Baptist Church;
Mary Surratt House; and
St. Mary's Catholic Church.

In addition, the General Services Administration has proposed—with administration support—that the old post office be torn down to make way for an expansion of the Internal Revenue Service Building.

Each of these buildings has been cited as an important historical landmark by the National Capital Planning Commission and the D.C. Redevelopment Land Agency. There is too much of Washington's and the Nation's heritage in these buildings to allow them to fall victim to the wrecker's ball.

Mr. President, on March 9, 1971, I called the attention of my Senate colleagues to the worsening outlook for landmarks in the Nation's Capital. That was a time when the future of those landmarks actually appeared brighter than it does today. It was a time when the newspaper carried reports that the administration "had" concluded (that) the redevelopment plan should stress the renovation of existing structures wherever possible, with a minimum displacement of stores and businesses."

No such resolve is embodied in the legislation now before us. Reference is made to the fact that a portion of Pennsylvania Avenue is a national historic site, but there is no requirement that the Pennsylvania Avenue Bicentennial Commission seek to preserve those landmarks which are vital to our national heritage. That omission is tragic. It gives a green light to the Commission to follow the Pennsylvania Avenue plan and tear down rather than preserve.

The statement which I made in the Senate on March 9, 1971, is as follows:

THE WORSENING OUTLOOK FOR THE CITY'S LANDMARKS IN THE NATION'S CAPITAL

Mr. HARTKE. Mr. President, the Washington Post, on February 27, published a letter to the editor entitled "The Worsening Outlook for the City's Architectural Landmarks," which noted that the "combined forces of subway, Pennsylvania Avenue plan, and downtown renewal are sure to pose a major threat to landmarks within the boundaries of the main commercial and municipal sectors of Northwest."

The article cited the recent proposal of architect Wolf Von Eckhardt to preserve the old post office as "a prime example of a new mood afoot among designers and architects who are interested in incorporating valuable 'period piece' buildings into existing renewal projects."

It concluded with a call to action:

"Now is the time for influential planning, civic and business leaders in this city to understand, and reconcile themselves to the urgent need to spare these and other structures that are significantly indispensable both from an aesthetic and an historical point of view. With so little of D.C.'s proud architectural past remaining to be observed by future generations, the least these most worthy survivors deserve is a more promising fate than the grim oblivion that they now appear destined for."

Mr. President, recently I received from Daniel Price, of the Occidental Restaurant, a list of historic landmarks in the Nation's Capital which are threatened by urban renewal and the Pennsylvania Avenue plan. This list includes:

Willard Hotel, Washington Hotel, National Theatre, Occidental Restaurant, Tariff Commission Building, Chinatown, National Press Building, Rhodes Tavern, Matthew Brady Studio, Old Ebbit Grill, Reeves Bakery, Kann's Store, Street facade, 700 block of 7th Street, northwest, National Bank of Washington, St. Patrick's Church, Greater New Hope Baptist Church, Mary Surratt House, St. Mary's Catholic Church.

I am informed by Mr. Prince that this list was obtained from a study entitled "Downtown Urban Renewal Area Landmarks," published in 1970 by the National Capital Planning Commission and the District of Columbia Redevelopment Land Agency, and from plans for such federally financed programs as urban renewal, the subway, the freeway program, and the Pennsylvania Avenue plan.

In his message to Congress on February 8, 1971, President Nixon declared:

America's cities, from Boston and Washington to Charlestown, New Orleans, San Antonio, Denver, and San Francisco, reflect in the architecture of their buildings a uniqueness and character that is too rapidly disappearing under the bulldozer. Particularly acute is the continued loss of many buildings of historic value. Since 1933 an estimated one-quarter of the buildings recorded by the Historic American Building Survey had been destroyed . . . (and) there are many historic buildings under Federal ownership for which inadequate provision has been made for restoration and preservation.

In the face of that clear statement of concern, it is rather ironic that the President has permitted plans to destroy many of the historic buildings of the Nation's Capital to continue without abatement. It is even more ironic that we are spending Federal tax dollars for this destruction.

It was equally disturbing to read an editorial in the July 1, 1970, Washington Post which indicated that the historic Willard Hotel has been kept dark for more than 2 years while the General Services Administration negotiates a swap with the Willard's owner for a potentially valuable 17 acres of land in Arlington. This transaction raises the possibility that plans to destroy historic buildings in Washington may result in significant financial rewards for speculators.

In light of these developments, it was somewhat reassuring to read an article in the February 19, 1971, Evening Star which stated:

"Under prodding from Capitol Hill, key officials of the Nixon Administration and the District's business community are moving toward agreement on a scaled-down plan for redevelopment of Pennsylvania Avenue.

They also concluded the redevelopment plan should stress the renovation of existing structures wherever possible, with a minimum displacement of stores and businesses."

If the news of this new attitude is accurate, the future for Capital landmarks appears brighter. At the same time, every person who takes pride in this Nation's past as represented in its architecture would breathe easier if the President would use his powers as Chief Executive to preserve historic landmarks in the Nation's Capital.

Mr. President, we, as a nation, must be concerned with preserving and protecting our historic landmarks, not only those of great national significance, but the landmarks which make one city distinct from another. It would be a disaster to destroy the landmarks in Washington, D.C., and replace them with new buildings of little character.

Mr. President, specific interest has been drawn to two of the buildings which are doomed by the Pennsylvania Avenue plan: The Willard Hotel and the old post office. No study has been undertaken of either of these buildings to determine the feasibility of preserving them.

In a statement made before the Senate on March 23, 1971, I called for a study to determine the suitability of using the Willard Hotel as a Federal building. In testimony before the Senate Subcommittee on Public Buildings and grounds on April 21, 1971, I opposed plans to tear down the old post office building.

The two statements and the two pertinent editorials from the Washington Post are as follows:

[From the CONGRESSIONAL RECORD, Mar. 23, 1971]

FEDERAL BUILDINGS URGED FOR BLIGHTED URBAN AREAS

Mr. HARTKE. Mr. President, in a speech in the Chamber on March 9, I urged that historic buildings in the Nation's Capital be saved from the wrecker's ball.

The interest which that statement aroused indicates that there are many who are concerned that our haste to modernize has made us heedless of a great heritage. There is much of our past which has significance for the present and the future. It should be preserved and promoted, rather than destroyed.

For more than 2 years, one of the most famous of Washington's landmarks has stood vacant. The Willard Hotel, where the great and near-great have stayed, has played a prominent role in the political and social past of the Nation's Capital. Following one of his visits, Carl Sandburg said that—

"The Willard Hotel more justly could be called the center of Washington than either the Capitol or the White House or the State Department."

Not only does the Willard have sentimental significance; it also represents an excellent sample of architecture and is in perfect harmony with its surroundings. Neither claim can be made for most buildings constructed in recent years.

I have been among those who have suggested that the Willard could be retained as a museum. So much of our history has occurred within its walls that it would be ideal for such a purpose.

There is, however, another valuable use to which the building could be put—one which would do even more honor to its past glory.

On February 27, 1970, President Nixon issued an Executive order directing the General Services Administration to develop plans for the acquisition and leasing of space for Federal offices in areas where such offices would have a significant impact on improving social and economic conditions.

In a press conference which was held on the same day, Dr. Daniel P. Moynihan said:

"The present Executive order takes the concept beyond the imposition of some order within the priorities of different Departments in the Government and acknowledges what has been the fact—whether you wish to acknowledge it or not—namely, that where the Federal Government locates its offices, its plants, its factories, has very great consequences for people, not just for the Government; that this has extraordinary impact on the development of cities, different parts of cities, different regions of the country, differents parts of those regions.

"This is one of the most important real options the Federal Government has in seeking to bring about a kind of purposeful, rational growth policy."

At the same press conference, Administrator Robert L. Kunzig of the General Services Administration stated:

"In other words, what we are talking about is double duty for Federal dollars. Not only will the dollars be used to build the building, but they will also be used to assist and aid in the economic development, or urban redevelopment."

The past few years, however, have seen an increasing decentralization of Federal office buildings to the suburbs. We pay a high price for this trend, not only because of the exorbitant rents which are charged, but also because there is an enormous need within the District for jobs.

No Federal City Bicentennial Corporation, such as the one which has been proposed to restore the Pennsylvania Avenue area between the Capitol and the White House, will have any significant impact on the revitalization of Washington unless we act to make this a good place in which to work and to live. The Federal Government has the power to spur employment and economic vitality by constructing office buildings in depressed areas of the District. Unfortunately, the President's Executive order of 1 year ago has not been implemented in Washington.

I would urge that the GSA undertake a survey of the Willard Hotel, not for the purpose of determining the easiest way to tear it down, but rather for the purpose of determining the suitability of the Willard as a Federal office building.

Whatever the outcome of the study, I believe that there is a place for the Willard in a revitalized Washington. I also believe that it is time that action was taken to restore burned out and blighted areas of the Capital, not by displacing small businessmen and not by a wholesale destruction of historic buildings, but by moving resolutely to implement the President's Executive order of February 27, 1970.

The Washington Post put its editorial finger on the real issue when it said on January 11, 1971:

"When, back in the 1950's, federal government offices began to move out into the suburbs, it was a matter of national policy. The government was to be dispersed to minimize disruption in the event of an atomic attack. No one gave much thought to the fact that low income and minority employees were left behind in the city because there was no housing for them out there. But the policy became obsolete, or at least implausible, with the advent of the hydrogen bomb.

"Now, for a variety of new reasons, government dispersal has become something else; it has become a way of evading national policy."

Mr. President, I ask unanimous consent that the text of President Nixon's Executive order of February 27, 1970; the transcript of the White House news conference of the same date; the Washington Post editorial of January 11, 1971, entitled "Jobs That Move Away"; and an article entitled "Federal Office Leasing. Policies Questioned" published in the Evening Star of December 4, 1970 be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PLANNING, ACQUISITION, AND MANAGEMENT OF FEDERAL SPACE

(White House Executive Order)

By virtue of the authority vested in me by the Federal Property and Administrative Services Act of 1949, as amended, and as President of the United States, it is hereby ordered as follows:

Section 1. The Administrator of General Services (hereinafter termed "the Administrator") shall initiate and maintain plans and programs for the effective and efficient acquisition and utilization of federally owned and leased space located in the States of the United States or in the District of Columbia or in Puerto Rico (hereinafter termed "in the United States"), and for which the Administrator is responsible. The Administrator shall prepare and issue standards and criteria for the use of such space and shall periodically undertake surveys of space requirements and space utilization in the executive agencies and initiate actions and formulate programs to meet the essential space requirements of executive agencies. In carrying out these functions, the Administrator shall (a) coordinate proposed programs and plans for buildings and space with the Bureau of the Budget, (b) obtain from the Civil Service Commission, the Office of Emergency Preparedness, and the Department of Defense any information in the possession of those agencies which may bear upon such programs and plans, (c) coordinate proposed programs and plans for buildings and space in a manner designed to exert a positive economic and social influence on the development or redevelopment of the areas in which such facilities will be located, (d) seek the cooperation of the heads of the executive agencies concerned with any of the foregoing, and (e) annually submit long-range plans and programs for the acquisition, modernization, and use of space for approval by the President.

SEC. 2. (a) The Administrator, and the heads of executive agencies, shall be guided by the following policies for the acquisition, assignment, reassignment, and utilization of office buildings and space in the United States:

(1) Material consideration shall be given to the efficient performance of the missions and programs of the executive agencies and the nature of function of the facilities involved, with due regard for the convenience of the public served and the maintenance and improvement of safe and healthful working conditions for employees;

(2) Consideration shall be given in the selection of sites for Federal facilities to the need for development and redevelopment of areas and the development of new communities, and the impact a selection will have on improving social and economic conditions in the area. In determining these conditions the Administrator shall consult with and receive advice from the Secretary of Housing and Urban Development, the Secretary of Health, Education, and Welfare, the Secretary of Commerce, and others, as appropriate;

(3) Maximum use shall be made of existing Government-owned permanent buildings which are adequate or economically adaptable to the space needs of executive agencies;

(4) Suitable privately owned space shall be acquired only when satisfactory Government-owned space is not available, and only at rental charges which are consistent with prevailing rates in the community for comparable facilities;

(5) Space planning and assignments shall take into account the objective of consolidating agencies and constituent parts thereof in common or adjacent space for the purpose of improving management and administration;

(6) The availability of adequate low and moderate income housing, adequate access from other areas of the urban center, and adequacy of parking will be considered; and

(7) Proposed developments shall be to the greatest extent practicable consistent with State regional, and local plans and programs; and Governors, local elected officials, and regional comprehensive planning agencies shall be consulted in the planning of such developments.

(b) The Administrator shall plan, acquire, and manage space in the United States upon his determination that such actions will serve to improve the management and administration of government activities and services, and will foster the programs and policies of the Federal Government. Prior to making such determinations the Administrator shall consult with the heads of the executive agencies concerned and take into account their requirements, consistent with the criteria stated here and his other responsibilities. The Administrator shall advise the agency head in writing of his intended course of action and notify him that in the event of disagreement the affected agency head may within thirty days make a written request for review of the matter, through the Director of the Bureau of the Budget, to the President.

SEC. 3. The heads of executive agencies shall (a) cooperate with and assist the Administrator in carrying out his responsibilities respecting buildings and space, (b) take measures to give the Administrator early notice of new or changing space requirements, (c) seek to economize in their requirements for space, and (d) review continuously their needs for space in and near the District of Columbia, taking into account the feasibility of decentralizing services or activities which can be carried on elsewhere without excessive costs or significant loss of efficiency.

SEC. 4. The provisions of this order shall be subject to applicable provisions of law (including applicable provisions of any reorganization plan).

SEC. 5. Executive Order No. 11035 of July 9, 1962, is hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *February 27, 1970.*

THE WHITE HOUSE PRESS CONFERENCE, FEBRUARY 27, 1970

(Robert L. Kunzig, Administrator, General Services Administration; Dr. Daniel Patrick Moynihan, Counsellor to the President; John R. Price, Executive Secretary to the Urban Affairs Council; and Jerry Warren, Deputy Press Secretary to the President)

Mr. WARREN. First, I would like to draw your attention to the Executive Order on Planning, Acquisition, and Management of Federal Space. I know you haven't had too much time to read it, but we have some gentlemen here who will be able to go through it with you: Robert Kunzig, Administrator of the General Services Administration; John R. Price, who is, as you know, Executive Secretary to the Urban Affairs Council, and the Rural Affairs Council, and a Special Assistant to the President; and our good Counsellor, Dr. Moynihan.

So I will turn it over to John Price.

Mr. PRICE. Thank you very much, Jerry.

The Executive Order supersedes one that was signed in 1962, 11035. And the reason for your having this one here today is that in early December, December 5, there was a meeting of the Urban Affairs Council at which the whole question was raised of how better use could be made of some of the resources of the Federal Government in the field of social and economic development and re-development.

It was pretty obvious that one of the things which loomed large in the Federal budget and in terms of employment and so forth was the construction and the location and leasing of Federal facilities. And at that time, the Administrator described a little bit to us about the kind of resources that would be available over the next five years. We find that something in excess of 100 projects, which have already been authorized in one way or another, will have potential for developing or re-developing urban areas. These projects will employ as many as 140,000 employees between now and 1975.

So it is fairly clear that we had substantial dollar impact and employment impact here. And the question was whether or not the existing authority under which the Administrator made his decisions was adequate to do the job. The decision was that it was not.

I call your attention, as he will in more detail, to Section 2(a)(2) on the bottom of page 1 of the Executive Order. This is really the key paragraph for you to pay attention to. Here we say that consideration is going to be given to the impact the selection of the site is going to have on improving social and economic conditions in the area and providing a potential use for the stimulation of new community development as well.

I would like to turn the meeting over, first

to Dr. Moynihan, who might explain to some extent how this would fit into a national growth policy, and then to the Administrator, who could describe in more detail how the operation will take place.

Dr. MOYNIHAN. I have very little to say.

The order, as is rarely the occasion, speaks for itself. 11035 came at a period when, after a prolonged hiatus in Federal building projects in the depression, the War, rearmament, Cold War, and a buildup of a tremendous backlog of Federal activities, a fairly chaotic almost political situation in which Cabinet Officers just sort of negotiated themselves with the President. This was an effort to give to the Administrator of GSA the basic responsibility for assigning priorities within the Government to which buildings would be built and for whom and, to some extent, where.

The present Executive Order takes that concept beyond the imposition of some order within the priorities of different. Departments in the Government and acknowledges what has been the fact—whether you wish to acknowledge it or not—namely, that where the Federal Government locates its offices, its plants, its factories, has very great consequences for people, not just for the Government; that this has extraordinary impact on the development of cities, different parts of cities, different regions of the country, different parts of those regions.

This is one of the most important real options the Federal Government has in seeking to bring about a kind of purposeful, rational growth policy.

In the National Urban Policy, which we began to evolve last year, one of the first principles, not one of the ten main points, but one of the first principles we talked about was the need for the Federal Government to pay attention to its hidden policies, its hidden urban policies.

It says, "There is hardly a Department or agency of the National Government whose programs do not in some way have important consequences for the life of cities and those who live in them." Frequently one is tempted to say normally the political appointees and career executives concerned do not see themselves involved with, much less responsible for, the urban consequences of their programs and policies. They are to their minds simply building highways, guaranteeing mortgages, advancing agriculture or whatever.

No one has made clear to them that they are simultaneously redistributing employment opportunities, segregating neighborhoods, or desegregating them, et cetera.

All of these things are the second and third order consequences of normally unrelated programs.

Of all these activities, the one that directly would seem to have this effect is the location of Federal facilities. The President accepted this idea right away as part of his general position. Mr. Kunzig has been energetic beyond the demand of any Federal Presidential appointee in acknowledging the fact in sorting out the details and has come forward with an Executive Order which requires of him in the future to take into consideration not just the immediate benefits to the Government, but the long-run and general consequences to the communities, to the regions involved in his choice of sites for the very great range of activities which he is responsible for.

We have been much impressed with his efforts. The President is very happy to sign this. He regards this as a concrete, specific and general undertaking which is to make the Federal Government realize what it is doing and do what it intends to do. Because whether you have a policy or not, the activities, the normal activities of the Government, have the consequence of policy.

Here is a very prime example, and we feel this important event is likely to have considerable consequences in, of course, the decade to come.

Mr. Kunzig.

Mr. KUNZIG. Gentlemen, and ladies:

Two major points here specifically have been touched upon.

To clarify this, perhaps, the item here down under Section 2(a)(1), you see the words, "Material consideration shall be given to the efficient performance of the missions and programs of the executive agencies," and so forth. It used to read "primary consideration." The result of that was that primary consideration meant that if an agency wanted a building here at the corner of Second and Market, whatever it was, that is where the building went. Primary means they made the decision where it would go.

This has changed now to material consideration. It means we are still giving great consideration, of course, to the efficiency of the Government operation. Nobody is trying to make a Government operation inefficient or not able to work. But it is no longer the primary consideration. It is the material consideration. That is a definite coming down from the word "primary."

Then the new portion is the Section 2(a)(2), where is says, "Consideration shall be given in the selection of sites for Federal facilities"—and this is new—"to the need for development and redevelopment of areas and the development of new communities, and the impact a selection will have on improving social and economic conditions in the area. In determining these conditions the Administrator will consult with and receive advice from the Secretary of Housing and Urban Development, and Welfare, the Secretary of Commerce, and others, as appropriate."

Most of the rest of this is the same, but number 6, which is about a page further down, says another item which will be considered when you are deciding where to put buildings is "The availability of adequate low and moderate income housing, adequate access from other areas of the urban center, and adequacy of parking will be considered," and so forth.

They are the new elements. In other words, what we are talking about is double duty for Federal dollars. Not only will the dollars be used to build the building, but they will also be used to assist and aid in the economic development, or urban redevelopment, whatever it may be, new towns. All of these things will now be considered. That is really the basis of the whole thing.

You might be interested in what types of things are included here. These are buildings that come under GSA, such as general purpose office buildings. When you see a big Federal office building, storage buildings, United States Courts, Federal buildings with postal facilities, when they are together, customs houses and so forth, Federal buildings that the GSA builds, also special purpose buildings where we build for others, Food and Drug laboratories or Public Health hospitals where they ask us to build them, which they usually do, and we build the buildings, they are included also.

Excluded would be military facilities, which we have nothing to do with, and special buildings such as NASA and things of that nature.

That is the general picture.

Q. Mr. Kunzig, in Section 3, that last part of that sentence (d) about the District of Columbia, would that indicate one, no more, if possible, new Federal buildings in the District—I am speaking of the feasibility of decentralizing—or does it mean that therein lies the possibility that there will be further decentralization of Government that is now in Washington?

Mr. KUNZIG. I think what we are talking about here is that these various items will be given consideration. Some of them, as you can see, are different items. Sometimes one will receive more. The vote will go more over here and more there depending upon the situation. I wouldn't say it means there would be no decentralization ever again, but it also doesn't mean that everything is going to be decentralized.

The best example I can give you: We put out this new rule many months back that buildings should be close to the homes of the workers of low-income groups when they are principally the people working in the buildings, unless there is adequate transportation. The best example of that, where the change was made, was you read a lot about the Government Printing Office. They were going to move way out. Now, they are reconsidering. The Government Printing Office is not moving way out. I am sure we are going to find a place in town near the homes of the workers who work in that type of work.

Q. Also, that Section 6 you referred to is a new element. Does adequate access include transportation? You don't make any mention of transportation. You speak of giving him parking space.

Mr. KUNZIG. Yes, that would be transportation. Again, all of it considered the best way possible. There can never be perfection in everything.

Q. Mr. Kunzig, do I understand that Executive Order pretty much is like the earlier one, except for Section 2(a) (1) and (2) and Section 6?

Mr. KUNZIG. Yes, the parts I read; most of it is the same as before, which was put out in 1962. This now supersedes the order of '62, and gives us for the first time the right not to have to give absolute primary consideration to the wishes of the agency and the right to consider for the first time social and economic things and items in the decision of where a building goes.

Q. Would it be fair to conclude that because of this Executive Order more Federal facilities now would be built, in center-city areas and low-income areas than has been the custom in the past?

Mr. KUNZIG. I would say some might, but I don't think you could say that all the way, because, for example, new cities, new towns—suppose, for example, proposals came up that a Government agency might well go to, let's take one purely hypothetically, Columbia, Maryland. Suppose a new Federal building were to go into Columbia, Maryland, to add further to a new town with adequate transportation to come in, homes there for the workers. That would not be in the heart of a big city. It would be in a new town. I think it is all of these things. It is urban redevelopment, and new towns.

Q. Wouldn't this new program give the politicians a little more leeway to work on you, because, after all, you had only that one criterion to start with, and you could say to them, "We are sorry, but this has to be the primary rule." Now they can say, "Look at all of these other things," and give you a harder time in trying to get the thing in their district.

Mr. KUNZIG. The politicians have never worked on me. It is all new to me. (Laughter.)

Dr. MOYNIHAN. This Executive Order is not going to make the life of the Administrator of the General Services Administration happier or probably even longer, but it will make the job more important.

Q. What consideration have you given to the Civil Rights Commission's recommendation of a few days ago that you locate new facilities in such a way that the——

Mr. KUNZIG. I know what you mean.

Q. Low and middle income employees can live there?

Mr. KUNZIG. I am afraid, without any disrespect for the distinguished Civil Rights Commission, that they totally ignored the fact that the Nixon Administration, and the General Services Administration on behalf of

Mr. Nixon, had put the order into effect many months ago. They actually made reference to it, although we had to point it out to them, in their report, but didn't in their press briefing which they had. They were saying "Why doesn't the GSA do what the GSA has been doing for many months since the Administration came into power?"

I can't speak for them, but I gather they wanted to go further, which is something, I guess, that should be considered. They are talking about over all the whole Government, you see. We are talking about the buildings I listed to you that we GSA people have some control over.

Dr. MOYNIHAN. Could I just speak on behalf, as it were, of the Administrator here. It is a matter of very explicit record that the GSA presented to the Urban Affairs Council on December 5—we spent almost an entire meeting of the Urban Affairs Council on this subject, outlining the issues that ought to be raised in locating facilities. There is one particular city in a State that I won't name, which has a very specific issue of this kind involved.

The Administrator laid out the pressures on him, the gains and losses of any of the about three or four possible decisions, proposed the criteria that are in this Executive Order, and subsequently, as is the practice, the President made his decision to go this way.

Here we have the Executive Order, and meaning no disrespect whatsoever to the Civil Rights Commission, we were not aware that they were working on this issue at all at the time. The GSA has been in this; it was in this matter first. It has been explicit.

Mr. KUNZIG. It was May, '69, last May was when our order went out for all Government buildings that we control in the United States of America, not just Washington, but the entire country. Again, the Printing Office is the best example at the moment of that.

The PRESS. Thank you.

[From the Washington Post, Jan. 11, 1971]

JOBS THAT MOVE AWAY

When, back in the 1050's, federal government offices began to move out into the suburbs, it was a matter of national policy. The government was to be dispersed to minimize disruption in the event of an atomic attack. No one gave much thought to the fact that low income and minority employees were left behind in the city because there was no housing for them out there. But the policy became obsolete, or at least implausible, with the advent of the hydrogen bomb.

Now, for a variety of new reasons, government dispersal has become something else: it has become a way of evading national policy. One begins with the Nixon administration's announced policy of drastically curbing the construction of federal office buildings. Since this policy does not curb the need for more office space, the General Services Administration leases space from private builders. And since private builders prefer to build where the land is cheaper and the land is cheaper out in the suburbs, the government is still dispersing into such human filing cabinets as Parklawn, near Rockville, or Crystal City in Arlington. And since there is still not much low cost housing there, the low income and minority employees are still left behind in the city.

Now, President Nixon, more than ten months ago, you may remember, directed otherwise. And the Department of Housing and Urban Development, so directed, promised "affirmative action." And the General Services Administration said that "adequate" housing for workers at the GS7 level or lower and their families would "be considered." But fair housing groups think that these pronouncements are much too vague. They insist that suburban homes for all employees who want them must be assured before their jobs move away from them. The Washington Planning and Housing Association favors creation of a National Capital Affairs Office in the White House which would base federal relocation decisions not on the whims of speculative builders but on the needs of the capital region. We think this suggestion merits careful consideration.

[From the Washington (D.C.) Evening Star, Dec. 4, 1970]

VIRGINIA NOW LEADS DISTRICTS FEDERAL OFFICE LEASING POLICIES QUESTIONED

(By Christopher Wright)

The federal government should increase the price it is willing to pay for rented office space and become "more competitive for central city rents" in Washington, the executive director of the National Capital Planning Commission has told the federal planning agency.

Pointing out that the General Services Administration, property manager for the government, has insisted on a $5-a-square-foot ceiling on general office rents here, executive director Charles Conrad told the commission yesterday the government has priced itself out of the rental market in the city.

The result, Conrad implied, has been a bonanza for suburban builders and a further blow for Washington's faltering downtown economy.

Conrad's comments came as the panel of planners questioned the commission staff on a report on government leasing which outlined a marked increase in suburban government complexes within the last two years.

A GSA representative and ex-officio member of the commission, John C. Dye, had just told the body that the spread of government offices to the suburbs had been "more or less the result of trying to solve a problem" rather than a district policy decision. The government's latest big move, when more than 9,000 Navy Department employes were shifted to Arlington's Crystal City after temporary buildings on the Mall were destroyed, was an accident of economics, said Dye.

"Had there been economical space to rent within the city it would have been rented," Dye told fellow commission members. "It was not our intention to move outside the city necessarily."

But city rents, said Dye, are "probably more than we can pay" in most cases because of inner city construction costs. He also said the $5 rent ceiling, though not an absolute maximum, requires special GSA action before it can be waived.

GSA is currently in court with the Washington Planning and Housing Association over the removal of the Navy complex to Crystal City. WPHA contends the action was discriminatory and illegal. GSA says, however, that large blocks of rental property are nearly impossible to obtain inside the District.

The government has consumed roughly a million square feet of office space annually in recent years—the equivalent of one major building a year. In May, as evidence of this requirement, GSA called through newspaper advertisement for listings from developers for 500,000-square-foot office buildings which might be available for occupancy next September within the District.

The million-foot-a-year requirement has given added impetus to rebuilding plans for Pennsylvania Avenue and downtown, both of which anticipate a large amount of federal employment through leased office space.

However, much of the needed space is being found in the suburbs because GSA has balked at paying the going rate inside the city—which may be as much as $7.50-a-foot on Pennsylvania Avenue and $10-a-foot in L'Enfant Center.

The staff report to the planning commission, which chairman G. Franklin Edwards said "raises very fundamental questions as to our system as a whole and as to the use of land and private property," detailed the federal spread to the suburbs since 1952.

Pointing out that government leasing only began in quantity after Congress balked at federal construction budgets in the early 1960s, the report shows the bulk of rented space is now in Virginia.

Until March of this year, the District led all jurisdictions with 6.6 million square feet of leased space. However, with the move of the Navy employes this summer, Virginia jumped to the top with 7.86 million. Most of the Virginia concentration is in Arlington County, where some 27,000 employes work principally in the Rosslyn area and the Jefferson Davis (Route 1) corridor.

Maryland trails the three jurisdictions with a mere 3.7 million square feet of office space, almost all of which is in Montgomery County.

The government now rents almost half as much space as it owns outright, the report added.

The Thursday staff presentation is the latest item in a series of studies the planning commission is doing on the impact of federal employment on the Washington area.

An earlier study, made in June by the local consulting firm of George Schermer Associates, called for direct control of federal office leasing by NCPC in addition to the agency's existing jurisdiction over federal construction in the area.

Sharply criticizing the government for scattering its rented office facilities throughout the area, the Schermer report urged the government and the NCPC to tie office complexes to housing and transportation facilities.

The government has been steadily dispersing its agency operations since 1950, when planners, under the shadow of the Korean War and the McCarthy investigations, began decentralizing the government in the interest of national security, the report says. In spite of definite decisions during the Kennedy years to reverse this trend, the cost of land and the destruction of the "tempos" like the old Navy building have forced the agencies into the suburbs.

Contemplating these facts, architect Paul Thiry, a commission member, commented that federal leasing policies seemed like "the dog is following the tail." Why, he asked, should the government run to suburban developers when it found it could not get space inside the city.

In an exchange with Dye and Edward Hromanik of the Commission staff, the commission suggested that the government might consider taking long-term leases on buildings to obtain office space where it wanted, rather than where the developers wanted.

Pointing to New York's Rockefeller Center as a prime example of a major office development constructed on leased land (Columbia University owns the real estate), Conrad L. Wirth suggested this might be one way to "get the building you want, where you want it."

TESTMONY OF SENATOR HARTKE BEFORE SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS, COMMITTEE ON PUBLIC WORKS, APRIL 21, 1971

Mr. Chairman, I am deeply indebted to you for this opportunity to appear before your committee this morning.

The hearing comes at an especially appropriate time. Spring has come to Washington, and the budding trees and flowers have formed a beautiful frame around the city's buildings and streets. They serve to remind us that we are a very special city—a city which is the center of the Nation's cultural and historic heritage.

During the last several decades, many historic landmarks in Washington have been destroyed. These have been losses not just to Washington, but to the Nation as a whole.

In the name of progress, efficiency, and cost-benefit ratios, part of the heritage of this country has been destroyed forever.

Mr. Chairman, we can do nothing to right the mistakes of the past, but we can do a great deal to see that these mistakes are not repeated in the future.

In his message to Congress on February 8, 1971, President Nixon declared:

"America's cities, from Boston and Washington to Charlestown, New Orleans, San Antonio, Denver and San Francisco, reflect in the architecture of their buildings a uniqueness and character that is too rapidly disappearing under the bulldozer. Particularly acute is the continued loss of many buildings of historic value. Since 1933 an estimated one-quarter of the buildings recorded by the historic American building survey have been destroyed . . . (and) there are many buildings under Federal ownership for which inadequate provision has been made for restoration and preservation."

These words could not be more appropriate to the subject before your committee today. The old post office, which Wolf Von Eckhardt of the *Washington Post* described as a "glorious, romanesque castle" is to be destroyed so that a new Government office building can be erected on its site. Under the administration's plan, only its tower is to remain as a reminder of what was once a national landmark.

Mr. Chairman, I appear before you today to urge your committee to say "no!" to this senseless destruction. I urge you to oppose this plan in the interest of preserving a small, but important part of the Nation's cultural heritage and in the interests of building a revitalized city.

In making this plea, I join the residents of the metropolitan area who do not wish to see this city sterilized by new buildings which make it a ghost town after working hours. What the Nation's Capital needs is not more office buildings but more places and more activities which will serve as continuing magnets for tourists and residents alike—not plans for marble and glass palaces but plans for people.

In making this plea, I also join former presidential adviser Daniel P. Moynihan and architect Nathaniel A. Owings. Both of these men were instrumental in formulating what I believe to be ill-conceived plans for the renovation of Pennsylvania Avenue, yet both have been quoted as supporting efforts to save the old post office.

Certainly the administration can demonstrate that a new Government building could make better square-foot utilization of the land now occupied by the old post office, but human values cannot be translated into dollars and cents. When those human values are considered, I am confident that the old post office can serve as a place where people can come together to shop and to partake of their Nation's cultural heritage during the day and at night. That is a far more important function than any new government building can provide.

Mr. Chairman, once again, may I express my appreciation to you for this opportunity to share my views with your committee. I commend you for your sincere concern about this issue, and I commend the hundreds of people who have opposed this plan to destroy a part of their city.

[From the Washington Post, Mar. 19, 1971]

GRANITE DEFIANCE

For 72 years now, the Old Post Office on Pennsylvania Avenue (between 11th and 12th Streets NW) has defied "in granite massiveness the planners and improvers who have marked it for coming destruction," as our 1937 WPA Guide to Washington puts it. What keeps bugging the planners and improvers is that this much beloved landmark with its lofty clocktower, Romanesque stone arches and high chateau roof interferes with the neoclassic boredom of the Federal Triangle. They wanted it destroyed when the Triangle was built in the late 1920s but public sentiment stayed its execution. In the late 1960s, still yearning for the completion of the Triangle, they decided again to tear it down, conceding only preservation of the tower to those of us who like to see architectural variety and respect for the much older building prevail along Pennsylvania Avenue. What would we do with the old building? they said.

Well, one thing to do with it, as several people have suggested, is to turn it over to the people, particularly the tourists, by using its magnificent spaces for exhibits, National Park Service displays of arts and crafts from all parts of the country, shops and restaurants as well as a hotel. Rather than adding still more federal office boredom, relieved only by the amputated tower, we could thus add an exciting new attraction to Pennsylvania Avenue and for far less money.

The suggestion seems to pain the planners and improvers in the General Services Administration who would have to change their minds and plans. But it seems to have aroused considerable interest among the downtown business community as well as on Capitol Hill. Sen. Vance Hartke (D-Ind.) and Sen. Mike Gravel (D-Alaska), chairman of the subcommittee on public buildings and grounds, seem especially interested. If enough people write them and speak up to sustain their interest, the Old Post Office may well survive another 72 years at least. It should.

[From the Washington Post, May 17, 1970]

PENNSYLVANIA AVENUE

The stretch of Pennsylvania Avenue that leads from the Capitol to the White House is, or should be, the "grand axis" of the city, and the nation. It symbolizes at once the separation of power and the fundamental unity of the American government. There can be no question that it must be rebuilt, as President Kennedy recommended, and that the eight-year-old project to make the avenue "lively, friendly and inviting as well as dignified and impressive" should be completed by the time the nation celebrates its 200th anniversary in 1976.

This end, however, may best be served not by another special commission or corporation, as the Nixon administration seems about to propose, but by making the grand plan for the grand avenue part of the overall renewal and revitalization of the entire central core of the nation's capital. That is what should be completed for the Bicentennial. There is no sense in running a parade of splendid new buildings through a slum.

The District government was certainly right to oppose the creation of a 17-man development corporation with the power, not only to condemn and demolish buildings but also to all but ignore the legitimate interests of the people of Washington. This concept of federal supremacy is as callous and unworkable as the notion of a huge National Square in front of the Treasury to which a number of fine and viable buildings, such as the Washington Hotel and the Occidental Restaurant, are to be sacrificed. We never saw much that was "friendly and inviting" about that Square.

In many respects the work of Nathaniel A. Owings and the other architects and planners, appointed by Presidents Kennedy and Johnson to the temporary Pennsylvania Avenue Commission, was a splendid exercise. In Daniel Burnham's phrase, they made "no little plans." But there are reasons their grand plan obviously failed "to stir men's blood." Their idea of a sunken or tunneled expressway under E Street, directly connected to underground parking garages, should, to be sure, be further pursued. But so should the original concept of avoiding a solid phalanx of government buildings. It was a tragic mistake, for instance, that the Commission did not insist on locating the theater, opera house and concert hall, that now make up the Kennedy Center for the Performing Arts, on the avenue. It was unfortunate that it did not try harder to put shops and arcades on the ground floor of the rather forbidding FBI Building.

The main reason the avenue has in all these eight years failed to attract private builders with the hoped-for hotels, offices and apartments, however, is surely that the redevelopment of the rest of downtown has so far shown so little promise. What is more, the plan was just too grandiose to seem convincing to investors, particularly since its creators proved less than successful in winning congressional support for it. And even though Daniel Patrick Moynihan, one of the original and most ardent Pennsylvania Avenue planners, is now in the White House, the plan suffered considerable indifference from that quarter, too.

If the White House is now really serious about the avenue it must bring the plan down to earth where the people, the small businessmen, the life and the vital interests of this city are. It must become part of the whole, complex mechanism by which we are trying to build the Metro and more housing and parking and municipal services and facilities.

This mechanism, to be sure, is creaky, slow and cumbersome. White House interest and support could do much to improve it. For it is only in the context of the whole inner city—including the riot ravaged ghetto areas—that Pennsylvania Avenue can be rebuilt.

RESUMPTION OF SENATOR HARTKE'S STATEMENT

LACK OF PUBLIC PARTICIPATION IN THE DECISIONMAKING PROCESS

The planning process established by the pending bill fails to include residents of Washington, D.C. in the decision-making process. I make that statement in full knowledge that an effort is made to achieve that objective, but it falls far short. There must be more citizen representation on the Pennsylvania Avenue Bicentennial Commission, a greater role for the Citizen Advisory Committee, more adequate review of the Commission's plan by the National Planning Commission, the President's Advisory Council on Historic Preservation, and—not the least—by Congress.

The most successful urban planning is that which involves the people who must use the structures created under the plan. Beautiful buildings by day house workers and services which depart at night leaving inactivity in their wake. The more we concentrate on our attention on buildings and the less attention we pay to people, the more we create portions of the city which are deserted at night and of little use to city residents in daytime.

There has been a disturbing trend in this city to move those who live here further and further away from the "showcase" portion of Washington. The Capital *is* a city of monuments and buildings, but it is also a city of people. Many of those people come to Washington only to work, but nearly a million of them count this city as their home. Any renewal plan must not only envision Washington as a city of monuments, but also as a city of people.

Mr. President, the people of Washington must be an integral part of the planning and decision-making process involved in the revitalization of Pennsylvania Avenue. An

editorial from the Washington Post which speaks to this point is as follows:

[From the Washington Post, Aug. 21, 1972]

A NEW DESIGN FOR THE GRAND DESIGN

It has been a little more than 10 years since the then Secretary of Labor, Arthur Goldberg, and other cabinet members were charged by President Kennedy with finding ways to create urgently needed new space for federal offices in the nation's capital. It was part of their recommendation that a program for building new offices be looked upon as an opportunity "to enhance the beauty and dignity of the seat of government." To this end the Goldberg committee urged the President to give particular attention "to the opportunity which now exists—but will not exist indefinitely—to undertake the redevelopment of Pennsylvania Avenue." As the committee saw it, the avenue was beset with blight and decay. The likelihood that the deteriorating buildings would soon be torn down and replaced, would "make it possible to bring government and private enterprise together" in a joint undertaking to plan for rebuilding the avenue into "the grand axis" from the Capitol to the White House that L'Enfant had intended it to be. But it did not happen that way.

A grand design was indeed drawn up by some of the country's leading architects and planners, headed by Nathaniel Owings. It was an imposing plan. It was supported by three Presidents. But nothing much happened save for the FBI colossus and one private office building. It was, it turned out, a mistake to assume that the very grandeur of the intent would carry its own momentum. Both Congress and private enterprise were lukewarm towards this enterprise.

Two years ago, President Nixon therefore took a new and more promising approach. He proposed to Congress to create a federal corporation with ample funds to draft a presumably more realistic plan and the power of eminent domain as well as the borrowing power to carry it out. Mr. Nixon expressed the hope that at least a good part of the ambition to turn Pennsylvania Avenue into "a concourse which will be lively, friendly and inviting, as well as dignified and impressive," as the Goldberg committee put it, would be realized in time for the 1976 Bicentennial. Again, the proposal was met by Congressional indifference.

But now the House Interior Committee has approved such a bill and there is new hope that the great undertaking may at last begin in earnest. The Committee, however, omitted all reference to the Bicentennial from the proposal, thus depriving it of its urgency. "The city of Washington was not even in existence during the Revolutionary War," argued Congressman Roy A. Taylor (D.-N.C.). But this omission is not all that disturbs us about the Interior Committee's version of the President's proposal. Though the mayor and the chairman of the city council, along with four residents of Washington, are among the 15 directors of the Pennsylvania Avenue Development Corporation, there are no provisions for local citizen participation in its planning work. It is to be largely a federal government effort and the final plan is to be approved by Congress alone. This can only enhance the misgivings on the part of many citizens and businesmen in Washington that the new Pennsylvania Avenue will turn out to be a federal enclave, an enlarged Federal Triangle, rather than "lively, friendly and inviting" and a bustling part of the downtown business district.

We hope that the opportunity for effective local participation will still be built into the bill as it makes its way through Congress. Pennsylvania Avenue is a part, a vital part of this city. And "the city," as Shakespeare knew, "is the people." They must take part in this grand design.

RESUMPTION OF STATEMENT

ELIMINATION OF VITAL SERVICES

Mr. President, there is more at stake in the pending bill than historic landmarks and citizen representation in the decision-making process. Some of the buildings likely to be destroyed in the renovation of Pennsylvania house vital community services. Stores such as Hub Furniture, Lansburgh's and Morton's offer goods which are needed by people who live in and around downtown Washington.

Most stores are moving to suburban shopping plazas as more and more people join the urban exodus. Throughout the Nation, the middle income group is moving to suburbia, leaving cities to the poor. Businesses can move, but what about their customers? Not everyone is moving to the suburbs. Not everyone has a car to get to suburban shopping plazas. The businesses which are likely to be torn down by the Pennsylvania Avenue plan are businesses which serve the black community in Washington. We can revitalize Pennsylvania Avenue without eliminating these vital services.

A recent article on this subject which appeared in the Washington Post is as follows:

[From the Washington Post, Sept. 20, 1972]

PENNSYLVANIA AVENUE PLAN

(By William Raspberry)

Maybe it's fitting that the hearing scheduled for Thursday (Room 3110, New Senate Office Building) won't be controversial.

Except for riots, most of the decisions that profoundly affect the course of urban life tend to happen noncontroversially, in hearing rooms, board rooms and club rooms.

And what could be less controversial than a hearing on the administration-backed proposal to set up a government corporation to redevelop Pennsylvania Avenue into a glorious ceremonial route?

And yet it is fair to say that the hearing involves decisions that could have profound influence on the basic character of the central city for years to come: whether it will exist for buildings and monuments or for people, including the people who live here.

Most of the proposals for redoing the avenue envision demolition of many of the buildings and most of the small businesses along the route, especially those near 6th, 7th and 8th Streets NW. There would be depressed roadways, pedestrian overlooks, underground parking and impressive monumental squares.

(While the specifics of the proposals will not be under consideration Thursday, many observers believe that any corporation growing out of the current bill would virtually have to accept the notions forwarded by Architect Nathaniel Owings as chairman of the Pennsylvania Avenue Commission. The corporation would have only a year, with four meetings, to submit a plan to Congress, too little time to do much more than ratify the Owings plan.)

Clearly there is nothing controversial (except, perhaps, the amount of money it would cost) about making Pennsylvania Avenue into a grand boulevard, removing the eyesores along adjacent streets in the process.

But what is easy to overlook is that those eyesores are serving people, many of them carless families who don't have the option of shopping on Rockville Pike instead of 7th Street.

Among those businesses sure to be affected are Hub Furniture, Lansburgh's and Morton's. The businesses, of course, could move some place else. The question is: Where do their customers go to shop?

Spend a few Saturday-morning minutes at Morton's, and you'll see that you're talking about an awful lot of people. You'll also see that many of the buildings in that 7th Street area are ugly and rundown. But if the idea is to prettify the area without changing its essential character, you can write legislation to do that.

Some of us are afraid that an altogether different kind of idea is involved, an idea in the minds of some people of what a city ought to look like if it is to be attractive to tourists. And one of the requirements (unless it happens to be in the Caribbean or some such) is that there not be too many poor black folks around.

This has very little to do with conscious racial prejudice; it is a matter of esthetics. Poor people look so incompatible, don't you see.

One way to get rid of these unsightlies is to get rid of the things that attract them; the stores where they shop, for instance.

To the degree that this is even an unconscious consideration, the Pennsylvania Avenue proposal could lead to an acceleration of the trend that is shoving the black poor out of downtown to make way for the black and white middle-class. What happens with the avenue cannot be sperated from the pressures currently being felt in the Mount Vernon Square area, for instance, or in Chinatown.

And yet, too little weight will be given these matters at Thursday's hearing before Sen. Alan Bible's National Parks and Recreation Subcommittee of the Senate Committee on interior and Insular Affairs—not because of the press of legislative business and the feeling that time is running out.

The Pennsylvania Avenue business began as a part of the bicentennial preparation, and there is fear that if the legislation isn't enacted in this session of Congress, it will be too late to get anything built by 1976.

It may already be too late for that, in which case the best thing to do for the time being is nothing.

Permitting the whole business to lie fallow until the next session would provide time for the right questions to be raised and answered. And this time at least some of the answers ought to be supplied by the people who live here.

CONCLUSION OF STATEMENT

No one can object to the need for a program which will revitalize Pennsylvania Avenue. What is objectionable is a plan which destroys rather than creates; a plan which is for buildings rather than people.

Had the Nixon Administration been earnest in its desire to see legislation passed this session, it would have entered into good faith negotiations to formulate legislation which would meet the types of objections which I have raised today. Instead, the Nixon Administration withdrew from those negotiations leaving the Congress with legislation which is both unwise and unacceptable.

I oppose the Pennsylvania Avenue bicentennial bill in the form it has been reported, and I urge the Senate to reject it.

NATHAN CUMMINGS BASIC SCIENCES BUILDING, MOUNT SINAI SCHOOL OF MEDICINE

Mr. JAVITS. Mr. President, it was my honor to participate in the recent dedication of the Nathan Cummings Basic Sciences Building at the Mount Sinai School of Medicine of the City University of New York.

This new building is named for a longstanding personal friend, Nathan Cummings, a highly successful business leader, a leading art collector and a most generous philanthropist who donated $5 million to the Mount Sinai Medical Center expansion program.

As a member of the Subcommittee on Health of the Committee on Labor and Public Welfare, of which committee I am the ranking minority member, it is gratifying that private philanthropy in the area of health facilities construction is alive and flourishing, as evidenced by this extremely generous gift by Mr. Cummings. Government funding programs cannot do the job alone, and should not be expected to. There is a vital role the private sector giving must take in a creative partnership with government.

The Nathan Cummings Basic Sciences Building provides vital facilities in which medical school students, plus other students in related paraprofessional fields, will receive their training in the basic sciences, the essential base for the clinical years of medical training. The building also houses the biomedical sciences doctoral program of the Graduate School and University Center of the City University of New York.

Gustave L. Levy, chairman of the board of directors of the Mount Sinai Medical Center, presided at the dedication ceremony, along with Dr. Hans Popper, acting president and dean of Mount Sinai School of Medicine, and Dr. S. David Pomrinse, director of the Mount Sinai Hospital.

I ask unanimous consent that my remarks and those of the other dedication speakers be printed in the RECORD.

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

JAVITS TERMS METHADONE MAINTENANCE WAITING LISTS "SCANDALOUS"

(Remarks of Senator JACOB JAVITS)

One of the greatest challenges facing New York in the field of health is the tragic fact that we have a proven successful treatment modality for heroin addicts, whose addiction and the soaring crime it induces are threatening to suffocate New York City. Yet to our great dismay there is a gap between our scientific expertise and our capability to provide methadone maintenance treatment to thousands of addicts voluntarily seeking its help.

We realize that methadone maintenance is not a cure for all addicts. But it is a proven treatment modality for certain addicts in order to combat the scourge of heroin abuse which causes such extensive crime.

Methadone has been shown to be safe when properly administered. It has no more inherent danger than other drugs when they are abused or improperly administered.

Medical practitioners are aware that there is a calculated risk in using any drug to treat a patient. This risk must be balanced against the need and, as in this case, the possible benefits. On balance, methadone for maintenance must be considered as safe as penicillin, aspirin, tranquilizers, and sleeping medicines are for ther specific uses.

Methadone maintenance is an interim solution until we can prove that other means are more effective or, best of all, develop a non-addictive antagonist. No claim is made here that this is the optimum way to proceed. But with tens of thousands of human beings on the streets who conduct themselves like "mad dogs" toward other people, methadone maintenance seems to offer us the only immediate relief. The lives they take in crime can never be reclaimed. We must try to whatever extent possible to dam the flow of their unbelievable sickness which now makes society the victim.

We have in New York City the unhappy distinction of having about half the addicts in the United States, an estimated 250,000. Some estimates go as high as 325,000. The mere concept of maintaining this widespread habit, which is estimated to cost probably $100 a day, just boggles the imagination. When one multiplies 250,000 addicts by $100 each day to maintain the habit, and multiplies that aggregate figure for every day of the year, he can see why I speak of suffocating New York City in criminal activity of no less than $25 million a day, $175 million a week, and $7 billion a year.

The gap between proven health care and addicts seeking it is demonstrated by the scandalous enormous waiting lists for treatment in methadone maintenance programs: in New York there are approximately 18,000 addicts on methadone waiting lists. That means $2 million in crime a day and almost $800 million a year—and that is just for those addicts on the waiting list who have not been reached for methadone maintenance treatment programs.

We simply cannot afford or allow these waiting lists for methadone maintenance, and I propose that we give the first priority to wiping them out in the administration of the drug abuse, anti-poverty and welfare programs from now on.

I authored the "Drug Addict Treatment and Rehabilitation Act" (S. 2840) to try to promote the establishment of comprehensive State and local methadone maintenance programs.

I know that the methadone maintenance treatment program of Mt. Sinai is a classic example of the methadone program envisioned in my bill. Along with the medication—methadone—the Mt. Sinai program provides the supportive services to help the patient in his efforts to become rehabilitated and lead a socially acceptable and productive life. I believe that providing such assistance is a responsibility we must accept in treating the "whole person". Mt. Sinai is truly seeking to combat the scourge of heroin abuse, which is New York City's most devastating plague.

To the credit of Mt. Sinai—in addition to its teen drug abuse clinic and its medical care to therapeutic drug free programs—there are 350 addicts in treatment. They receive methadone and the supportive services of physicians, nurses, social workers, ex-addicts and other counsellors under the leadership of Dr. Barry Stimmel. Yet, Dr. Jaffee, Director of the President's Special Action Office for Drug Abuse Prevention, informs me that there is a waiting list of more than 500 addicts seeking help from the Mt. Sinai program. In fact, I understand that because of lack of physical space to bring addicts into treatment, Mt. Sinai is not even accepting these addicts' applications for treatment.

This building, which we are today dedicating so proudly as a tribute to the generosity of Mr. Nathan Cummings, indeed represents a rare opportunity. Not only will it provide for sophisticated scientific research in all the basic science areas—including a concentrated effort to find a better way of combating heroin addiction than even methadone maintenance—but also, herein the Nathan Cummings Basic Sciences Building, almost 200 gifted and dedicated young Americans from all parts of the country are undergoing the arduous training leading to careers as doctors of medicine. I hope many will seek careers in community medicine.

Here, too, is assembled a faculty of exceptional quality—men and women of national and international renown who have devoted their lives to the painstaking pursuit of the causes of diseases which afflict humankind. This faculty, some of whom are on the platform with me, is indeed a rich and rare one. In anatomy, biochemistry, microbiology, physiology, pharmacology, they have added unique insights to the basic language of science—and perhaps one will find the cure to the narcotics scourge.

The experience of addiction validates the principle that although not an infectious disease in the true medical sense, it is a communicable disease; one drug user turns and feeds on another. It is a public health menace. If we can refine the urine screening procedures in the detection of drug use to assure absolute accuracy, we can then use them in much the same way we would use a chest X-ray if we were having an epidemic of tuberculosis. We can diagnose addicts early, and in the process of treatment, keep them not only from becoming dependent, but at the same time, remove them from their associates in cases where the tendency of the drug user is to share that experience.

Heroin maintenance is not an answer since it is nothing but a "cop-out" and an admission of defeat. What good is it to supply the addict with the heroin he craves, when, first, we do not have the resources (facilities or personnel) to provide other less demanding forms of treatment assistance and, second, we do not rehabilitate but rather destroy the addict as a functioning human being in society via heroin maintenance? Moreover, freely to give the addict heroin provides a resource for him to drag others into becoming addicts while constantly asking the program to increase his alleged dose; or if he is not receiving a sufficient dose—needed four to five times a day and I assume no take-home privileges—he will continue to steal to feed his unrequited habit.

A recent New York City report gives encouraging evidence that voluntary entrance into New York City's methadone maintenance program materially reduces drug addict crime. For those drug addicts in treatment for 13 months or more, patients who had at least 2 arrests in the year prior to their admission into the program, there was a 96 per cent decrease in arrests. When we see from reports like this one that methadone maintenance programs can result in rehabilitation of thousands of people who otherwise would be hopeless heroin addicts and a scourge upon society, we have a duty to eliminate the waiting lists while the search for an antagonist and other effective long-term solutions goes on.

PROCEEDINGS OF THE DEDICATION OF THE NATHAN CUMMINGS BASIC SCIENCES BUILDING, MOUNT SINAI SCHOOL OF MEDICINE, OF THE CITY UNIVERSITY OF NEW YORK

(Presiding: Mr. Gustave L. Levy, chairman of the board)

DEDICATORY EXERCISES

Mr. LEVY. Thank you very, very much, ladies and gentlemen, for coming to this wonderful occasion. And I want to tell you how grateful I am for all of Nathan Cummings' family and friends for coming to this most memorable occasion that it really is. And, Nate, you all have been so generous in dedicating this marvelous building in which we're going to teach people for many, many years.

Dr. Hans Popper, Dr. S. David Pomrinse, members of the faculty, Sponsors of our School, distinguished guests and, again, close friends and relatives of Nathan Cummings . . . We come together this afternoon from different backgrounds and ways of life to share in a common and historic joy.

As we meet for this brief but meaningful dedication, I think of the time when this building was simply a garage for Fifth Avenue buses. What vision and courage it took to imagine that within the span of but a few years this building would be transformed into an institution of learning, a hub of research, a center for hundreds of bright young minds, and a faculty of intellectual giants whose writings are housed in every medical library throughout the world.

Didn't the Proverbs say it for us: "Where

there is no vision, the people perish"? Our Mount Sinai Trustees had vision—and if I may be excused for bluntness, they had guts. They saw the need with crystal clarity. They saw sick people who needed physicians. They saw bright young minds hungry—yes, hungry—to become doctors and practitioners of the noble art of science and medicine.

And these Mount Sinai Trustees saw an ugly wall keeping the two apart.

Are we sophisticated enough now to mention the word "quota"? These dedicated Trustees, these generous Milton Steinbachs and Joe Klingensteins and the Annenbergs and so many others, were torn by the terrible paradox: long lines of young physicians who found the doors to medical schools closed in their faces.

We saw faculty members—no less than students—suffering from discriminatory practices and promotions at medical schools throughout the country.

And as we walked through the halls of Mount Sinai, we saw, too—and glowed with pride—our clinical giants. (The late George James was right when he reminded us that we at Mount Sinai were standing on the shoulders of giants.) We saw these great clinicians walk the halls of our Hospital, work in our clinics and dispensaries and wards and the rooms of our Hospital.

And we said, "All we have to do to create a School of Medicine is to form a simple partnership of Trustee, of physician, of The City University of New York, of our great Governor, Nelson Rockefeller—a good man to have in a partnership—and a Jack Javits and a forward-thinking Board of Regents." And we would put it altogether in the form of a new school of medicine.

Not so easy, many told us. The idea is great. The need is acute. But it can't be done. However, our Mount Sinai Trustees are funny, crazy people. The need for a new school of medicine was so clear. We had attending physicians who could give us their exceptional skills and devotion. We could recruit a faculty to match in excellence the reputation of our attending giants. Why, sure, it might take a lot of money to put it all together—and I might add that it did.

We have some pretty sharp business heads on our Board of Trustees, but who could guess then that in five years the cost of constructing the Annenberg Building would zoom from $57-million to over $100 million?

But that was yesterday. We are talking about today and tomorrow.

I promised our good friend Nate Cummings that our words today would be as brief as our attainments are long. So let me say this briefly. Our Mount Sinai Board has invested in a new generation of physicians. We have invested in a faculty of excellence and international renown. We have provided our students with the most sophisticated weapons of scientific equipment.

We have now graduated three classes of young physicians—106 in all—who are serving their internships and residences at Mount Sinai and the finest hospitals throughout this nation. And today—thanks to you, Nate—we are starting a new page in our glorious 120-year history.

We dedicate this building, which proudly bears your name, as our loving and living tribute to a man of art, of science, of innate interests in medicine, of philanthropy. The names of Mount Sinai and Nathan Cummings are now welded in a common purpose and in the mutual determination that the people of our community and our nation shall be the healthier and happier for what we dedicate here today.

And now, ladies and gentlemen, it is my deep pleasure to introduce, first, a man of endless achievements—a man who wears more hats than I could possibly detail.

In the field of liver diseases, his name indeed leads all the rest.

His writings and scientific investigation can be found in the medical libraries of the world. Students and scholars the world over are richer for his creative and tireless work.

Here at Mount Sinai, he is our Acting President and Dean, and, I am proud to say, the Gustave L. Levy Distinguished Service Professor. His professional peers, nationally and internationally, have exhausted the honors and prizes they can confer upon him.

But at Mount Sinai, we love him best because he was our first Dean of the School of Medicine, before George James, and because in his love of students and his faculty and clinical colleagues, he will always be our "Poppa"—our Dr. Hans Popper.

Dr. POPPER. Thank you for this introduction. I am proud that you talk about me in this flattering tone. I would like to take this opportunity to thank you, Gus, publicly for all the help and support you have given me this last half year since the death of George James. For us, physicians and scientists of Mount Sinai, this dedication of the Nathan Cummings Basic Sciences Building represents a great day.

Ever since that historic event just about four years ago, in 1968, when we greeted our first student, this building has been in constant use. It was in this very room that the first formal lecture was given to 27 freshmen medical students, and since then, these students were joined by many others, both medical, graduate and post-graduate students.

We cherish this building which made it possible for us, just as Mr. Levy pointed out, to become a young medical school based on a hospital with a known and proud tradition. We added to the existing facilities and to the existing staff of the Mount Sinai Hospital both new facilities and new scientists, formally representing at this time the sciences basic to medicine. Individually such scientists have been for a long time in the laboratories and in the wards of Mount Sinai Hospital. But only here in this building, these scientists found their permanent home and enabled the institution to have departments of Anatomy, Biochemistry, Microbiology, Pharmacology, and Physiology. In this sense, this building symbolizes the foundation of a medical school and the ideas on which it was founded.

We said, in these early years of the founding of the School, that quantitative biology would be one of the pillars of our school, and this quantitative biology has been and will be conducted in the laboratories of this building. We said at that time we would be concerned with the individual patient, with his illness and his dignity, and in this building and in this room the basic sciences are being integrated with clinical medicine.

Here, in addition to the medical and graduate students, we are teaching the post-graduate students, under the auspices of The Page and William Black Post-Graduate School. We also said in these early years that we wished to apply the fusion of quantitative biology and of clinical experience to the community, and, again in this room and in the others of this building, many of us have presented lectures in planning what is now called "outreach" in the community where people live and work. And, most important, just as Mr. Levy mentioned, while we were interested in a different aspect, one has been the key word of this institution—and hopefully of this building—the maintenance of excellence.

This place has served, and will now serve with even more pride, as the Nathan Cummings Basic Sciences Building, incorporating all the varied aspects and the various programs of our School. It will continue to serve as a center for nearly 200 medical students and in its multidisciplinary laboratories across the hall from here, it serves as a virtual home base for almost 100 students in the first and in the second year. Here we are learning what we eventually want to complete when the Annenberg Building is up. Here we are experimenting with the problems of medical education. But at the same time, basic science is conducted with all the skills and all the sophisticated equipment characterizing the modern medical school.

Mr. Cummings, Mrs. Cummings, I know you both are well known as patrons of the arts, and I am sure you know that behind the beautiful work of the artist is the skill of the artist. Similarly, behind the complexity of these laboratories and of this equipment is the skill and the knowledge of the scientists. Many of them are here, but we have asked their representatives to join us on this platform to help me express our gratitude to you. Mr. Levy has just introduced them to you. Forgive me if I add in this introduction the keen importance which these few who were asked to be heard represent to medical science.

Dr. P. G. Katsoyannis, whom you met just before, our biochemist, is internationally known for many things, not the least of which was his achievement in synthesizing a protein which you all know as insulin.

We are proud that Dr. Edwin D. Kilbourne, our microbiologist, is a man of many parts. The students know he writes witty poetry, but we love him and respect him for his work in influenza vaccine.

Dr. Jack Peter Green is our pharmacologist, whose work covers many aspects of drug use, particularly those concerned with behavior and with drug addiction, and his elaborate techniques have brought many visitors from all over America and the world to learn from him.

Dr. Irving Schwartz is our physiologist and Dean of the Graduate School. His work, with his colleagues here and at Brookhaven National Laboratories, is ingenious and it is fundamental. His studies in elucidating the cellular action of hormones has brought great fame to him and with it to our School.

These men are representative of a large research group. All of them—they and what they represent—are distinguished as teachers.

Mrs. and Mr. Cummings, ladies and gentlemen, today as we formally dedicate this building, my colleagues and I dedicate ourselves to the pursuit of scientific medicine indicated with the need of the patients and the demands of the community. For all of us, we want to thank you again and our many friends in the auditorium for all that you have done for us, for your confidence, your financial support and, most of all, for your friendship.

Mr. LEVY. I am now most privileged to present to you a very unusual force in the life of Mount Sinai. He is the tenth in the long line of distinguished physicians and administrators who have guided the day-to-day life of The Mount Sinai Hospital.

In his quiet, pipe-smoking fashion, he has provided energetic leadership as Director of this Hospital, which takes care of 150,000 patients each year.

And yet, amidst an incredible volume of daily details, he has been giving our Board thoughtful and imaginative projections for Mount Sinai's greatest decade of development in its century of service.

I am very proud to present the Director of The Mount Sinai Hospital and Professor of Administrative Medicine of the School . . . Dr. S. David Pomrinse.

Dr. POMRINSE. Thank you, Gus, for your most gracious introduction. I know we are all eager to hear Senator Javits and Nathan Cummings, so I shall be brief.

The Oxford Dictionary of English Etymology tells us that the word *dedicate* comes from the Latin *dedicare*—to proclaim, to devote, to consecrate. And that is precisely what we are doing this afternoon.

We are *proclaiming* that the Nathan

Cummings Basic Sciences Building is but a beautiful beginning. For the first years, our perceptive, lively and often ruggedly individualistic medical students start to learn their basic sciences.

Soon, with renewed confidence and growing stature, they *devote* this basic wisdom to the living tide of humanity who come to our Hospital day and night for health and hope and life.

Finally, ten feet tall, almost, they *consecrate* their lives, like Hippocrates, Aesculapius and Maimonides, to the healing of the sick, the suffering and the anguished.

To me, Mr. Cummings, as Director of our Hospital, my greatest joy in this building that will now bear your name in perpetuity, is the gratification that in years to come, young physicians in San Francisco, Albuquerque, Houston, Chicago, Baltimore, New York, Israel—and, yes, your native New Brunswick—will bring to the people of those far-flung communities the basic scientific wisdom and clinical skills they first imbided in your building at Mount Sinai.

So we thank you for your vision, for your concern for medicine and for your inspiring generosity. For our large Mount Sinai "family," I express our heartfelt gratitude to you and Mrs. Cummings.

Mr. LEVY. Many of you here this afternoon know Nate Cummings well. Many know Nate more as a legend than as a man.

In the spirit of brevity, I refer you to our printed program of the day, where you can read for yourselves the story of this "Renaissance man."

Perhaps my task as your Chairman should be a very simple one—to show Nate and you the artist's rendition of the Nathan Cummings Basic Sciences Building. . . . Mr. and Mrs. Cummings, we wanted you to have this picture of your building. What you see now is lovely Italian travertine stone.

But it's what's inside that really counts: the 200 students, the faculty of excellence, the exceptional library, the sophisticated equipment—the endless struggle to forge new weapons against mankind's oldest diseases.

Nate, we have been proud of many things at Mount Sinai in the course of our 120-year history. But let me tell you this: I am proudest now that the name of Trustee Nathan Cummings and the Nathan Cummings Basic Sciences Building will be forever enshrined at Mount Sinai as an enduring monument to a truly extraordinary and inspiring member of the human race and to his gracious and lovely Joanne.

Mr. NATHAN CUMMINGS. My family and I are deeply moved by the many beautiful words you have said to us this afternoon. And yet, it's quite obvious to all of you that I have such mixed emotions. I was a poor boy, born in St. John, Canada. My father was born in Vilna, Lithuania. I never graduated from grammar school.

Teachers and principals and deans of medical schools and presidents of universities have always filled me with awe. And yet, I find myself standing before these artists of medicine, these writers of medical textbooks, this auditorium of learned physicians and scientists to talk to.

So, let me speak simply to you from a full heart and share with you a few thoughts that may even make sense to a doctor of philosophy.

I have learned—and it has even paid off—that there are three fundamental facts of life which can serve us as bedrock: 1) integrity 2) quality 3) hard work.

I was attracted to Mount Sinai Hospital by the late Dr. George James and Gus Levy because of its outstanding reputation. The dedication of your physicians and trustees was known throughout the world.

Even in Manchester, New Hampshire, where I worked in a little shoe store—I was 14 years old then—I heard of Mount Sinai Hospital.

During the year I spent in New York as a young teen-age apprentice, who did not know the integrity of Mount Sinai Hospital? The names of your "giants"—Bela Schick, Bernard Sachs, Emanuel Libman, Leo Buerger, and so many others.

I mentioned the word "quality" as one of the credos of my life. If one wanted the finest quality of medicine in New York City, one would first think of Mount Sinai.

"Hard work." I have been no stranger to hard work, and I need not tell you that hard work has brought me the beauties of mankind. Mount Sinai, to me, was the epitome of hard work—of excellence—of quality—of integrity.

Like the rest of us, I am by this time a reasonably sophisticated man. But when George James and Gus Levy came to me in northern Michigan last summer and said, "Nate, we want you on our Board at Mount Sinai," my heart was full.

I enjoy good health. I am blessed by many friends. I surround myself with beauty in what is, unfortunately, in this present day, a very ugly world. But that's going to change!

I tell you in all honesty that seldom have I been so moved as when my wife, Joanne, reported on her visit to the Basic Sciences Building not so long ago and told me about the enthusiasm of your students in the library in the labs and in the recreation center.

Thus, I have joined the Mount Sinai Board with joy.

I realize that we have walked on the moon. We have grown crops in the desert. We have lengthened our days on this earth. We have transplanted hearts and other organs. We have split the atom, but we still see the ravages of cancer and heart disease, the puffed bellies of undernourished children and the palsied limbs of our old parents and relatives.

There is much to be done. A great scientist said it for me: "Man is here for the sake of other men. Above all, for those upon whose smile and well-being our own happiness depends and also for the countless unknown souls with whose fate we are connected by a bond of sympathy."

You have made me endlessly happy by dedicating this lovely building to me this afternoon. Yes, we have some beautiful works of art in our home. But this now becomes a very, very prize possession, which I hope (in perpetutity) will continue in the Cummings family.

I dedicate myself anew to the work of your Mount Sinai "family," of which I am happily one—to that day, God willing, when together we can find ways to prolong life and make this a better world for humanity. Thank you very much.

Mr. LEVY. The story of a Jack Javits is the story of so many Americans: humble beginning, constant striving for the finest standards of personal integrity, development of potential skills.

His tireless service as the Senior Senator from New York—his special insights and concern for the people's health—his dedication to peace, justice, the dignity of his fellow man—are all too well known for me to recite to an audience such as this.

Let me therefore simply introduce him as a special friend of Mount Sinai, an advocate of the poor, the disadvantaged, the lonely and the sick.

With special pride and warmth, I present our great Senator and good friend . . . Senator Jacob K. Javits.

THE PRESIDENT PLAYS GAMES WITH WATER BILL

Mr. MUSKIE. Mr. President, 13 days have now passed since the House and the Senate overwhelmingly approved the Federal Water Pollution Control Act Amendments of 1972 (S. 2770) and sent the legislation to the President.

The White House has followed the progress of this legislation carefully. The issues presented by the bill do not require 13 days of study. In my floor remarks when the conference report on S. 2770 was considered, I urged that the President give the bill prompt attention and forgo the temptation of a pocket veto. One week ago I wrote to the President and further outlined for him the consequences of a pocket veto for the water pollution program and the personnel on the Federal and State levels. In that letter, I pointed out that:

> The only possible result of a pocket veto will be the termination of the program and the loss of thousands of jobs.

Since then, Administrator William Ruckelshaus of the Environmental Protection Agency has written a strong, 33-page letter to the OMB making many of the same points made in my letter and urging that the bill be signed.

The President has not responded to my letter nor to the Administrator's plea that the bill be signed. The legislation continues to sit on his desk as he plays a game of "chicken" with the Senate and the House—clearly hoping for a chance to quietly exercise a pocket veto.

I hope, Mr. President, that the Congress will remain in session long enough—until midnight tonight—to deny him that chance. In any event, I promise the President that there will be no quiet veto of this legislation—pocket or otherwise. Too much is at stake to let such an action go unnoticed.

So that Members of the Senate and the House will have access to the advice that the President has received from Mr. Ruckelshaus and myself in the event that we must respond to a Presidential veto, I ask unanimous consent that the letters to which I have referred be printed in the RECORD.

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

COMMITTEE ON PUBLIC WORKS,
Washington, D.C., Oct. 10, 1972.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On October 4, the House of Representatives passed the Federal Water Pollution Control Act Amendments by a vote of 366 to 11. Later that day, the Senate concurred with the House on a unanimous vote of 74 to 0, and the bill was sent to the White House for your action.

As Chairman of the Subcommittee on Air and Water Pollution, I cannot urge strongly enough that you sign this bill. In my view it represents a significant legislative accomplishment: the combination of what the Senate and House Conferees felt were the best features of the Administration's proposals, the Senate bill and the House bill.

I have been aware for some time of your concern that the level of funding authorized by S. 2770 would be unacceptably high, and I would like to make two points with respect to that concern:

First, in an effort to meet that objection, the Senate and House Conferees accepted an amendment offered by Congressman Harsha which would give the Executive significant flexibility by providing that funds authorized to be obligated need not be committed.

And second, controlling water pollution

will be expensive, but the cost of the program ought to be compared with the cost of non-action. The Third Annual Report of your Council on Environmental Quality stated:

"The costs of effectively controlling pollution are well within the capacity of the American economy to absorb, although there will be some transitional problems. Our Nation's quest for environmental quality can be attained without sacrificing a healthy, dynamic economy. Failure to act would cost the Nation dearly in health impairment, loss of recreational resources, and a decline in the quality of life."

In all significant respects, I think that this bill meets your call for tough, new laws, and that it merits your signature.

Prior to the Senate's final action on the legislation, reports had circulated that there was a strong possibility that this bill would be vetoed. Prompted by these reports, I expressed the hope during Senate debate that you would not use a pocket veto to ignore the action of Congress. I urged that you recognize that "a Congressional statement of public policy as clear and as definite as our action today deserves an affirmative response one way or the other."

Because several members of the Administration, including Mr. Ehrlichman of your staff, have privately and publicly indicated that a veto remains imminent, I would like to take this opportunity to expand on the statement I made on October 4 concerning the dangers of a pocket veto.

As you know, the Environmental Protection Agency is currently operating certain aspects of the water pollution control program through residual funds available from past appropriations. If the prerogative of a pocket veto is exercised, Congress will have no opportunity to respond—either by overriding a veto or by sustaining the veto and enacting continuing authority for the water pollution control program. If Congress were to sustain a veto, it would have both the responsibility and the authority to provide for interim continuation of the program. Since the program cannot be continued by Presidential action, however, the only possible result of a pocket veto will be the termination of the program.

I do not have to point out to you the consequences of termination for the water pollution control program itself. As I stated in the Senate, a pocket veto will mean that "before Congress can act again, more lakes and streams will die, more rivers and bays will drown in human and industrial wastes, and more precious time will be lost in a battle where time is running out on our future."

Equally serious, however, are the consequences of termination for the men and women who work in these programs. In an August 2 letter to the Committee, EPA Administrator William D. Ruckelshaus stated that "termination will require the furloughing of nearly 1200 people throughout the country who are currently associated with the conduct of these activities. . . . Obviously this action not only would have a devastating effect on the programs, but would also create a serious economic and morale problem for the people involved. We cannot overemphasize the critical importance of the need for the Congress to enact authority for us to continue these programs."

In a July 25 letter to the Committee, Governor Mandel of Maryland, Chairman of the National Governors' Conference, and Governor Preston Smith of Texas, Chairman of the Conference Committee on Natural Resources and Environmental Management, told us:

". . . Without legal assurance of continuity of the Federal program, the States must discontinue the employment of great numbers of employees whose salaries depend upon the grants that provide the Federal share of the jointly funded program. Many key personnel who have responsibilities for monitoring, surveillance, analytical work, laboratories, and other important areas will be lost to the water pollution control effort. With the loss of these key personnel essential activities must be restricted or even eliminated in some States."

"In many States there is no legal authority to finance the payment of salaries from State funds based on a hope, or belief, that Federal funds will sooner or later be forthcoming. In addition, the uncertainty of retroactive pay would encourage employees to seek employment elsewhere. Replacement of these valued and experienced employees, when Federal funds do become available, would be extremely difficult. We do not believe the Nation can or should tolerate such a severe disruption in the continuity of its protection of the water environment."

Mr. President, I do not believe that the men and women whose valuable talents have meant so much to progress in water pollution control on the Federal, State and local levels should be held hostage while debate continues over the fuutre shape and scope of the Federal effort. Since only Congress can provide the means to continue their work—either by insisting that S. 2770 become law, or by sustaining a veto and fulfilling its responsibility to enact continuing authority, I urge that you act one way or the other on this legislation before the end of this week so that Congress will have an opportunity to respond.

Sincerely,

EDMUND S. MUSKIE,
U.S. Senator.

LETTER FROM WILLIAM RUCKELSHAUS, ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION ADMINISTRATION, TO THE OFFICE OF MANAGEMENT AND BUDGET, OCTOBER 11, 1972, RECOMMENDING PRESIDENTIAL APPROVAL OF S. 2770, THE FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972

The essential provisions of each Title of the bill are set out below:

TITLE I—RESEARCH AND RELATED PROGRAMS

1. Goals and Policy—A national goal to eliminte the discharge of pollutants by 1985 is announced. An interim goal—the attainment of water quality to support fish and wildlife and recreation by 1983—is also provided.

2. The law would be changed to provide that EPA determine the need for and the value of water storage in Federal water resource projects for purposes of water quality control.

3. No hydroelectric projects can include storage for the purpose of water quality control unless the Administrator certifies the need. (This is a new provision.)

4. The old section 3(c), Basin Planning Projects, and Federal support are retained.

5. There is a requirement that a national water quality surveillance system monitoring the quality of navigable water, the contiguous zone and ocean be established. EPA is to utilize the resources of NASA, NOAA, USGS, and the Coast Guard in designing such a system.

6. Research on tools and techniques for making cost-benefit studies of activities subject to regulation under the Act shall be conducted and reported to the Congress.

7. The enrolled bill requires that EPA construct the National Marine Water Quality Laboratory.

8. Research and demonstrations on vessel waste systems have been transferred from EPA to the Coast Guard.

9. A waste oil disposal and utilization study is required with a report to the Congress within 18 months.

10. Annual reports will be required on research activities devoted toward developing methods and systems for reducing the total flow of sewage.

Grants for research and development

1. Grants are provided for demonstration river programs.

2. Grants are authorized to assist in the development of waste management methods directed toward no discharge of pollutants and toward new and improved testing methods.

State program grants

State program grants authority under existing law is substantially revised.

1. Authorization are increased to $60 million in Fiscal Year 1973 and $75 million in Fiscal Year 1974.

2. Allocations of grant monies are to be made in accordance with the extent of the pollution problem of the various States.

3. States must not reduce expenditures on pollution control programs below those for Fiscal Year 1971.

4. Beginning with Fiscal Year 1974, State grants will be contingent upon State monitoring programs complying with Section 305 and State authority to act in emergency situations as provided in Section 304.

Great Lakes Corps participation

The legislation directs the Corps to design a waste water management program to rehabilitate Lake Erie. EPA will cooperate with the Corps in such a design. Detailed engineering design of such program is contingent upon further legislative approval of the Congress.

Lake Tahoe study

EPA, in conjunction with other governmental agencies, is to conduct a study of appropriate Federal and State interest in the Lake Tahoe region and to provide to the Congress within one year a legislative program in that regard.

In-place toxic pollutants

EPA, in conjunction with the Corps, is authorized to remove and dispose of in-place toxic pollutants in harbors and navigable waters. $15 million is authorized for such activity.

TITLE II—GRANTS FOR CONSTRUCTION AND TREATMENT WORKS

1. $18 billion of contract grant authority is provided for Fiscal Years 1973, 1974, and 1975 for new projects.

2. $350 million is authorized to be appropriated for Fiscal Year 1972 (funds appropriated but heretofore unauthorized) for grants to be made in accordance with Section 8 of the Act as it existed prior to the enactment of the 1972 Amendments.[1]

3. $2 billion is authorized to be appropriated for the purpose of reimbursements at 50% or 55% level for projects constructed during the period 1966 to 1972.

4. $750 million is authorized to be appropriated for reimbursement at the 30% level for projects constructed during the period 1956 to 1966.

5. The Federal share for new projects constructed with Fiscal Year 1972 funds (grant authority) and Fiscal Year 1973, Fiscal Year 1974, and Fiscal Year 1975 funds (contract-grant authority) shall be 75%. There is no percentage requirement for State or community matching funds.

6. A minimum of secondary treatment would be required for all new projects, the construction of which is commenced after enactment but prior to June 1974. Thereafter, best practicable control technology must be employed.

7. Allocation shall be made in accordance with the *Cost of Clean Water* survey of needs (incorporated by reference as a published House document). Allocation for Fiscal Year 1975 shall be in accordance with a new needs survey and a subsequent legislative enactment.

8. User charges will be applied to all users

Footnotes at end of article.

of a publicly-owned facility for operation and maintenance. An additional charge will be applied to industrial users for the capital cost. The community may retain an amount equal to the non-Federal share of the cost of construction and an additional amount determined in accordance with regulations for the expansion and reconstruction of the project. Any remainder is to be returned to the Treasury.

9. Before projects are approved, other requirements must be met which include: certification against excessive infiltration of the sewer system, pre-treatment, compliance with regional plans or areawide plans under Section 208.

10. Eligibility as far as the type of construction works for which funds may be provided now includes storm and combined sewers, collection sewers, and recycled water supply facilities. Storm and combined sewer projects shall be the subject of guidelines promulgated by the Administrator with respect to eligibility.

11. Areawide waste treatment management plans must be developed for designated areas, taking into account all municipal and industrial point and non-point sources, background deposits, and potential future pollution sources, so as to devise a phased comprehensive address to water pollution control in such areas. A State-wide plan embracing all of the States not designated for areawide planning shall be the subject of a State-wide plan. Approximately three years after enactment, plans must be submitted for Federal approval along with a designation of the management agency to carry out the plan. After such plan and management agency have been approved, all grants for such area must be in accordance with the approved plan and payable to the management agency.

TITLE III—STANDARDS AND ENFORCEMENT

1. Effluent limitations

The Administrator would be directed, within one year after the date of enactment, to identify in guidelines the best practicable control technology for industrial categories, taking into account processes involved, age of equipment, and cost, considered on a national, industry-wide basis. In addition, the Administrator would be obliged to identify best available control technology and technology which would achieve the elimination of the discharge of pollutants. Again, the Administrator would be directed to take into account differing industrial processes, age of the equipment, and cost, considered on a national basis. Industrial discharges would be obliged to achieve as a minimum best practicable control technology in accordance with the guidelines by July 1, 1977. New sources of discharge would be obliged to employ the best available control technology in accordance wtih the guidelines. During the second phase, all industrial dischargers would be obliged to achieve best available control technology not later than July 1, 1983. The 1985 goal of no discharge of pollutants is not legally required under this legislation.

2. Water quality standards

Existing water quality standards for interstate waters are preserved and extended to intra-state waters during the first year after enactment. The existing mechanism for State establishment, Federal review and promulgation, and review of water quality stnadards, is continued, provided that the periodic revision of such standards necessary to meet the requirements of this enrolled bill shall be limited to use designations and criteria. Insofar as the application of best practicable control technology or best available control technology can be determined to be insufficient to meet water quality standards targets, additional controls sufficient to meet such targets must be employed.

Each State, for all the waters within that State, shall establish the maximum daily load of pollutants permitted for those waters so as not to impair propagation of fish and wildlife. Similar analysis and assessment for thermal discharges are also required.

In addition to technology control guidelines, information with respect to water quality criteria, integrity factors and methods and procedures for control of non-point source pollution will be required.

3. Water quality inventory

On January 1, 1974, EPA will provide to the Congress an inventory of all point sources of discharge (including quantitative and qualitative analyses of such) and will also identify existing water quality, and provide an assessment of that water quality which presently satisfies the 1983 water quality goals, which will satisfy those goals in 1977 or 1983 or which will not meet such goals by 1983.

4. State inventories

The States, beginning in 1975, will submit annual reports to the Congress and EPA, similar in content to those which EPA is obliged to submit in 1974, with the additional requirement that t he States propose and identify costs for programs for non-point source control.

5. New source performance standards

Within one year after the date of enactment, EPA is required to promulgate effluent standards for new sources, including, but not limited to, 28 identified categories. These effluent limitations guidelines must identify best available control technology which would be required of all new sources, including no discharge of pollutants where practicable.

6. Toxic and pre-treatment effluent standards

The Administrator would be directed to publish a list of toxic pollutants and effluent limitations for such pollutants, including, where appropriate, absolute prohibition of the discharge of such toxic pollutants. Additionally, pre-treatment standards will be published requiring any industry discharging into a municipal plant to pre-treat its effluent so that it does not interfere with the operation of the plant or pass through the plant without adequate treatment.

7. Entry and inspection

EPA has an unrestricted right of entry as well as authority to inspect records and data, monitoring equipment, and sample effluents. Upon approval by the Administrator, the States may assume EPA's authority in this area.

8. Federal enforcement

Federal enforcement is provided whereby the Administrator may enforce permit conditions and other requirements of the Act through the issuance of administrative orders, which are judicially enforceable, or, in the alternative, may proceed directly through judicial enforcement. Civil and criminal penalties are provided, with a maximum of $50,000 and two years' imprisonment for repeated violators.

9. Oil and hazardous substances liability

The existing law with respect to pollution from oil discharges is generally continued. Similar provisions of regulation and enforcement and the imposition of financial liability are extended to hazardous substances as well.

10. Marine sanitation devices

The provisions with respect to marine sanitation devices in existing law are generally continued, except that States may impose absolute prohibition of discharge from vessels in the event States determine that greater environmental protection is needed and that adequate facilities exist to receive these wastes.

11. Federal facilities

The law would be changed to require Federal facilities to comply with all Federal, State, interstate, and local requirements respecting water pollution control. The President may exempt facilities where he determines it is in the paramount interest of the United States. No exemptions are permitted with respect to toxic substances, pre-treatment requirements, and new source performance requirements.

12. Clean lakes

A clean lakes program, whereby States must submit to the Administrator an identification of eutrophic condition of lakes, processes to combat or retard such eutrophication, and methods to restore the quality of such lakes, is provided. $300 million is provided over a three-year period for such purposes.

13. National study commission

A National Study Commission composed of 15 members (5 appointed by the President, 5 appointed by the Senate, and 5 appointed by the House) shall be required to investigtae the technological effects of achieving, and the economic, social, and environmental effects of achieving or not achieving, the 1983 goal. The report of such study together with recommendations shall be submitted to the Congress three years after enactment.

14. Thermal discharges

Thermal discharges shall be subject to the same requirements of best practicable control technology and best available control technology, except where the discharger can demonstrate to the satisfaction of the Administrator that a proposed effluent limitation based upon best practicable control technology and best available control technology is more stringent than necessary to protect fish and shellfish, etc., in which event a less stringent effluent limitation may apply. Cooling water intake structures will require best available control technology.

TITLE IV—PERMITS AND LICENSES

1. A State certification mechanism like that now provided by Section 21 of the Federal Water Pollution Control Act is in the enrolled bill, provided that in place of water quality standards as the determinative criteria, the effluent limitations, guidelines and other requirements of the new law are substituted.

2. No discharge of any pollutant will be permitted, except as authorized by a permit issued under the new Act. No Refuse Act permit may be issued after enactment of the legislation. However, Refuse Act permits heretofore issued shall continue in force and effect as though issued under authority of this enrolled bill.

3. States may be authorized to continue existing permit programs for the purpose of issuing permits under this bill from the date of enactment for up to 150 days after enactment. Such State-issued permits are subject to Federal veto.

4. EPA will issue guidelines identifying an adequate State program. EPA in its permit program must conform to these guidelines. After State assumption of a permit-issuing authority, EPA will retain the right, unless waived, to review and approve any permit which affects another State, or any proposed permit, to determine adherence to requirements under the enrolled bill. EPA, after notice and public hearing, may withdraw State permit-issuing authority in the event it determines State failure to adequately implement the requirements of the enrolled bill.

5. When application for a permit has been made, but no final disposition with respect to such application is made prior to December 31, 1974, prosecutions with respect to the discharge which is the subject of such permit application may not be commenced.

6. The Administrator is required to promulgate within 180 days after enactment criteria with respect to ocean waters. These criteria addressing the effect of pollutants

on marine ecosystems, etc., parallel the criteria in the ocean dumping legislation now pending. Permits for discharge into the territorial sea, the contiguous zone or ocean waters must be in accord with these criteria.

7. The Corps shall continue to issue dredge and fill permits in accordance with criteria comparable to the EPA ocean discharge criteria. EPA may restrict the discharge of dredge material in specified sites if the Administrator determines that such discharge will have an unacceptable adverse effect on municipal water supplies, fishery resources or recreational areas.

8. Additional criteria and a potential additional permit would be required for the disposal of sewage sludge into the navigable waters, notwithstanding the fact that a permit for such dumping may have been obtained pursuant to the ocean dumping Act.

TITLE V—GENERAL PROVISIONS

1. The enrolled bill provides that the Administrator may seek injunctive relief to restrain any discharge that presents an imminent and substantial danger to public health and welfare (the latter limited to effect on livelihood).

2. Standing to sue is provided citizens or groups to enforce non-discretionary actions of the Administrator or to enforce effluent standards or limitations or orders of the Administrator. Such standing is limited to persons having an interest which is or may be adversely affected. Such suits may not be maintained prior to the rendering of 60-day notice to the alleged violator, the Administrator, and the State concerned or in the event that the Administrator or a State is diligently prosecuting such violation.

3. The Attorney General shall represent the Administrator in all litigation unless the Attorney General fails to take appropriate action within a reasonable time, in which event the Administrator may be represented by his own attorneys.

4. Provisions are made in the law to protect employees who have cooperated in the enforcement and implementation of the enrolled bill.

5. Judicial review of Administrator's action in promulgating standards, determining new source performance standards, effluent limitations, prohibitions, etc., or in issuing or denying any permit may be obtained by interested persons in the U.S. Court of Appeals for the appropriate Circuit.

6. Nothing in the enrolled bill shall preclude (except with respect to the regulation of sewage from vessels) States from adopting and enforcing more stringent requirements.

7. Other affected authority:

(a) The authority under Section 10 of the River and Harbor Act of 1899 with respect to navigation is preserved. The consultative requirements of the Fish and Wildlife Coordination Act of 1934 appear to be preserved (this Act is not mentioned).

(b) Except with respect to permits for new sources and grants for municipal waste treatment construction no action under the enrolled bill will be deemed a major Federal action for the purposes of NEPA (Environmental Impact Statements).

(c) A State certification under Section 401 or a permit under Section 402 shall be determinative of water quality considerations for purposes of Federal licenses, except that licenses or permits other than those issued under this enrolled bill nevertheless may require an Environmental Impact Statement.

8. An Effluent Standards and Water Quality Information Advisory Committee must review proposed effluent limitations, new source performance standards, and toxic standards, and make recommendations to the Agency on such proposed standards and limitations.

9. Annual reports to the Congress with respect to every major component of the program are required within ninety days of the convening of each session. A detailed estimate of costs must be submitted to the Congress every second year.

10. No suit or other litigation or other proceeding shall be affected by the enactment of this enrolled bill. All rules, regulations, orders, determinations, etc., or other actions pertaining to any functions, powers, requirements, duties in effect prior to the date of enactment of the enrolled bill continue in effect until modified or repealed in accordance with the new Act.

11. The Act prior to its Amendments in 1972 shall govern grants authorized for Fiscal Year 1972, except as otherwise specifically provided, i.e., 75% Federal share.

12. GAO is to report to the Congress by October 1, 1973, on the efficacy of the R. & D. programs relating to control technology and water pollution.

13. Congress urges that the United States enter into international agreements to apply uniform standards and limitations regarding water pollution. Commerce, in conjunction with EPA, will conduct studies on the effects on trade of differing effluent limitations as imposed by the United States and by other countries.

14. $800 million in authorizations is provided to assist small business concerns to meet the water pollution control requirements established under the enrolled bill. This would be accomplished by an amendment to the Small Business Act and administered by the Small Business Administration.

15. The Administration's proposed Environmental Financing Authority is included in the enrolled bill.

16. Sex discrimination is prohibited.

We strongly recommend that the bill be signed by the President.

When the President forwarded his proposals for water pollution control legislation to the 92nd Congress, he advised the Congress in his environmental message with respect to water pollution control as follows:

"We have the technology now to deal with most forms of water pollution. We must make sure that it is used.

"In my February 1970 special message to the Congress on the Environment, I discussed our most important needs in the effort to control water pollution: adequate funds to ensure construction of municipal waste treatment facilities needed to meet water quality standards; more explicit standards, applicable to all navigable waters; more effective Federal enforcement authority to back-up State efforts; and funds to help States build the necessary capability to participate in this joint endeavor."

To a very large extent, S. 2770 reflects the recommendations of the President. The bill also reflects many of the recommendations that Chairman Train, Chairman McCracken, and I made on behalf of the Administration in our testimony presented to the Congress.[2]

The thrust of the Administration's recommendations to the Congress was essentially this: Federal, State, and local programs to abate water pollution are not achieving their purpose; the nation is losing an irreplaceable natural resource to ever increasing pollution and degradation; the existing Federal law is inadequate and must be revised to provide for:

(a) the establishment of effluent limitations for industrial categories nation-wide;

(b) the requirement that industries employ the best practicable control technology to deal with industrial effluents, and the requirement that the best available control technology be employed by new industrial sources of discharge.

(c) the necessity to consider costs in establishing regulatory controls;

(d) the extension of water quality standards to all navigable waters;

(e) the strengthening and streamlining of Federal enforcement procedures;

(f) the establishment of a national, Federal-State system of permits to regulate industrial and municipal effluents;

(g) the expansion and reform of the municipal waste treatment facilities grant program, premised on intergovernmental cooperation and funding of needed facilities and the achievement of municipal self-sufficiency in this area.

The enrolled bill reflects the Administration's proposals and recommendations in the following major provisions:

1. Goals

The bill establishes as a "national goal" the elimination of the discharge of pollutants by 1985. This goal is understood to be a target, not a legally binding requirement.[3] In the context of the bill, the 1985 goal is best understood as an objective to be achieved insofar as technology permits, taking into account the costs of applying such technology.[4]

This change from the earlier Senate version of the bill is a major accommodation to the recommendations made by the Administrator in testimony before the House Public Works Committee.[5]

2. 15-Man Commission Study

Before the more stringent requirements of phase 2 were imposed, a comprehensive study of the desirability and feasibility of the phase 2 requirements and the 1985 goal would be accomplished by a 15-man commission (five members appointed by the President, five members appointed by the Senate, and five members appointed by the House). On the basis of this study, the Administrator would make recommendations to the Congress respecting phase 2 requirements and the 1985 goal. However, Congress would need to take further legislative action to change either phase 2 requirements or the 1985 goal. The Administration strongly recommended that a study such as this be conducted so that any necessary mid-course correction could be accomplished.

3. Phasing of regulatory requirements

The first phase of regulation would embrace the period from enactment through 1977. During this phase, best practicable control technology would be required; during the second phase, the period from 1977 through 1983, more stringent requirements, i.e., best available control technology, would be required. The Administration agreed with the requirement of best practicable control technology for phase one, but questioned whether this could be achieved by 1976 as the bill originally provided. As to the phase 2 requirements, we will have the benefit of the 15-man commission study and recommendation.

4. Effluent limitations

The key element in the Administration's proposal for this legislation was the concept of effluent limitations, as distinguished from simply pursuing water quality standards objectives. The Conference bill fully incorporates as its central regulatory point the Administration's proposal concerning effluent limitations in terms of industrial categories and groups ultimately applicable to individual dischargers through a permit system.

5. Costs

The Administration urged the Congress that in requiring stringent controls for industrial dischargers and in approaching the elimination of pollutants goal, we must not lose sight of the costs involved. The enrolled bill fully reflects the Administration's concern in that the Administrator is directed to consider "the total cost of application of technology in relation to the effluent reduction benefits to be achieved from such application" in determining best practicable control technology.[6] Similarly, in determin-

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Footnotes at end of article.

ing best available control technology for the phase 2 requirements, the Administrator is directed to take into account "the cost of achieving such effluent reduction." [7] Further, in establishing new source performance standards, the Administrator is directed to "take into consideration the cost of achieving such effluent reduction." [8]

6. Water quality standards

The Administration recommended that notwithstanding the introduction of effluent limitations into the regulatory scheme, water quality standards be retained for interstate waters and expanded to intra-state waters. The enrolled bill fully accommodates this Administration recommendation. Water quality standard objectives would continue to be applicable along with the new effluent limitations in the regulatory scheme.

7. New source performance standards

The enrolled bill provides that new sources of discharge be required to employ best available control technology. This is fully consistent with the Administration's proposal with regard to new sources.

8. Enforcement

The Administration recommended that the enforcement machinery of the current law be superseded by streamlined administrative and legal mechanisms whereby discharges could be compelled to meet permit and effluent limitation requirements through speedy administrative or judicial enforcement actions. The Administration also recommended that non-complying dischargers be subject to penalties. The enrolled bill fully accommodates that recommendation in providing for enforcement through administrative orders, court orders and injunctions, and provides for civil and criminal penalties.

9. Toxic control

The enrolled bill would require the Administrator to identify toxic substances which would be regulated pursuant to the permit program, including, where appropriate, absolute prohibitions. This is fully consistent with the Administration's own proposal in this regard.

10. Pretreatment requirements

Industrial dischargers into municipal systems will be required by the enrolled bill to adequately pretreat industrial effluents prior to discharge into community systems so as to assure that such effluents will not pass through the municipal treatment system and into navigable waters without sufficient treatment which would not have been provided by municipal treatment alone, and to prevent damage to the municipal treatment plant. This requirement again is consistent with the Administration's bill.

11. Waste treatment facilities construction

a. Federal financial assistance—The allocation of Federal financial assistance to the States is based upon needs as determined by EPA in its Cost of Clean Water survey of States and municipalities. This was the Administration's recommendation.

b. User charges—User charges must be imposed by municipal grantees on both industrial and non-industrial users. Industrial user charges to defray the capital cost of projects attributable to such industrial users may be retained by the community, to the extent such charges equal the amount of non-Federal capital costs and an amount needed for expansion and reconstruction of such treatment plant. However, the portion retained for expansion and reconstruction may not exceed 50% of industrial user charges. The Administration bill originally proposed the user charge requirement on municipal grantees. Our bill further provided that such user charges be retained at the municipal level, as distinguished from the Senate version of this bill, which required the return to the U.S. Treasury of industrial user charges with respect to the capital cost.

c. Collection systems—The enrolled bill includes collection systems in existing communities within the definition of eligible projects. It has been the Administration's view that collection systems should be included within the scope of eligible projects if such inclusion is the most cost-effective solution.

d. Regional waste treatment management plans—The enrolled bill provides for the designation of appropriate regions for which waste treatment management plans are to be developed. All sources of pollution within such region must be taken into account. Projections must be made of future population and industrial growth, so that waste treatment facility construction and regulatory requirements will be achieved in a meaningful context. The Administration endorsed the concept of such regional approaches, but took issue with the failure of earlier versions of the bill to include elected officials in the planning process. The enrolled bill now includes appropriate consultation with appropriate elected and other officials of local governments.[9]

12. Permit program

A Federal-State permit program whereby effluent limitations would be applied to individual dischargers is provided. Full permit-issuing authority may be passed to the States on the basis of Federal criteria. State permit programs now functioning may continue to function after enactment and until full permit-issuing authority has been passed to such States. However, during this interim period such State permit shall be subject to a Federal veto. The Federal overview thereafter shall consist of:

a. total withdrawal of a State program in the event of State failure;

b. Federal determination of disputed interstate effects of a discharge; and

c. Federal veto in the event the proposed State permit is determined by EPA to be contrary to law.

The inclusion of a Federal-State permit program is in full response to an Administration initiative and legislative recommendation. The provision for passing the permit-issuing authority to the States and for the limited Federal overview is consistent with our recommendation.

13. NEPA exemption

The enrolled bill exempts all actions of the Administrator taken pursuant to authorities of this Act with the exception of (a) waste treatment facility construction, and (b) new source permit, from the provisions of NEPA. This is in response to Administration urging to remove a major obstacle from the efficient functioning of the permit program.[10]

14. Calvert Cliffs provision

The enrolled bill in Sec. 511(c)(2) requires Federal agencies to accept effluent limitations of EPA and State certifications with respect to water quality as conclusive, but does not exempt such Federal agencies from the requirements of NEPA. This is consistent with Administration's policy.

15. Environmental financing authority

The Administration proposed the establishment of an Environmental Financing Authority whereby municipalities that are unable to market municipal bonds satisfactorily on the open market could sell their bonds to the E.F.A. at a favorable interest rate. The E.F.A. in turn would sell the purchased bonds on the market.[11] The Administration's proposal in its entirety is incorporated in the enrolled bill (section 12).

Although the enrolled bill does incorporate many of the recommendations of the Administration, it departs from those recommendations in several significant provisions:

1. The enrolled bill authorize $18 billion of obligational authority over a three-year period, as contrasted with $6 billion recommended by the Administration for the same period. This is largely the result of the Congress adopting a later EPA needs survey than the one that provided the basis for the Administration's request.

2. The Federal share of waste treatment facility projects would be fixed at 75%, as distinguished from 50% recommended by the Administration.

3. State matching funds for waste treatment facility grants are not required nor is any inducement for such matching provided. The Administration recommended inducements for State matching.

4. Reimbursements for waste treatment facility projects constructed during the period 1956 to 1966 may be made in an amount equal to the difference between what they received and 30%. The Administration has characterized such reimbursement as "windfall."

5. Reimbursement of States and municipalities which prefinanced the Federal share of the cost of construction of treatment plants during the period 1966 to 1972 is authorized at a minimum of 50% of the cost. This is contrasted with the Administration's proposal for reimbursement of these projects to the extent grants were authorized at the time construction of such projects was commenced (30%, 40%, 50%, 55%).

6. Storm and combined sewer projects are included as eligible for Federal financial assistance. The Administration has consistently recommended that such inclusion be deferred. It should be noted, however, that such projects will be subject to a separate set of guidelines promulgated by the Administrator.

7. The enrolled bill provides for "contract authority" for both waste treatment construction commitments and regional waste treatment management planning commitments. The Administration has recommended that the traditional authorization/appropriation process be retained.

8. The enrolled bill would limit the standing of citizens and groups in Federal courts to enforce the requirements of the Act to those who can demonstrate interest. This is contrary to the Administration's proposal, whereby citizens and groups would have such standing without regard to showing of interest.

9. The enrolled bill would authorize $300 million for an eutrophication control program to restore polluted lakes. The Administration has opposed any separate regulatory or financial schemes for particular bodies of water. However, this authorization is subject to appropriation and apportionment.

10. The enrolled bill would amend the Small Business Act to authorize $800 million for low interest loans to small businesses to assist in the financing of waste treatment facilities needed to meet the requirements of the bill. The Admiinstration did not recommend this provision.

Control of Funding

Clearly, the major difficulty we have with the enrolled bill is the increased funding it would provide in Title II beyond the amounts recommended by the Administration for Federal financial assistance to States and municipalities for the construction of waste treatment facilities and for the reimbursement of States and municipalities which have constructed such facilities.

Central to this problem is the question of the extent to which the Executive Branch can control the obligation of funds and concomitant cash outlays from the Treasury.

The $18 billion authorized to be ap-

Footnotes at end of article.

propriated for new waste treatment facility construction (Section 207) is to be made available to States and municipalities through a contract mechanism. When the plans and specifications of an applicant are approved by the Administrator, a commitment of the Federal share is made.

Does the Executive Branch have authority to impound these funds which are authorized to be obligated? We have been advised by our General Counsel that such authority does exist, notwithstanding the recent case of *Missouri* v. *Volpe*, W. D. Mo., Cent. Div., CA No. 1616, June 19, 1972.

Missouri v. *Volpe* held that macro-economic (anti-inflationary) goals were improperly considered by the Executive in deciding whether to approve a State's plans, specifications, and estimates for a particular highway project. The court found no Congressional recognition of the propriety of using such factors. In fact, Congress expressed intent in the Federal Highway Act that highway funds should not be impounded.

The situation is directly opposite in the case of the enrolled bill, however. The enrolled bill contains provisions, supported by legislative history, which show Congress's express recognition of the Executive authority to impound funds authorized by Title II. Recent White House pronouncements have indicated a Presidential willingness to veto bills which are inflationary or which provide funding at levels higher than requested by the Administration. This state of affairs was recognized in Congressional floor debate on the enrolled bill. The Conference Committee, in order to lessen the likelihood of veto of the bill, incorporated amendments proposed by Representative Harsha at the Office of Management and Budget's suggestion.

The Harsha amendments deleted the word "All," which in the House version preceded the word "sums" at the the start of Section 205, and added the words "not to exceed" in several places in Section 207 (the section authorizing appropriations.) Floor comments of Senators Muskie and Nelson, and Representatives Harsha, Gerald Ford, and Robert Jones [12] clearly show that the intent of these amendments was, in Representative Harsha's words, "to emphasize the President's flexibility to control the rate of spending." [13] The House Committee on Public Works was said to be "acutely aware that moneys from the highway trust fund have been impounded by the Executive. . . . Obviously expenditures and appropriations in the water pollution control bill could also be controlled. However, there is even more flexibility in this water pollution control bill because we have added 'not to exceed' in section 207.

"The committee recognizes there are many competing national priorities. That is the very reason the committee has placed in this legislation the flexibility that is needed for the executive branch." [14] Senator Nelson stated: "Only if the President's Office of Management and Budget or the Congress specifically directed otherwise would the money not be available at the levels in the legislation . . ." [15] Senator Muskie's remarks [16] are to the same effect.

Accordingly, we conclude that in enacting the pending water legislation, Congress clearly contemplated the application of macro-economic or anti-inflationary factors in deciding whether the full amount of authorizations or only a portion thereof should be made available for obligation. Traditional impoundment techniques pursuant to 31 U.S.C. 665 may properly be employed to limit the amount of obligations to be incurred under Title II of the enrolled bill.

The major fiscal impact during fiscal years 1973–1975 will result not because of obligations incurred for new construction of facilities, but as a result of reimbursement for projects already constructed or under construction. (This is dealt with in detail below.)

The enrolled bill authorizes a total of $2.75 billion for two categories of reimbursements.

Since these funds are authorized to be appropriated they will be subject to the usual controls and safeguards of the budegtary and appropriations process, both within the Executive Branch and the Appropriations Committees of Congress.

Through these mechanisms the windfall aspects of the reimbursement provisions as well as the timing of funding can be controlled.

The numerous conditions, limitations, and requirements with respect to treatment facility construction grants, which must be articulated in administrative regulations pursuant to the enrolled bill [17] provides a broad range of controls. Through these administrative mechanisms, storm and combined sewer projects could largely be deferred, collection system projects could be minimized, and the phasing of commitments and funding outlays for all projects could be regulated through the rigorous application of stringent requirements.

Fiscal Impact

An analysis of the fiscal impact of the enrolled bill indicates that there would be:

No appreciable increase in Fiscal Year 1973 outlays from the amount indicated in the President's budget;

A total of $33 million in outlays in Fiscal Year 1974 resulting from the $18 billion contract grant authority;

Potential flexibility for holding program outlays in Fiscal Year 1974 to the approximate level projected for Fiscal Year 1973;

A total of $2.75 billion in outlays over the period Fiscal Years 1973–1976 resulting from the $18 billion contract grant authority; and

A major increase in outlays occurring in the latter half of the decade, continuing into the 1980's.

Construction grant outlays for Fiscal Year 1974 under the enrolled bill are expected to correspond to the $1.6 billion projected for the pricing of the Administration's proposed bill in January 1972. The major outlays produced by the contract grant authority will not occur until the Fiscal Years 1976–1981 time period.

The outlays for construction grants generated by the enrolled bill and the incremental increase over the current budget is contained in the following table:

CONSTRUCTION GRANT TOTAL OUTLAYS

[Dollars in millions, 1972 dollars]

	Fiscal year—		
	1973	1974	1975
Nonreimbursable projects, fiscal year 1966–72 appropriations	349	884	794
Reimbursable projects fiscal year 1967–72 construction initiations	767	667	466
Contract grant authority projects	0	33	758
Total	1,116	1,584	2,018
Administration bill as reflected in fiscal year 1973 budget	1,100	1,570	1,450
Increase in outlays	+16	+14	+568

The bases of these estimates are:

Authorizations. Approximately 90% of the total $24.6 billion authorized by the legislation is associated with Federal assistance programs for the construction of pollution control facilities. Within this amount, $18.35 billion is for new municipal projects and $2.75 billion is for projects on which construction is completed or underway.

Reimbursable Projects. $2.75 billion is authorized for payment of the Federal share on projects where States and local communities have prefinanced the Federal share. Construction has been initiated on all such projects.

Fiscal Years 1967–1972 Reimbursable Projects. During these years many projects have been initiated with only token Federal funding, even though funding was promised when appropriations became available. The unfunded Federal share "owed" these projects is $2.0 billion. The enrolled bill recognizes this debt and retroactively increases the Federal share to 50%–55% for projects initiated in the Fiscal Years 1967–1972 time period. Many of these projects were to receive a 30% Federal share.

The cost of the retroactive increase or "windfall" is estimated at $500 million.

However, the "owed" reimbursable portion represents a commitment on the part of the Administration. In his February 1971 Message on the Environment, the President stated:

"We must also assure that adequate Federal funds are available to reimburse States that advanced the Federal share of project costs."

The enrolled bill apparently precludes any segregating in the payment process of the "owed" from the "windfall" reimbursement. EPA proposes to administer payments so the total "owed" and "windfall" adhere to the $2.0 billion authorization level.

The enrolled bill allows the Administration to phase payments against these projects and adjust for overall Federal budgetary considerations. The foregoing table does not include such an adjustment. Postponing obligations for reimbursable projects could reduce Fiscal Year 1974 outlays to the approximate level of Fiscal Year 1973. This flexibility would not have been available under the Administration's proposal.

Fiscal Years 1957–1966 Reimbursable Projects. For projects constructed in the Fiscal Years 1957–1966 time span, the enrolled bill introduces a retroactive Federal payment of 30%. $750 million is authorized for these projects. As no significant Federal assistance program existed during this period and there was thus a lack of Federal commitments, EPA proposes that no appropriation be sought and that any appropriation not be apportioned for such a "windfall."

Non-Reimbursable Projects. The remaining major increment in the outlay projection is for non-reimbursable projects for which allocation of existing appropriations has been made to the States. Outlays for this area are uncontrollable.

New Projects. For new construction, the enrolled bill authorizes $350 million to cover the unauthorized balance of the Fiscal Year 1972 appropriation, and $18 billion in contract grant authority over Fiscal Years 1973–1975. Because of the lengthy interval between project approval and completion of construction for most treatment works, no appreciable outlay payments resulting from this contract grant authority will occur until after mid-decade.

The only relative near-term increase in outlays that results from the enrolled bill is that produced by increasing the Federal share from 50%/55% to 75%.

The total value of construction initiated in the near-term under the enrolled bill is expected to correspond closely to the total value of construction that would have been initiated under the Administration bill. Under the Administration's proposal, communities were free to continue to initiate reimbursable projects, were not constricted by the $6 billion authorization, and could have substantially increased this amount. Reimbursable projects are precluded under the enrolled bill and the $18 billion contract grant authority represents a ceiling, while the Administration's $6 billion proposal represented a floor. With the projected close correspondence in total near-term value of construction starts, the potential inflationary impact upon the entire construction sector would be minimized.

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The total amount of contract grant authority contained in the enrolled bill is formulated from the Administration's estimate of construction needs as submitted to the Congress in February of this year. The total estimate amounted to $18.1 billion. The Federal share at 75% would amount to $13.6 billion. This needs estimate did not include any allowance for inflation, nor did it include funds for combined, storm, and collection sewers, or for recycled water supplies. These are project eligibilities newly specified by the enrolled bill.

This needs' estimate provided to the Congress was constructed to support the commitment of the President in his State of the Union message of January 22, 1970, to "put modern municipal waste treatment plants in every place in America where they are needed to make our waters clean again, and to do it now." This commitment was repeated in the February 1970 Message on the Environment, which enunciated funding support for "every community that needs it with secondary waste treatment, and also special, additional treatment in areas of special need, including communities on the Great Lakes." The commitment was re-endorsed in the February 1971 Message on the Environment with a statement that we should provide "adequate funds to ensure construction of municipal waste treatment facilities needed to meet water quality standards."

The enrolled bill incorporates the Administration's recommendation that the allocation to the States be done on the basis of needs, rather than population. The enrolled bill then reflects within the authorization, the latest needs' estimate provided by EPA.

Impingements on Construction Starts. As mentioned above, the enrolled bill imposes on each grant applicant certain prerequisite conditions. These include industrial pretreatment, industrial capital cost reimbursement, equitable service charges against all users, river basin or regional planning, environmental impact statements, and several other certification and compliance requirements. It is expected that conforming to these many conditions will significantly delay project approvals and postpone sizeable outlays in the near future.

Further, by prioritizing the eligibility criteria as provided within the framework of the legislation and by using cost-benefit tests of Environmental Impact Statements, obligations in the near-term can generally be restricted to only those projects necessary to meet the Administration's commitment to fund facilities required to achieve water quality standards. EPA's estimate, as provided to the Congress this year, of the cost of such facilities was $18.1 billion. The Federal share at the 75% figure in the proposed legislation would be about $14 billion in new contract authority to be phased over mandated requirements of the enrolled bill. Because of the constraints on the capability the period Fiscal Years 1973–1976. The balance of $4 billion in contractual authority could be obligated after Fiscal Year 1976. Such a phasing is expected to permit EPA and the Nation to adhere to the legislatively mandated requirements of the enrolled bill. Because of the constraints on the capability of the construction sector, achieving the legislative mandates will be difficult. This construction industry constraint could further stretch out outlays in the latter part of this decade.

Non-Construction Grant Programs. Nearly all non-construction grant programs are subject to budget request, appropriation, and apportionment. EPA requirements for these programs have not been analyzed in these comments on the enrolled bill as they are less than 10% of the total authorization, and as they can be further controlled by the Office of Management and Budget and the President.

Impact on Permit Program and Industrial Controls

Despite the national character of pollution, it has not been dealt with uniformly. Varying local revenue capabilities, economic pressures, and citizen interest have often stagnated community and State initiative. To assure equity and national progress the Federal Government undertook to coordinate and support the many various efforts to control water pollution.

As the President stated in his 1970 Message on the Environment, ". . . strict standards and strict enforcement are nevertheless necessary—not only to assure compliance, but also in fairness to those who have voluntarily assumed the often costly burden while their competitors have not. Good neighbors should not be placed at a competitive disadvantage because of their good neighborliness."

To overcome these existing disparities, the Administration proposed that "standards be amended to impose precise effluent requirements on all industrial sources." The enrolled bill has done so.

Further, the Administration established the Refuse Act Permit Program as a major tool to clean the Nation's waters. The enrolled bill formalizes the Administration's initiative by mandating a permit program. The legislation establishes national baselines for classes and categories of industry, and an equitable assessment against all discharges within each class or category.

There has been some apprehension that clean water may result in economic distress. We have examined this. Joint EPA/Commerce/CEQ studies indicate that less than 0.05% of the Nation's work force will be affected by plant closures.[18]

This we expect to be offset by greater demand in the control equipment and construction industries. Of the forecasted 200 to 300 plant closures caused by pollution control measures in the 1972 to 1976 time period, nearly all would have occurred by 1980 anyway because of the plants' marginal economic efficiency. (An additional 800 closures are anticipated as a result of the normal course of business.)

Beyond expanding the present permit program to cover all discharging points into the Nation's waters (the Refuse Act was generally confined to the direct discharge of industrial waste), the enrolled bill affords EPA the opportunity to extricate the Permit Program from its current judicial morass. The two court decisions of *Kalur* [19] and *Pennsylvania Industrial Chemical Corp. (PICCO)* [20] have, in parallel fashion, encumbered the program with an overwhelming administrative burden which has practically precluded permit issuance and suspended industrial enforcement actions.

We have lost much momentum in this area as is witnessed in the progress of permit applications at the initiation of this program in 1970.

Because of the *Kalur* decision only 20 out of 20,000 permits have been issued.

If the new legislation is not enacted this program probably will be destroyed. The Administration will be embarrassed for having initiated a highly publicized and initially controversial program which ended up in total failure and we will in effect simply throw away over 20,000 permit applications prepared at great expense and effort by industry. Industry went through the work of submitting over 20,000 applications (at costs for preparation and filing estimated in excess of $100 million).

VETO EFFECT

We can anticipate several effects resulting from a veto of this legislation.

The enrolled bill continues authorizations for many activities that represent the core of much of the Federal program. Wholly dependent upon the enactment of the pending legislation are areas such as:

Development of discharge guidelines for industry;

Monitoring and surveillance of water quality;

Research and development of advanced treatment technologies;

Health effects studies;

EPA participation in oil and hazardous material spill control efforts;

Water quality criteria investigations and research; and

Studies on procedures and methods to control pollution from agricultural, mining, transportation, and construction activities.

Nearly 1/6 of EPA's total personnel strength, or approximately 1,200 permanent and 250 temporary positions, are assigned to these areas. A pocket veto could result in terminating their employment. In several areas, ongoing uncompleted study efforts would be aborted, sacrificing the incurred expenditure of time and funds.

There presently exists a "wait and see" mood on the part of State and local governments. Aggressive program activity has been abeyed awaiting the passage of the legislation. This stagnant condition will be compounded by the uncertainty that will be bred by a Presidential disagreement with Congress over the content and direction of the Federal program. More importantly, it will counter the President's demand that we "not slacken our pace, but accelerate it." [21]

We will be confronted by the inequity of trying to pursue, through enforcement means a control program against industrial dischargers, while failing to fund municipal plants on the same stream, and not controlling those industrial wastes discharged through municipal plants. As the President stated, "A river cannot be polluted on its left bank and clear on its right. In a given waterway, abating some of the pollution is often little better than doing nothing at all, and money spent on such partial efforts is often largely wasted." [22]

Finally, we can anticipate many groups questioning the degree of Federal commitment and interest, and the Federal Government's ability to provide stable and effective leadership. The momentum of awareness and action will not be sustained and the attainment of the President's goal of "true quality of life in America" [23] will be hindered. It has taken eighteen months to produce this enrolled bill. Program delay and indecision have become common. As the President said, "as we strive to expand our national effort, we must also keep in mind the greater cost of not pressing ahead." [24]

Conclusion

Both the Administration's proposal and the enrolled bill share a common purpose of a national program of united endeavor to improve the quality of water. I believe the enrolled bill continues the existing program and is faithful to the intent of the Administration's proposal.

Most of the near-term increases in outlays result from Congress providing funds to pay existing commitments, not new ones. These principally result from payments of the Federal commitment to communities and States which pre-financed the Federal share of construction projects. Other increases result from the Congressional mandate that we conduct knowledgeable and effective planning, permit, and monitoring programs.

EPA is not unmindful of the limited resources that the Federal Government can apply to its important programs. It is a constraint that fades many hopes. We are aware of the fiscal magnitude of the enrolled bill. It concerns many people.

But countervailing this concern are the

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consequences of failure to meet our national need in this area. More so than any other, water is our most important national resource. It sustains our industry, our farms, our commerce, our enjoyment, our lives. It is also most unforgiving if it is abused. The effects linger and, if continued, multiply.

It seems reasonable to me to spend less than 1% of the Federal budget and two tenths of 1% of the Gross National Product over the next several years to assure for future generations the very survival of the Gross National Product.

FOOTNOTES

[1] Although related to Title II programs, this provision is section 3 of the enrolled bill.

[2] *Hearings before the Committee on Public Works, House of Representatives, 92nd Congress, 1st Session, on H.R. 11896, H.R. 11895 to Amend the Federal Water Pollution Control Act*, December 7, 8, 9, and 10, 1971, pp. 200, 281.

[3] H. Rept. 92–911, March 11, 1972, p. 77. Also, William H. Harsha, *Cong. Rec.*, March 27, 1972, p. 10205; Robert Jones, *ibid.*, Oct. 4, 1972, p. 33749.

[4] Robert Jones, *loc. cit.*, Oct. 4, 1972, pp. 33749 *ff.*; Edmund S. Muskie, *ibid.*, p. 33693.

[5] Hearings before House Committee on Public Works, on H.R. 11896, . . ., *op. cit.*, pp. 284-285, *et seq.*

[6] Enrolled Bill, Sec. 304(b)(1)(B).

[7] Enrolled Bill, Sec. 304(b)(2)(B).

[8] Enrolled Bill, Sec. 306(b)(1)(B).

[9] Enrolled Bill, Sec. 208(a)(2). See also Conference Report (H. Rept. 92–1465; S. Rept. 92–1236), p. 117.

[10] Testimony of William D. Ruckelshaus, March 3, 1972, on NEPA, *Joint Hearings before the Committee on Public Works and Committee on Interior and Insular Affairs, U.S. Senate, 92d Congress, 2d session*, pp. 548–549; John R. Quarles, Jr., before the House Merchant Marine and Fisheries Committee, May 2, 1972, on H.R. 14103; Robert Fri before the House Merchant Marine and Fisheries Committee, June 30, 1972, on NEPA exemption.

[11] S. 1015, H.R. 5970, H.R. 5971, H.R. 5972, H.R. 5973, H.R. 6076.

[12] *Cong. Rec.*, October 4, 1972, pp. 33694, 33711, 33754–33755, 33755, and 33755, respectively.

[13] *Ibid.*, p. 33754.

[14] Harsha, *Cong. Rec.*, p. 33754.

[15] Nelson, *ibid.*, p. 33711.

[16] Muskie, *ibid.*, p. 33694.

[17] Enrolled Bill, Sec. 204, Sec. 212(2)(B).

[18] CEQ-Commerce-EPA, *The Economic Impact of Pollution Control*, March 1972, p. 10.

[19] *Kalur* v. *Resor*, 3 E.R.C. 1458.

[20] *U.S.* v. *Pennsylvania Industrial Chemical Corp.*, 4 E.R.C. 1241.

[21] Environmental Message of 1972, February 8, 1972.

[22] Environmental Message of 1970, February 10, 1970.

[23] Environmental Message of 1972 citing Presidential address, January 1970.

[24] Environmental Message of 1971, February 8, 1971.

DAIRY IMPORT THREAT HANGS OVER DOMESTIC DAIRY MARKET

Mr. PROXMIRE. Mr. President, not so many years ago this Nation's dairy farmers were faced with a flood of foreign cheese imports that drove down dairy farm income, increased the cost to the taxpayer of the dairy price support program and added to our balance-of-payments woes. Unfortunately we may be on the verge of another such crisis.

An excellent memorandum sent by the National Milk Producers Federation to its member organizations points out that a number of danger flags are flying on the horizon. For example, England's entry into the Common Market by depriving certain Commonwealth nations—primarily Canada and New Zealand—of access to England's lucrative markets places these large butter and cheese producing nations in the position of hunting feverishly for other customers. Of course, a prime candidate is the United States.

Let us remember that every pound of foreign cheese imported into the United States displaces a pound of the domestic product which must then be purchased under the price support program, using taxpayer dollars. To allow a sharp increase in dairy imports on the basis of holding down consumer prices would be false economy in view of the immutable facts of the price support program.

I ask unanimous consent that the above-mentioned memorandum be inserted in the RECORD at this point so that my colleagues may consider the situation as the Milk Producers Federation sees it:

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

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C., October 16, 1972.

To: National directors of member associations.

Gentlemen: The United States Market for dairy products does not operate in a vacuum. Every dairy farmer knows the constant problem of curbing the flow of subsidized low-priced dairy product imports.

Even though we have advanced the level of productivity in the American dairy industry to a very great extent and even though American dairy farmers are only receiving 78.1 per cent of parity for their milk, dairy surplus producing nations continue to look at the United States market as the highest value market in the world and, because of this, find it to be the most preferred market upon which to dump their surplus products.

While our domestic supply situation represents a fair balance at the present time, there is a large surplus of dairy products hanging over the world market. Stocks of butter in the European Common Market are estimated to be some 814 million pounds and rising. Australia and New Zealand both have substantial stocks of dairy products available for export.

With the entry of England into the Common Market, Australia, Canada and New Zealand, who now enjoy preferential access to the world's largest dairy product import market, will be forced to look elsewhere for new outlets for their surplus production.

Of major concern to the consumers of this country, is the fact that the high quality of domestic dairy products, which is almost taken for granted because of the high, rigid standards for milk production and the manufacture of dairy products, is not assured on imported products. Inspection programs and raw product grading requirements differ widely throughout the world. Any expansion of imports, therefore, would subject the consumer to a lowering of the assured high quality of dairy products now available.

Seldom, if ever, have American dairy producers faced such a serious problem in dealing with the import question. The threat is both short-term and long-term in nature. We have, in recent months, seen administrative action by the federal government to lift quotas on meat imports and to limit the export of cattle hides. These actions were billed as an attempt to hold down consumer prices. While they have not resulted in any reduction of consumer prices, they have hurt livestock producer income.

There is just cause for concern among dairy farmers and their cooperatives that a similar lifting of import quotas could be attempted with respect to dairy products. The lifting of meat import quotas did not result in any great expansion of imports since there were not large stocks available for shipment to this country. Such is not the case with dairy products. As mentioned, exportable supplies of dairy products do exist in large quantities throughout the world. This, plus the fact that the United States is the world's highest value market for these products, means that if such a step were taken, our market could, and would, be flooded with highly subsidized imports within a short time. The result of such action could only be lower prices for already hard-pressed United States dairy farmers and lower quality dairy products for our consumers.

In the long run, the entry of England into the Common Market will completely reorder dairy marketing channels for Australia, Canada and New Zealand. England is the world's largest importer of butter. A large part of these imports have been provided by Commonwealth nations, but this will be replaced to a great degree from production within the Common Market. It is going to require great effort to prevent the United States from becoming a dumping ground for these products as they seek new markets. Already, pressures are building to permit freer access to our markets. Recent changes in the import quotas for cheese, unfortunately, indicate a lack of realization of the problem on the part of top Administration officials.

Another concern in this area rests with the round of negotiations that is scheduled to begin in 1973 under the General Agreement on Tariffs and Trade. Despite the fact that the United States has experienced a serious deficit in her balance of payments with the rest of the world for many years, pressures are being exerted to open our markets still further to foreign production. Agriculture has never fared well in international trade negotiations, largely because of the lack of representation by people knowledgeable in the position and problems of the American farmer at the bargaining table. For this reason, the National Milk Producers Federation has always maintained that any agreement reched under the GATT should be submitted to the Congress for review and approval before becoming effective.

These matters are being called to your attention at this time so that you can be aware of the current state of the import situation and the problems to be faced in the weeks and months ahead.

Sincerely,

PATRICK B. HEALY,
Secretary.

LOS ANGELES TIMES SUPPORTS PRESIDENT NIXON

Mr. SCOTT. Mr. President, in the Sunday, October 15, 1972, Los Angeles Times editorial, "Choice for the Presidency," the newspaper sums up this election campaign by saying:

McGovern is weakest where Nixon is strongest—in the perception of the nation's place in the world.

Mr. President, this well-respected newspaper has subheaded its editorial endorsing President Nixon by referring to four subjects: "China out of the Shadows," "Greatest Diplomatic Success," "Weakest and Strongest," and "Question of Leadership."

Mr. President, I ask unanimous consent that this editorial be included in today's RECORD.

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

CHOICE FOR THE PRESIDENCY

The political center is the battlefield of American presidential politics. Each major party has its partisans who stick with it through thick and thin, but presidential elections swing on the candidates' success in reaching the voter of the center. This is the voter who asks, "Taking all in all, to which man should I be more willing to entrust the Presidency for the next four years?"

We believe the presidential candidate of 1972 who fits that description for the voter of the center is Richard M. Nixon.

The President has in his first four years made a particularly strong record in foreign affairs.

Vietnam stands out as an exception. American disengagement has been much too slow, and the President's intentions have not been always clear. But at least the direction of American involvement is not in but out.

The sooner the President can complete the withdrawal, the more surely will he be able to press forward with the new and immensely important moves he has begun in that great part of the world that is not Southeast Asia.

It is here that he has his most persuasive claim to be given the continued confidence of the American people. In his management of foreign policy, above all in his arrangements with the Soviet Union, he has sought to adjust the balance of world power to the realities of world power. This means a less interventionist but still active United States on the world scene.

CHINA OUT OF SHADOWS

His dramatic approach to China has begun to bring that country into the world community.

Long months of careful negotiations with the Soviet Union culminated in the first stage of the arms limitation agreement, probably the most important single achievement of the Nixon Administration. There followed the Soviet-American trade agreements. These, like the SALT talks, are only beginnings but, like SALT, they are necessary and long-sought first steps toward bringing the two superpowers into closer cooperation.

The foreign aspects of the now-famous "Nixon shock" of Aug. 15, 1971, disconcerted this nation's allies and trading partners at first but now, thanks largely to second thoughts on the part of the Administration itself, a new attempt is being made to rearrange the world monetary system, and the "Nixon shock" largely achieved its purpose—to make world trade and monetary arrangements less disadvantageous to the United States.

As the President and Henry Kissinger have carefully explained, the purpose of these uses of American power is to bring about world stability, for instability lies the best hope of world peace. It has been no mean achievement by the President, all the more remarkable because to do it he jettisoned several of his own long-held opinions in order to deal in a practical way with the requirements of new realities.

GREATEST DOMESTIC SUCCESS

In domestic affairs, the President's greatest success was his handling of the 1971 economic crisis.

His decision to impose wage and price controls restored confidence, helped get the economy going and began to bring inflation under control. Here again the President showed himself sensibly flexible under the pressure of events; in the national interest he was willing to do what he had said so often he would not do.

It was unfortunate that Mr. Nixon pulled back from his one truly imaginative social program, the family assistance plan, after intense opposition from conservatives, and some liberal, of both parties. We hope, though, that in a second term the President would be willing to press again for this and for some of the other innovative ideas for social programs in education, in welfare, in housing that have been talked about in his Administration.

We hope, too, very much, that in a second term the President would turn about on the question of race, on which he has let the country down. No public opinion poll on busing can obscure the fact that race is a central problem in American life. While the President's own Administration has been moving toward integration in the South, the President has lent the authority of his office to those who would say, to North and South, stop.

In other ways, too, the President in his first term let the expediency of narrow political advantage force him to play to the right wing of his party. His Administration's concept of civil liberties is narrow. He cannot wholly disclaim responsibility for the Watergate affairs, for he is after all all the head of his party.

Mr. Nixon's potentially most serious mistake, as we have said before, was his choice of Spiro T. Agnew as his running mate for a second term as Vice President. It was an avoidable mistake, and it may some day haunt the Republican Party.

Nevertheless, the choice in November is not between the unacceptable Agnew and the unimpressive Sargent Shriver but between Mr. Nixon and Sen. George S. McGovern.

McGovern's strongest point is his obvious personal decency. That decency was outraged by the war in Vietnam when most Americans were still supporting it. It is to his credit that he saw sooner than most, and argued more strongly than most, that the course was not in the national interest.

But McGovern has been unable to translate the moral outrage of a senator from South Dakota into a convincing case that he has the experience and the judgment to be President.

He has raised a number of domestic issues that need talking about—tax reform, allocation of resources, welfare, spending for defense—but his changing prescriptions for problems have largely ranged from the extreme to the vague. Taken as a whole, they suggest that he does not understand the intricate economic machine that produces the nation's wealth. Seeking to refute the charge of radicalism, he has taken refuge in proposing the extension of old social programs, without regard to the growing realization, by liberal Democrats as well as Republicans, that many of the expensive old programs did not produce the expected results.

His views of civil liberties are, we think, more in accord with the American tradition than are Mr. Nixon's. On the future of American blacks, he has been more positive in tone than has Mr. Nixon, but no more positive in program.

WEAKEST AND STRONGEST

McGovern is weakest where Mr. Nixon is strongest—in the perception of the nation's place in the world.

The defense budget is big. It always needs close scrutiny. It may very well need cutting. But McGovern's proposal for drastic cuts indicates to us that he does not understand the intimate relationship between a strong defense and a strong foreign policy. It is becoming an unfashionable cliche to say that world peace depends upon American power, but it is true. McGovern's defense cuts would, if put into effect, send to the nations of the world, especially to the Soviet Union, the message, unmistakable and clear, that the United States was pulling back from the world as well as Vietnam. Such a signal could have the most dangerous consequences.

It is this kind of disregard for consequences that we find most disquieting about McGovern. His proposals for withdrawing troops from Europe convey the clear impression that he thinks more is to be gained from good will than from power, more from unilateral action than from careful step-by-step negotiation with an adversary. McGovern protests that he is not an isolationist. No, he isn't, in the narrow sense of the word, but he can fairly be described as a man whose interests are chiefly domestic and whose tendencies are clearly in the isolationist tradition. When he says "Come Home America," you have to take him at his word.

QUESTION OF LEADERSHIP

There is, at the end, the intangible but important question of leadership. Since his nomination, McGovern has shown himself to be uncertain about his own ideas and indecisive and clumsy in the handling of his campaign.

Mr. Nixon, on the contrary, in the Presidency has shown a capacity for growth and a willingness to change when conditions demand a change. The SALT agreement is a monument to his first term in office. His approaches to the Soviet Union and China in the name of peace are already bearing fruit. He was bold and decisive when the condition of the domestic economy demanded boldness and decisiveness.

For the voter who seeks reasonable answers to present problems, the choice in 1972 is clear. The Times recommends the reelection of President Nixon.

TRIBUTE TO JOHN SHERMAN COOPER

Mr. STEVENS. Mr. President, it is with great pleasure and great regret that I join in paying tribute to Kentucky's senior Senator, JOHN SHERMAN COOPER, who is retiring from the Senate after 20 years of outstanding service to the people of Kentucky and the Nation.

In JOHN SHERMAN COOPER, we have found a wise, dedicated and skilled legislator, who has given this country the highest quality of leadership one could render. The high esteem in which he is held is not limited to those who have had the privilege of serving with him in the Senate.

His 20 years of service marks the longest term that any Senator from Kentucky has served except for that of the late Senator Barkley. The overwhelming majority by which he was elected in 1960 and 1966 is further proof of the high regard in which he is held by his constituency.

Furthermore, in 1965, Senator COOPER was the Republican recipient of the American Political Science Association's award for distinguished service in the Senate for the 88th Congress. In 1960, he was named the ablest Republican in the Senate according to a Newsweek magazine poll of 50 Washington news correspondents covering the Senate.

Legislatively, he has left his mark on the Senate. His tireless efforts have advanced this Nation's conservation programs in addition to our educational development. He brought to the Senate a high degree of international expertise,

which he exercised legislatively a number of times. He fought vigorously for equal justice and equal opportunities for all citizens.

Personally, his wise counsel and guidance were especially valuable to me as a newcomer to the Senate in 1968. He has won respect not only as a U.S. Senator but as a truly fine individual embodying qualities we should strive to emulate.

Senator COOPER recently stated—

> The United States is a great country—fortunate and mighty in strength. We have been blessed by a system of government which holds that the affairs of nations and men can be governed by reason and justice. . . .

Senator COOPER has given us reason to share his undying belief in the greatness of this Nation and he will not be forgotten.

It is with regret and appreciation that I wish Senator COOPER the best in his much-deserved retirement. Ann and I have enjoyed being with Lorraine and JOHN COOPER on several occasions—particularly as members of the Senate NATO Assembly Delegation. We will miss JOHN and Lorraine on occasions such as NATO visits, but we want them to know they both have a special place in our hearts because of their kindness and consideration to us as fellow human beings.

SENATOR CLINTON P. ANDERSON

Mr. YOUNG. Mr. President, it is most unfortunate for not only the U.S. Senate, but the country as a whole that this will be the last session Senator CLINTON P. ANDERSON will be with us.

CLINT ANDERSON has a long record of dedicated, able, and effective service and many capabilities which are seldom equaled. Our good friend CLINT has long been recognized as an outstanding authority on many of the important issues that come before the Congress and, too, one with good judgment, particularly in the field of agriculture and the all-important area of atomic energy.

He has established the most enviable record of being one of the most able and effective proponents of legislation he believed in and as an opponent of legislation he believed was wrong. This almost unanimous recognition by his colleagues must be one of the most cherished accomplishments of his long and illustrious career.

All of us regret that CLINT will be retiring from the U.S. Senate when his present term ends. We will miss him greatly, but at the same time we understand why he would want to enjoy well deserved retirement and some relaxation from the terrible schedule he has always maintained as a U.S. Senator, Secretary of Agriculture, and Congressman.

I have been honored and my life has been made richer by having been his colleague and friend for these many years. May I join with all the Members of the Senate in wishing CLINT ANDERSON and his highly respected wife Henrietta good health and much enjoyment in years to come.

SENATOR McGOVERN'S LACK OF SUPPORT FOR EFFECTIVE LAW ENFORCEMENT LEGISLATION

Mr. HRUSKA. Mr. President, I was most intrigued on October 3 when our colleague, Senator GEORGE MCGOVERN, popped up in New York with a surprise pledge to make eradication of crime and drugs "the No. 1 domestic priorities of my administration." He made this promise during the course of what he called a "major speech on crime."

His goals are most laudable, of course. Crime and the problems associated with it are high in the American conscience. The statistics tell the tale on this question. Crime jumped 122 percent between 1960 and 1968, the years of the Kennedy-Johnson administrations.

In 1968, President Nixon made crime one of the central issues of this campaign. He said:

> Let us resolve that the wave of crime and violence will not be the wave of the future in America.

And, he promised firm action to strengthen the peace forces against the criminal forces in this Nation. He has carried out this pledge.

The growth of general crime decreased from a record rise of 17 percent in 1968 to only 7 percent in 1971. In the first half of 1972, it was only 1 percent. This is very significant progress: from 17 percent down to 1 percent. More needs to be done, to be sure, and President Nixon is committed to all the progress in this area that the Federal Government is capable of producing.

Let me suggest that the Senator from South Dakota is a bit late in climbing aboard the anticrime bandwagon. Coming as it does, as a completely new venture for him and in the midst of his presidential campaign, it looks a trifle political and expedient.

It also looks hypocritical—since Senator MCGOVERN, over the years when the Senate has been struggling with crime legislation, has never bothered to show up for most of the important anticrime votes—let alone support them.

From time to time, Senator MCGOVERN has expressed concerns about various aspects of crime. But he has seldom been here in the U.S. Senate—as the people of South Dakota elected him to be—when the chips were down and when he could have cast his vote against crime, a more effective weapon than his occasional words against crime. Here are some of the telling examples that fatally undermine his new-found concern for the crime fight as his "No. 1" domestic priority:

Senator MCGOVERN stated on July 26, 1970, that,

> I have always supported strong law enforcement and will continue to do so.

Yet in 1968, Senator MCGOVERN missed all 12 votes on amendments to S. 917—the Omnibus Crime Control and Safe Streets Act of 1968—pertaining to the admissibility of confessions in court, eyewitness testimony and funding for various law-enforcement programs.

Senator MCGOVERN also has urged on occasion additional restrictions on the sale of shotguns and rifles. Yet in 1968, he missed all 10 votes on S. 3633, the Gun Control Act of 1968, as well as the final passage of that same bill as embodied in H.R. 17735. More recently, he missed eight of the 11 votes this year on S. 2507—the proposed Handgun Control Act of 1972.

He has been a constant critic of the Federal Bureau of Investigation and was particularly hostile toward the late J. Edgar Hoover before his death. He indicated that he felt "nothing but relief" at Mr. Hoover's death and thought that former Attorney General Ramsey Clark would "be perfect" as a replacement to head the FBI. Despite these strong views, when the Senate voted in 1968 to require Senate confirmation of any new FBI Director, MCGOVERN was absent.

While voting against the men nominated by the President to be Justices of the Supreme Court in an effort to put a strong voice for law enforcement on our Highest Court, Senator MCGOVERN has missed most of the votes in the Senate on legislation to fight the scourge of organized crime in America.

As in many fields, his record with regard to organized crime is woefully scanty. In 1970, for example, he missed all six votes on the Organized Crime Control Act which was aimed at cracking down on the underworld. This record of absenteeism on this important bill came despite his statement that:

> The illegal drug trade is being deliberately pushed to enrich the underworld, and I think a large segment of law enforcement agencies ought to be going after those people.

The Senator missed his opportunity to go after them himself.

Another issue which supposedly "bugs" Senator MCGOVERN is wiretapping. He has called it a "deadly serious invasion of our personal liberties." Yet in 1968 Senator MCGOVERN missed all seven votes on amendments to S. 917 pertaining to wiretapping. He must regret those absences now, but it is just another example of the way he has wasted countless opportunities during his Senate tenure for positive action on issues he now claims to feel strongly about.

Mr. President, one particular aspect of Senator MCGOVERN's lamentable record of absenteeism on crime votes deserves emphatic attention. This is his lack of positive action on drug abuse. Nowhere is the difference between attitude and action so clear.

In July 1971, Senator MCGOVERN said:

> I'm terribly worried about the drug problem. I think it's an enormous danger—the way it's crept down even to the grade school level.

But what has Senator MCGOVERN done in his 9 years in the Senate to help solve the problem of dangerous drug abuse. In these years he has sponsored only two bills on the subject, neither of which has been enacted. He cosponsored nine bills, and only one of these passed the Congress.

Senator MCGOVERN was absent from the U.S. Senate for 10 out of the 24 major votes taken during his career on the drug problem. This means Senator MCGOVERN was absent 42 percent of the

time on one of the most gravely disturbing issues facing this country.

And, we are all aware of how Senator McGOVERN has flip-flopped with regard to the questions of legalization of marihuana in the short span of his presidential campaign.

Mr. President, to be charitable toward our colleague, it must be said that he has good intentions—just never the time nor the apparent energy and commitment to carry them out on the floor of the Senate where his first responsibility lies. And we all know what is paved with unimplemented good intentions.

Come home, Senator!

SENATOR ANDERSON OF NEW MEXICO

Mr. BURDICK. Mr. President, when the 93d Congress convenes in January 1973, there are going to be several old friends absent from the Senate. Among them will be CLINTON ANDERSON, who has served his State of New Mexico faithfully and well in the U.S. Senate since his election in 1948.

I have had the privilege of serving with CLINT on the Senate Committee on Interior and Insular Affairs, so I know from firsthand experience the breadth of his knowledge of our country and its needs. Coming to Congress from the Cabinet post of Secretary of Agriculture, he brought to legislative affairs a deep understanding of the needs and aspirations of Western State ranchers and farmers. His record reveals his sensitive and sympathetic approach to the problems of people. He is a skillful legislator whose wise counsels will be missed here. He deserves full honors from his colleagues—and will receive them—because he has served with honor.

I am proud to have served in the Senate with CLINT ANDERSON of New Mexico and wish him well in the future.

SENATOR ANDERSON OF NEW MEXICO

Mr. BENNETT. Mr. President, no one regrets more deeply than I the decision of Senator CLINTON P. ANDERSON of New Mexico to retire from the Senate, and yet I must approve and applaud his decision because if anyone has, through his public service, earned the right to return to the peace and quiet of private life, Senator ANDERSON has.

He began his public service in his own State during the depression and continued it again during the war when he served the country so effectively in its time of need for the soundest of wisdom in providing food for the civilian population as well as its more than 10-million-man army.

In the years between, I remember meeting him as president of Rotary International which is a recognition that his leadership in the field of private business paralleled his public service.

When he came to the Senate he brought with him this wealth of experience and wisdom and for the past 20 years it has been my great privilege to serve with him on the Committee on Finance, and and for the past 16 years to serve with him, and occasionally under his direction, as Chairman of the Joint Committee on Atomic Energy.

Although we have different political backgrounds, we both come from the Intermountain West and therefore share a common heritage of history and tradition which enabled us to understand each other and more often than not, to be on the same side of the economic, social, and scientific issues these committees face.

Over these many years Senator ANDERSON has earned and enjoyed a high degree of accomplishment and recognition. The burdens of his career would challenge any man of this most vigorous health, but Senator ANDERSON has been able to accomplish all of this weighed down by the burdens of physical debilitation which at times have robbed him of the chance to reach his greatest potential. So we who have worked with him are happy in the hope that now that he is about to lay down the burdens of public service, his health will improve and with it the opportunity to enjoy for many years the association of his family and bask in the honors that the citizens of New Mexico, whom he has served so well, will heap upon him.

FAREWELL TO LEN JORDAN

Mr. STEVENS. Mr. President, before I go home to Alaska to campaign for reelection I want to pay tribute to my friend and colleague from Idaho, the Honorable LEN B. JORDAN. He is retiring from the Senate after 10 years and a job well done. His accomplishments prior to becoming a Senator from Idaho are well known. I expect we will hear more of new accomplishments.

We come from States with some similar characteristics: mining and mineral interests, agricultural and land use interests and a beautiful environment. These are the great concerns of our people. Senator JORDAN identifies with Alaska. In 1933 parts of Idaho were as remote as parts of Alaska are today. As a pioneer rancher, LEN JORDAN built his family a home in the rough hewn Idaho wilderness. It is my observation he has yet to lose his zest for nature and a hard day's work. As a Governor, presidential appointee, and now as a Senator, the gentleman from Idaho evinces an abiding faith that man can utilize nature's resource without despoiling nature itself.

The realization that conservation is wise use of resources—rather than nonuse—points the way to a rational plan of conservation for the future.

I simply wish to thank Senator JORDAN for the many kindnesses he has extended to me. I have valued his counsel. He has been a good friend. Upon retirement he takes with him my respect and admiration for his character as a U.S. Senator and as a man. Ann and I know that Grace and LEN JORDAN will be our friends for many years to come. And if LEN wants a new challenge, we invite him to come North to the future—to Alaska.

MARIHUANA AND THE LAW

Mr. JAVITS. Mr. President, the first report of the National Commission on Marihuana and Drug Abuse—of which both the Senator from Iowa (Mr. HUGHES) and I are members—has caused considerable comment in the national media. Its findings and recommendations concerning marihuana are extremely thorough and well documented, and I commend it to the personal attention of every Senator.

By and large, the response of the public and professional organizations both in the United States and abroad has been favorable. A recent commentary on the report, written by Dr. Robert Coles and published in the Atlantic Monthly magazine, is representative of what seems to be the preponderant view concerning the report.

Mr. President, I believe that the evidence that has been compiled on the nature and effects of marihuana demonstrates that criminal penalties for the possession and use of small amounts of marihuana in private should be eliminated. I urge the Senate to confront this issue when the new Congress convenes in January. The injustice and hardship which has been caused, in many cases, by these outdated criminal laws ought finally to be alleviated.

The bill, which Senator HUGHES and I have introduced, S. 3517, would correct this situation while maintaining the current Federal penalties for the sale of the drug.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

MORE ON DRUGS

(By Robert Coles, M.D.)

The issue of "drugs" and "drug abuse" has not disappeared from the public consciousness, certainly not the way other apparently crucial issues have—often they streak across the American scene and are considered old hat after being discussed on a few talk shows and highlighted in the press for a season or two. But for nearly a decade now, a whole range of "experts" have talked about and argued over and tried to make sense of "drugs." Who takes them and why? The books keep coming out, and as befits an issue that has staying power, a presidential commission was appointed to go over the subject and report back as soon as possible. This it has done in *Marihuana: A Signal of Misunderstanding.*

One assumes that the members of the President's Commission on Marihuana and Drug Abuse are tough-minded and practical men who did not expect to comment on the subject matter they have just studied without obtaining their fair share of insults. After a great deal of contemplation, after months of listening to witnesses and reading and arguing things out, they have come up with their first report, and by now much of the public knows their essential recommendation: that our legal system be rather decisively overhauled so far as the laws on marijuana go. We ought to have, the commission says, a uniform law, rather than dozens of them with astonishing and occa-

sionally outrageous variations from state to state; and most significant, the possession or distribution in private of small amounts of marijuana ought not to be a state or local offense. Public possession or distribution is another matter—though again, small amounts so discovered would merely be subject to confiscation, whereas the discovery of amounts over one ounce would entail a fine of one hundred dollars. On the other hand, stiff penalties are recommended for those who go out and cultivate and buy and distribute the drug for profit; and antisocial offenses committed under its influence, as with alcohol, would by no means be condoned.

The report has been called everything good and bad, and is not intended, I believe, to satisfy those who have strong opinions, one way or the other, on the subject. A presidential commission of this kind aims to educate people, prepare the way for change that is all but certain to take place (though its exact nature is not yet certain), and help mobilize a confused nation around some action that will reduce the level of discord and suspicion—no mean achievement these days. I don't think the members of the commission expect that the American people, through their elected representatives, will accede to every suggestion in their report. There are legal and maybe even constitutional issues to be settled. How, for instance, does one sanction possession but forbid sale without getting into trouble with the notion of "private property" and its various "rights"? In any event, the overall tone of the report is in keeping with what was intended: hysteria is shunned, propaganda avoided; a serious effort is made to acknowledge errors of the past. Most of all, we are nudged toward some common ground that millions of people can stand on with a reasonable chance of not getting at one another's throats or seeing one's children caught in the grips of irrational and out-of-date laws. As a citizen one must out of duty respond to such a report, written as it was for each and every one of us; and I will do so by saying thank you for what I believe to be a thoughtful and well-done job, a real beginning and a real help—if only regarded closely by those who make our laws.

PHILADELPHIA INQUIRER SUPPORTS REELECTION OF PRESIDENT NIXON

Mr. SCOTT. Mr. President, Sunday's Philadelphia Inquirer, the city's largest circulated newspaper, editorially supported the reelection of President Nixon. In an exceptionally well-researched and well-written editorial, the Inquirer spells out chapter and verse why this country needs President Nixon's proven leadership for another 4 years. I ask unanimous consent to include the editorial, "Senator McGovern indeed offers a choice; ours is another Nixon administration."

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

SEN. MCGOVERN INDEED OFFERS A CHOICE; OURS IS ANOTHER NIXON ADMINISTRATION

As the days dwindle down, George McGovern professes to be puzzled at the turn the 1972 Presidential campaign has taken.

It was his intention, as he said in July in the flush of his victory at the Democratic convention, to make President Nixon "the fundamental issue in this campaign." And yet here in October, as Loye Miller Jr. of our Washington bureau wrote the other day, "the issue has now become George McGovern himself."

"I've got to tell you I'm baffled at the support Nixon has in the polls," Sen. McGovern mused in an interview last week. "I have not thought he was a popular President. I don't think his record has been a good one. And that being the case I am puzzled by the polls. I just don't know what they mean."

Well, we'd like to suggest and discuss a couple of reasons why Mr. Nixon is leading—and why The Inquirer now endorses him for another term.

The first is that the majority of American voters simply do not accept Mr. McGovern's shrill assessment that the President has given the nation the "worst leadership in our history."

The second is that Mr. McGovern's vacillation on the issues and his fumbling campaign have inspired little confidence in his own capacity for national leadership.

Mr. Nixon, like any other President, has his shortcomings. And his administration, like any other, has sins of both omission and commission for which it must be held accountable.

Generally, however, we believe that this contemplative President has used the vast powers of his office well to move the country in directions that the broad sweep of history will prove sound. And it is the forest, not the trees, that should command the attention of the electorate when choosing the man who will lead the nation for four years.

By this standard, the overriding issue of our time is unquestionably the search for what Mr. Nixon himself calls a generation of peace.

That peace has eluded him in Vietnam, despite the progress he has made in reducing American involvement in a war he inherited and bringing home most of the 550,000 troops his Democratic predecessors sent there. While applauding his incessant search for a settlement that will give South Vietnam a reasonable chance to survive on its own, we deplore and oppose the bombing he pursues in the attempt to force that settlement.

We cannot, however, accept Mr. McGovern's characterization of the President of the United States as a barbaric, Hitlerian warmonger under whom, in the area of foreign policy, "we are becoming a second-rate nation in the terms that will really count."

A less passionate Democratic assessment, we believe, was one couched not in desperation campaign rhetoric but in a thoughtful commencement address earlier this year by Senate Majority Leader Mike Mansfield. Commenting on Mr. Nixon's momentous visits to Peking and Moscow, he said:

"History will record 1972 as the year in which a corner was turned for peace. There are indications that the world is headed back toward constructive human purpose in its major international relationships . . . The President is responding in a new fashion to international circumstances. He is projecting not as adversary but as conciliator. In so doing, he is paying heed to the legitimate claims of a public sentiment grown impatient with the songs of peace, sung in cadence of war.

Or listen to Max Lerner, one of the most liberal of the liberal commentators, describing some of the current wonders of America":

"The wonder of a conservative President who has carried through the most revolutionary foreign policy in the history of America as a great power.

"The wonder of the nuclear weapons control treaty, nursed for several years and completed by a President formerly regarded as a nuclear hawk."

On the domestic issues, solutions to some of the economic and social problems of the country have proved as elusive as peace in Vietnam.

But "the truth is," as Eric Severeid observed recently, "that there are no quick cures. And it may be that the man the majority will respond to is the candidate who frankly acknowledges this and promises only to keep trying, without regard to doctrines or past conceptions, until some answers are found."

As in foreign affairs, Mr. Nixon has not hesitated to break with the past in trying to change the way we approach our domestic problems.

For all of Mr. McGovern's talk about reordering priorities, the fact is that in the four Nixon years such a process has been taking place. In fiscal 1968, the last year of the last Johnson budget, 45 percent of the federal budget was spent on defense and 32 percent on human needs, or social programs. In the 1973 budget, these figures are exactly reversed. As a percentage of the gross national product, defense spending during that time has fallen from almost 9 percent to slightly more than 6 percent—the lowest level in 22 years.

If one thing has become abundantly clear, however, it is that pouring more money into old programs is no panacea. Mr. Nixon's response has been a series of such fundamental reforms as welfare reform, government reorganization and revenue sharing.

Unhappily, the same Democrats who say the people are disenchanted with the way government works and who promise them a change have used their control of Congress to scuttle many of the President's proposals. But revenue sharing seems finally on the way, and we do not doubt that a second Nixon Administration would see further innovative efforts to deal with problems that have not responded to massive infusions of cash from swollen Washington bureaucracies.

Meanwhile, runaway inflation has been brought under control, even if the federal budget has not. As a result, for the first time since the mid-1960s Americans this year are enjoying an increase—of 4.3 percent—in real, spendable weekly earnings.

Many thorny problems remain, of course. But they bring us back to Mr. Sevareid's point and to the confidence the American people have in a Presidential candidate.

It may be true, as Mr. McGovern said he supposed, that Mr. Nixon has not been a "popular" President. Certainly he does not generate the kind of affection the fatherly Dwight Eisenhower did or the kind of excitement the charismatic John Kennedy did.

But in his own way, he has quietly gone about binding the wounds that tore the nation apart during the Johnson Administration and restoring to the White House a sense of dignity and respect it seemed to have lost. His lead in the polls, a Gallup spokesman said recently, does not mean that he is invincible but that he "has managed to come across with a Presidential style. There's been a real change in the tone of what is said about him."

His administration has shown its seamier sides, as in the current Watergate affair, and though the President has not been personally implicated he must of necessity bear the responsibility for those he puts in places of trust.

That is a far cry, however, from charging—as Sen. McGovern does—that the Nixon Administration is the "most corrupt in the two centuries of American government." Such a reckless broadside says more about the bankruptcy of Mr. McGovern's own candidacy than it does about the President and will be hard to sell to American voters. According to the latest Harris poll, they indicated by a 60–29 margin that they put more trust in Mr. Nixon than in Mr. McGovern.

Which brings us to the question of why Sen. McGovern has fared so poorly in trying to sell his own brand of leadership.

He is, after all, a decent, intelligent and honorable man. But he is being measured now as a potential President of all the people. And he has not measured up.

His major problem, perhaps, is one suggested by James Reston of the New York

Times: "He has probably misjudged the mood of the country and emerged as the champion of militant forces that want more change than the majority of the voters desire."

That appeal to the militants won the nomination for him, even though he took only 23 percent of the votes in the contested preferential primaries. But it left his own party grievously split. In trying to repair that wreckage and broaden his support, he has damaged his credibility by waffling on so many issues that not even his original supporters know where he really stands.

In his handling of the Eagleton affair, he not only dealt his credibility a further blow but emerged as indecisive and reluctant to face up to unpleasant situations.

And in the management of his inept campaign he has raised doubts about his ability to run anything, much less the most powerful nation in the world.

Mr. McGovern talks of building "a new coalition that will bring about fundamental changes in the country." But he seems quite fuzzy himself on some of those changes, and even fellow Democrats express concern about some of the others.

Before finally abandoning his grand design to give everybody in the country $1,000 a year, for example, Mr. McGovern was asked in a television debate what it would cost and answered simply: "I don't know."

Although he insists he could cut $30 billion out of the defense budget without endangering the country, it was not Melvin Laird but Hubert Humphrey who warned that his proposals "cut the muscle in the very fiber of our national security."

And it was not Barry Goldwater but one of the more liberal Southern Democrats, Duke University President Terry Sanford, who expressed concern about the thinking behind some of Mr. McGovern's domestic proposals—"the thinking . . . which sees a greater paternalistic action in supporting people, bigger and bigger government. I think that the frame of mind that one gets into in serving in the Senate causes one to look at the problems of the country in terms of massive plans. They are not going to work any more. But I think he goes a step beyond that . . . Most of his programs come through as a highly centralized approach to the problems of America."

Mr. McGovern indeed offers a choice on Vietnam, where he proposes to end our involvement immediately with what such a dispassionate observer as the Times' Mr. Reston has called "virtually a formula for surrender."

But he offers other choices as well, both in his proposals—whatever they may be at a given moment—and in his casual style of leadership.

For our part, we would choose four more years of the Nixon Administration. The White House is not ready for George McGovern—or vice versa.

SEGREGATION—NIXON STYLE

Mr. ALLEN. Mr. President, an extremely interesting article appeared in the October 23, 1972, issue of U.S. News & World Report entitled "Segregation, Nixon Style—How Nixon Would Deal With It."

The article is composed of excerpts from a memorandum submitted to the U.S. Supreme Court on October 6, 1972, by U.S. Justice Department attorneys in connection with the landmark test case on de facto segregation involving the public school system of Denver, Colo. I request unanimous consent that the article be printed in the RECORD.

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

SEGREGATION, NORTHERN STYLE—HOW NIXON WOULD DEAL WITH IT

Now before the Supreme Court is a landmark test on de facto segregation—the kind that is commonly found in Northern schools.

At issue: What, if anything, should a city be required to do about racial imbalance that is not caused by racial discrimination?

In a case involving Denver schools, the Nixon Administration suggests this: Don't bus children—improve black schools.

(Following are excerpts from a memorandum submitted to the U.S. Supreme Court on Oct. 6, 1972, by U.S. Justice Department attorneys in the Denver school case:)

This case presents for the first time in this Court questions involving the application of the "equal protection" clause [of the Fourteenth Amendment] in the context of racial and ethnic concentration in a Northern urban school system with no history of compulsory segregation.

The record sets forth a pattern familiar to many urban areas: a basic neighborhood-school system; a well-defined "core area" populated predominantly by black or ethnic minorities; a gradual expansion of this area into surrounding neighborhoods, accompanied by an increasing number of predominantly minority schools, and significant evidence of sub-par educational success in such schools.

Both below and in this Court, the parties have urged one-dimensional application of the equal-protection clause. The plaintiffs contend that official acts of invidious racial discrimination have been widespread and continuous and require systemwide desegregation relief. The defendants argue that racial and ethnic impaction in the schools is primarily a function of residental patterns and that any offical acts found, in retrospect, to have been racially motivated should be viewed as remote and insignificant causes of the present problems.

We agree with the courts below that there are at least two discrete applications of the equal-protection clause to this factual pattern:

First, both the district court and the court of appeals found that, with respect to some of the schools in the neighborhoods that changed from Anglo to black or Hispano, the school board took official steps that deliberately caused or promoted minority concentrations. Such acts of *de jure* segregation violate the equal-protection clause and, under the decisions of this Court, must be remedied promptly and effectively.

Second, with respect to the original core-area schools, both courts found that the petitioners had not presented sufficient evidence to show that the minority concentrations were related to official school-board acts. The record supports that finding as to most core-area schools.

However, there was some evidence that the school district allocated disproportionately less of its resources to such schools and that by some of the standard measurements a poorer quality of education was delivered. The district court found in these "input" and "output" disparities a constitutional violation which it chose to remedy by eliminating the racal concentration.

The court of appeals, however, found the apparently inferior education to be casually remote from the disproportionate allocation of resources and therefore considered it only an educational and not a constitutional problem. . . .

We concur generally with the district court's legal analysis, but believe that the relief ordered was beyond that required to remedy the violation. Under familiar principles, we therefore suggest a remand to define more precisely the nature of the violation and to design appropriate relief in this phase of the case. . . .

1. STANDARDS FOR DETERMINING WHETHER THERE HAS BEEN AN UNCONSTITUTIONAL SEGREGATION OF PUBLIC SCHOOLS

We begin with the premise that the existence of racial or ethnic imbalance in public schools does not, by itself, constitute a prima-facie case of unconstitutional segregation of public schools.

We also assume that the intentional segregation of students in public schools on the basis of race or national origin is per se an invidious racial or ethnic classification that cannot be justified by benign motives and is therefore unconstitutional.

While an absolute rule based solely on segregative results or, conversely, requiring in every case proof of discriminatory motive might be easy to apply, the former would, in our view, go beyond the requirements of the Fourteenth Amendment, and the latter would mistakenly permit an agent of the State to segregate students by race or national origin so long as his motive is benign.

The proper test requires a more sophisticated scrutiny of the facts to determine whether State officials have intentionally acted to create a racial or ethnic classification and whether the classification is an invidious one; it does not require a probing of the subjective motives of those State officials. . . .

2. STANDARDS FOR DETERMINING WHETHER THERE HAS BEEN A DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

In ascertaining whether school authorities have unlawfully discriminated on the basis of race or national origin by providing Negroes and Hispanos inferior facilities, faculties or instructional programs, the courts again must also determine the existence of State action, of an invidious racial classification and of a present discriminatory effect.

Two types of evidence relating to unequal education were presented in this case: evidence about objectively measurable resources allocated to the various schools in the system (teacher experience and turnover, site size, age of buildings) and evidence of a more indirect nature about the quality of the educational program in the various schools (achievement-test scores, dropout rates, testimony of educators and parents).

The causes of substandard academic performance are too conjectural to be made the central issue in desegregation suits, and, in any event, substandard performance is not the only effect of inadequate schooling.

Where the State provides inferior resources to predominantly Negro/Hispano schools, there is State action; in the absence of a legitimate nonracial reason for the disparity, there is a racial classification.

The present discriminatory effect is simply that minority-group students are receiving inferior resources for their education, and nothing further in the way of proof about educational consequences should be necessary to show that this is a basic unfairness.

Where non-school-related factors produce differing educational needs among different racial and ethnic groups, the school system must seek to meet the needs of all groups equally.

If it fails to take adequate steps to meet these differing needs, the court may find that disparate achievement levels are school-related and caused by State action. . . .

Evidence shows the existence of a school-related disparity in the achievement levels of children at minority-group schools and Anglo schools. In these circumstances, we believe that the school board can meet its heavy burden of justifying its failure to eliminate the disparity by demonstrating that it is engaged in a concentrated, high-priority,

bona fide effort to meet the educational needs of the minority-group students. . . .

3. STANDARDS FOR FASHIONING AN APPROPRIATE REMEDY

Both of the courts below found that the Denver school board had, through official acts, substantially contributed to the racial concentration of black students in the Park Hill area schools. This finding is supported by the record and should not be disturbed. The relief ordered by the district court and approved by the court of appeals was the implementation of the corrective program adopted and subsequently rescinded by the school board.

Under the circumstances of this case, we believe that these steps "promise realistically to work *now*" and are therefore appropriate.

We further support as legally and factually sound the conclusion of both courts below that the racial and ethnic concentrations in most of the core-area schools did not originate with the policies and practices of the school board.

However, we share the view of the district court that significant disparities in educational opportunities in a group of schools defined by racial and ethnic concentrations would constitute violations of the equal-protection clause.

We do not concur with the district court's assumption that the only effective remedy for such a violation is to eliminate the racial concentration—and therefore the long-standing neighborhood-school policy—by transferring the affected students.

It would be equally effective to eliminate the disparities rather than disperse the students. Indeed, such a program could be more specifically tailored to the violation—i.e., the failure to provide an equitable share of resources and to meet special educational needs—and to that extent would be a preferred equitable remedy.

We therefore agree with the court of appeals that in this situation the educational program, not the racial concentration, is the legal problem; we do not support that court's view that such a condition is beyond the area where it is appropriate for the federal judiciary to intervene.

If a violation is found, "the task is to correct, by a balancing of the individual and collective interests, the condition that offends the Constitution." That balancing ing process may be difficult to apply where the condition is a denial of equal educational opportunity, since there is widespread disagreement among educational experts as to what the individual and collective interests are.

However, while recognizing that there is not at this time—and may never be—one perfect educational remedy for the offending condition, one should be able to formulate guidelines for fashioning a judicial remedy. . . .

We submit that the most appropriate remedy for this kind of violation is an educational one and should be developed by the school board in the first instance. Its elements would include: (1) application of resources in an evenhanded manner, (2) identifying within the limits of educational expertise the special needs of each school that has either received inferior resources or offered demonstrably inferior educational opportunities, and (3) plans for designing and implementing a remedial program to meet such needs.

DENVER SCHOOL CASE—ITS BACKGROUND AND THE ISSUES

The Denver school controversy began in 1969 when the school board decided—voluntarily—to use busing and other devices to obtain more racial mixing in the public schools.

In an election later that year, opponents of busing won a majority on the school board, which then rescinded most of the previous board's integration plans. Thereupon, eight black families filed suit in U.S. district court, demanding full integration of the schools.

Denver's racial situation is this: Only about 14 percent of public-school pupils are black, and about 20 percent are Mexican Americans—or "Hispanos." But those minorities are heavily concentrated in schools in two sections of the city.

The city has never segregated races by law. The present school board argues that its policies are not discriminatory, that whatever racial segregation exists is *de facto*—resulting from residential patterns—and that the U.S. Supreme Court has never ruled *de facto* segregation to be unconstitutional.

The district judge held, however, that the school board, by some of its policies, had deliberately fostered racial segregation in some schools in an area known as Park Hill.

The judge conceded that the minority concentration in another area—in downtown Denver—was *de facto*, not discriminatory, but found the educational opportunities offered to pupils in both areas to be inferior. He ruled that—regardless of the cause—the school board must take action to equalize educational opportunities in both areas by employing a combination of busing, rezoning and compensatory education in the minority schools.

This ruling was appealed to the Tenth U.S. Circuit Court of Appeals. That Court upheld the finding of discrimination in Park Hill and approved busing as "one of the tools" that could be used there. But the Appeals Court held that in the area of *de facto* segregation there was no constitutional requirement for action by the school board.

Both sides have appealed that ruling to the Supreme Court of the United States.

Mr. ALLEN. Mr. President, the article is interesting for several reasons, not the least of which is that it points up a default by Congress in its failure to enact statutory remedies to be applied by Federal courts in desegregation cases.

In my judgment, the failure of Congress to exercise its constitutional power and duty to provide statutory remedies for denials of equal protection of the laws will result in a constitutional amendment. Had Congress enacted remedies with reasonable limitations on excessive busing, such an action would have obviated the necessity for the Supreme Court to undertake to resolve the complex problems of finding remedies by resort to mythical discretionary equity powers in U.S. district court judges. I believe now that a constitutional amendment is probably the only way to resolve the question once and for all.

After having read the position of the Department of Justice as developed in the memorandum filed with the Supreme Court in the Denver case, it is difficult to understand how anyone can avoid the same conclusion.

The U.S. Department of Justice agrees in its memorandum that under the facts of the Denver case there is involved at least two applications of the equal protection clause of the 14th amendment.

The first involves a denial of equal protection of the law in violation of the 14th amendment by reason of deliberately caused segregation resulting from official actions of the school board. The second deals with denial of equal protection of the laws in violation of the 14th amendment by reason of an unequal allocation of resources to public schools characterized by a high concentration of racial minority pupils.

The Department of Justice pleads for the application of different remedies to each of these situations. The Department of Justice would seem to favor three separate sets of remedies in desegregation cases—remedies to be applied in Southern States; remedies to be applied in cases involving deliberate segregation in States outside of the South; and cases involving denial of equal educational opportunity in States outside of the South.

However, each of the denials of equal protection of laws has certain elements in common: First, each represents invidious discrimination based on classifications by race. Second, each results in denial of equal educational opportunities. Third, each is, therefore, a denial of equal protection of the laws. Fourth, in each case the question of determining remedies is left to the discretion of U.S. district court judges. Fifth, in each case U.S. district court judges are recognized as having an inherent discretionary power to operate, manage, and control local public schools to the extent that a U.S. district court judge may think necessary and proper without regard to the will and wishes of parents whose children are disposed of by the judge's orders.

There are several conclusions which can be drawn from the position of the Department of Justice in this case. The first is that any guidelines handed down by the U.S. Supreme Court will apply henceforth to every school system in every State of the United States because Congress has abdicated its responsibility under the 14th amendment to enact laws to enforce the amendment.

Regardless of how the Supreme Court may eventually rule, one can foresee that our Nation is in for an extended period of litigation and continued chaos and disruption in the public schools. The Supreme Court and the Nation are in an intolerable situation which, in all likelihood, can finally be resolved only by a constitutional amendment.

It is ironic that so-called champions of civil rights legislation are largely responsible for this mess. They have consistently voted to keep the executive department of Federal Government from undertaking to remedy denials of equal educational opportunities in school systems outside of the South.

In the Civil Rights Act of 1964 they resorted to cryptic words and phrases to make clear that no cause of action was to be created for denials of equal educational opportunities by reason of segregation in States outside of the South.

In every congressional limitation on the use of Federal funds for busing, they made certain such limitations would apply in their own States but not in States in the South.

In the enactment of the Emergency School Aid Act it was made clear that the right of school boards to a stay of lower court orders requiring new busing pending the outcome of appeals, would

apply only in their States and not in States in the South.

In the liberal led filibuster against the Equal Educational Opportunities Act, liberals demonstrated an unwillingness to create a statutory cause of action and statutor remedies for denial of equal educational opportunities in their States, just as they did in the 1964 Civil Rights Act. The result of these actions was to leave the matter of remedies in so-called de facto segregation cases to Federal courts.

So, Mr. President, the chickens have come home to roost. On the one hand, those who have resisted every effort by Congress to cope with the problems of excessive busing in desegregation of schools must accept the blame and responsibility for intervention by Federal courts and the excessive busing orders in their own States.

They are also responsible for the nationwide support which is fast building into an irresistible force for a constitutional amendment. The people are not willing to leave to the discretion of U.S. district court judges the power to rule the lives of millions of parents and schoolchildren in an area that vitally affects the health, safety, and welfare of schoolchildren.

TECHNICAL ERRORS IN S. 3843

Mr. SCOTT. Mr. President, on October 6, during a typically hectic day toward the close of a congressional session, the Senate passed S. 3843, a bill to provide loans to railroads damaged in the June floods. This legislation is highly important to the Northeast and other flood stricken areas, and had to be passed before this session ended.

Certain amendments were adopted on the Senate floor prior to passage which rearranged some subsections and added others. As a result, some technical errors crept into the bill and, while the bill manager (Mr. HARTKE) had obtained unanimous consent for the Secretary of the Senate to make necessary technical corrections, some were inadvertently overlooked.

Under normal circumstances, these errors would have been corrected when the House of Representatives passed this bill last week. However, because the House did not take up the bill until late Friday, and because it looked as though Congress might adjourn before the Senate could clear a House corrected version, the House passed the Senate version of S. 3843, without making any changes, technical or otherwise.

The technical errors and the corrections which should have been effected are as follows:

First. Section 5(a) in the last sentence makes reference to subsection "4(c)(3)." That reference should have been to subsection "4(c)(4)" because of renumbering caused by a Senate floor amendment.

Second. Similarly, section 6(a) makes reference to subsection "4(c)(3)" and this, too, should have been changed to read subsection "4(c)(4)."

Third. Section 11 makes reference to "the schedule prepared under subsection 4(c)(1)." Because of a Senate floor amendment, no schedule will be prepared under the referenced subsection, but one is required to be developed under subsection 4(c)(3) and the reference in section 11 should be to subsection "4(c)(3)."

As can be seen, all of the errors relate solely to internal references in the bill which would probably be apparent to anyone reading the legislation. While the errors cannot now be corrected without a concurrent resolution, I would hope that those concerned with this legislation would make no mistake about the congressional intent with respect to S. 3843.

I have been advised that the floor manager of S. 3843 (Mr. HARTKE) supports the making of this clarifying statement, but was not able to be present today to express himself personally.

CANADA-UNITED STATES RELATIONS: OPTIONS FOR THE FUTURE

Mr. MANSFIELD. Mr. President, I am in receipt of a special issue of "International Prospectives" which contains a thoughtful article on Canada-United States relations by the Honorable Mitchell Sharp, Canada's Secretary of State for External Affairs. This is a most important subject which needs more understanding by both sides and Secretary of State Sharp's analysis and assessment is worthy of our most earnest consideration and study.

I ask unanimous consent that the article referred to be incorporated at this point in the RECORD.

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

[From International Perspectives, Autumn 1972]

CANADA-UNITED STATES RELATIONS: OPTIONS FOR THE FUTURE

(By Mitchell Sharp, Secretary of State for External Affairs)

FOREWORD

The Canada-U.S. relationship was identified in *Foreign Policy for Canadians* as a key factor in Canadian policy-making. Over the past year or so a number of studies have been in progress of the relationship and its impact on Canada. The present article reflects some of the main assessments and conclusions which have emerged from those studies. In the preparation of the article I have had the benefit of the advice and assistance of my colleagues in the Government and officials in the Department of External Affairs.

MITCHELL SHARP,
Secretary of State for External Affairs.

THE OPTIONS

Canada can seek to maintain more or less its present relationship with the United States with a minimum of policy adjustments.

Canada can move deliberately toward closer integration with the United States.

Canada can pursue a comprehensive long-term strategy to develop and strengthen the Canadian economy and other aspects of its national life and in the process to reduce the present Canadian vulnerability.

In the review of Canadian foreign policy which the Canadian Government published in 1970 under the title *Foreign Policy for Canadians*, the challenge of "living distinct from, but in harmony with, the world's most powerful and dynamic nation, the United States" was described as one of two "inescapable realities, both crucial to Canada's continuing existence" in the context of which Canadian policy needs—domestic and external—must be assessed. The other was the "multi-faceted problem of maintaining national unity".

If the importance of this unique relationship is such as to affect the whole of Canada's foreign policy, it is in turn influenced by the nature of the world environment, and of the relations the United States and Canada have with other countries. As was recognized in the foreign policy review, and has been dramatically illustrated by more recent developments, the postwar international order is giving way to a new pattern of power relations. The preponderant position of the two super-powers, the United States and the U.S.S.R., is being reduced by the emergence of other major power centres. China, with its vast population and immense potential, has emerged from its long isolation, achieved the status of an important nuclear power, and taken its place in the community of nations. Western Europe is making historic strides towards unity through the enlargement and development of the European Economic Community. Japan has developed as a modern, individual giant in Asia. Confrontation is giving way to negotiation and accommodation in East-West relations and major progress has been achieved on the road toward a political settlement in Europe.

In this evolving new world situation, enlarged opportunities are opening up for Canada and the United States to extend and broaden their relations with Communist countries and with the developing world, while continuing to develop their ties with their more traditional political and trading partners. These major changes will undoubtedly have a bearing on Canada-U.S. relations in the years ahead and on the option that may be open to Canada in particular.

The Canada-U.S. relationship, as it has evolved since the end of the Second World War, is in many respects a unique phenomenon. It is by far our most important external relationship, but it is more than an external relationship. It impinges on virtually every aspect of the Canadian national interest, and thus of Canadian domestic concerns.

Because of the vast disparity in power and population, it is also inevitably a relationship of profoundly unequal dependence; the impact of the United States on Canada is far greater than Canada's impact on the United States.

Some two decades ago, Lester B. Pearson warned that, as the two countries became more interdependent, relations between them would become more, not less, difficult. As interactions increased, conflicts of interest and differences of views were also bound to increase. Preserving harmony in the relationship would require careful and sensitive management.

In recent years, however, the occasional strains and difficulties that have affected relations between the two countries have also had a more basic and deep-seated source. In a Canada undergoing profound and rapid changes associated with industrialization, urbanization, improved education, cultural development and a major reassessment of values, there has been a growing and widely-felt concern about the extent of economic, military and cultural dependence on the United States, and the implications for Canadian independence.

Apart from the relationship itself, which has become more complex, public attitudes in Canada have also changed. In the past,

Canadians have generally supported an easy-going, pragmatic approach to our relations with the United States in the belief that Canada's separate national existence and development were fully compatible with an unfolding, increasingly close economic, cultural and military relationship between the two countries. Many Canadians no longer accept this view, or at least do not regard it as self-evident. It is widely believed that the continental pull, especially economic and cultural, has gained momentum. In this ongoing national debate, the fundamental question for Canada is whether and to what extent interdependence with the United States impairs the reality of Canada's independence. How strong has the continental pull become? Can it be resisted and controlled and, if so, at what price?

I. THE CONTINENTAL PULL

It is important and instructive to view the evolution of Canada-U.S. relations in longer-term historical perspective. In terms of Canada's relative dependence on the United States, it is possible, as recently suggested by an American political scientist, to distinguish three main historical periods.

Three phases

The first, lasting until Confederation and some two decades beyond, was an era in which the United States was viewed as posing a military threat to Canada, although the intensity of that threat was steadily diminishing and trade with the United States was becoming important. Reciprocity in trade had been a major issue just before Confederation and in the long recession of the 1880s and 1890s, there was even a movement in Canada in favour of union with the United States. But Canada depended mainly on Britain for its security, for investment capital and as a market and source of imports. The Treaty of Washington in 1871 eliminated most of the outstanding U.S.-British issues in North America, and the settlement of the Venezuela dispute in 1895 finally marked the end of the U.S. threat to Canada and to the British Empire. Canadian perceptions of the United States as a military threat, however, were to linger on for many years thereafter.

The second period may be viewed as an era of gradual transition, characterized by a movement from internal autonomy to full external sovereignty—achieved by the Statute of Westminster in 1931—and by a gradual transfer of military, economic and cultural dependence from Britain to the United States. This period lasted until the Second World War. The transfer of strategic dependence from Britain to the United States became fully apparent and accepted in the 1930s with the mounting threat of war in Europe. President Roosevelt pledged U.S. defence assistance to Canada in speeches first in 1936 and more clearly in 1938 in Kingston, and Prime Minister King responded with assurances about Canada's continental defence obligations.

In economic terms, the United States had already surpassed Britain as Canada's main source of imports by the turn of the century. Britain, nevertheless, continued to be Canada's main market until after the First World War, and remained about as important as the United States until the Second World War. Free trade with the United States—the reciprocity issue—was a major national issue in 1911, but Canadians rejected this course for fear of its longer-term political implications. The shift from Britain to the United States as the primary source of new investment capital had taken place before the First World War. By and large, however, the inter-war period was characterized by a relative balance in Canada's relationship with Britain and the United States; it was still the era of the Atlantic Triangle.

Strategic dependence

The third period begins with the Second World War and extends to about the present. Canada's strategic dependence on the United States was an accomplished and accepted fact. The war had propelled the United States into unquestioned preponderance as Canada's main trading partner and source of investment capital. Britain had dropped far behind, in second position and, even after the full recovery of the British economy and the restoration of convertibility, the British share of our trade was to follow a generally declining trend. This is the era of the "special relationship", of the new realities of military alliance and close defence co-operation, of increasing economic and cultural interaction, of exceptionally close personal ties between political leaders and senior officials of the two countries. Both countries had been thrust onto the world stage: the United States as the acknowledged leader and protector of a Western world which felt itself threatened by Soviet expansion; Canada as an important military ally and economic power.

The Canadian view of the United States was influenced in large part by the Cold War and by the conviction that U.S. leadership and active involvement in European and world affairs were essential for peace and security. Memories of U.S. isolationism and protectionism weighed heavily in shaping Canadian attitudes. NATO, the new Commonwealth and the United Nations provoked congenial, multilateral frameworks for postwar Canadian diplomacy and served to mitigate and dilute to some extent the growing U.S. influence on Canada. The pattern of rising interdependence between Canada and the United States was generally viewed, at least until the end of the 1950s, as a natural and beneficial phenomenon, without wider and disquieting political ramifications. Politically significant expressions of concern about this trend began to mainfest themselves in the late 1950s. However, it was not until the 1960s that this trend of opinion gathered strength and found roots in broader circles throughout the country.

This brief historical overview is useful in providing some sense of the shifting pattern of Canada-U.S. relations. It shows that the essential features of the relationship as it exists today took shape mainly in the period beginning with the Second World War. Any attempt, however, to assess the strength of the forces drawing the two countries closer together requires a more searching examination of their manifestations in the defence, economic, and cultural fields.

In the defence field, the pattern in this third era has been one of increasing co-operation and co-ordination for the most part. Some of the highlights in this evolution were the 1940 Ogdensburg Agreement, which established the Permanent Joint Board on Defence (PJBD) as an advisory body to the two governments to co-ordinate plans for the defence of North America; the 1941 Hyde Park Agreement, extending wartime co-operation into the economic sphere; the establishment in 1946 of a Military Co-operation Committee; a joint declaration in 1947, continuing co-operation for North American defence into the postwar period; the North Atlantic Treaty of 1949, establishing the first and only formal alliance between Canada and the United States; the joint "Statement of Principles for Economic Co-operation" in 1950; the conclusion in 1958 of the North American Air Defence Command Agreement (NORAD), establishing an integrated anti-bomber defence system; the Defence Production Sharing Program, started in 1941, and continued after the war, which has involved susbtantial sales in both directions.

Extra-continental threats

The cornerstone of this defense relationship consisted in the mutual recognition that North America was no longer immune from extra-continental threats. Canada was considered by the United States as a vital and strategic area, while Canada recognized its strategic dependence on the United States to ensure its defence against an outside threat. It was this dual recognition which led in 1940 to a U.S. commitment to the defense of Canada and to a Canadian commitment to ensure that Canadian territory, air-space and coastal waters would not be used for hostile actions against the United States. With the Cold War, the development of nuclear weapons and the rising threat of long-range Soviet bombers in the late 1940s and the 1950s, the U.S. defence interest in Canada intensified; it was no longer sufficient to ensure that Canadian territory be denied to a potential enemy. The United States needed access to Canadian territory for radar warning systems, airbases and other defense purposes. Canada shared the U.S. interest in an effective North American system and, generally, in protecting the U.S. nuclear deterrent capability. As long-range missiles were developed by the United States and the U.S.S.R., and the Soviet Union moved toward nuclear parity with the United States, this shared Canadian and U.S. interest became one of protecting the stability of mutual nuclear deterrence between the two super-powers. The Canadian interest was somewhat ambivalent, however, since U.S. forces and bases in Canada were viewed as posing problems for Canadian sovereignty.

With the continuing development and improvement in long-range nuclear-armed missiles and in radar detection systems, the relative importance of the bomber threat declined. The United States had less need for Canadian territory and, to some extent, for close Canadian involvement and participation in North American strategic defense planning. As a result of these technological developments, the level of interdependence in the Canada-U.S. defense relationship has remained static or declined somewhat in relative terms over the 1960s. The gradual improvement in U.S.-U.S.S.R. relations and the conclusion of various agreements between them to reduce the risks of confrontation have reinforced this trend.

Nevertheless, Canadian territory, airspace and coastal waters continue to be of key importance for the strategic defence of the United States, and the Canadian interest in contributing to the maintenance of stable nuclear deterrence is undiminished. Defence co-operation between the two countries remains firmly anchored and close, but the momentum of the Fifties and Sixties toward closely-integrated and structured defence arrangements has abated. This situation could change, of course, as a result of technical innovations such as the introduction of new defence and warning systems, or a return to a more active military confrontation between the super-powers.

Economic arena

By contrast, in the economic field, the continental pull has operated strongly throughout the postwar period and has developed its own built-in momentum. The North-South pull has, of course, been a factor throughout Canadian history. At the time of Confederation and until the 1920s, however, there were strong countervailing forces promoting an East-West bias in Canada's economic development and in its trade and financial relations across the Atlantic. These were buttressed by the national economic policy introduced following Confederation. The development of the transcontinental railways in Canada, the subsidization of freight rates and the establishment of protective tariffs for Canadian secondary industry were delib-

erately designed to strengthen economic ties across Canada and to encourage the development of the West through the export of agricultural staples, mainly to Britain and Europe. Over time, however, the exploitation of our mineral and forestry resources assumed more importance and these found a large and expanding market in a rapidly industrializing United States. The economic axis was gradually turning in a North-South direction. While the conclusion of Commonwealth preferential arrangements in 1932 during the Depression gave new impetus to Canada's trade with Britain and other Commonwealth countries, annual U.S. capital flows into Canada had already surpassed those from Britain, and the establishment of these preferences encouraged U.S. firms to set up branches and subsidiaries in Canada to take advantage of export opportunities in Commonwealth markets.

In the postwar period, the economic pull of the United States became stronger still, while the countervailing influence of Britain, Western Europe and the Commonwealth diminished. The U.S. need for Canadian resources became more intense The rapid development of Canadian mineral and newly-discovered petroleum resources was financed mainly by U.S. capital. Large inflows of U.S. capital, mostly in the form of direct investment, were also encouraged by the increasing importance of the Canadian domestic market, by competition among large U.S. firms and generally by a hospitable investment climate. The availability of capital from Britain and Europe was circumscribed until the 1960s by the need to carry out the reconstruction and modernization of their economies. The phenomenon of large, multinational corporations, most of them U.S.-owned and U.S.-based, made its appearance during this period. It added a large new dimension to the interpenetration of the Canadian and U.S. economies and led to a further concentration of Canadian trade with the United States. By the late 1960s, nearly 80 per cent of the export and import transactions of U.S. subsidiaries in Canada were with their parent companies and affiliates in the United States.

In the new circumstances of the postwar period, Canadian economic and trade policies underwent major changes. Canada played an important role in the establishment of a multilateral trading system under the General Agreement on Tariffs and Trade, and vigorously supported efforts to reduce tariffs and restrictions to trade on a multilateral and non-discriminatory basis. This was intended to assist Canadian exports, mainly of agricultural, mineral and forestry products. At the same time, it became apparent that Canada's secondary industry needed access to large markets if it was to be competitive. For reasons of proximity, convenience and size, it was natural that Canadian exporters should concentrate their efforts on the United States. The pursuit of trade liberalization was dictated in part by a desire to diversify Canadian trade. In practice, it was accompanied by an increasing interdependence with the United States. To some extent this reflects geographic forces, but this trend has also been supported by special man-made factors favouring continental ties, including the attractions of the large and dynamic U.S. market, the large U.S. ownership of Canadian industries and the impact of the multinational corporation.

U.S. share climbed

The cumulative impact of all these factors is evident in Canadian trade and balance-of-payment statistics: in the last 20 years the U.S. share of Canadian exports increased from somewhat under 60 per cent to around 70 per cent. On the import side, the U.S. share, which had been higher, rose beyond 70 per cent. The U.S. share of foreign portfolio investment and direct investment in Canada rose to some 80 per cent of the total. U.S. ownership and control in both primary and secondary industries in Canada grew rapidly, reaching average levels in 1967 of 45 per cent in manufacturing, 56 per cent in mining and smelting, and 60 per cent in petroleum and natural gas, with much higher percentages in individual sectors. Canadian dependence on the U.S. capital market also became substantial as provinces, municipalities and business enterprises made extensive use of this market to meet their growing needs.

While these few figures attest to the growing Canadian interdependence with the United States, the Canadian economy at the same time gained in strength, balance and maturity. The Canadian balance of payments on current account improved markedly, largely as a result of a fairly steady improvement in the trade balance. The generation of domestic savings in Canada has also increased significantly. This strengthening of the current account position has reduced Canada's dependence on net capital inflows.

While the trend in Canada's external trade has been toward increasing concentration on the United States, the remainder of that trade has become much more diversified geographically. Japan has become a major trading partner and trade with that country in both directions has been increasing at a very rapid rate. Canadian trade with the European Economic Community has also steadily increased, although less rapidly. The U.S.S.R., China and many other countries are becoming significant trading partners for Canada.

These are positive developments, but they have done little so far to mitigate the overwhelming continental pattern of Canada's trade. In particular, the United States continues to be far and away the largest market for Canadian manufacturing exports, on which Canadian efforts are likely to be increasingly focused in the years ahead.

Cultural influences

The impact of U.S. cultural influences has been another source of public concern in Canada. Here again, the dominance of the United States is inadvertent, a function of its large size and power, of the communications explosion and of various other factors. For many students of politics, this is in the long run the most crucial area in terms of maintaining Canadian distinctness, the more so since the spread of U.S. interests and values is so diffuse and yet so difficult to identify and measure. While it is clear that there is a widening concern over the extent of economic dependence on the United States, there would seem to be less apprehension among the general public about U.S. cultural penetration. To a large extent, very much the same economic and commercial factors which account for U.S. penetration also explain the cultural penetration. This is because television, radio, films, periodicals, books, publishing and other media form part of a communications industry which responds to market forces much as other industries do. In addition, of course, the cultural impact of the media has become greatly enhanced by modern communications techniques. Consumer tastes, public values and social norms are assuming a degree of uniformity throughout the continent and are largely shaped in the United States. The nature of the dilemma was well delineated in the report of the Massey Commission.

There could be no question of imposing controls over the movement of ideas; instead, an essentially positive approach has evolved that relies mainly on the provision of public support and incentives to Canadian cultural activities but also, where necessary, on regulation and control of foreign influences. Various public bodies have been established, such as the Canadian Broadcasting Corporation in the 1930s, in radio and later in television, the National Film Board in 1939 and the Canada Council in 1957. These policies have had a favourable impact, though difficult problems continue to exist in a number of important areas. There have been encouraging signs, in both French-speaking and English-speaking parts of Canada, of cultural vitality and creativeness and of renewed interest in Canadian tradition and distinct values. Over all, the interactions and links between the Canadian and U.S. societies in the cultural field have been steadily increasing, even as a mood of resistance to U.S. dominance was emerging as a significant political factor.

In terms of common institutions, Canada-U.S. ties do not appear to have increased significantly, at least not in the last decade. An elaborate pattern of joint Canada-U.S. bodies has been developed over the years. These play an important role in evaluating and advising on joint problems and in pointing the way to solutions. But there is little or no joint decision-making. By and large, relations between the two countries are dealt with in the normal way, through intergovernmental consultations, negotiations and bargaining.

On balance, it is apparent that it is in the economic and cultural fields that the North-South pull has been especially strong. This is because advances in communications and modes of production and economic integration favour large units and markets and add to the pull of geography. On the other hand, in the defence and political fields, continental linkages have not significantly increased in recent years. The strongest continental pulls appear to derive from the ubiquitous presence of U.S.-owned subsidiaries of large multinational corporations, and from the wealth of informal, non-governmental ties between private groups, associations and individuals. Paradoxically, as these ties have expanded, the capacity of Canada to develop economically and culturally with less reliance on the United States and the outside world in general has also increased.

II. THE CHANGING CONTEXT

New foreign policy perspectives

Over the past three years both Canada and the United States have been reviewing their foreign policies. Many of the reasons given for doing so were identical on both sides. We were at the end of an era. The postwar order of international relations was drawing to an end. The conditions that had determined the assumptions and practice of our respective foreign policies were ending with it. The ending of the postwar era had not been a matter of sudden upheaval but of cumulative change over two decades that, in the aggregate, had transformed the international environment. The task now, we both concluded, was to shape a new foreign policy to meet the requirements of a new era.

In the new scheme of things both Canada and the United States saw a relatively diminished role for themselves. In our case, we argued that our role had been enhanced at a time when Canada had enjoyed a preferred position and a wide range of opportunities as one of the few developed countries to have emerged unscathed, and indeed strengthened, from the Second World War. The Canadian role was bound to be affected by the recovery of our friends and former enemies and by other changes in the configuration of world power.

The United States drew substantially similar conclusions from its review, subject, of course, to the very different scope of its role and responsibilities in the world. It also had to take account of the strain that 25 years of global commitment, aggravated by the Vietnam war, had left on its domestic consensus.

It cited the growth among Americans of a conviction that the time had come for others to share a greater portion of the burden of world leadership and its corollary that the assured continuity of United States involvement required a responsible but diminished American role. It is the sense of the Nixon Doctrine that it will enable the United States to remain committed in ways that it can sustain.

These perceptions on both sides have their counterpart in the role that national objectives and national interests are henceforth to play in the conduct of foreign policy. In the case of the United States, the greater weight to be given to the shorter-term national interest is a function of the diminished role it sees for itself and of the enhanced potential of America's partners. It looks to a sound foreign policy to support its national interests. It does not rule out new commitments, provided they are clearly related to U.S. interests. It is U.S. interests that in future will shape U.S. commitments, rather than, as they feel was sometimes the case, the other way around.

The Canadian foreign policy review, if anything, goes further. It defines foreign policy as the extension abroad of national policies. The test of a sound foreign policy, it argues, is the degree of relevance it has to national interests and basic national objectives. The most appropriate policy for the 1970s, therefore, our review concluded, will be one which strengthens and extends sound domestic policies dealing with key national issues.

To the extent that the national interest is seen as an active foreign policy ingredient, reactive policies are rejected on both sides. On the Canadian side, it is argued that an empiricle approach cannot be continued indefinitely. A reactive, as distinct from an active, concern with world events no longer corresponds with international realities or with the Canadian Government's approach to foreign policy. What is required is a sense of direction and purpose so that Canada's foreign policy is oriented positively in the direction of national aims. The United States proceeds from not very different assumptions. For too long, in the view of the U.S. Administration, American policy has consisted of reacting to events. The United States tended to be drawn into situations without a clear perception of where it would end up. It will be necessary, in future, to infuse American actions with a sense of direction, to make a conscious effort, in fact, to create the conditions the United States wants.

Two different entities

In sum, the broad premises and underlying perceptions of the two foreign policy reviews have many points in common. It is in their implications for two quite different entities on the world scene that they inevitably differ. Perspectives of the Canada-U.S. relationship, in particular, could not differ more sharply.

On the Canadian side, we could hardly ignore the impact of the United States on virtually all aspects of our foreign relations. But the foreign policy review did not attempt to articulate a comprehensive policy to govern our relations with the United States. What it did do was to point to some of the central ambiguities of the Canada-U.S. relationship. It raised, without elaborating on it, the concept of counterweights to the influence of the United States. It also underlined the need for careful management of a relationship that was likely to become increasingly complex, if not conflict-prone. Its major prescription envisages "the judicious use of Canadian sovereignty" in shaping the Canadian environment.

The U.S. foreign policy review and its annual updatings do not, on the other hand, deal specifically with Canada. To the extent that U.S. policy-makers think of Canada in broad foreign policy terms at all, it is in the context of the Nixon Doctrine. That Doctrine as President Nixon explained it on his recent visit to Canada, rests on the premise that "mature partners must have autonomous independent policies; each nation must decide the requirements of its own security; each nation must determine the path of its own progress". To the extent that Canadian concerns are apprehended in Washington, therefore, the feeling is that a world in which power is more widely diffused and in which the relative weight of the United States is diminished should afford a country like Canada greater breathing space.

At first glance such a prognosis appears reassuring. In practice, however, it may give less than adequate weight to two important considerations. The first is that the Canada-U.S. relationship cannot be encompassed by governmental policies alone. To the extent that they see a threat to Canada in that relationship, most Canadians would be prepared to concede that it is a threat undesired by the United States. The trouble is that, even as an inadvertent process, it has acquired a momentum that, as one American student of Canadian affairs has recently put it, is "subject to profound internal growth". In the second place, the Canada-U.S. relationship is bound to be affected, at the levels of both deliberation and inadvertence, by policies on the U.S. side that reflect an explicitly narrower interpretation than in the past of the U.S. national interest.

This explicitly narrower interpretation by the United States of its national interest appeared to be reflected in the far-reaching economic measures that President Nixon invoked on August 15, 1971, as representing the elements of a "new economic policy". These measures were intended to compel changes in world monetary and trading arrangements. As such, they were global in their impact. They were not specifically directed against Canada. Because of the high concentration of our trade with the United States, however, and the affiliated structure of our industry, Canada was probably more exposed than any other country to the immediate impact of the U.S. measures and had more reason to be concerned about their future implications. In particular, they threw into sharp focus the problem of Canada's vulnerability which has been a source of growing preoccupation to Canadians in recent years. It is, therefore, of considerable importance to us to be sure that we understand the problems and perceptions that are likely to shape U.S. policies over the medium term and which, in turn, Canadian policies cannot afford to leave out of account.

U.S. ECONOMC POLICIES

Since 1968, the U.S. Administration has faced increasingly difficult internal as well as external economic problems. Inflation, a levelling-off of the economy and substantial unemployment were added to an already existing pattern of significant balance-of-payments deficits. During the spring and summer of 1971, urgent concerns developed over the apparent lack of success of efforts to control domestic inflation and the sharp increase in the deficit of the U.S. basic balance of payments. There was a possibility that the basic deficit, and especially the trade balance, would deteriorate still further, with no clear outlook for recovery.

The United States has experienced deficits in its basic balance of payments for most of the postwar period. However, until the mid-1960s, the U.S. Administration did not view these as reflecting a major disequilibrium in world trading and monetary relations. The level of the U.S. deficit was seen as generally in line with world liquidity needs and both the U.S. trade account and the current-account balance showed substantial surpluses.

From the early 1960s, U.S. long-term capital outflows were, nevertheless, a subject of concern both in the United States and in the major countries of destination. The concern of the U.S. Government centered on the balance-of-payments drain of these capital movements, which reduced the level of U.S. reserves and increased the vulnerability of the U.S. dollar, and on their inflationary effects. For other countries, concern related to the role of the U.S. dollar, which seemingly enabled the United States to avoid needed domestic economic adjustments while continuing to maintain large direct investment outflows.

The United States Government initiated efforts to moderate private capital outflows in 1961, and intensified these efforts in various stages afterward. From 1969, however, U.S. concern shifted from the capital account to the deteriorating U.S. trade position. The final step in these U.S. efforts, confirming this shift in emphasis, was the U.S. measures announced last August. Over this period the U.S. program to moderate private-capital outflows met with only limited success and, while net outflows were no doubt reduced, the growth of U.S. direct investments abroad was not significantly affected, since to a considerable extent these investments were financed from retained earnings and from local borrowing.

BASIC DETERMINANTS

Within the United States, several major recent studies, notably the report of the Williams Commission on International Trade and Investment Policy and the personal report to the President of his then Assistant for International Economic Affairs, Peter G. Peterson, have drawn attention to certain trends as major explanatory factors for the current difficulties of the U.S. economy, and the problems it may be expected to face in the years ahead:

(a) The problem of controlling inflation

As the Williams Commission Report indicates, unusually high government expenditures related to the war in Vietnam and inadequately compensated by domestic taxation probably account in large measure for the higher rate of inflation experienced by the United States in recent years, in comparison with other leading industrial countries. At the same time it appears from estimates made by the Federal Reserve Board that the price and income effects of inflation account only in part for the deterioration in the U.S. trade balance. These studies also suggest that in the United States, as indeed in other industrialized countries, important changes in domestic attitudes and social values have taken place, compounding the problems of controlling inflation and of managing the economy. The United States is faced with rising demands for policies, programs and expenditures to deal with domestic social and economic problems. Generally, these pressures seem to add up to a requirement for more effective public management of domestic economic development consistent with social needs and goals. This suggests that there may be substantially *more* rather than *less* government involvement in the economy in the future and that foreign economic policies will be more closely related to and coordinated with domestic economic policies.

(b) The apparent deterioration in the U.S. competitive strength

This trend detected by the various U.S. studies has caused the most concern, particularly since it seemed to corroborate widely-held fears, notably on the part of U.S. labour. It is still insufficiently documented to permit serious assessment, but it has clearly influenced the thinking of the U.S. Adminis-

tration. Certain U.S. studies, including those of the Hudson Institute for instance, suggest that the gradual loss in U.S. comparative advantage in manufacturing will continue and will extend to other important manufacturing sectors—e.g., automobiles and machinery. U.S. competitive strength in the future might be concentrated in such fields as high technology, organizational and management techniques, and certain consumer goods, as well as in agriculture and certain raw materials. Meanwhile the importance of the U.S. manufacturing industry as a source of employment has been declining steadily and rapidly in relation to the service industries. These trends are viewed as indicative of fundamental structural changes associated with the gradual movement of the U.S. into the "post-industrial society".

(c) The rapidly growing influence of multinational corporations

The rapidly growing influence of multinational corporations, mostly U.S.-based, is another basic and related trend viewed with some concern both within and outside the United States. These corporations have facilitated an accelerated movement of capital, technology, merchandising and marketing techniques and management to foreign countries with a resulting transfer of production of many products and components to areas outside of the United States. The major U.S. studies argue strongly that, on balance, the U.S. economy has gained more than it has lost from the activities of multinational corporations, but this view is not undisputed within the United States, notably by trade union organizations.

(d) Economic policies of the EEC and Japan

The U.S. Government has argued, moreover, that its trade position has seriously suffered from continuing and significant trade restrictions in the EEC and in Japan (e.g., the common agricultural policy, preferential arrangements and non-tariff barriers in the EEC, manifold administrative restrictions in Japan). This U.S. contention is valid in the sense that it is true that EEC agricultural price-levels have encouraged the production of substantial higher-cost surpluses, and hurt export possibilities of the United States and other more efficient agricultural producers. Yet U.S. trade as a whole with the EEC has continued to expand and trade with Japan has also increased markedly in both directions. This U.S. view also takes insufficient account of U.S. barriers encountered by the products of other countries, though it may be an accurate reflection of current U.S. perceptions.

(e) U.S. dependence on outside supplies of energy and mineral resources

A further major trend which will adversely affect the U.S. trade balance and freedom of manoeuvre is the growing dependence of the United States on foreign sources of energy and mineral resources. The current U.S. deficit in minerals, fuels and other raw materials is even now substantial. It is expected to rise fairly slowly until 1975 and from then on more rapidly. In oil and gas the United States is already facing difficulties in meeting domestic demand and import needs are expected to grow rapidly. Nevertheless, the United States is and will in the foreseeable future remain much less dependent on outside supplies than the EEC or Japan because of its large domestic resources.

(f) The significance of U.S. long-term capital outflows

In contrast to existing concerns about the U.S. trade position, the growing level of earnings on U.S. long-term capital exports, particularly from U.S. private investments abroad, is viewed as a major source of strength in the future for the U.S. economy and balance of payments. This is one of the major conclusions drawn by all recent U.S. studies, notably by the Williams Commission, which strongly recommends that the United States eliminate its direct investment controls and support international efforts to secure a free flow of direct-investments across national boundaries without artificial impediments or incentives. According to the Commission's analysis, the maintenance of U.S. capital exports, in particular of U.S. capital exports, in particular of U.S. private-investment outflows in the future, would represent a major U.S. interest.

It may be expected that, under a reformed international monetary system, the U.S. dollar will no longer enjoy the special position it has had in the past and that the United States will have to accept new disciplines broadly similar to those applying to other countries in dealing with balance-of-payments problems. At the same time it must be recognized that the already large and growing surplus on earnings from U.S. private investments should provide considerable scope for continuing important outflows of investment capital in the future, assuming a reasonable improvement in the U.S. trade balance and some reduction in U.S. military expenditures abroad following disengagement in Vietnam. Moreover, it is important to bear in mind that U.S. private investments abroad result from decisions of individual U.S. corporations, and that in large measure they are financed from reinvested earnings and local borrowing. The United States Government has only limited means of influencing or controlling such investments.

U.S. perception of its problems and national interests

There is, of course, concern on the part of the U.S. public about the future of the United States and the adequacy of its institutions and policies. Public anxiety focuses particularly on domestic tensions and divisions, while most Americans seem reasonably satisfied with their personal material standards. Racial violence has declined. The open and concerted protests of the young, sharpened by the Vietnam war, seem to have abated, but the roots of frustration have not been removed. More generally, there seems to have been a turning inward, with a concentration on domestic problems, combined with a disenchantment with foreign involvement.

Among the major social groups, the most significant shift in attitudes in recent years appears to have occurred within the labour unions. They have expressed themselves in favour of increased protection from import competition and also favoured controls on U.S. multinational corporations to ensure that their activities conform to the U.S. national interest.

United States agriculture remains for the most part highly competitive and has a major interest in freer trade and international competition, but the farm community does not seem to have mobilized its efforts in this direction and is also concerned about domestic problems such as the decline in the farm population and in the number of small farms.

The attitude of the business community is ambivalent. Large corporations on the whole have a stake in freer trade and are seriously concerned about the possibility of a reversion to protectionism. Many enterprises, however, have suffered from increasingly stiff foreign competition and welcomed the additional protection they received from the August 15 measures, including the 10 percent surcharge.

The national mood of uncertainty and concern over domestic problems is reflected in the U.S. Congress. There is still a significant base of support for liberal trading policies, but it is fragmented and appears to lack leadership. In general, Congress seems to be prepared to respond to the mood of the nation and it might well be responsive to protectionist initiatives. There is a strong disposition to believe that the United States has not been tough enough in trade and economic negotiations in the past and that it has received less than it has given. Whatever the direction of U.S. policies, one may expect Congress to insist that, in any future trade and economic arrangements, U.S. national interests will be fully protected and that the expected benefits will not be less than the value of U.S. concessions. This tendency to a rigid balancing of costs and benefits will inevitably tend to favour a narrower and shorter-term view of U.S. interests.

The thrust of U.S. economic policy in these circumstances is likely to depend largely on the will and the leadership of the executive branch, and especially of the President. Basically, the U.S. economic strategy initiated last August and the explanatory statements made by the President suggest that the major objectives of the Administration are to resolve the real and serious underlying economic problems of the United States on the course towards freer international trade and payments. At the same time, official statements have echoed the view that a major reason for the U.S. troubles is that the U.S. has been too generous in the past, while other countries have failed to carry their proper share of the burden.

Orderly system

United States interests are seen to require an orderly and effective international trading and monetary system, but one that will be reformed and adapted to the new international situation and that will better ensure that all major countries share in concessions and benefits. Although it is recognized that the most-favoured-nation principle continues to have validity as the foundation of the system, the emphasis is placed more on finding effective means to expand and facilitate trade and payments, consistent with domestic economic and social needs, and in improving the terms of competition by enlarging the scope of negotiations to include all policy instruments and procedures affecting trade and payments. This objective and perception is reinforced by the political goal of the U.S. Administration to restore and enhance U.S. economic strength and vitality so as to enable the United States to play a reduced but still dominant role in world affairs that will be more easily sustainable over the long run.

At the same time, U.S. policy could also involve less liberal elements and might not be free of contradictions. A sharp swing toward economic isolationism seems unlikely, but it could result from failure to resolve the outstanding and difficult issues of reforming the trade and monetary system and of launching new and meaningful trade negotiations involving the enlarged European Economic Community and Japan, or from an inability to control domestic inflation and to bring the U.S. balance of payments into better equilibrium. Even if the United States manages to hold to the course of freer trade, it is expected to be an even tougher bargaining partner than in the past.

There is little evidence to suggest that the United States has consciously had in mind any particular continental doctrine with respect to Canada in the context of the Government's new economic strategy. At the same time, in implementing this strategy, U.S. policies and interests on particular Canada-U.S. issues, ranging from the automotive and defence-sharing agreements through the growing concern over congestion and pollution to the increasing U.S. need for en-

ergy and natural resources, could well converge towards a more continentalist U.S. approach. The U.S. interest in maintaining a substantial volume of U.S. investments abroad could also in practice involve some problems for Canada, notwithstanding the recent indications that the United States Government understands that on this matter Canada must decide for itself what policies are best suited to its own national interests.

THE CANADIAN SCENE

Canadian attitudes, too, have been changing. Perhaps more than ever before, the Canada-U.S. relationship is becoming an absorbing focus of much Canadian thinking about the Canadian condition. This is nowhere more evident than in the foreign policy review, which attributes its own genesis in part to "frustration . . . about having to live in the shadow of the United States and its foreign policy, about the heavy dependence of Canada's economy on continuing American prosperity, and about the marked influence of that large and dynamic society on Canadian life in general".

This is a relatively new set of perceptions. In fact, one of the most dramatic aspects of such evidence as is provided by the public opinion polls has been the change in Canadian attitudes over the past two decades. In the 1950s and early 1960s, most Canadians were firm in their support for U.S. policies and certainly gave no evidence of perceiving a U.S. threat to Canada. In 1956 as many as 68 per cent of those polled supported the idea of free trade with the United States. On the more general issue of dependence, the polls taken between 1948 and 1963 indicated that at least half of those polled did not think Canadian life was being unduly influenced by the United States. Indeed, a 1963 poll recorded 50 per cent as believing that dependence on the United States was beneficial to Canada. All in all, attitudes during that period appeared to be much more congenial to close Canadian involvement with the United States than is the case today.

The evidence suggests that the overriding issue to emerge from the Canada-U.S. relationship for most Canadians today is that of economic independence. For example, a cross-section of various polls indicates that 88.5 per cent of Canadians think it important for Canada to have more control over its own economy; that two of every three Canadians view the current level of American investment in Canada as being too high; that, while seven out of every ten Canadians are prepared to acknowledge that American investment has given them a higher standard of living than they might otherwise have had, almost half of them would be willing to accept a lower living standard if that were the price to be paid for controlling or reducing the level of American investment. These are admittedly national averages. They do not necessarily do justice to pronounced regional variations.

If the national mood is to be comprehended in one sentence, it would appear that Canadians remain aware of the benefits of the American connection but that, today more than at any other time since the Second World War, they are concerned about the trend of the relationship and seem willing to contemplate and support reasonable measures to assure greater Canadian independence.

Net flow reversed

It is a matter of more than passing interest that the movement of people between Canada and the United States runs in remarkable parallel with the attitudes reflected in the public opinion polls. The 1950s, for example, saw an average of some 30,000 Canadians a year moving to the United States, against a reverse flow of only about 11,000. These were the years of the "brain drain", when doctors, engineers, teachers, artists, writers and musicians comprised the largest group of Canadian emigrants. By the 1960s, the net flow of Canadians moving across the border started to level off dramatically until, in 1969, for the first time in the postwar period, the movement of Americans to Canada actually exceeded that of Canadians to the United States by a small margin.

The trend may prove temporary. It probably reflects, to some extent at least, U.S. restrictions on Canadian immigration and the impact of the Vietnam war. Nevertheless, the trend is not without significance. It cannot easily be explained by the normal quantitive factors. The difference in *per capita* gross national product between the two countries has not varied widely on either side of the 25 percent mark and the gap in real *per capita* incomes has stayed about the same since the war. The skilled Canadian can still command a significantly higher salary in the United States. The sunny climates of California and Florida as places of retirement have also not changed. Indeed, the 18,000 Canadians who emigrated to the United States in 1969 obviously felt all the old pulls. But something evidently had changed.

Canada had matured. The outlines of a more distinct national profile were emerging. An increasingly industrial economy had taken shape. The revolution in communications gave promise of knitting the country more closely together. A quieter revolution had transformed the face of French Canada. The flow of immigrants from Europe and elsewhere was adding new dimensions to Canadian life. The foundations of Canada's cultural personality were being strengthened.

Inevitably, Canadians became more aware of themselves, of the kind of society they were intent on shaping, of the particular problems that lay ahead for them. They were concerned about maintaining national unity; about equalizing economic opportunities as between the different regions of the country; about the best ways of meeting the challenges of a bilingual and multicultural society. They were concerned about their future prosperity; about the problem of providing employment for the most rapidly expanding labour force of any industrialized county; about the management of the resources with which their country had been so richly endowed. They were concerned about the quality of their life; about the risks of blight brought about by unplanned urban growth; about the threat to the environment represented by industrial and technological growth; about the fragile balance of nature in the Arctic and the quality of the waters off Canada's coasts.

If these concerns can be brought within a single focus, it is that of Canada's destinctness. And for Canada distinctness could, in recent years, have only one meaning: distinctness from the United States. What more and more Canadians were brought to realize was that, with all the affinities and all the similarities they shared with the United States, Canada was a distinct country with distinct problems that demanded Canadian solutions. It was not and is not that Canadians underrate the tremendous achievements of American society or its unbounded capacity for self-renewal. It is simply that more and more Canadians have come to conclude that the American model does not, when all is said and done, fit the Canadian condition. Such a conclusion has led, not unnaturally, to the assertion of the right of Canadians to fashion their national environment according to their own perceptions.

In this changing context, what is to be done about the continental pull and the internal momentum with which it is thought by many to be endowed? It is probably useful to start out by acknowledging that there are immutable factors that cannot be changed. Our history, our geography, our demographic structure have imposed and will continue to impose limitations on Canada's freedom of action. Whether we defend it or not, there will be 3,000 miles of common frontier with the United States. Chinese Walls, Maginot Lines or Iron Curtains have never lived up to the claims of impermeability that were made for them. We could conceivably keep out American products but not American ideas, tastes or life styles. We could theoretically have 100 percent Canadian content in our broadcasting but could hardly ban the airwaves to American stations. We could prohibit the migration of people but not eliminate the strong interpersonal relationships on each side of the border. Canadian independence can be realistic only within some measure of interdependence in the world. Canadian energies should not be wasted or efforts misspent on policies that give little promise of being achievable.

In examining the options before us, therefore, we must necessarily focus on those areas of the Canada-U.S. relationship where movement is not foreclosed by factors about which nothing can be done.

III. THE OPTIONS

This is not the first time Canadians have asked themselves which way they should go. The factor of geography remains a constant element in the equation. The disproportion between Canada and the United States in terms of power has not changed all that much. The continental pull itself has historical antecedents. The pursuit of a distinctive identity runs through the process of Canadian nation-building.

But if the signposts are familiar, the landscape is undoubtedly different. Many of the old countervailing forces have disappeared. The links across the common border have increased in number, impact and complexity. New dimensions are being added to the Canada-U.S. relationship all the time. On both sides, there is now difficulty in looking upon the relationship as being wholly external in character.

The world trend is not helpful to Canada in resolving this dilemma. For the trend is discernibly in the direction of interdependence. In the economic realm, in science, in technology, that is the direction in which the logic of events is pointing. In Canada's case, inevitably, interdependence is likely to mean interdependence mainly with the United States. This is a simple statement of the facts. It does not pretend to be a value judgment. In point of fact, the balance of benefits of such a trend for Canada may well be substantial.

But this evades the real question that looms ahead for Canada. And that is whether interdependence with a big, powerful, dynamic country like the United States is not bound, beyond a certain level of tolerance, to impose an unmanageable strain on the concept of a separate Canadian identity, if not on the elements of Canadian independence.

To pose these questions is simple enough. To propound answers to them is more difficult because any answer is likely to touch on the central ambiguity of our relationship with the United States. The temper of the times, nevertheless, suggests that Canadians are looking for answers. It is also apparent that many of the answers are in Canadian hands. This is because few of the problems engendered by the relationship are, in fact, problems of deliberate creation on the U.S. side. They are problems arising out of contiguity and disparity in wealth and power and, not least, out of the many affinities that make it more difficult for Canadians to stake out an identity of their own.

Three courses

The real question facing Canadians is one of direction. In practice, three broad options are open to us:

(a) we can seek to maintain more or less our present relationship with the United States with a minimum of policy adjustments;

(b) we can move deliberately toward closer integration with the United States;

(c) we can pursue a comprehensive, long-term strategy to develop and strengthen the Canadian economy and other aspects of our national life and in the process to reduce the present Canadian vulnerability.

Such a statement of options may err on the side of oversimplification. The options are intended merely to delineate general directions of policy. Each option clearly covers a spectrum of possibilities and could be supported by a varied assortment of policy instruments. Nevertheless, the importance of the options notion is not to be discounted. For, in adopting one of the options, Canadians would be making a conscious choice of the continental environment that, in their view was most likely to be responsive to their interests and aspirations over the next decade or two. Conversely, no single option is likely to prove tenable unless it commands a broad national consensus.

Seeking to maintain our present position with minimum policy changes

The first option would be to aim at maintaining more or less the present pattern of our economic and political relationship with the United States with a minimum of policy change either generally or in the Canada-United States context.

The formulation notwithstanding, this is not an option meaning no change. In the present climate, any option that did not provide for change would clearly be unrealistic. The realities of power in the world are changing. Some of the international systems that have provided the context for our monetary and trading relations in the postwar period are in the process of reshaping. The United States is embarked on a basic reappraisal of its position and policies. The Canadian situation is itself changing and new perceptions are being brought to bear on the Canada-U.S. relationship. All this suggests that some adjustments in Canadian policy are unavoidable.

The first option would neither discount the fact of change nor deny the need to accommodate to it. But it would imply a judgment that, at least on the present evidence, the changes that have occurred or are foreseeable are not of a nature or magnitude to call for a basic reorientation of Canadian policies, particularly as they relate to the United States.

In practical terms, this would mean maintaining the general thrust of our trade and industrial policies, including a large degree of *laissez faire* in economic policy, a multilateral, most-favoured-nation approach as the guiding principle of our trade policy, emphasis on securing improved access to the U.S. market, the vigorous export of commodities and semi-processed goods, and continuing efforts to industrialize domestically by rationalizing production, in large part for export. Presumably, little or no change would be made in the present way of handling matters at issue with the United States, which is one of dealing with each problem as it arises and seeking to maintain something of a "special relationship".

New constraints

But there is another side to the coin. The changes that are taking place on both sides of the border point to new opportunities and new constraints emerging for Canada. We would aim at seizing the opportunities and managing the constraints to the best of our ability. In the process we would be concerned about the balance of benefits for Canada, but we would be less concerned about how any given transaction or act of policy fitted into some overall conception of our relationship with the United States.

Nevertheless, other things being equal, we would seek to avoid any further significant increase in our dependence on the United States and our vulnerability to the vicissitudes of the U.S. market and to changes in U.S. economic policy. An effort to diversify our export markets would not be incompatible with the first option; nor would a policy to take advantage of accelerating demand for our mineral and energy resources to secure more processing and employment in Canada and, generally, to reap greater benefits from this major national asset; nor would some further moderate Canadian action to achieve greater control over the domestic economic and cultural environment.

In sum, this is essentially a pragmatic option. It would not, by definition, involve radical policy departures. It would deal with issues as they arose on the basis of judgments made in relation to each issue. It is not a static option because it would address itself to the solution of problems generated by an environment which is itself dynamic. One of its main attractions is that, we trust, it would not foreclose other options.

The precise implications and costs of this option are difficult to predict because they would vary significantly depending on developments over the short and medium term. Accommodation of current U.S. preoccupations, however limited, would entail some costs and could involve an increase in our dependence on the United States. If U.S. difficulties proved more durable, and if significant improvements in access to other markets did not materialize, pressures might develop in the United States and in Canada for further special bilateral arrangements. Alternatively, if protectionist attitudes in the United States were to find reflection in official policy, we might be forced to seek other markets on whatever terms we could and perhaps to make painful adjustments in order to reorient our industry to serve mainly the domestic market.

On more optimistic assumptions about the course of U.S. policy and the future of the international trading system, the first option might be followed for some time with ostensible success. The real question is whether it comes fully to grips with the basic Canadian situation or with the underlying continental pull. There is a risk that, in pursuing a purely pragmatic course, we may find ourselves drawn more closely into the U.S. orbit. At the end of the day, therefore, it may be difficult for the present position to be maintained, let alone improved, without more fundamental shifts in Canadian policy.

Closer integration with the United States

The second option is to accept that, in a world where economies of scale are dictating an increasing polarization of trade and in the face of intensified integrating pressures within North America, the continuation of the existing relationship, based on the economic separation of Canada and the United States, does not make good sense, and to proceed from that conclusion deliberately to prepare the ground for an arrangement with the United States involving closer economic ties.

The option spans a considerable range of possibilities. At the lower end of the scale, it might involve no more than the pursuit of sectoral or other limited arrangements with the United States based on an assessment of mutual interest. In effect, this would represent an extension of past practices except to the extent that such arrangements would be pursued more as a matter of deliberate policy. We might seek, for example, to adapt to other industries the approach reflected in the Automotive Products Agreement. The chemical industry is one such industry that could lend itself to rationalization on a North-South basis. The aerospace industry might well be another. We might also endeavour to negotiate a continental arrangement with the United States covering energy resources. Under such an arrangement, U.S. access to Canadian energy supplies might be traded in exchange for unimpeded access to the U.S. market for Canadian uranium, petroleum and petrochemical products (to be produced by a much expanded and developed industry within Canada).

This more limited form of integration has a certain logic to it and, indeed, warrants careful examination. It may be expected, however, to generate pressures for more and more continental arrangements of this kind that would be increasingly difficult to resist. Experience with the Automotive Products Agreement suggests that, in any such sectoral arrangements, there may be difficulty in maintaining an equal voice with the United States over time. Nor could we be sure that the concept of formal symmetry, on which the United States has lately insisted, is one that can easily be built into a sectoral arrangement without impairing the interests of the economically weaker partner. In the energy field, by dealing continentally with the United States, we would almost certainly limit our capacity to come to an arrangement with other potential purchasers, in Europe or Japan, quite apart from possibly impinging upon future Canadian needs. In sum, we might well be driven to the conclusion that partial or sectoral arrangements are less likely to afford us the protection we seek than a more comprehensive regime of free trade.

A free-trade area or a customs union arrangement with the United States would, to all intents and purposes, be irreversible for Canada once embarked upon. It would, theoretically, protect us against future changes in U.S. trade policy towards the rest of the world, though not against changes in U.S. domestic economic policy. This option has been rejected in the past because it was judged to be inconsistent with Canada's desire to preserve a maximum degree of independence, not because it lacked economic sense in terms of Canadian living standards and the stability of the Canadian economy.

Risks involved

A free-trade area permits greater freedom than a customs or economic union, which calls for a unified external tariff and considerable harmonization of fiscal and other domestic economic policies. It might enable us, for example, to continue to protect our energy resources by limiting exports to the surpluses available after meeting present and prospective Canadian requirements and to ensure against harmful pricing practices. It would not debar us from continuing to bargain with third countries for improved access to their markets or from protecting ourselves against low-cost imports. Yet it must be accepted that the integration of the Canadian and U.S. economies would proceed apace and we should be bound to be more affected than ever by decisions taken in Washington with only limited and indirect means of influencing them.

Internationally, there is a real risk that the conclusion of a free-trade arrangement between Canada and the United States would be taken as setting the seal upon the polarization of world trade. To the extent that it was, our room for bargaining with third countries would inevitably be reduced and our economic fortunes become more closely linked with those of the United States.

The experience of free-trade areas (such as the European Free Trade Association) suggests, in any case, that they tend to evolve

toward more organic arrangements and the harmonization of internal economic policies. More specifically, they tend towards a full customs and economic union as a matter of internal logic. A Canada-U.S. free-trade area would be almost certain to do likewise. Indeed, such a course could be argued to be in the Canadian interest because, to compete, we would probably require some harmonization of social and economic costs.

If a free-trade area or customs union is a well nigh irreversible option for Canada, this cannot necessarily be assumed to be the case for the United States. A situation could easily be imagined in which difficulties arose in certain economic sectors or regions of the United States when the Congress might feel constrained to seek to halt or reverse the process. The central problem, here as elsewhere, is the enormous disparity in power between the United States and Canada.

It is arguable, therefore, that in the end the only really safe way to guard against reversal and to obtain essential safeguards for Canadian industry and other Canadian economic interests might be to move to some form of political union at the same time. The object would be to obtain for Canadians a genuine and usable voice in decisions affecting our integrated economies.

At first glance this might look like pursuing the argument to an unwarranted conclusion. The Europeans, it could be argued, have, after all, found it possible to operate a customs union without substantial derogations from their sovereignty. Even if this changes to some extent as they progress towards economic and monetary union, the prospects for full political union or confederation continue to look relatively remote.

But the configuration of power in Europe is different. The European countries are more recognizably different from one another; their identities are older and more deeply anchored; and they are much more nearly equal in resources and power. There is a certain balance in the decisionmaking system of the European Economic Community that would not be conceivable in a bilateral Canada-U.S. arrangement. For the Europeans, moreover, the problem has been one of transcending historical conflicts. For Canada, on the contrary, the problem has been one of asserting its separate identity and developing its character distinctive from that of the United States in the face of similarities, affinities and a whole host of common denominators.

Throughout this discussion it has been assumed that proposals for free trade or a customs union with Canada would be welcomed in the United States. This is not an unreasonable assumption, taking account of the substantial interpenetration that already exists between the two economies and the vested interests that have been created in the process on the part of U.S. business and labour. It is, nevertheless, an assumption that remains to be tested against changing attitudes in the United States and the implications for U.S. trade and other policies that, like Canada's, have been global rather than regional in their general thrust. Congressional reaction, in particular, would be a matter of conjecture until the issue was on the table. Political union would presumably raise issues of a different order of complexity, although it has from time to time had respectable support in some circles in the United States.

Safeguards required

If we were to opt for integration, deliberate and coherent policies and programs would be required, both before and after an arrangement was achieved, to cope with the difficult adjustments that would be entailed for Canada. An adequate transitional period would be essential. Some safeguards for production and continued industrial growth in Canada would have to be negotiated. Agriculture might emerge as another problem sector. In practice, any safeguards would probably be limited largely to a transitional period and could not be expected to cushion the impact of integration for an indefinite future. A tendency for the centres of production—and population—to move south might, in the long run, be difficult to stem. But the more relaxed environment Canada has to offer and the lesser prominence of pressures in Canadian society might also, over time, exert a countervailing influence on any purely economic trend.

The probable economic costs and benefits of this option would require careful calculation. The more fundamental issues, however, are clearly political. In fact, it is a moot question whether this option, or any part of it, is politically tenable in the present or any foreseeable climate of Canadian public opinion.

Reactions and attitudes would no doubt differ across the country. The cleavage of interest between the central, industrialized region and the Western provinces on this issue has become apparent in recent years. Attitudes rooted in historical tradition could be expected to play their part in the Atlantic Provinces. The reaction in the French-speaking areas is more difficult to predict. On the one hand, they tend not to draw a very sharp distinction between the impact of economic control of local enterprise whether exercised from the United States or from elsewhere in Canada. But it is not unlikely that among many French-speaking Canadians the prospect of union with the United States would be viewed as risking their eventual submergence in a sea of some 200 million English-speaking North Americans and as a reversal of the efforts made in Canada over the last ten years to create a favourable climate for the survival and development of the French language and culture in North America.

There is a real question, therefore, whether the whole of Canada could be brought into union with the United States. Of course, full-fledged political union is not the basic intent of this option. But, to the extent that the logic of events may impel us in that direction, almost any form of closer integration with the United States may be expected to generate opposition in Canada. If it is true, moreover, as appears to be the case, that a more vigorous sense of identity has been taking root among Canadians in recent years, it is unlikely that opposition to this option would be confined to particular parts of the country.

A comprehensive strategy to strengthen the Canadian economy

The basic aim of the third option would be, over time, to lessen the vulnerability of the Canadian economy to external factors, including, in particular, the impact of the United States and, in the process, to strengthen our capacity to advance basic Canadian goals and develop a more confident sense of national identity. If it is to be successfully pursued, the approach implicit in this option would clearly have to be carried over into other areas of national endeavour and supported by appropriate policies. But the main thrust of the option would be towards the development of a balanced and efficient economy to be achieved by means of a deliberate, comprehensive and long-term strategy.

The accent of the option is on Canada. It tries to come to grips with one of the unwanted questions that runs through so much of the Canada-U.S. relationship, and which is what kind of Canada it is that Canadians actually want. It is thus in no sense an anti-American option. On the contrary, it is the one option of all those presented that recognizes that in, the final analysis, it may be for the Canadian physician to heal himself.

The option is subject to two qualifications. "Over time" recognizes that the full benefits will take time to materialize, but that a conscious and deliberate effort will be required to put and maintain the Canadian economy on such a course. "To lessen" acknowledges that there are limits to the process because it is unrealistic to think that any economy, however structured, let alone Canada's can be made substantially immune to developments in the world around us in an era of growing interdependence.

The option is one that can have validity on most assumptions about the external environment. A basically multilateral environment, of course, in which trade is governed by the most-favoured-nation principle, would enhance its chances of success. But it would not be invalidated by other premises. That is because the option relates basically to the Canadian economy. Its purpose is to recast that economy in such a way as to make it more rational and more efficient as a basis for Canada's trade abroad.

The present may be an auspicious time for embarking on this option. Our trading position is strong. We are regarded as a stable and affluent country with a significant market and much to offer to our global customers in the way of resources and other products. Our balance of payments has been improving in relative terms. We are no longer as dependent on large capital inflows as we once were. A new round of comprehensive trade negotiations is in prospect during 1973. Above all, there is a greater sense of urgency within Canada and greater recognition abroad of Canada's right to chart its own economic course.

Keyed to exports

The option assumes that the basic nature of our economy will continue unchanged. That is to say that given the existing ratio of recources to population, Canada will continue to have to depend for a large proportion of its national wealth on the ability to export goods and services to external markets on secure terms of access. The object is essentially to create a sounder, less vulnerable economic base for competing in the domestic and world markets and deliberately to broaden the spectrum of markets in which Canadians can and will compete.

In terms of policy, it would be necessary to encourage the specialization and rationalization of production and the emergence of strong Canadian-controlled firms. It is sometimes argued that a market of the size of Canada's may not provide an adequate base for the economies of scale that are a basic ingredient of international efficiency. The argument is valid only up to a point. The scale of efficiency is different for different industries and there is no reason why a market of 22 million people with relatively high incomes should prove inadequate for many industries which are not the most complex or capital-intensive.

The close co-operation of government, business and labour would be essential through all phases of the implementation of such an industrial strategy. So would government efforts to provide a climate conducive to the expansion of Canadian entrepreneurial activity. It may be desirable, and possible, in the process to foster the development of large, efficient multinationally-operating Canadian firms that could effectively compete in world markets. It may also be possible, as a consequence of greater efficiencies, for Canadian firms to meet a higher proportion of the domestic requirement for goods and services. But that would be a natural result of the enhanced level of competitiveness which the option is designed to promote; it is not in the spirit of the option to foster import substitution as an end in itself with all the risks that

would entail of carrying us beyond the margins of efficiency.

The option has been variously described as involving a deliberate, comprehensive and long-term strategy. It is bound to be long-term because some substantial recasting of economic structures may be involved. It is comprehensive in the sense that it will entail the mutually-reinforcing use and adaptation of a wide variety of policy instruments. Fiscal policy, monetary policy, the tariff, the rules of competition, government procurement, foreign investment regulations, science policy may all have to be brought to bear on the objectives associated with this option. The choice and combination of policy instruments will depend on the precise goals to be attained. The implications, costs and benefits of the option will vary accordingly.

In saying that the strategy must be deliberate, it is accepted that it must involve some degree of planning, indicative or otherwise, and that there must be at least a modicum of consistency in applying it. One implication of the conception of deliberateness is that the strategy may have to entail a somewhat greater measure of government involvement than has been the case in the past. The whole issue of government involvement, however, needs to be kept in proper perspective. The Government is now and will continue to be involved in the operation of the economy in a substantial way. This is a function of the responsibility which the Canadian Government shares with other sovereign governments for ensuring the well-being and prosperity of its citizens in a context of social justice. A wide variety of policy instruments and incentives is already being deployed to that end, largely with the support and often at the instance of those who are more directly concerned with the running of different segments of the economy. It is not expected that the pursuit of this particular option will radically alter the relation between Government and the business community, even if the Government were to concern itself more closely with the direction in which the economy was evolving.

Much the same considerations apply to the relationship between the federal and provincial jurisdictions. It is true that, in the diverse circumstances that are bound to prevail in a country like Canada, the task of aggregating the national interest is not always easy. There may be a problem, therefore, in achieving the kind of broad consensus on objectives, priorities and instrumentalities on which the successful pursuit of anything on the lines of the present option is likely to hinge. Part of the problem may derive from a divergent assessment of short-term interests. In terms of longer-range goals, it is much less apparent why federal and provincial interests should not be largely compatible or why the elaboration of this option should not enhance and enlarge the opportunities for co-operation with the provinces. Indeed, there are many areas, such as the upgrading of Canada's natural resource exports, where the implications of this opinion are likely to coincide closely with provincial objectives.

Impact on United States

What of the impact on the United States, which could be critical to the success of the option? There again, it is necessary to keep matters in perspective. There is no basic change envisaged in Canada's multilateral trade policy. On the contrary, we could expect to be working closely with the United States in promoting a more liberal world-trading environment. Nor does the option imply any intention artificially to distort our traditional trading patterns. The United States would almost certainly remain Canada's most important market and source of supply by a very considerable margin.

The fact remains, nevertheless, that the option is directed towards reducing Canada's vulnerability, particularly in relation to the United States. A good deal of this vulnerability derives from an underlying continental pull, which is inadvertent. To that extent, the risk of friction at the governmental level is lessened, although it would be unrealistic to discount it altogether. Much would depend on what policy instruments were selected in support of this option and how we deployed them. The state of the U.S. economy could be another factor determining U.S. reactions at any given time. On any reasonable assumptions, however, such impact as the option may unavoidably have on U.S. interests would be cushioned by the timeframe over which it is being projected and should be relatively easy to absorb in a period of general growth and prosperity. When all is said and done, the option aims at a relative decline in our dependence on the United States, not at a drastic change in our bilateral relationship. As such, it is not incompatible with the view, recently advanced by President Nixon in his address to the House of Commons, that "no self-respecting nation can or should accept the proposition that it should always be economically dependent upon any other nation".

Cultural options

The continental pull appears to be operating most strongly in the economic and cultural sectors. There are those who, like Professor John Kenneth Galbraith, argue that U.S. economic influence can be disregarded so long as Canada manages to maintain a distinct culture of its own. Many Canadians would disagree with him. Nevertheless, no prescription for Canada is likely to be complete that did not attempt to cover the cultural sector.

There are differences between the economic and the cultural forces that are at work in the Canada-U.S. relationship. In the first place, culture has more than one dimension; it means different things to different Canadians. Second, the cultural interaction between Canada and the United States is, if anything, even less a matter of governmental policy than the interaction between the two economies. Third, it is much harder to influence the movement of ideas than it is to influence the movement of goods. Finally, it is evidently not a threat about which the public at large feels anything like the concern that, according to the opinion polls, it feels about the threat to Canadian control of the domestic economic environment.

This is one reason why the cultural scene requires separate discussion. But there is another. In the economic sector, it is clear, Canadians do face difficult choices. It is a moot question whether this is really true when it comes to the cultural sector. This is not to discount the importance of a healthy cultural environment to the Canadian sense of identity and national confidence. It is merely to suggest that in this sector the essential choices may, in fact, already have been made.

Domestically, two prescriptions have, by and large, been applied. The first is regulatory. It recognizes that some of the means of cultural expression are subject to the competition of the market-place in the same way as the offer of other services. The purpose of regulation in these instances is simply to ensure that, where the standards of the product are equal, the Canadian offering is not ruled out by terms of competition that are unequal. This is the general philosophy that has guided the efforts of the Canadian Radio and Television Commission. It is probably applicable in other areas where the Canadian product—whether film, record, or publication—is held back because the requisite measure of control of the distribution system is not in Canadian hands.

The other prescription has been to give direct support to cultural activity in Canada. This role has, on the whole, fallen to government. Support has taken the form of financial assistance, but also of institutions that have been established to encourage the expression of Canadian creative talent. The Massey Commission judged in 1951 that money spent on cultural defences was, in the end, no less important than money spent on defence so-called. In the eyes of most Canadians, this remains a valid judgment.

As in the economic sector, any policy aimed at lessening the impact of U.S. influences on the Canadian cultural scene should presumably have an external dimension. This is not simply a matter of diversification for its own sake. Canada's cultural roots are, after all, widely ramified. International projection will enable Canada to reaffirm its distinctive linguistic and cultural complexion. But it will also give Canadians the opportunity to test their product in a wider market and to draw, in turn, on the currents of cross-fertilization.

Mass market

In sum, Canadians will not be able to take their cultural environment for granted. It is on the cultural front, as on the economic front, that the impact on Canada of the dynamic society to the south finds its strongest expression. The impact has no doubt been magnified by the development of the mass media and their counterpart: the mass market. French-speaking Canadians may be less exposed to it for reasons of language, but they are not immune. Canadians generally appear to find it more difficult to focus on it than on the U.S. impact on the Canadian economy, perhaps because the many affinities between Canadians and Americans tend to make any concept of a threat unreal. On the whole, the general directions of Canadian policy in the cultural sector have been set and they have been pursued with reasonable success. Perhaps we have already turned the corner. But it remains for these policies to be extended to other vulnerable areas and to take account of the further impetus that the new technologies may give to the cultural thrust of the United States as it affects Canada.

This is, fortunately, an area in which there is broad convergence between the perceptions and goals of the federal and provincial governments. It would not be unrealistic, therefore, to look to a high degree of co-operation between the two levels of government in creating the kind of climate we shall need over the next decade or two if Canadian themes are to find their distinctive expression.

It is also one of the areas in which Canadians can act with the least risk of external repercussion. It has been said that culture is imported rather than exported. This is not wholly true. But to the extent that cultural influences are brought in willingly, they can be shaped domestically without affront to the exporter.

The following quotation has a familiar ring to Canadians examining their current problems: "The true sovereigns of a country are those who determine its mind, its mode of thinking, its tastes, its principles; and we cannot consent to lodge this sovereignty in the hands of strangers". It is, in fact, an excerpt from an address delivered at the University of Philadelphia in 1823. Americans today will be no less understanding of Canadian concern in trying to follow the same advice.

IV. SUMMING UP

In looking into the perspectives for the Seventies, *Foreign Policy for Canadians* focuses on "the complex problem of living

distinct from but in harmony with the world's most powerful and dynamic nation, the United States". The phrase is intended, presumably, not only to identify the problem but to define the parameters of the relationship. It is the requirement of both distinctness and harmony, therefore, that any option for the future of Canada-U.S. relations must be seen to satisfy, among others.

In essence, distinctness should be implicit in any relationship between two sovereign countries such as Canada and the United States. The very fact that it has to be singled out as an objective of foreign policy says something about the Canada-U.S. relationship. The relationship is characterized by an array of links that, given the disparity in power and population, impinge on the sense of Canadian identity. This might be a sustainable challenge if evidence were not accumulating that the underlying trend in the Canada-U.S. relationship may be becoming less congenial to the conception of Canadian distinctness.

Distinctness has no autonomous virtue of its own. It is not an end in itself. In the process of nation-building, however, it is a substantial factor of cohesion. In the case of Canada, in particular, it is arguable that the perception of a distinct identity can make a real and discernible contribution to national unity.

The whole conception of distinctness is, of course, changing. There are challenges facing modern society that transcend national boundaries. There are areas of economic activity that can no longer be performed efficiently except on a scale that exceeds national dimensions. There is a whole host of linkages that lend cumulative substance to the reality of interdependence. This is a global trend from which Canada can neither claim nor expect to be exempt. It is a fact, nevertheless, that the Canadian situation in relation to the United States is unique in two respects: the linkages are probably more numerous and more pervasive than between any other two countries and the affinities between them are also such as to put particular strains on the definition of the Canadian identity. On both counts the problem of living distinct from the United States is only marginally related to the larger issue of global interdependence, which is a fact of life for all countries.

If Canadians say they want a distinct country, it is not because they think they are better than others. It is because they want to do the things they consider important and do them in their own way. And they want Canadian actions and life styles to reflect distinctly Canadian perspectives and a Canadian view of the world.

Against this yardstick the first option—seeking to maintain our present position with minimum policy changes—is not likely to represent much of an advance. On the contrary, if the continental pull is, in fact, becoming stronger, we may, like the proverbial squirrel, have to run harder simply to stay in place. In the final analysis, the first option is not really an option of strategy at all. Directed as it is toward preserving the present balance in the Canada-U.S. relationship in an external setting of predictable change, it would inevitably involve a substantially reactive posture on Canada's part.

Costs involved

The second option—closer integration with the United States—would involve costs in terms of the Canadian identity. Even if limited to a free-trade area, it would probably be unrealistic to assume that the momentum generated by this option could be confined to the economic and industrial sphere. The many common denominators, based on contiguity and affinity, that link Canada and the United States, would receive a strong impetus. To resist them would require more deliberate effort and appear to make less sense because the second option implies a judgment that the effort to resist the continental pull is likely to be unavailable. To the extent that a real risk to Canada's distinctness as a political and cultural community was apprehended, recourse to the second option could involve a serious strain on the domestic consensus in Canada.

The third option—a comprehensive strategy to strengthen the Canadian economy and other aspects of our national life—assumes that the continental tide can be stemmed to some extent and contained within bounds that approximate more closely the wider, global thrust of interdependence. It sees, as did the recent foreign policy review, "the judicious use of Canadian sovereignty" as "the key to Canada's continuing freedom to develop according to its own perceptions". More specifically, it looks to the mutually-reinforcing use of various policy instruments as the proper strategy to achieve greater Canadian distinctness. It inevitably takes account of its own limitations. It does not seek to distort the realities of the Canada-United States relationship or the fundamental community of interest that lies at the root of it.

Distinctness is not the only criterion by which the options available to Canada in its conduct of the U.S. relationship should be judged. Independence is another. Distinctness and independence are clearly related, but they are not the same thing. In the broadest sense independence is related ultimately to the capacity of governments to formulate and conduct policy on the basis of national perceptions for the achievement of national objectives in the domestic and international environments. Distinctness, on the other hand, is an attribute that applies to a national society in all its various manifestations.

In trying to judge the constraints on Canadian independence arising out of the U.S. relationship, it is necessary to keep a proper sense of balance. In the first place, there is an all-too-natural tendency to think of such constraints as being deliberate manifestations of U.S. policy. This applies, in particular, to the integrating trend that is being apprehended on the Canadian side. In practice, there is no evidence to suggest that U.S. policy towards Canada is being conducted on other than pragmatic lines as distinct from some general conception of progressive integration that would have the effect of gradually extinguishing Canada's separate existence as a national entity. It is important to distinguish, therefore, between the impact on the Canadian scene of non-governmental U.S. actors (such as corporations, business groups, trade unions, and the media), on the one hand, and of policies and actions of the U.S. Government, on the other. As a general proposition, there is no real evidence that the U.S. Government does now pursue a concerted policy of continental integration in relation in to Canada. Conversely, however, the U.S. Government should not be counted on to inhibit any integrating trend that may be emerging as a result of the separate actions or interests of various U.S. constituent communities.

Rewarding relationship

In the second place, the Canada-U.S. relationship, in whatever way we may look upon it, has been a rewarding and enriching relationship for Canada on most counts. In particular, of course, it has been instrumental in endowing Canadians with an industrial structure and the higher standard of living that goes with it in a shorter time span than might otherwise have been achievable on the strength even of Canada's substantial natural and human resources. This is something that cannot be left out of account in any judgment of the constraints the relationship may have placed on Canadian independence. Nor are Canadians disposed to make their reckoning without taking account of the many positive aspects of the relationship. This accounts for the element of ambivalence that has always been a feature of Canadian policy towards the United States. As the recent foreign policy review puts it, "for the majority of Canadians the aim appears to be to attain the highest level of prosperity consistent with Canada's political preservation as an independent state". The ambivalence has persisted, in essence, because policy choices at either end of the spectrum are likely to involve unacceptance costs to Canadians. To avoid such costs will presumably remain a primary objective of any policy option.

In the third place, it is difficult to make any pronouncement about the impact of the Canada-U.S. relationship on Canadian independence without at least a cursory look at the concept of the "special relationship". The term is not uniquely applied to Canada. Other countries, too, have intermittently used it to describe their relationships with the United States. This is presumably because it has been considered beneficial to enjoy a "special" relationship with the United States.

As far as Canada is concerned, there can be little doubt that the relationship with the United States has been and continues to be special in the sense that it is probably the most articulated relationship between any two countries in the world involving a unique level of mutual interaction, even if unequal in its impact. The intensity of the relationship and perceptions on either side of the border notwithstanding, it has been conducted, by and large, as a normal relationship between two sovereign states. On occasion, however, it has also involved transactions involving special ground rules that have not been extended evenly to other countries.

To the extent that the concept of the "special relationship" reflects an objective reality, it will continue to be valid. To the extent, on the other hand, that it denotes special arrangements between Canada and the United States, its currency is likely to diminish on both sides of the border. In the United States, the perception is gaining ground that the "special relationship" with Canada was an unbalanced relationship, that it involved accommodations in favour of Canada that are no longer tenable in the light of current economic and political realities, and that any restructuring of the "special relationship" would have to proceed on a basis of much more demonstrable equity of benefit to each country. On the Canadian side, there is a concurrent feeling that special arrangements with the United States, for all their acknowledged benefits, may in the end have curtailed our freedom of action, domestically as much as in the realm of foreign policy, and that the cumulative impact of such arrangements taken together carries the risk of locking Canada more firmly into a pattern of continental dependence. This probably does not rule out some special arrangements in future, arrived at selectively on a basis of mutual advantage, but the prospect under anything like the third option would be for a more normal nation-to-nation relationship.

Any discussion of the theme of Canadian independence would not be complete without some judgment as to the realistic parameters of such a discussion itself. It would obviously be absurd to proceed from the assumption that Canada is today substantially deficient in independence. In fact, Canada probably has much more independence than most countries in the modern world and more than many Canadians rec-

ognize. There is no denying, on the other hand, that the pervasive span of the linkages between Canada and the United States represents a set of potential constraints on the latitude Canada has in dealing with its national problems. Some of these linkages are immutable; others are susceptible to modification. The real question is to what extent we can look to any policy option to enhance the measure of independence Canadians now enjoy without involving unrealistic, unacceptable and unwarranted costs.

Diversifying interests

The foreign policy review brings the concept of countervailing factors into play. Among these, it instances the active pursuit of trade diversification and technical co-operation with countries other than the United States. The notion that Canada's interests are best served by policies that seek to diversify those interests on a global basis as one means of avoiding excess reliance on the United States is, of course, not a new one. In one way or another, it has been an explicit assumption behind Canadian support for trade liberalization over the years. If trade liberalization has not contributed significantly, if at all, to our explicit objective of diversification, a less liberal world-trading environment would probably have led to even stronger links between the Canadian and U.S. markets. The fact remains that, with more than two-thirds of our total trade concentrated in the United States, Canada is unique among industrialized countries in having a trading pattern that, by the standard of diversification, is so unbalanced.

This suggests that we should be unrealistic to set our sights too high. There is clearly no possibility of our being able to surmount overnight Canada's heavy dependence on the United States for trade, investment and technology. But there is no reason why we should not aim, in the context of an expanding economy and expanding trade prospects, to achieve relative shifts that, over time, could make a difference in reducing Canada's dependence on a single market and, by extension, the vulnerability of Canada's economy as such. The stronger Canada that might be expected to emerge from the pursuit of such a policy is the objective of the third option. It is eminently clear, however, that for diversification to be achieved, even within the modest scale here suggested, trade policy will need to be harnessed to other policies—such as an industrial-growth strategy and a policy to deal with aspects of foreign ownership—that address themselves to the special factors at play in the North American situation.

There is one final point to be made about Canadian independence. There are those who believe that the growing trend toward regionalism in the world, coupled with the narrowing focus within which the United States may be induced to interpret its national interests in a period of retrenchment will inevitably increase the continental pull exerted on Canada. Against this, however, it is arguable that, in the world foreshadowed by the Nixon Doctrine—a world in which power is likely to be more diffused and in which United States commitments may be tailored much more closely to resource capabilities and public attitudes in the United States—the prospect of Canada's achieving its national objectives, domestically and internationally, will be enhanced rather than diminished.

Various options have been identified for the future management of the Canada-U.S. relationship. All these options have one common denominator: the need for the relationship to be harmonious. This is not only because no policy option is likely to be tenable in any context other than that of a harmonious relationship between Canada and the United States. It is also because, over a very wide spectrum, the interests of the two countries as continental neighbours and in the international environment are, in fact, in close harmony.

In particular, Canada and the United States would appear to have a very strong common interest in promoting improvements in the international trade-and-payments system. We have made common cause in these matters in the past and there is every reason why we should continue to work constructively together. It would be a pity if the existence of some irritants in our bilateral trade relations were to create the impression that, on the big questions, Canada and the United States found themselves in opposing camps.

No anomaly

The foreign policy review speaks of living distinct from but in harmony with the United States. There is no anomaly in this proposition. The concept of distinctness is taken for granted as the natural context for international relations and no qualitative inferences should be drawn from it one way or the other. There are many countries in the world that certainly regard themselves as being distinct and have no difficulty in living in the closest harmony of purpose and endeavour with other countries. There is no intrinsic reason, therefore, why Canadian distinctness should in any way inhibit the continued existence of a fundamentally harmonious relationship between Canada and the United States.

It is fair to assume that, in the 1970s and 1980s, Canadian-American relations may become more complex than they have been in the past. It is part of the trend toward increasing complexity in the relationship that a larger number of issues may arise between us that engage the national interest on each side. It is also to be assumed that, if the national interest were interpreted in a new and possibly narrower focus, the issues arising between us would, on occasion, be judged to bear more critically on it than when the relationship was more relaxed. Finally, as governments on both sides of the border are more and more being drawn by their various domestic constituencies into areas of social and economic activity that involve the shaping of national goals, the nature of the issues between us and the means of resolving them may change.

There is nothing in all this that should be thought to imply a scenario for greater contention. Far from it. There will, of course be issues, such as Canada's policies on foreign ownership and perhaps in relation to energy and other resources—and in many other areas—where perceptions will differ. The same will almost certainly be true of United States policies as that country continues to grapple with secular and structural problems of economic adjustment. On occasion, as Secretary of State Rogers recently put it, each government "may be required to take hard decisions in which the other cannot readily concur". In the main, however, we should expect both countries to manage change in a spirit of harmony and without doing unnecessary damage to interests on the other side. Above all, it is in Canada's interest to work closely with a dynamic and outward-looking United States whose influence and the leverage it can bring into play will continue to be critical to the achievement of some of Canada's principal objectives in the international environment.

In the final analysis, harmony is not an extraneous factor in the Canada-United States relationship. It has marked the relationship because it is based on a broad array of shared interests, perceptions and goals. It also reflects the many affinities that have linked Canadians and Americans traditionally and that continue to link them as members of changing but still broadly compatible societies. What is at issue at the moment is, as someone has aptly defined it, "the optimum range of interdependence" between Canada and the United States. All the evidence suggests that the issue is being reviewed on both sides of the border. But, understandably, it is of immensely greater significance for Canada. If the outcome is a Canada more confident in its identity, stronger in its capacity to satisfy the aspirations of Canadians and better equipped to play its part in the world, it is an outcome that is bound to make Canada a better neighbour and partner of the United States. Above all, it is an outcome that should buttress the continuation of a harmonious relationship between the two countries.

SENATOR B. EVERETT JORDAN

Mr. GRIFFIN. Mr. President, it has been written that a man with many friends is himself a friendly man.

This is certainly true of our distinguished friend and colleague, Senator B. EVERETT JORDAN.

It has been my privilege to serve on two committees with him—the Committee on Rules and Administration and the Joint Committee on Printing.

As a result, I know firsthand how painstaking he has been in discharging duties which are heavy and often onerous; how thoughtful and generous he has been in considering the needs and requests of others and how unpartisan he has been in overseeing the operations of the Senate itself.

We will miss EVERETT and I join with all his friends in wishing good health and happiness in the years ahead.

SENATOR CLINTON P. ANDERSON

Mr. GRIFFIN. Mr. President, a long and distinguished career in public service will come to an end at the close of this session with the retirement of our friend colleague from New Mexico, Senator CLINTON P. ANDERSON.

As the junior Senator from Michigan, I have a particular reason to be proud of his record: he received part of his education at the University of Michigan.

Senator ANDERSON, who was born in South Dakota, followed the injunction of Horace Greeley, "Go West, young man, go West," and I am sure he has never regretted his decision. Success in the insurance business and politics followed him thereafter.

After filling several important positions in his adopted State of New Mexico, he served three terms in the U.S. House of Representatives. Then he became a member of President Truman's Cabinet as Secretary of Agriculture and served in that position most ably.

In 1948, Senator ANDERSON was elected to the U.S. Senate and has served continuously since that time. Never parochial in his interests, Senator ANDERSON served with distinction as chairman of the Joint Committee on Atomic Energy and in many other capacities during his long and valuable Senate career.

I join with all his Senate friends in wishing him many pleasant years in a well-earned retirement.

SENATOR CLINTON P. ANDERSON

Mr. FULBRIGHT. Mr. President, as the 92d Congress draws to an end, I wish to take this opportunity to pay a special tribute to the senior Senator from New Mexico, CLINTON P. ANDERSON, Senator ANDERSON has had a long and distinguished career in the Senate. He has served this body as chairman of the Joint Committee on Atomic Energy, as chairman of the Senate Interior Committee, and as chairman of the Senate Space Committee. It has been my pleasure to serve with CLINT for many years on the Finance Committee, where I have had the opportunity to observe, firsthand, his deep concern for his fellow man, especially the less fortunate. He is a man of compassion and commitment, and he will be sorely missed in the Senate. I wish him well as he enters his retirement years.

RECESS TO 1 P.M. TODAY

Mr. MANSFIELD. Mr. President, if no one wishes to speak, I ask unanimous consent that the Senate stand in recess until the hour of 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 11:24 a.m. the Senate took a recess until 1 p.m.; whereupon the Senate reassembled, when called to order by the Presiding Officer (Mr. JORDAN of North Carolina).

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

S. 141. An act to establish the Fossil Butte National Monument in the State of Wyoming, and for other purposes;

S. 655. An act for the relief of certain postal employees at the Elmhurst, Ill., Post Office;

S. 909. An act for the relief of John C. Rogers;

S. 1198. An act to authorize the Secretary of Agriculture to review as to its suitability for preservation as wilderness the area commonly known as the Indian Peaks Area in the State of Colorado;

S. 1462. An act to provide for the disposition of funds appropriated to pay judgment in favor of the Mississippi Sioux Indians in Indian Claims Commission dockets numbered 142, 359, 360, 361, 362, and 363, and for other purposes;

S. 2147. An act for the relief of Marie M. Ridgely;

S. 2270. An act for the relief of Magnus David Forrester;

S. 2275. An act for the relief of Wolfgang Kutter;

S. 2318. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, and for other purposes;

S. 2469. An act for the relief of Kenneth J. Wolff;

S. 2714. An act for the relief of M. Sgt. William C. Harpold, U.S. Marine Corps (retired);

S. 2753. An act for the relief of John C. Mayoros;

S. 2822. An act for the relief of Alberto Rodriquez;

S. 3055. An act for the relief of Maurice Marchbanks;

S. 3230. An act to provide for the division and for the disposition of the funds appropriated to pay a judgment in favor of the Assiniboine Tribes of the Fort Peck and Fort Belknap Reservations, Mont.;

S. 3257. An act for the relief of Gary Wentworth, of Staples Minn.;

S. 3326. An act for the relief of the Appalachian Regional Hospitals, Inc.;

S. 3358. An act to prohibit the use of certain small vessels in U.S. fisheries;

S. 3483. An act for the relief of Cass County, N. Dak.;

S. 3524. An act to extend the provisions of the Commercial Fisheries Research and Development Act of 1964, as amended;

S. 3545. An act to amend section 7 of the Fishermen's Protective Act of 1967;

S. 3583. An act for the relief of Gerald Vincent Bull;

S. 3843. An act to authorize the Secretary of Transportation to make loans to certain railroads in order to restore or replace essential facilities and equipment damaged or destroyed as a result of natural disasters during the month of June 1972;

S. 3943. An act 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;

S. 4022. An act to provide for the participation of the United States in the International Exposition on the environment to be held in Spokane, Wash., in 1974, and for other purposes;

S. 4059. An act to provide that any person operating a motor vehicle within the District of Columbia, shall be deemed to have given his consent to a chemical test of his blood, breath, or urine, for the purpose of determining the blood content;

S. 4062. An act to provide for acquisition by the Washington Metropolitan Area Transit Authority of the mass transit bus systems engaged in scheduled regular route operations in the National Capital area, and for other purposes; and

S. J. Res. 221. Joint resolution to designate Benjamin Franklin Memorial Hall at the Franklin Institute, Philadelphia, Pa., as the Benjamin Franklin National Memorial.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. ROBERT C. BYRD).

THE MINING OF HAIPHONG

Mr. HARRY F. BYRD, JR. Mr. President, President Nixon yesterday attacked the so-called opinion leaders of this country for not supporting him last May after he ordered the bombing of North Vietnam and the mining of its ports. His aim was directed at critics in the news media and the universities.

President Nixon said his decision to mine Haiphong Harbor was "the hardest decision I have had to make since becoming President of the United States."

The President explained that, as he was preparing his Moscow meeting with Soviet leaders, a massive Communist invasion took place in South Vietnam from North Vietnam.

The President said:

We were faced with the spectre of defeat, and I had to make a choice, a choice of accepting that defeat and going to Moscow with hat in hand, or acting to prevent it. I acted.

What a tragedy it is that President Nixon's predecessor refused to accept the advice of his military leaders. Had President Johnson permitted the mining of Haiphong in 1965 or 1966, the Vietnam war, I am confident, would have been over almost before it began. Even coming as late as May 1972, it has had a very significant impact.

At that time, there were 26 ships, most of them Russian, in Haiphong Harbor. The President gave them 3 days to leave, stating that the harbor would be mined at the end of that period. The ships did not leave, and they are still there. None has come in since that date.

So now all of the heavy equipment and petroleum must first go to Chinese ports, further congesting those ports, and then go by rail to North Vietnam, further congesting the rail facilities.

Our top military leaders—and I talked with one this morning, one in whom I have great confidence—say that the mining of Haiphong last May has been an action of great significance in seeking settlement of the war there.

President Nixon inherited a very difficult situation in Vietnam, faced as he was on January 20, 1968, the day he took office, with 549,500 American troops in Vietnam. This figure has been steadily reduced until today there are 34,600.

President Nixon, I feel, had handled well the difficult Vietnam problem, which was not of his making.

I am in full agreement with the statement he made yesterday to the conference of the National League of Families of Prisoners and Missing in Action in Southeast Asia, that the fate of the prisoners of war would not be left to the good will of the enemy.

I am in agreement with him, too, when he asserts that draft dodgers and deserters must pay a price for their choice.

The American people support the President on the mining of Haiphong, if I judge sentiment accurately. All available evidence so indicates. The people realize that it was militarily right, and that until the war can be concluded, it is logical and necessary to take whatever reasonable steps are possible to cut off the flow of supplies to the enemy.

THE WASHINGTON POST AND THE McGOVERN CAMPAIGN

Mr. DOLE. Mr. President, for the last several days the Washington Post and some other elements of the national news media have been hawking rumors about the Republican Party and the campaign to reelect the President.

Lengthy front page stories are run under most misleading headlines which serve only to perpetuate hearsay. Unsubstantiated charges and outrageous allegations have been put forth with no proof whatsoever. The only evidence supplied is the alleged testimony of unnamed sources and information said to be gleaned from Justice Department files.

Yesterday I had occasion to comment on these charges and on the journalistic standards of newspapers which would stoop to printing them. This morning's

Washington Post carries the anguished protest of one of its senior editors who asserts that time is on his side, and will bear him and his paper out in the long run.

I say that charges of so serious a nature as are currently being printed in the pages of the Post must be proven now when they are printed or they ought not to be printed at all.

Mr. Bradlee's confidence that time will bear him out, I am sure, is as ill-founded as the charges themselves. It is also worthy of note that Mr. Bradlee, some months ago, announced as policy for his paper that it would no longer print stories based on information from anonymous Government sources. And yet that quite clearly is what his paper has done almost every day for the past week, in blatant contradiction of its own policy.

Further, I would note, Mr. President, my own suspicions that the timing of these stories is more than mere coincidence. It is no secret that a colleague of ours in this body is running a presidential campaign that continues to be devoid of credible, substantive issues. It is no coincidence that that candidate should seize upon the Post's allegations and employ them as flimsy evidence for his own desperate political assault based on rumors that the Post has printed as news.

Senator McGOVERN has charged that the Republicans hired at least 50 people to conduct some of the shabbiest undercover operations in the history of American politics.

Mr. McGOVERN's cries of outrage strike me as, I am sure, they strike most who have heard them, as a bit manufactured. The authenticity of his outrage is even further called into question by an article in the Atlanta Constitution of August 5, 1972. The article cites a McGovern campaign staffer who indicates that Senator McGOVERN has an undercover operation of his own with 50 investigators whose assignment and I quote is:

To try to dig up damaging background information on key members of the Nixon Administration.

The information uncovered by the researchers according to the article would be forwarded directly to Senator McGOVERN who would himself make the decision on how it would be used. The material gathered in the investigation would either be released directly to the press by McGOVERN or leaked quietly to local Democrats according to a spokesman for the Senator.

Mr. President, this article purports to be based not on rumor and supposition but on the stated testimony of a member of the McGovern campaign staff who is named and quoted several times in the article.

By comparison the articles in the Post deserve no credibility whatsoever. As long as reporters feel free to attribute such charges to anonymous sources—sources who will not reveal their names, then newspapers who print such stories will remain suspect, the Post has done no service to itself, to the public, or to the high standards of journalism adhered to by most American newspapers in printing these stories. It has, in fact, served the interests only of the McGovern campaign and that Mr. President, I am confident, was its intent.

So I call upon the Post to insert a little balance in its reporting and to give the same investigative effort to proven instances of political sabotage against the President's campaign, such as happened last week at the Democrats for Nixon office in Washington—and two weeks ago in California when the President's appearance there was disrupted by militant anti-war radicals who had the help of the McGovern campaign organization.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the Atlanta Constitution entitled "GOP's Target of McGovern 'Truth' Team" of August 5, 1972, written by Bob Hurt.

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

GOPs TARGET OF McGOVERN "TRUTH" TEAM

(By Bob Hurt)

WASHINGTON.—Sen. George McGovern has organized a team of investigators to try to dig up damaging background information on key members of the Nixon administration. a spokesman for the Democratic presidential nominee said Friday.

At least 15 volunteer investigators began background checks on major administration officials this week. The McGovern spokesman said the "truth squad" eventually would be expanded to 50 investigators.

About 100 Republicans have been targeted for the investigation, according to John Wagner, 31, an attorney and graduate student who heads the investigative project.

The investigations will be confined to the "business and political lives" of the Nixon men, Wagner told The Constitution.

"We're not looking for whether or not their wife is an alcoholic or that sort of thing," Wagner said. Nevertheless, Wagner added that any type of significant information uncovered by the researchers will be forwarded to McGovern, who will make the final decision on whether it will be used.

Subjects of the investigation include White House domestic affairs chief John D. Ehrlichman, special assistant H. R. Haldeman and special counsel Charles W. Colson.

"We want this to be a rundown on who's running the government and what influences they are subject to and what special interests they have," Wagner said.

Material gathered in the investigation will either be released directly to the press by McGovern or leaked quietly to local Democrats for use as they choose in their home states, a McGovern spokesman said.

The McGovern research office said the project will be the most exhaustive of its type undertaken in a presidential campaign.

Such investigations on the backgrounds of politicians are not unusual. But detailed information about plans and the nature of such investigations are usually tightly kept political secrets.

The Democratic National Committee has files on only a handful of Republicans, but McGovern wants a report on virtually every major staff member in the White House and all other GOP leaders with jobs in the administration.

Ironically, it was the failure of the McGovern staff to investigate the background of Sen. Thomas Eagleton that led to the disclosure of Eagleton's past emotional problems and his resignation from the ticket as the vice presidential nominee.

Most of the McGovern investigators are college-age or in their mid-20's.

First results of the probe are expected to be released by the end of August.

Wagner said he is not yet able to evaluate the effectiveness of the project, but other sources say information has already been collected that shows the promise of the technique.

For example, a study has shown that a southern Republican appointee to a regulatory agency has cast votes that would be unpopular in his home state. The information will be distributed to McGovern workers here and in the South.

Mr. DOLE. Mr. President, I challenge the Washington Post to follow up on the story which appeared in the Atlanta Constitution and to check with those named in that story and to check on some of these so-called 50 investigators that were to be dispatched by Mr. Wagner to check on the Nixon administration. The story indicated that Mr. Wagner, a man heading the project, indicated that they would check about 100 persons in the Nixon administration.

I realize that in the final weeks of the campaign and perhaps on the final day of this session of the Congress, that it is customary in the heat of an election that charges and countercharges be made.

I cannot vouch for anything that has been said by anyone in this campaign. However, it appears to me that a great paper like the Washington Post—which it is most of the time—should balance its reporting and its efforts.

They can be for GEORGE McGOVERN. That is their right. However, I think they owe the public and those who rely on the Washington Post across the Nation a higher obligation to tell both sides of the story and to investigate both sides and not to make it appear by inference and innuendo through unnamed sources and unauthoritative sources that they have information which no one else has.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 2:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 2:30 p.m. today.

The motion was agreed to; and at 1:12 p.m. the Senate took a recess until 2:30 p.m.; whereupon the Senate reconvened when called to order by the Presiding Officer (Mr. FANNIN).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the amendment of the

House to the bill (S. 3959) to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments.

The message also announced that the House had disagreed to the amendments of the Senate to the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. WHITTEN, Mr. SIKES, Mr. PASSMAN, Mr. EVINS or Tennessee, Mr. BOLAND, Mr. JONAS, Mr. CEDERBERG, Mr. RHODES, and Mr. SHRIVER were appointed managers on the part of the House at the conference.

The message further announced that, pursuant to the provisions of House Resolution 1162, 92d Congress, Mr. THOMPSON of New Jersey and Mr. CARLSON were appointed as delegates to attend the 17th session of the United Nations Educational, Scientific, and Cultural Organization in Paris, France, from October 17 to November 18.

The message also announced that, pursuant to the provisions of section 2(a), Public Law 92–489, Mr. BROOKS, Mr. MIKVA, Mr. HUTCHINSON, and Mr. WIGGINS were appointed as members of the Commission on Revision of the Federal Court Appellate System.

The message further announced that, pursuant to the provisions of section 4 (a), Public Law 92–484, Mr. DAVIS, Mr. CABELL, Mr. MCCORMACK, Mr. MOSHER, Mr. GUBSER, and Mr. HARVEY were appointed members of the Technology Assessment Board.

The message also announced that the House had agreed 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. 1) to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

H.R. 3786. An act to provide for the free entry of a four-octave carillon for the use of Marquette University, Milwaukee, Wis.;

H.R. 5066. An act to authorize appropriations for fiscal year 1973 to carry out the Flammable Fabrics Act;

H.R. 7093. An act to provide for the disposition of judgment funds of the Osage Tribe of Indians of Oklahoma;

H.R. 8273. An act to amend section 301 of the Immigration and Nationality Act;

H.R. 8395. An act to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes;

H.R. 10384. An act to release certain restrictions on the acquisition of lands for recreational development and for the protection of natural resources at fish and wildlife areas administered by the Secretary of the Interior;

H.R. 10880. An act to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery;

H.R. 11563. An act 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;

H.R. 12186. An act to strengthen the penalties imposed for violations of the Bald Eagle Protection Act, and for other purposes;

H.R. 12674. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes;

H.R. 12807. An act to amend the Federal Property and Administrative Services Act of 1949 in order to establish Federal policy concerning the selection of firms and individuals to perform architectural, engineering, and related services for the Federal Government;

H.R. 12828. An act to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

H.R. 13158. An act to name a bridge across a portion of Oakland Harbor, Calif., the "George P. Miller-Leland W. Sweeney Bridge";

H.R. 13895. An act to amend title 5, United States Code, to revise the pay structure for nonsupervisory positions of deputy U.S. marshal, and for other purposes;

H.R. 14911. An act to amend titles 10 and 37, United States Code, to authorize members of the Armed Forces who are in a missing status to accumulate leave without limitation, to amend title 10, United States Code, to authorize an additional Deputy Secretary of Defense, and for other purposes;

H.R. 15375. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for fiscal year 1973;

H.R. 15461. An act 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;

H.R. 15597. An act to authorize additional funds for acquisition of interests in land within the area known as Piscataway Park in the State of Maryland;

H.R. 15657. An act to strengthen and improve the Older Americans Act of 1965, and for other purposes;

H.R. 15735. An act to authorize the transfer of a vessel by the Secretary of Commerce to the Board of Education of the city of New York for educational purposes;

H.R. 15763. An act to amend chapter 25, title 44, United States Code, to provide for two additional members of the National Historical Publications Commission, and for other purposes;

H.R. 15965. An act to amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, to provide certain revisions in the retirement benefits of public school teachers, and for other purposes;

H.R. 16675. An act to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to extend for 1 year the program of grants for State and local prevention, treatment, and rehabilitation programs for alcohol abuse and alcoholism;

H.R. 16804. An act to rename the Mineola Dam and Lake as the Carl L. Estes Dam and Lake;

H.R. 16883. An act relating to compensation of members of the National Commission on the Financing of Postsecondary Education;

H.R. 17038. An act designating the Oakley Reservoir on the Sangamon River at Decatur, Ill., as the William L. Springer Lake;

H.J. Res. 733. Joint resolution granting the consent of Congress to certain boundary agreements between the States of Maryland and Virginia;

H.J. Res. 748. Joint resolution amending title 38 of the United States Code to authorize the Administrator of Veterans' Affairs to provide certain assistance in the establishment of new State medical schools and the improvement of existing medical schools affiliated with the Veterans' Administration; to develop cooperative arrangements between institutions of higher education, hospitals, and other nonprofit health service institutions affiliated with the Veterans' Administration to coordinate, improve, and expand the training of professional and allied health and paramedical personnel; to develop and evaluate new health careers, interdisciplinary approaches and career advancement opportunities; to improve and expand allied and other health manpower utilization; to afford continuing education for health manpower of the Veterans' Administration and other such manpower at regional medical education centers established at Veterans' Administration hospitals throughout the United States; and for other purposes; and

H.J. Res. 1301. Joint Resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages under the National Housing Act.

The enrolled bills and joint resolutions were subsequently signed by the Acting President pro tempore (ROBERT C. BYRD).

PRINTING AS SENATE DOCUMENTS OF TRIBUTES TO SENATOR JORDAN OF IDAHO AND SENATOR COOPER

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader (Mr. SCOTT), I ask unanimous consent that the tributes that appear in the RECORD to the Senator from Idaho (Mr. JORDAN) and the Senator from Kentucky (Mr. COOPER) be printed as Senate documents.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing his right to the floor, so that I may suggest the absence of a quorum?

Mr. LONG. I yield for that purpose.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEWS OF REPRESENTATIVE BOGGS AND REPRESENTATIVE BEGICH, REPORTED MISSING IN ALASKA

Mr. STEVENS. Mr. President, my colleague from Alaska (Mr. GRAVEL) and I have had a great many questions and comments from Senators and Members of the other body and interested friends of the distinguished Representative NICK BEGICH and the distinguished majority leader of the House of Representatives, HALE BOGGS, who are reported lost on a plane that left Anchorage yesterday morning destined for Juneau. There has been much concern about them.

I have some press reports from the Anchorage morning newspaper, and I should like to say, as I have just said to the distinguished Senator from Louisiana (Mr. LONG), that if this report, as contained in the newspaper, is correct, it states that a plane reportedly was heard over Whittier by a dockworker around 9:30 a.m. Monday. The article reads, in part:

A Whittier area construction worker said he heard a light plane over the Whittier region at about 9:30 a.m. Monday, the Whittier Chief of Police told The Daily News Monday night. A regularly scheduled Polar Airways craft headed by Valdez normally passes Whittier at that time, but had been rescheduled to fly a different route Monday, The Daily News learned.

If that plane got through Whittier, and that was along a path that was in pretty bad condition—the path between Anchorage and Whittier—then I should say that there is at least a 50–50 chance that the two Congressmen in the Cessna-310 plane are down somewhere around Cordova—between Cordova and Yakutat—and that is good country to put a plane down in an emergency. It is the place where the Senator from Mississippi goes duck hunting, so he knows the area very well, as do all of us who are sportsmen.

I want to assure the Senator from Louisiana that his good friend and my good friend were with a very experienced pilot. Don Jonz has been in Alaska some 15 years. He has written an article on instrument flying in the Alaska area, and he has flown my colleague, Senator GRAVEL, and his wife. He had a very new plane, a Cessna-310, a twin-engine plane that we rely on a great deal in our area.

For some statistics, I called the Air Force about their search and rescue capability, and they pointed out that so far this year they have had 161 rescue missions and have located 573 people. They have a search going on that covers a 4,000-square-mile area, and they have 23 planes out and some 400 small boats searching the coastline, which is some 550 to 600 miles, between Anchorage and Juneau.

So I would hope, as I told the Senator's friend and mine, the Speaker of the House of Representatives, when I called him and told him some of these things, that everyone will maintain the hope that our friends will be found alive and well, after having had a close call. If anyone had a good chance to come through a situation like this they did, because of the plane they had and the pilot they had, and I think we have the best search and rescue capability in the country, so I am confident that everything is being done that can be done. Governor Egan has organized our National Guard to assist, the Civil Air Patrol is assisting, the Coast Guard is involved, and the Air Force is involved. I want to assure the Senate that if we can answer questions in this way, we will state that we have hopes our colleagues will be found alive and well.

I ask unanimous consent that these reports from the Anchorage Daily News be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SEARCH COVERS HUGE AREA

(By Howard Weaver)

Aircraft from Anchorage, Yakutat and Juneau swept about 24,000 square miles of Alaska coastline Monday looking for the missing congressmen.

Shortly after 2 p.m. the Cessna 310 airplane was reported overdue in Juneau, and six search planes were in the air moments later. A U.S. Coast Guard C130 took off from Juneau, an FAA C47 began searching the Yakutat area and three planes were dispatched from Anchorage to join the effort.

"Figuring who's on board and all, it's going to be one hell of a search," an official at the Rescue Coordination Center in Anchorage said late Monday.

All the aircraft set down for the night except a C130 from Elemendorf Air Force Base, which was to continue an electronic search throughout the night.

The missing plane was equipped with an emergency-locator transmitter, which is designed to broadcast the location of the plane in the event of a crash. The range of the device is said to be up to 150 miles, but no contact was made during the evening.

The search enlisted the help of Civil Air Patrol planes from Anchorage in addition to the Air Force craft. CAP planes from Cordova were scheduled to join the effort, but were unable to get off the ground, according to RCC personnel.

Early speculation from some observers was that the missing plane was probably down somewhere in the Whittier area, about 60 miles southeast of Anchorage.

The pilot of the plane, Don E. Jonz of Fairbanks, made radio contact only once after leaving Anchorage International Airport at 9 a.m. That was 12 minutes into the flight, which would have placed the plane in the vicinity of Portage Pass, just northwest of Whittier.

Jack Peck, manager of Anchorage International Airport and pioneer Alaska pilot, said severe turbulance and extreme icing was reported in the pass and that the unpressurized airplane would have been unable to climb above it.

Peck, who planned to search the area in his own plane today, said the military lost a helicopter in the pass a number of years ago but that "most pilots have a lot of respect for the pass and are real careful."

"The pass is about 2,500 feet between here and Whittier. After that, it's clear sailing. There is a very good prospect that there would be where they are," Peck said.

When pilot Jonz called Anchorage 12 minutes after takeoff, he filed a flight plan for a VFR (visual flight rules) path to Juneau, following route Victor 317, which goes from Anchorage to Portage. Whittier, Johnstone Point south of Cordova and then down the Southeast Alaska coast to Harbor Point, and due East to Sisters Island and Juneau Municipal Airport.

A Whittier-area construction worker said he heard a light plane over the Whittier region at about 9:30 a.m. Monday, the Whittier chief of police told The Daily News Monday night. A regularly scheduled Polar Airways craft headed for Valdez normally passes Whittier at that time, but had been rescheduled to fly a different route Monday, The Daily News learned. That led to speculation that the aircraft heard in Whittier was the missing plane.

No radio or other contact was made with the plane after that.

Ed Shepard, a boat pilot in Whittier, said Monday evening that the weather had been "pretty rough" in the area all day. He said that he would use his boat to search the area today, weather permitting. According to his report seas in the sound were running to 14 feet, with poor visibility and water temperature at about 37 degrees.

The FAA's Anchorage Flight Service Station reported that another light aircraft flew the Whittier route Monday afternoon, and was forced to turn back to Anchorage. They said that the craft was in the area at 5:25 p.m. and encountered "light to moderate rime icing," which coats aircraft wings with a frost-like covering and makes flying dangerous.

Water temperature in the sound averages in the low 40s at this time of year, and could be colder closer to glacial shores.

CAMPAIGN MORATORIUM; DEMOS PONDER ELECTION

(By Andy Williams)

Rep. Nick Begich's Republican opponent in the race for Alaska's lone U.S. House seat said Monday night he would hold a moratorium on his campaign until the congressmen are found.

State Sen. Don Young of Ft. Yukon, reached in Wrangell on a campaign stop, said he was confident Begich and Rep. Hale Boggs, D–La., would be found safely, but that he was curtailing his campaign until they were.

Meanwhile, Democratic party leaders pondered steps they would have to take if the worst occurred. Officials said procedures were simple, that the Democratic State Central Committee would meet and choose a successor-candidate, but that the nearness of the

election and the uncertainty of Begich's fate made what would happen as a practical matter extremely speculative.

"Anytime a public servant such as Nick Begich takes time to travel around the state to see his constituents and this happens, it's a sad day for the state," said Young, adding that he had flown more than 40,000 miles during the campaign.

"There is no way I can continue the campaign on the same level without knowing where he is," Young said. "We were going to have debates and discuss the issues. We'll just have to wait until he's found to continue the campaign," he said.

Young said there were dangers to a politician inherent in campaigning by air. He said he had a close experience last week on a chartered flight between Bethel and Fairbanks when the plane iced up.

"But air is the only way to travel in an election. It's a risk you have to take," Young said.

Democratic Party spokesmen said speculation about what the 29-member state central committee would do was premature until the plane was found. They indicated the committee would do nothing to appoint a candidate even if Begich is still missing at the time of the Nov. 7 election. If that happened, they said, Gov. William A. Egan could seek a special election.

A party spokesman said the central committee has the power under state law to appoint persons to vacated candidacies for House seats but not to unexpired House terms.

The governor appoints persons to vacated seats in the Senate.

As Boggs noted at a speech at Sunday night's fund-raising banquet for Begich, the House of Representatives is "the only place you can get to where you must be elected.

"One can become president if he happens to be vice president and the president dies or if he's speaker of the House and the vice president dies. One can be appointed to the United States Senate by the governor, but you must be elected to the House of Representatives, it's the only way you can get there. And it is indeed, the most responsive institution in our country."

The central committee spokesman said, "The central committee would hear applications, solicit people and the majority opinion of the committee would appoint him," the spokesman said. However, he said that ballots had already gone to the printers and that a new candidate would have a serious disrupting effect on the campaign.

He noted that many people have been found alive two weeks or more after their planes have gone down and said he was confident that what he described as the most intensive air search in Alaska's history would locate the plane and the two congressmen alive.

"If he's still missing a week from now, then we will have to cross that bridge when we get to it," he said.

EXPERIENCED PILOT: JONZ IN ALASKA 15 YEARS

Don E. Jonz, pilot of the plane which disappeared Monday with Congressmen Nick Begich of Alaska and Hale Boggs of Louisiana aboard, had more than 15 years experience flying in Alaska and had recently written a magazine article on techniques of flying through ice.

Jonz, 38, owner of Pan-Alaska Airways of Fairbanks, came to Alaska from California around 1957 and has flown extensively with charter operations and training schools in Fairbanks. He started his present company about 1967 and carried cargo to the North Slope during the Prudhoe Bay oil buildup. He presently was operating with about seven planes, according to Fairbanks sources.

Jerry Hook, a friend of Jonz in Fairbanks who participated with him in international air races, said Jonz had "well over 10,000 hours" flight time. "I have no questions at all about his flying. He was a very good flier."

Another source said Jonz liked to "help out the people he thought were doing the right thing for Alaska." Jonz has flown Sen. Mike Gravel on various speaking tours.

Jonz wrote an article about airplane icing which appeared in the publication, "Instrument Flying 1973." The article related experiences Jonz had flying through ice in Alaska and included pointers on how to avoid the hazards.

Jonz wrote that correct judgment and flying techniques could overcome the effects of ice. "If you are sneaky, smart and careful you can fly 350 days a year and disregard 99 per cent of the b.s. you hear about icing," Jonz wrote.

Another long-time Alaska flier who read the article said it discounted some of the serious effects icing has on flight characteristics of airplanes.

"I think he should have treated icing with a little more respect," he said.

LOST PLANE HIGHLY RATED

The aircraft which carried House Majority Leader Hale Boggs and Alaska Congressman Nick Begich was a model 310 Cessna, a twin-engined, six-passenger craft which is highly rated by many Alaska pilots.

Their plane was N1812 H, which was manufactured in 1959. It was owned by Pan-Alaska Airways Ltd., a Fairbanks-based air-charter service.

Don E. Jonz, pilot of the plane and owner of Pan-Alaska, was described by one local pilot as "one of the best drivers there is." He had been owner of the air service for a number of years.

The aircraft was equipped with an emergency locator transmitter, which was designed to start operating on impact and transmit a radio beacon so the plane could be located if it crashed. The range is listed as "up to 150 miles" but contact must be made on a line-of-sight basis. That means that if the plane were in a valley, it would be necessary to fly directly over the downed aircraft.

Specifications for a 1959 model, such as the one which carried the congressmen, were not available, but the listing for the 1973 version indicate great range and speed for the craft.

The newest 310 Cessna aircraft is capable of cruising at 221 miles per hour, and can fly for 960 miles without refueling with a six-man load.

With a load of 4,000 pounds, the new model needs about 600 feet for landing.

BEGICH AND BOGGS MISSING

House Majority Leader Hale Boggs, D-La., Rep. Nick Begich, D-Alaska, and two others aboard a twin-engine plane were missing and believed down today en route from Anchorage to Juneau.

The Pan-Alaska Airways Cessna 310, piloted by Don E. Jonz and also carrying special assistant to Begich, Russel L. Brown, was scheduled to fly through treacherous weather in 3,000-foot-high Portage Pass near Whittier on the 3-hour, 30-minute trip Monday.

The plane with Boggs, who holds the second most powerful position in the U.S. House, left Anchorage International Airport at 9 a.m. and was last heard from at 9:12 a.m., when Federal Aviation Administration officials received a visual flight plan filed by Jonz.

About that time, the twin-engine craft would have been approaching the Turnagain Arm entrance to Portage Pass, the lowest cut in the nearby 5,000–7,000-foot mountains of the Chugach Range.

"We assume the plane is down," an FAA spokesman said after the time had passed when the craft would have exhausted its fuel supply.

The Rescue Coordination Center (RCC) at Elmendorf Air Force Base dispatched search craft 90 minutes after the FAA first reported that the plane had failed to arrive at 12:30 p.m. Anchorage time as scheduled. The RCC said that today it planned to direct 32 aircraft on a search of the 24,000 square miles of Alaska coastline where the plane might have gone down.

Boggs was to be keynote speaker at a 6 p.m. fund-raising dinner for Begich at the Baranof Hotel in Juneau before catching a 7 p.m. jet to Seattle and on to Washington for resumption of Congress Tuesday morning.

The plane with Boggs and Begich had a cruising speed of about 200 miles an hour, a ceiling limited to about 10,000 feet due to lack of a pressurized cabin, and carried an emergency beacon, a five-hour gas supply, and unspecified survival gear.

An Air Force HC130, electronically equipped to locate the Cessna's emergency beacon, was to fly through the night, searching for the plane bearing registration number N1812H along the 80-mile path the plane might have travelled from Anchorage over Whittier, Prince William Sound, Cordova and Yakutat to Juneau.

FAA flight service stations all along the 550-mile route reported no sign of the Cessna, although a plane reportedly was heard over Whittier by a dock worker around 9:30 a.m.

Darkness forced two Civil Air Patrol planes from Anchorage, two CAP planes and a Coast Guard C130 from Juneau and an FAA C47 from Yakutat to curtail the search until this morning.

Polar Airways, Ltd., which normally flies a plane from Cordova to Anchorage through Portage Pass around 9:30 a.m., reported that Monday its plane took a circuitous route partially to avoid heavy icing conditions and poor visibility in the pass.

Upon hearing of conditions in the pass, a pilot who has flown the route said "They had pretty much everything against them." The National Weather Service reported low visibility and some turbulence around Portage Pass. Prince William Sound, just minutes beyond Portage, was seething with 14 foot waves whipping the cold waters along the wooded shores.

Anchorage International Airport manager Jack Peck said that Portage Pass was battered by extreme turbulence and heavy icing conditions.

An FAA spokesman said, "If the plane had been in trouble, or had broken the flight plan normal procedure would have been to establish radio contact. There could be many circumstances like a malfunctioning radio or out of radio range that could cause us to lose contact. But the plane passed its fuel exhaustion time (at 2 p.m. Anchorage time) and we assume that the airplane is down."

National Transportation Safety Board spokesman William Moore said the Cessna had a radio beacon, but "so far, we haven't heard a squeak out of it."

About 400 boats from Cordova also reportedly were searching around Hinchinbrook Island in Prince William Sound, about 80 miles from Portage Pass.

Juneau was partially socked in and an Alaska Airlines plane overheaded to Sitka early Monday, but by the time Boggs and Begich were scheduled to arrive visibility was 12 miles.

Begich's administrative assistant, Gene Kennedy, who flew to Sitka and returned to Anchorage Monday afternoon while trying to land in Juneau via Alaska Airlines, said,

"When I first heard about it, they still had about 40 minutes more gas, so I didn't become alarmed until then. There are supposed to be 32 planes going out in the morning but I don't know whether that's the case now with the weather kind of rainy and cloudy."

Kennedy said that Brown, who has a child and five stepchildren, had been recently promoted to coordinator of Begich's three state offices in Anchorage. Juneau and Fairbanks. Prior to joining Begich's staff here, Brown had run every Begich campaign in Ketchikan since 1964.

Boggs, the 58-year-old 14-term congressman, was Democratic whip from 1962 to 1970, when he became House majority leader.

Begich, a first term congressman who recently rolled up a convincing primary vote, is a former school teacher, apartment manager and two-term Alaska state senator.

Jonz, 38, president of Pan Alaska, had been flying in Alaska since 1957. One friend said, he had logged more than 10,000 flying hours.

EGAN: "JUST HOPE AND PRAY"

(By Linda Billington)

Shock and dismay from both sides of the Alaska political fence greeted the news Monday that Congressmen Nick Begich and Hale Boggs were missing on a flight from Anchorage.

Gov. William A. Egan said he would "just hope and pray that later tonight or sometime in the morning we can find out where these people are. I feel that the ones working (on the search) are doing as good a job as possible."

Egan said he had talked with Mrs. Boggs. Begich's wife Pegge and son Tom in Washington, as well as the wife of Russel Brown, Begich's special assistant who was on the plane. He said that neighbors are staying with Mrs. Begich.

Egan recalled several emergency flights he and Mrs. Egan had experienced in Alaska—all of which landed safely, "I hope and pray that's the way it is," he said. "I'm disheartened that up to this time there has been no detection of a beeper. If they had to land on a beach somewhere, that beeper should have been heard."

U.S. Sen. Ted Stevens, R-Alaska, struck an optimistic note, saying that "people should not give up hope because there were several spots where the plane could have set down.

"There are a lot of beaches along there," he said. "I've flown along there many times. There are four or five emergency fields along the line where an airplane could land.

"I just hope everybody doesn't give up hope. I remember when I put down a couple of times where there was no phone, because of the weather . . . I'd say the odds are in favor of them turning up somewhere with a pilot like (Don) Jonz."

State Rep. Gene Guess, who has been campaigning for Stevens' U.S. Senate seat, said that he and Begich had planned a 10-day campaign tour of Southeastern. Guess said that he had suspended his campaign indefinitely.

"We were scheduled to meet each other in Ketchikan tomorrow, and were supposed to be at a luncheon in Wrangell and a dinner at Petersburg, with the whole week planned together in the Southeast," he said late Monday.

Two of Begich's former compatriots in the state legislature, State Sens. Lowell Thomas. R-Anchorage, and Chancy Croft, D-Anchorage, had been planning to fly to Kenai Monday morning but cancelled the flight because the weather was too rough.

"My wife and I drove down instead, and it was terrible in the Portage area," said Thomas, a private pilot. "There were some of the strongest winds I've ever seen."

Thomas said his first reaction was "What can I do?" "I have a plane, and if they need anyone I'll take it out to search," he said.

Croft said he had known Begich for several years and noted of his performance in the legislature. "I think he could store more knowledge in his mind than almost anyone I ever knew, and on a wide range of subjects. He was very conscientious, very hard-working.'

Republican State Sen. Don Young of Fort Yukon, Begich's opponent in the race for the U.S. House, said the news "is a shock, and it's also one I understand because of his dedication to the state. . . . I'm optimistic he'll be found and pray that he will. I hope and pray that he's found and can continue his effort for the state."

Former governor and interior secretary, Walter J. Hickel, who has known Begich since the congressman was an Anchorage schoolteacher, said: "I just hope they're found safe, and we have nothing to say beyond that. It would be a loss to the country and the state both. I don't have any reaction except shock. He did an excellent job as congressman; there's no doubt about it that he served Alaska well."

Mr. LONG. Mr. President, I thank the Senator from Alaska for the hopeful message he has brought us. We certainly pray that Representatives BOGGS, BEGICH and the others will be found alive and safe as the search continues.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. FANNIN). The Chair, on behalf of the Vice President, pursuant to Public Law 84–689, appoints the Senator from Colorado (Mr. ALLOTT) as alternate delegate to the North Atlantic Assembly, to be held in Bonn, Germany, November 18–24, 1972.

SOCIAL SECURITY AMENDMENTS CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 1, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. FANNIN). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1) to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes; having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of October 14, 1972, at pp. 36502–36512.)

Mr. LONG. Mr. President, I am pleased that the Senate has before it the conference report on H.R. 1, the Social Security Amendments of 1972. This bill will provide a total of $4.4 billion in additional social security benefits in the first full year: $2.3 billion in additional cash benefits, and $2 billion in additional medicare benefits. In addition, supplemental security income benefits for aged, blind, and disabled persons will increase their payments by $1.6 billion.

By any measure then, the bill contains substantial increases in benefits, it does not contain everything some of us would have liked but I feel that the conferees have come out with a good bill that every Senator can support.

I would like now to outline briefly some of the major features of the conference report.

SOCIAL SECURITY CASH BENEFITS

The bill would substantially increase benefits for widows. Under existing law a widow gets 82½ percent of the amount her deceased husband would have received if he had retired at age 65. The bill increases this to 100 percent. This will increase benefits for some 3.8 million people and increased benefit payments will total $1.1 billion in 1974.

Another feature of the bill provides a special minimum benefit for people who retire after working for many years under the social security program at low wages. This benefit is equal to $8.50 a month for every year worked under social security in excess of 10 years and up to 30 years. This means that a man who works and pays social security taxes for 25 years will get a monthly benefit of at least $127.50 when he retires, and one who works for 30 or more years under the program will get at least $170 a month; 150,000 people will be immediately eligible for increased benefits because of this special minimum provision.

For people who continue to work past age 65, the bill includes two important provisions. One of these provisions would increase from the present $1,680 to $2,100 the amount of annual earnings which an individual can have without losing any of his social security benefits. In addition, the bill would provide that social security benefits would be reduced by only $1 for every $2 earned above this $2,100 exempt amount. Under current law, benefits are reduced dollar-for-dollar for earnings above $2,880. This provision will result in an additional $865 million in benefits in 1974 for some 1.7 million beneficiaries. Further, for those who continue working past age 65 at a level of earnings which is high enough to prevent any benefits from being paid, the bill provides an increase in the

amount of benefits which the worker will get when he does retire.

Another provision of the bill, involving about $14 million in additional benefits in 1974, will give men the same formula for computing benefits as is now available to women. This change in formula will allow men to drop out an additional 3 years of low earnings in figuring the average earnings on which special security benefits are based.

For disabled persons, the bill will reduce the waiting period from the onset of disability to the time when benefits can be paid from the present 6 months to 5 months. This will give close to a million beneficiaries an additional $128 million in benefits in 1974.

For persons applying for disability insurance benefits on the basis of blindness, the bill eliminates the requirement of recent attachment to covered work. In other words, where present law generally requires 5 years of work under social security during the 10 years preceding the onset of blindness, the bill would require only that the blind individual have worked enough under social security at any time to be fully insured. This provision would benefit about 30,000 blind individuals at a cost of some $38 million in 1974.

MEDICARE AND MEDICAID

H.R. 1 includes many vitally needed and long-overdue improvements in the medicare and medicaid programs. All of these changes are directed toward the objectives of equity and improved efficiency and economy in the two principal Federal health care financing programs.

The principal changes in coverage lie in extension of medicare to disabled persons and coverage of those who need kidney dialysis or kidney transplantation. Additionally, in the area of medicare benefits, the definition of care which may be provided in skilled nursing facilities has been liberalized so as to ease administration of the benefits and make it available for more people. We also have provided a means of correcting those situations where medicare payment is denied legitimately because the service was not covered, but where the beneficiary or institution was without fault. Coverage of chiropractors has also been added to medicare.

In medicaid, the principal extension of coverage has been to provide Federal matching funds for the care of mentally ill children who are receiving care and treatment in an accredited medical institution.

In the area of skilled nursing homes and intermediate care, the bill provides for improved standards of care and enhanced uniformity of administration.

Perhaps the most significant change, designed to promote quality of care and proper rendering of services in medicare and medicaid, is the PSRO amendment. Under this provision in the bill, qualified organizations of physicians will review all institutional care and, at their option and with the approval of the Secretary, all out-of-institution care provided under medicare and medicaid. The Secretary would approve such requests, of course, unless the PSRO is demonstrably not capable of coping with such review. Appropriate safeguards are included which are designed to assure public accountability and objective performance. An ad hoc advisory group consisting of physicians experienced in the operation of prototype review organizations—such as those in New Mexico, Georgia, Colorado, and Sacramento and San Joaquin, Calif.—is expected to assist in implementation of the PSRO amendment.

This is the area in which the Senator from Utah (Mr. BENNETT) worked so diligently and devotedly for several years, and I am convinced that it will be a monument to his statesmanship.

With respect to the coverage of kidney dialysis and transplantation, the Secretary would have the authority to define reasonable charges in terms related to the reasonable costs of the treatment provided and comparable charges for physicians' time and skills, since obtaining customary and prevailing charges for new and complex procedures—many of which will be reimbursed in all instances by the program—would be quite difficult administratively.

A veritable host of improvements are described in the conference report, including termination, modification, and consolidation of advisory groups.

SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

The Senate-House conferees on H.R. 1 agreed to a national supplemental security income program which, when it becomes effective on January 1, 1974, would provide the aged, blind, and disabled persons with no other income a guaranteed monthly income of at least $130 for an individual or $195 for a couple. In addition, this new program would provide that the first $20 of any other income would not cause any reduction in supplemental security income payments. As a result, aged, blind, and disabled persons who also have monthly income from social security or other sources of at least $20 would be assured total monthly income of at least $150 for an individual or $215 for a couple.

Also, under this new program there would be an additional disregard of $65 of earned income, plus one-half of any earnings above $65. This will enable those aged, blind and disabled individuals who are able to do some work to do so, and in the process give them a higher income. The conferees also agreed on a savings clause which would assure that blind persons would not receive any reduction in benefits due to these provisions.

The definitions for blindness and disability would be similar to those in title II of the Social Security Act. However, any blind or disabled person who was on the rolls in December 1973 and met the State definition for blindness or disability would be considered blind or disabled in effect in October 1972 for purposes of this title so long as he continued to be blind or disabled.

Eligibility for the new program would be open to an aged, blind or disabled individual if his resources were less than $1,500—or $2,250 for a couple. States wishing to pay an aged, blind or disabled person amounts in addition to the Federal supplemental security income payment would be free to do so. The bill provides no direct Federal participation in the cost of State supplemental payments; however, a savings clause is included under which the Federal Government would assume all of a State's cost of supplemental payments which exceed its calendar year 1972 share of the cost of the aid to the aged, blind, and disabled. This savings clause would apply to State supplementation needed to maintain its assistance level in effect as of January 1972, and would also cover an upward adjustment over the January 1972, assistance levels to the extent necessary to offset the elimination of food stamp eligibility.

States would be authorized to continue programs providing social services to aged, blind, and disabled persons. There would be Federal matching for the services provided subject to the overall limitations established by the recently passed State and Local Assistance Act.

For the first quarter of fiscal 1973, however, States would be reimbursed for social services as they have been under present law, to the extent that the resultant Federal funding for this quarter does not exceed $50 million.

The bill will also permit the Social Security Administration to prepare to administer the new program of supplementary security income program effective upon enactment of the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a summary of conference action of H.R. 1.

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

H.R. 1—SUMMARY OF SOCIAL SECURITY AMENDMENTS OF 1972 AS APPROVED BY THE CONFEREES

I. SOCIAL SECURITY CASH BENEFIT PROVISIONS

1. Special minimum cash benefits

The bill would provide a special minimum benefit of $8.50 multiplied by the number of years in covered employment up to 30 years, producing a benefit of at least $170 a month for a worker who has been employed for 30 years under social security coverage. This benefit would be paid as an alternative to the regular benefits in cases where a higher benefit would result.

Under this provision, the new high minimum benefit would become payable to people with 20 or more years of employment; at that point, the special minimum benefit would be more than the regular minimum—$85 as compared to the regular minimum benefit of $84.50 payable under present law. A worker with 25 years of employment under social security would thus be guaranteed a benefit of at least $127.50; while one with 30 years would receive at least $170 a month. Minimum payments to a couple would be one and one-half times these amounts.

Years of covered employment	Special minimum
19 or less	[1]
20	$85.00
21	93.50
22	102.00
23	110.50
24	119.00
25	127.50
26	136.00
27	144.50
28	153.00
29	161.50
30 or more	170.00

[1] Regular $84.50 minimum applies.

Effective date.—January 1973.

Number of people affected and dollar payments.—$150,000 people would get increased benefits on the effective date and $20 million in additional benefits would be paid in 1974.

2. Increase in wodow's and widower's insurance benefits

Under present law, when benefits begin at or after age 62 the benefit for a widow (or dependent widower) is equal to 82½ percent of the amount the deceased worker would have received if his benefit had started when he was age 65. A widow can get a benefit at age 60 reduced to take account of the additional 2 years in which she would be getting benefits.

The bill would provide benefits for a widow equal to the benefit her deceased husband would have received if he were still living. Under the bill, a widow whose benefits start at age 65 or after would receive either 100 percent of her deceased husband's primary insurance amount (the amount he would have been entitled to receive if he began his retirement at age 65) or, if his benefits began before age 65, an amount equal to the reduced benefit he would have been receiving if he were alive.

Under the bill, the benefit for a widow (or widower) who comes on the rolls between 60 and 65, would be reduced (in a way similar to the way in which widows' benefits are reduced under present law when they begin drawing benefits between ages 60 and 62) to take account of the longer period over which the benefit would be paid.

Effective date.—January 1973.

Number of people affected and dollar payments.—3.8 million people would get increased benefits on the effective date and $1.1 billion in additional benefits would be paid in 1974.

3. Increased benefits for those who delay retirement beyond age 65

The bill includes a provision which would provide for an increase in social security benefits of 1 percent for each year after age 65 that the individual delays his retirement.

Effective date.—For computation and recomputation after 1973 based on earnings after 1973.

4. Age 62 computation point for men

Under present law, the method of computing benefits for men and women differs in that years up to age 65 must be taken into account in determining average earnings for men, while for women only years up to age 62 must be taken into account. Also, benefit eligibility is figured up to age 65 for men, but only up to age 62 for women. Under the bill, these differences, which provide special advantages for women, would be eliminated by applying the same rules to men as now apply to women.

Effective date.—The new provision would become effective, starting January 1973 and become fully effective in January 1975.

Dollar payments.—About $14 million in additional benefits, would be paid in 1974.

5. Liberalization of the retirement test

The amount that a beneficiary under age 72 may earn in a year and still be paid full social security benefits for the year would be increased from the present $1,600 to $2,100. Under present law, benefits are reduced by $1 for each $2 of earnings between $1,680 and $2,800 and for each $1 of earnings above $2,880. The committee bill would provide for a $1 reduction for each $2 of all earnings above $2,100, there would be no $1-for-$1 reduction as under present law. Also, in the year in which a person attains age 72 his earnings in and after the month in which he attains age 72 would not be included, as they are under present law, in determining his total earnings for the year.

Future increases in the amount of exempt earnings would be automatic as average earnings rise.

Effective date.—January 1973.

Number of people affected and dollar payments.—1.2 million beneficiaries would become entitled to higher benefit payments on the effective date and 450,000 additional people would become entitled to benefits. About $856 million in additional benefits would be paid in 1974.

6. Dependent widower's benefits at age 60

Aged dependent widowers under age 62 could be paid reduced benefits (on the same basis as widows under present law) starting as early as age 60.

Effective date.—January 1973.

7. Childhood disability benefits

Childhood disability benefits would be paid to the disabled child of an insured retired, deceased, or disabled worker, if the disability began before age 22, rather than before 18 as under present law. In addition, a person who was entitled to childhood disability benefits could become re-entitled if he again becomes disabled within 7 years after his prior entitlement to such benefits was terminated.

Effective date.—January 1973.

Number of people affected and dollar payments.—13,000 additional people would become eligible for benefits on the effective date and $17 million in additional benefits would be paid in 1974.

8. Continuation of child's benefits through the end of a semester

Payment of benefits to a child attending school would continue through the end of the semester or quarter in which the student (including a student in a vocational school) attains age 22 (rather than the month before he attains age 22) if he has not received, or completed the requirements for, a bachelor's degree from a college or university.

Effective date.—January 1973.

Number of people affected and dollar payments.—55 thousand beneficiaries would become entitled to higher benefit payments on the effective date and 6 thousand additional people would become entitled to benefits. About $19 million in additional benefits would be paid in 1974.

9. Eligibility of a child adopted by an old-age or disability insurance beneficiary

The provisions of present law relating to eligibility requirements for child's benefits in the case of adoption by old-age and disability insurance beneficiaries would be modified to make the requirements uniform in both cases. A child adopted after a retired or disabled worker becomes entitled to benefits would be eligible for child's benefits based on the worker's earnings if the child is the natural child or stepchild of the worker or if (1) the adoption was decreed by a court of competent jurisdiction within the United States, (2) the child lived with the worker in the United States for the year before the worker became disabled or entitled to an old-age or disability insurance benefit, (3) the child received at least one-half of his support from the worker for that year, and (4) the child was under age 18 at the time he began living with the worker.

Effective date.—January 1973.

10. Benefits for a child entitled on the record of more than one worker

The bill would provide that a child who is entitled to benefits on the earnings record of more than one worker would get benefits based on the earnings record which results in paying him the highest amount, if the payment would not reduce the benefits of any other individual who is entitled to benefits based on that earnings record. (Entitlement of a child on the earnings record that will give the child the highest benefit could otherwise result in a reduction of the benefits for other people entitled on the same earnings record because of the family maximum limitation.)

Effective date.—January 1973.

11. Benefits for a child based on the earnings record of a grandparent

Under the bill, benefits would be extended to grandchildren not adopted by their grandparents if their parents have died or are disabled and if the grandchildren were living with a grandparent at the time the grandparent qualified for benefits.

Effective date.—January 1973.

12. Nontermination of child's benefits by reason of adoption

Under present law, a child's entitlement to benefits ends if he is adopted unless he is adopted by (1) his natural parent, (2) his natural parent's spouse jointly with the natural parent, (3) the worker (e.g., a stepparent) on whose earnings the child is getting benefits, or (4) a stepparent, grandparent, aunt, uncle, brother, or sister after the death of the worker on whose earnings the child is getting benefits.

Under the bill, a child's benefits would no longer stop when the child is adopted, regardless of who adopts him.

13. Elimination of the support requirements for divorced women

Under present law, benefits are payable to a divorced wife age 62 or older and a divorced widow age 60 or older if her marriage lasted 20 years before the divorce, and to a surviving divorced mother. In order to qualify for any of these benefits a divorced woman is required to show that: (1) she was receiving at least one-half of her support from her former husband, (2) she was receiving substantial contributions from her former husband pursuant to a written agreement, or (3) there was a court order in effect providing for substantial contributions to her support by her former husband. The bill would eliminate these support requirements for divorced wives, divorced widows, and surviving divorced mothers.

Effective date.—January 1973.

Number of people affected and dollar payments.—10 thousand additional people would become eligible for benefits on the effective date and $23 million in additional benefits would be paid in 1974.

14. Waiver of duration-of-marriage requirement in case of remarriage

The duration-of-marriage requirement in present law for entitlement to benefits as a worker's widow, widower, or stepchild—that is, the period of not less than 9 months immediately prior to the day on which the worker died that is now required (except where death was accidental or in the line of duty in the uniformed service in which case

the period is 3 months)—would be waived in cases where the worker and his spouse were previously married, divorced, and remarried, if they were married at the time of the worker's death and if the duration-of-marriage requirement would have been met at the time of the divorce had the worker died then.

Effective date.—January 1973.

15. Reduction in waiting period for disability benefits

Under the bill, the present 6-month period throughout which a person must be disabled before he can be paid disability benefits would be reduced by 1 month (to 5 months).

Effective date.—January 1973.

Number of people affected and dollar payments.—950 thousand beneficiaries would become entitled to additional benefit payments in 1974 and 4 thousand additional people would become entitled to benefits. About $128 million in additional benefits would be paid in 1974.

16. Disability insured status for individuals who are blind

Under present law, to be insured for disability insurance benefits a worker must be fully insured and meet a test of substantial recent covered work (generally 20 quarters of coverage in the period of 40 calendar quarters preceding disablement). The bill would eliminate the test of recent attachment to covered work for blind people; thus a blind person would be insured for disability benefits if he is fully insured—that is, he has as many quarters of coverage as the number of calendar years that elapsed after 1950 (or the year he reached age 21, if later) and up to the year in which he became disabled.

Effective date.—January 1973.

Number of people affected and dollar payments.—30,000 additional people would become immediately eligible for benefits on the effective date, and $38 million in additional benefits would be paid in 1974.

17. Disability insurance benefits applications filed after death

Disability insurance benefits (and dependents' benefits based on a worker's entitlement to disability benefits) would be paid to the disabled worker's survivors if an application for benefits is filed within 3 months after the worker's death, or within 3 months after enactment of the provision. It would be effective for deaths occurring after 1969.

18. Disability benefits affected by the receipt of workmen's compensation

Under present law, social security disability benefits must be reduced when workmen's compensation is also payable if the combined payments exceed 80 percent of the worker's average current earnings before disablement. Average current earnings for this purpose can be computed on two different bases and the larger amount will be used. The bill adds a third alternative base, under which a worker's average current earnings can be based on the 1 year of his highest earnings in a period consisting of the year of disablement and the 5 preceding years.

Effective date.—January 1973.

Number of people affected and dollar payments.—40 thousand people would get increased benefits on the effective date and $22 million in additional benefits would be paid in 1974.

19. Wage credits for members of the uniformed services

Present law provides for a social security noncontributory wage credit of up to $300, in addition to contributory credit for basic pay, for each calendar quarter of military service after 1967. Under the bill, the $300 noncontributory wage credits would also be provided for service during the period January 1957 (when military service came under contributory social security coverage) through December 1967.

Effective date.—January 1973.

Number of people affected and dollar payments.—130 thousand people would get increased benefits on the effective date and $46 million in additional benefits would be paid in 1974.

20. Optional determination of self-employment earnings

Self-employed persons could elect to report for social security purposes two-thirds of their gross income from nonfarm self-employment. Not more than $1,600 in income (farm and nonfarm) could be reported in this manner. (This optional method of reporting is similar to the option available under present law for farm self-employment.) A regularity of coverage requirement would have to be met and the option could be used only five times by any individual.

Effective date.—January 1973.

21. Coverage of members of religious orders who are under a vow of poverty

Social security coverage would be made available to members of religious orders who have taken a vow of poverty, if the order makes an irrevocable election to cover these members as employees of the order.

Effective date.—January 1973.

22. Self-employment income of certain individuals living temporarily outside the United States

Under present law, a U.S. citizen who retains his residence in the United States but who is present in a foreign country or countries for approximately 17 months out of 18 consecutive months, must exclude the first $20,000 of his earned income in computing his taxable income for social security and income tax purposes. The bill would provide that U.S. citizens who are self-employed outside the United States and who retain their residence in the United States would not exclude the first $20,000 of earned income for social security purposes and would compute their earnings for self-employment for social security purposes in the same way as those who are self-employed in the United States.

Effective date.—January 1973.

23. Issuance of social security numbers and penalty for furnishing false information to obtain a number

The bill includes a number of provisions dealing with the method of issuing social security account numbers. Under present law, numbers are issued upon application, often by mail, upon the individual's motion.

Under the bill the Secretary would be required to issue numbers to non-citizens entering the country under conditions which would permit them to work. In the case of a person who may not legally work at the time he is admitted to the United States, the number would be issued at the time his status changes. In addition to these general rules, numbers would be issued to persons who do not have then at the time they apply for benefits under any federally financed program.

The Secretary would be authorized to issue numbers to individuals when they enter the school system.

As a corollary to this more orderly system of issuing social security account numbers, the bill would provide criminal penalties for (1) furnishing false information in applying for a social security number; (2) knowingly and willfully using a social security number that was obtained with false information or (3) using someone else's social security number. The penalty would involve a fine of up to $1,000 or imprisonment for up to 1 year or both.

Effective date.—January 1973.

24. Trust fund expenditures for rehabilitation services

The bill provides an increase in the amount of social security trust fund moneys that may be used to pay for the costs of rehabilitating social security disability beneficiaries. The amount would be increased from 1 percent of the previous year's disability benefits (as under present law) to 1¼ percent for fiscal year 1973 and to 1½ percent for fiscal year 1974 and subsequent years.

Dollar expenditures.—$28 million in additional expenditures for vocational rehabilitation would be made in 1974.

25. Recomputation of benefits based on combined railroad and social security earnings

The bill would provide that a deceased individual who during his lifetime was entitled to social security benefits and railroad compensation and whose railroad remuneration and earnings under social security are, upon his death, to be combined for social security purposes would have his primary insurance amount recomputed on the basis of his combined earnings, whether or not he had earnings after 1965.

26. Payments to disabled former employee

Provides that payments made by an employer to a former disabled employee will not be counted for social security benefit for tax purposes if the payment is made after the calendar year in which the former employee became entitled to social security disability insurance benefits.

27. Social security coverage for foreign missionaries

Eliminates for certain foreign ministers the $20,000 exclusion from earned income earned abroad in the case of a minister or a member of a religious order.

28. Coverage of students and certain part-time employees

Permits States to modify their social security coverage agreements for State and local employees so as to remove from coverage services of students employed by the public school or college they are attending, and the services of part-time employees.

29. Wage credits for World War II internees

Provides non-contributory social security credits for U.S. citizens of Japanese ancestry who were interned by the U.S. Government during World War II. In order to qualify for the wage credits an individual must have been age 18 or older at the time he was interned and the credits will be determined on the basis of the then prevailing minimum wage or the individual's prior earnings, whichever is larger.

30. Duration-of-relationship requirements

Amends the provision of present law which reduces from 9 months to 3 months the duration-of-relationship requirement when death is accidental or in line of duty in the Armed Forces so that there would be no duration-of-relationship requirement in cases of an accidental death if it is reasonable to expect that the deceased would have lived for at least 9 months.

31. Other Cash Benefit Amendments

Other amendments included in the committee bill related to the executive pay level of the Commissioner of Social Security; coverage of registrars of voters in Louisiana; coverage of certain policemen and firemen in West Virginia and Idaho and certain hospital employees in New Mexico; coverage of certain employees of the Gov-

ernment of Guam; coverage of Federal Home Loan Bank employees; and acceptance of money gifts made unconditionally to social security.

II. MEDICARE-MEDICAID AMENDMENTS

1. Medicare coverage for the disabled

Effective July 1, 1973, a social security disability beneficiary would be covered under medicare after he had been entitled to disability benefits for not less than 24 consecutive months. Those covered would include disabled workers at any age; disabled widows and disabled dependent widowers between the ages of 50 and 65; beneficiaries age 18 or older who receive benefits because of disability prior to reaching age 22; and disabled qualified railroad retirement annuitants. An estimated 1.7 million disabled beneficiaries would be eligible initially.

2. Hospital insurance for the uninsured

The bill will permit persons age 65 or over who are ineligible for part A of medicare to voluntarily enroll for hospital insurance coverage by paying the full cost of coverage (initially estimated at $33 monthly and to be recalculated annually). Where the Secretary of HEW finds it administratively feasible, those State and other public employee groups which have, in the past, voluntarily elected *not* to participate in the Social Security program could opt for and pay the part A premium costs for their retired or active employees age 65 or over. Enrollment in part B of medicare would be required as a condition of buying into the part A program.

Effective date: July 1, 1973.

3. Part B premium increases

The bill will limit part B premium increases for fiscal years 1974 and thereafter to not more than the percentage by which the Social Security cash benefits had been generally increased since the last part B premium adjustment. Costs above those met by such premium payments would be paid out of general revenues in addition to the regular general revenue matching.

Effective date: July 1, 1973.

4. Part B deductible

Beginning with calendar year 1973, the bill increases the annual part B deductible from $50 to $60.

5. Automatic enrollment in part B

Effective July 1, 1973, the bill provides (except for residents of Puerto Rico and foreign countries) for automatic enrollment under part B for the elderly and the disabled as they become eligible for part A hospital insurance coverage. Persons eligible for automatic enrollment must also be fully informed as to the procedure and given an opportunity to decline the coverage.

6. Effective utilization review programs in medicaid

Effective July 1, 1973, the bill authorizes a one-third reduction in Federal matching payments for long-term stays in hospitals, nursing homes, intermediate care facilities, and mental institutions, if States fail to have effective programs of control over the utilization of institutional services or where they fail to conduct the independent professional audits of patients as required by law. The bill also authorizes the Secretary, after June 30, 1973, to compute a reasonable differential between the cost of skilled nursing facility services and intermediate care facility services provided in a State to medicaid patients.

7. Cost sharing under medicaid

The bill made the following changes with respect to premiums, copayments, and deductibles under medicaid.

1. It requires States which cover the medically indigent to impose monthly premium charges. The premium would be graduated by income in accordance with standards prescribed by the Secretary.

2. States could, at their option, require payment by the medically indigent of nominal deductibles and nominal co-payment amounts which would not have to vary by level of income.

3. With respect to cash assistance recipients, nominal deductible and co-payment requirements, while prohibited for the six mandatory services required under Federal law (inpatient hospital services; outpatient hospital services; other X-ray and laboratory services; skilled nursing home services; physicians' services; and home health services), would be permitted with respect to optional medicaid services such as prescribed drugs, hearing aids, etc.

Effective date: January 1973.

8. Protection against loss of medicaid because of increased earnings

An individual or member of a family eligible for cash public assistance and medicaid who would otherwise lose eligibility for medicaid as a result of increased earnings from employment would be continued on medicaid for a period of 4 months from the date where medicaid eligibility would otherwise terminate.

9. Coordination between medicare and Federal employee plans

Effective January 1, 1975, medicare would not pay a beneficiary, who is also a Federal retiree or employee, for services covered under his Federal employee's health insurance policy which are also covered under medicare unless he has had an option of selecting a policy *supplementing* medicare benefits. If a supplemental policy is not made available, the F.E.P. would then have to pay first on any items of care which were covered under both the Federal employee's program and medicare.

Effective date: January 1974.

10. Medicare services outside of the United States

Effective January 1, 1973, the bill authorizes use of a foreign hospital by a U.S. resident where such hospital was closer to his residence or more accessible than the nearest suitable United States hospital. Such hospitals must be approved under an appropriate hospital approval program.

In addition, the bill authorizes part B payment for necessary physicians' services furnished in conjunction with such hospitalization.

The bill also authorizes medicare payments for emergency hospital and physician services needed by beneficiaries in transit between Alaska and the other continental States.

11. Optometrists under medicaid

The bill requires States, which had previously covered optometric services under medicaid and which, in their State plans, specifically provided for coverage for eye care under "physicians' services," which an optometrist is licensed to provide, to reimburse for such care whether provided by a physician or an optometrist.

Effective date: Enactment.

12. Beneficiary liability under medicare

The bill would, with respect to claims for services provided after the date of enactment, relieve beneficiaries from liability in certain situations where medicare claims are disallowed and the beneficiary is without fault.

13. Limitation on Federal payments for disapproved capital expenditures

The bill would preclude medicare and medicaid payments for certain disapproved capital expenditures (except for construction toward which preliminary expenditures of $100,000 or more had been made in the 3-year period ending December 17, 1970) which are specifically determined to be inconsistent with State or local health facility plans. The provision would become effective after December 31, 1972 or earlier, if requested by a State.

14. Demonstrations and reports

The bill authorizes the Secretary to undertake studies, experiments or demonstration projects with respect to: various forms of prospective reimbursement of facilities; ambulatory surgical centers; intermediate care and homemaker services (with respect to the extended care benefit under medicare); elimination or reduction of the three-day prior hospitalization requirement for admission to a skilled nursing facility; determination of the most appropriate methods of reimbursing for the services of physicians' assistants and nurse practitioners; provision of day care services to older persons eligible under medicare and medicaid; and, possible means of making the services of clinical psychologists more generally available under medicare.

Effective date: Enactment.

15. Limitation on coverage of costs under medicare

The bill authorizes the Secretary to establish limits on overall direct or indirect costs which will be recognized as reasonable for comparable services in comparable facilities in an area. He may also establish maximum acceptable costs in such facilities with respect to items or groups of services (for example, food costs, or standby costs). The beneficiary would be liable (except in the case of emergency care) for any amounts determined as excessive (except that he may not be charged for excessive amounts in a facility in which his admitting physician has a direct or indirect ownership in the facility).

Effective date: January 1973.

16. Limits on prevailing physician charge levels

The bill recognizes as reasonable, for medicare reimbursement purposes only, those charges which fall within the 75th percentile. Starting in 1973, increases in physicians' fees allowable for medicare purposes, would be limited by a factor which takes into account increased costs of practice and the increase in earnings levels in an area.

With respect to reasonable charges for medical supplies and equipment, the amendment would provide for recognizing only the lowest charges at which supplies of similar quality are widely and consistently available.

17. Limits on payments to skilled nursing facilities and intermediate care facilities under medicaid

Effective January 1, 1973, Federal financial participation in reimbursement for skilled nursing facility care and intermediate care per diem costs would not be available to the extent such costs exceed 105 percent of prior year levels of payment under the provision (except for those costs attributable to any additional required services). The provision would except increased payment resulting from increases in the Federal minimum wage or other new Federal laws.

18. Payments to health maintenance organizations

Authorizes medicare to make a single combined Part A and B payment, on a capitation basis, to a "Health Maintenance Organization," which would agree to provide care to a group not more than one-half of whom are medicare beneficiaries who freely choose this arrangement. Such payments may not exceed 100 percent of present Part A and B per capita costs in a given geographic area, and

the exact amount of the payment would be dependent on the efficiency of the HMO.

The Secretary could make these arrangements with existing prepaid groups and foundations, and with new organizations which eventually meet the broadly defined term "Health Maintenance Organization."

Effective date: July 1973.

19. Payments for the services of teaching physicians

The bill provides that, for accounting periods beginning after June 30, 1973, services of teaching physicians would be reimbursed on a costs basis unless:

(A) The patient is bona fide private or;

(B) The hospital has charged all patients and collected from a majority on a fee-for-service basis.

For donated services of teaching physicians, a salary cost would be imputed equal to the prorated usual costs of full-time salaried physicians. Any such payment would be made to a special fund designated by the medical staff to be used for charitable or educational purposes.

20. Advance approval of ECF and home health coverage

The bill authorizes Secretary to establish, by diagnosis, minimum periods during which the posthospital patient would be presumed to be eligible for benefits.

Effective date: January 1973.

21. Terminal of payment suppliers of service

Under the bill the Secretary would be authorized to suspend or terminate medicare payments to a provider found to have abused the program. Further, there would be no Federal participation in medic-aid payments which might be made subsequently to this provider. Program review teams would be established in each State to furnish the Secretary with professional advice in discharging this authority.

Effective date: January 1973.

22. Elimination of requirement that States move toward comprehensive medicaid program

The bill repeals Section 1903(e) which required each State to show that it was making efforts in the direction of broadening the scope of services in its medicaid program and liberalizing eligibility requirements for medical assistance.

23. Elimination of medicaid maintenance of effort

The bill repeals Section 1902(d). Under Section 1902(d) a State could not reduce its aggregate expenditures for the State share of its medicaid program from one year to the next.

Effective date: Enactment.

24. Determination of reasonable cost of inpatient hospital services under medicaid and maternal and child health programs

The bill would allow States with the advance approval of the Secretary, to develop their own methods and standards for reimbursement of the reasonable costs of inpatient hospital services. Reimbursement by the States would in no case exceed reasonable cost reimbursement as provided for under medicare.

25. Customary charges less than reasonable costs under medicare

Effective for accounting periods beginning after December 31, 1972, the bill provides that reimbursement for services under medicaid and medicare cannot exceed the lesser of reasonable costs determined under medicare, or the customary charges to the general public. The provisions would not apply to services furnished by public providers free of charge or at a nominal fee. In such cases reimbursement would be based on those items included in the reasonable cost determination which would result in fair compensation.

Effective date: January 1973.

26. Institutional planning under medicare

The bill would require all providers, as a condition of medicare participation, to have a written overall plan and budget reflecting an operating budget and a capital expenditures plan which would be updated at regular intervals.

The required annual operating budget would not have to be a detailed item budget.

Effective date: Fiscal years after March 1973.

27. Cost determination systems under medicaid

The bill provides for Federal matching for the cost of designing, developing, and installing mechanized claims processing and information retrieval systems at 90 percent and 75 percent for the operation including contract operation (of such systems).

Effective date: July 1972.

28. Prohibition against reassignment of claims for benefits

Effective January 1, 1973, the bill prohibits payment to anyone other than the physician or other person who provided the service, unless such person is required as a condition of his employment to turn his fees over to his employer.

29. Utilization review requirements under medicaid and maternal and child health programs

Effective January 1973, the bill requires hospitals and skilled nursing homes participating in titles 5 and 19 to use the same utilization review committees and procedures now required under title 18 for those programs with certain exceptions approved by the Secretary. This requirement is in addition to any other requirements now imposed by the Federal or State governments.

30. Notification of unnecessary hospital and skilled nursing facility admissions

The bill requires notification to patient and physician and a payment cut-off after 3 days, in those cases where unnecessary utilization is discovered during a sample review of admissions to medicare hospitals or skilled nursing facilities.

31. Use of State health agency to perform certain functions under medicaid

Effective January 1973, the bill requires that the same State health agency (or other appropriate State medical agency) certify facilities for participation under both medicare and medicaid. The bill also requires that Federal participation in medicaid payments be contingent upon the State health agency establishing a plan for statewide review of appropriateness and quality of services rendered.

32. Relationship between medicaid and comprehensive health programs

The bill permits States to waive Federal statewideness and comparability requirements in medicaid with approval of the Secretary if a State contracts with an organization which has agreed to provide health services in excess of the State plan to eligible recipients who reside in the area served by the organization and who elect to receive services from such organization. Payment to such organizations could not be higher on a per-capita basis than the per-capita medicaid expenditures in the same general area.

33. Proficiency testing

The bill provides for proficiency testing of paramedical personnel under medicaid until December 31, 1977.

34. Penalty for fraudulent acts and false reporting

The bill establishes penalties for soliciting, offering or accepting bribes or kickbacks, or for concealing events affecting a person's rights to benefit with intent to defraud, and for converting benefit payments to improper use, of up to one year's imprisonment and a $10,000 fine or both. Additionally, the bill establishes false reporting of a material fact as to conditions or operations of a health care facility as a misdemeanor subject to up to 6 months' imprisonment, a fine of $2,000, or both.

35. Provider Reimbursement Review Board

The bill establishes a Provider Reimbursement Review Board to hear cases involving an issue of $10,000 or more. Groups of providers can appeal where the amounts at issue on a common matter aggregate $50,000 or more. Any provider which believes that its fiscal intermediary has failed to make a timely cost determination on its annual cost report or timely determination on a supplemental filing can appeal to the Board where the amount involved is $10,000 or more. The change is effective for accounting periods ending on or after June 30, 1973.

36. Validation of Joint Commission on Accreditation of Hospitals Surveys

The bill provides that State certification agencies, as directed by the Secretary, would survey on a selective sample basis (or where substantial allegations of noncompliance have been made) hospitals accredited by the JCAH. The bill also authorizes the Secretary to promulgate health and safety standards without being restricted to JCAH standards.

37. Payment for durable medical equipment under medicare

The bill authorizes the Secretary to experiment with reimbursement approaches which are intended to eliminate unreasonable expenses resulting from prolonged rentals of durable medical equipment and then to implement the approaches found effective.

38–42. Skilled nursing facilities under medicare and medicaid

38. Conforming standards for extended care and skilled nursing home facilities.—The bill would establish a single definition and set of standards for extended care facilities under medicare and skilled nursing homes under medicaid. The provision creates a single category of "skilled nursing faciilties" which would be eligible to participate in both health health care programs. A "skilled nursing facility" would be defined as an institution meeting the present definition of an extended care facility and which also satisfies certain other medicaid requirements set forth in the Social Security Act.

Effective date: July 1973.

39. "Skilled care" definition for medicare and medicaid.—The bill would change the definition of care requirements with respect to entitlement for extended care benefits under medicare and with respect to skilled nursing care under medicad. Present law would be amended to authorize skilled care benefits for individuals in need of "skilled nursing care and/or skilled rehabilitation services on a daily basis in a skilled nursing facility which it is practical to provide only on an inpatient basis." Coverage would also be continued during short-term periods (e.g. a day or two) when no skilled services were actually provided but when discharge from a skilled facility for such brief period was neither desirable nor practical.

Effective date: January 1973.

40. 14-Day transfer requirement for extended care benefits.—Under existing law, medicare beneficiaries are entitled to extended care benefits only if they are trans-

ferred to an extended care facility within 14 days following discharge from a hospital. Under the bill an interval of more than 14 days would be authorized for patients whose conditions did not permit immediate provision of skilled services within the 14-day limitation. An extension not to exceed 2 weeks beyond the 14 days would also be authorized in those instances where an admission to an ECF is prevented because of the non-availability of appropriate bed space in facilities ordinarily utilized by patients in a geographic area.

Effective date: Enactment.

41. Reimbursement rates for care in skilled nursing facilities

The bill amends title 19 to require States, by July 1, 1976, to reimburse skilled nursing and intermediate care facilities on a reasonable cost-related basis, using acceptable cost-finding techniques and methods approved and validated by the Secretary of HEW. Cost reimbursement methods which the Secretary found to be acceptable for a State's medicaid program could be adapted, with appropriate adjustments, for purposes of medicare skilled nursing facility reimbursements in that State.

42. Skilled nursing facility certification procedures

Under the bill, facilities which participate in both medicare and medicaid would be certified by Secretary of HEW. The Secretary would make that determination, based principally upon the appropriate State health agency evaluation of the facilities.

43. Federal financing of nursing home inspections

The bill authorizes 100% Federal reimbursement for the survey and inspection costs of skilled nursing facilities and intermediate care facilities under medicaid, from October 1, 1972, through July 1, 1974.

44. Disclosure of information concerning medicare agents and providers

The bill provides that DHEW regularly make public the following types of evaluations and reports with respect to the medicare and medicaid programs: (1) individual contractor performance reviews and other formal evaluations of the performance of carriers, intermediaries, and State agencies including the reports of follow-up reviews: (2) comparative explanations of the performance of contractors—including comparisons of either overall performance or of any particular contractor operation: (3) program validation survey reports—with the names of individuals deleted.

45. Prohibition against institutional medical care payments under cash welfare programs

The bill precludes Federal matching for that portion of any money payment which is related to institutional medical or remedial care.

46. Determining eligibility for medicaid for certain individuals

Individuals eligible for medicaid in September 1972 could not lose their eligibility because of the recent 20% social security benefit increase until October 1973.

47. Professional standards review organizations

The bill provides for the establishment of professional standards review organization consisting of substantial numbers of practicing physicians (usually 300 or more) in local areas to assume responsibility for comprehensive and on-going review of services covered under the medicare and medicaid programs. Until January 1, 1976 only such qualified physician-sponsored organizations may be designated as PSRO's. Subsequent to that date priority will be given to such organizations but where they do not choose to or do not qualify to assume such responsibilities in an area, the Secretary may designate another organization having professional medical competence as the PSRO for the area. The PSRO would be responsible for assuring that institutional services were (1) medically necessary and (2) provided in accordance with professional standards. A PSRO, at its option, and with the approval of the Secretary, may also assume responsibility for the review of non-institutional care and services provided under medicare and Medicaid. PSRO's would not be involved with reasonable charge determinations. The provision is designed to assure proper utilization of care and services provided under medicare and medicaid utilizing a formal professional mechanism representing the broadest possible cross-section of practicing physicians in an area. Safeguards are included, designed to protect the public interest, including appeals procedures, and to prevent pro forma assumption in carrying out review responsibilities. The provision requires recognition of and use by the PSRO of utilization review committees in hospitals and medical organizations to the extent they are determined to be effective.

48. Physical therapy services and other services under medicare

Effective July 1973, the bill would include as covered services under part B, physical therapy provided in the therapist's office pursuant to a physician's written plan of treatment.

It also authorizes a hospital or extended care facility to provide out-patient physical therapy services to its inpatients, so that an inpatient could conveniently receive his part B benefits after his inpatient benefits have expired.

Benefit payments in one year for services by an independent practitioner in his office or the patient's home could not exceed $100. Effective January 1973, reimbursement for services provided by physical and other therapists would generally be limited to a reasonable salary-related basis rather than fee-for-service basis.

49. Coverage of supplies related to colostomies

The bill provides for medicare coverage of the costs of supplies directly related to the care of a colostomy.

50. Coverage prior to application for medicaid

The bill requires, effective July 1, 1973, all States to provide medicaid coverage for care and services furnished in or after the third month prior to application to those individuals who were otherwise eligible when the services were received. Included as eligible under the three-months retroactive coverage requirement would be deceased individuals whose fatal condition prevented them from applying for medicaid coverage but who would have been eligible if application had been made.

States are expected to modify their provider agreements where applicable so as to permit the application of appropriate utilization control procedures retroactively in these cases to assure that appropriate and necessary care was delivered.

51. Hospital admissions for dental services under medicare

The bill authorizes the dentist who is caring for a medicare patient to make the certification of the necessity for inpatient hospital admission for noncovered dental services under the above circumstances without requiring a corroborating certification by a physician.

This provision would be effective with respect to admissions occurring after the second month following enactment of the bill.

52. Extension of grace period for termination of supplementary medical insurance coverage where failure to pay premiums is due to good cause

The bill extends the 90-day grace period for an additional 90 days where the Secretary finds that there was good cause for failure to pay the premium before the expiration of the initial 90-day grace period.

This provision would apply to such cases of nonpayment of premiums due within the 90-day period preceding the date of enactment.

53. Extension of time for filing claim for supplementary medical insurance benefits where delay is due to administrative error

The bill provides that where a claim under supplementary medical insurance is not filed timely due to error of the Government or one of its agents, the claim may nevertheless be honored if filed as soon as possible after the facts in the case have been established.

This amendment would apply with respect to bills submitted and requests for payment made after March 1968.

54. Waiver of enrollment period requirements where individual rights were prejudiced by administrative error or inaction

The bill authorizes the Secretary to provide such equitable relief as may be necessary to correct or eliminate the effects of these situations, including (but not limited to) the establishment of a special initial or subsequent enrollment period, with a coverage period determined on the basis thereof and with appropriate adjustments of premiums.

This provision would apply to all cases which have arisen since the beginning of the program.

55. Elimination of provisions preventing enrollment in supplementary medical insurance program more than 3 years after first opportunity

The bill eliminates the 3-year limit with respect to both initial enrollment and reenrollment after an initial termination. Enrollment periods would remain as presently defined and the restriction limiting individuals who terminate enrollment to reenroll only once would be retained.

This provision would apply to all those who are ineligible to enroll because of the 3-year limit in effect under present law.

56. Waiver of recovery of incorrect medicare payments from survivor who is without fault

The bill permits any individual who is liable for repayment of a medicare overpayment to qualify for waiver of recovery of the overpaid amount if he is without fault and if such recovery would defeat the purpose of title II or would be against equity and good conscience.

57. Requirement of minimum amount of claim to establish entitlement to hearing under supplementary medical insurance program

The bill requires that a minimum amount of $100 be at issue before an enrollee in the supplementary medical insurance program will be granted a fair hearing by the carrier.

The provision would be effective with respect to hearings requested after the enactment of the bill.

58. Collection of supplementary medical insurance premiums from individuals entitled to both social security and railroad retirement benefits

The bill provides that the Railroad Retirement Board shall be responsible for collection of supplementary medical insurance premiums for all enrollees who are entitled under that program.

59. Provide that services of optometrists in furnishing prosthetic lenses not require a physician's order

The bill would recognize the ability of an optometrist to attest to a beneficiary's need for prosthetic lenses by amending the definition of the term "physician" in title XVIII to include a doctor of optometry authorized to practice optometry by the State in which he furnishes services. An optometrist would be recognized as a "physician" only for the purpose of attesting to the patient's need for prosthetic lenses. (Of course, neither the physician nor the optometrist would be paid by medicare for refractive services when the beneficiary has been given a prescription by a physician for the necessary prosthetic lenses.) This change would not provide for coverage of services performed by optometrists other than those covered under present law, nor would it permit an optometrist to serve as a "physician" on a professional standards review organization.

60. Prohibition against requiring professional social workers in ECF's under medicare

The bill specifies that the provision of medical social services will not be required as a condition of participation for an extended care facility under medicare.

61. Refund of excess premiums under medicare

The bill provides authority for the Secretary to dispose of excess supplementary medical insurance premiums and excess hospital insurance premiums in the same manner as unpaid medical insurance benefits are treated.

62. Waiver of requirement of registered professional nurses in skilled nursing facilities in rural areas

The bill authorizes the granting of a special waiver of the R.N. nursing requirement for skilled nursing facilities in rural areas provided that a registered nurse is absent from the facility for not more than two day-shifts (if the facility employs one full-time registered nurse) and the facility is making good faith efforts to obtain another on a part-time basis.

In addition, this special waiver may be granted only if (1) the facility is caring only for patients whose physicians have indicated (in written form on order sheet and admission note) that they could go without a registered nurse's services for a 48-hour period or (2) if the facility has any patients for whom physicians have indicated a need for daily skilled nursing services, the facility has made arrangements for a registered nurse or a physician to spend such time as is necessary at the facility to provide the skilled nursing services required by patients on the uncovered day.

63. Exemption of Christian Science sanatoriums from certain nursing home requirements under medicaid

The bill exempts Christian Science sanatoriums from the requirements for a licensed nursing home administrator, requirements for medical review, and other inappropriate requirements of the medicaid program.

Such sanatoriums will be expected to continue to meet all applicable safety standards.

64. Licensure requirement for nursing home administrators

The bill permits States to establish a permanent waiver from licensure requirements for those persons who served as nursing home administrators for the three-year period prior to the establishment of the State's licensing program.

65. Increase in maximum Federal medicaid amount for Puerto Rico and the Virgin Islands

The bill provides that the Federal ceiling on title XIX payments to Puerto Rico be increased to $30 million effective with fiscal year 1972 and fiscal years thereafter. The 50 percent Federal matching rate would remain unchanged. The annual medicaid amount for the Virgin Islands would be increased from $650,000 to $1,000,000.

66. Medicaid: Freedom of choice in Puerto Rico

The bill delays, until June 30, 1975, the requirement that Puerto Rico implement the "freedom of choice" provision, under which medicaid recipients can choose providers or practitioners in its medicaid program.

67. Inclusion of American Samoa and the Trust Territory of the Pacific Islands under title V

The bill authorizes eligibility under title V for Samoa and the Trust Territory of the Pacific Islands.

68. Coverage of chiropractic services under part B of medicare

The bill broadens the definition of the term "physician" in title XVIII to include a licensed chiropractor who also meets uniform minimum standards to be promulgated by the Secretary.

The services furnished by chiropractors would be covered under the program as "physicians' services," but only with respect to treatment of the spine by means of manual manipulation which the chiropractor is legally authorized to perform. Claims for such treatment must be verifiable with a satisfactory X-ray indicating the existence of a subluxation of the spine.

The amendment would become effective with respect to services provided on or after July 1, 1973.

69. Chiropractors' services under medicaid

The bill conforms the coverage of chiropractic under medicaid with the provisions conditioning eligibility of such services included in the amendment adding chiropractic coverage to Part B of medicare except for the requirement that an X-ray show the existence of a subluxation.

70. Services of podiatric interns and residents under part A of medicare

Effective January 1973, the bill includes within the definition of approved hospital teaching programs services furnished by an interim or resident-in-training in the field of podiatry under a teaching program approved by the Council on Podiatry Education of the American Podiatry Association.

71. Use of consultants for extended care facilities

The bill allows those State agencies which are capable of and willing to provide specialized consultative services for medicare patients in a skilled care facility which requests them, to do so, subject to approval of the State's arrangements by the Secretary.

72. Direct laboratory billing of patients

The bill provides that, with respect to diagnostic laboratory tests for which payment is to be made to a laboratory, the Secretary would be authorized to negotiate a payment rate with the laboratory which would be considered the full charge for such tests, and for which reimbursement would be made at 100% of such negotiated rate. Such negotiated rate would be limited to an amount not to exceed the total payment that would have been made in the absence of such rate.

73. Clarification of meaning of "physicians' services" under title XIX

The bill defines a physician, under Title XIX, for purposes of the mandatory provision of physicians' services as being a duly licensed doctor of medicine or osteopathy.

74. Limitation on adjustment or recovery of incorrect payments under the medicare program

The bill would limit medicare's right of recovery of overpayments to a 3-year period (or a 1-year period) from the date of payment where the beneficiary acted in good faith; would permit the Secretary to set a time between 1 and 3 years within which claims for underpayment would have to be made.

75. Speech pathology services under medicare

The bill would cover under medicare the costs of speech pathology services where such services are provided in clinics participating in the program as providers of covered physical therapy services.

76. Termination of medical assistance advisory council

The bill terminates the medical advisory council.

77. Modification of role of health insurance benefits advisory council

The bill provides for modification of the role of HIBAC so that its role would be that of offering suggestions for the consideration of the Secretary on matters of general policy in the medicare and medicaid programs.

78. Authority of Secretary to administer oaths in medicare proceedings

The bill authorizes the Secretary, in carrying out his responsibility for administration of the medicare program, to administer oaths and affirmations in the course of any hearing, investigation, or other proceeding.

79. Withholding medicaid payments to terminated medicare providers

The bill authorizes the Secretary upon 60-days' notice to withhold Federal participation in medicaid payments by States with respect to institutions which have withdrawn from medicare without refunding medicare overpayments or submitting medicare cost reports.

80. Intermediate care in States without medicaid

The bill allows Federal matching for intermediate care in States which, on January 1, 1972, did not have a medicaid program in operation.

81. Required information relating to excess medicare tax payments by railroad employees

The bill deletes the requirement that railroads include amount of hospital insurance tax withheld on W–2 forms. Employees would be notified, however, that those with dual employment may be entitled to a refund of excess hospital insurance tax paid.

82. Appointment and confirmation of Administrator of Social and Rehabilitation Service

The bill provides that appointments made on or after the enactment of this bill to the office of the Administrator of the Social and Rehabilitation Service will be made by the President, by and with the advice and consent of the Senate.

83. Repeal of section 1903(b) (1)

The bill deletes the requirement that States spend at least as much for care of individuals age 65 or over in mental hospitals as in fiscal year 1965.

84. Coverage under medicaid of intermediate care furnished in mental and tuberculosis institutions

The bill provides that intermediate care can be covered for individuals age 65 or older in mental institutions if such individuals could also be covered when in mental hospitals for hospital or skilled nursing facility care. Effective date: Services furnished after December 31, 1972.

85. Independent review of intermediate care facility payments

The bill provides that independent professional review to determine proper patient placement and care of Title XIX patients is mandatory in all intermediate care facilities.

86. Intermediate care maintenance of effort in public institutions

The bill provides that the designation of the base period for the maintenance of effort requirement pertaining to non-Federal expenditures with respect to patients in public institutions for the mentally retarded to be the four quarters immediately preceding the quarter in which the State elected to make such services available.

87. Disclosure of ownership of intermediate care facilities

The bill requires that intermediate care facilities not otherwise licensed as skilled nursing homes by a State make ownership information available to the State licensing agency. Effective date: January 1, 1973.

88. Treatment in mental hospitals for medicaid eligibles under age 21

The bill authorizes coverage of inpatient care (under specific conditions) in mental institutions for medicaid eligibles under age 21. *Effective date:* January 1973.

89. Public disclosure of information concerning survey reports of an institution

The bill requires the Secretary to make reports of an institution's significant deficiencies or the absence thereof (such as in the areas of staffing, fire safety, and sanitation) a matter of public record readily and generally available. Such information would be available for inspection within 90 days of completion of the survey.

90. Family planning services mandatory under medicaid

(1) The bill authorizes 90% Federal funding for the costs of family planning services under medicaid and title IV.

(2) Provision requires States to make available on a voluntary and confidential basis such counseling, services and supplies, directly and/or on a contract basis with family planning organizations throughout the State, to present, former, or likely recipients who are of child-bearing age and who express a desire for such services.

(3) The Federal share of AFDC funds would be reduced by 1%, beginning in fiscal 1974, if a State in the prior year fails to inform the adults in AFDC families of the availability of family planning services or if the State fails to actually provide or arrange for such services for persons desiring to receive them who are applicants or recipients of cash assistance.

91. Penalty for failure to provide child health screening services under medicaid

The bill would reduce the Federal share of AFDC matching funds by 1%, beginning in fiscal 1975, if a State—

(a) fails to inform the adults in FDC families of the availability of child health screening services;

(b) fails to actually provide or arrange for such services; or

(c) fails to arrange for or refer to appropriate corrective treatment children disclosed by such screening as suffering illness or impairment.

92. Home health coinsurance

Effective January 1973, the bill eliminates requirement of coinsurance payment under Part B of medicare for home health services.

93. Long-term care

The bill includes as intermediate care facilities or skilled nursing facilities under medicaid long-term institutions certified by the Secretary on Indian reservations.

94. Medicare appeals

The bill clarifies present law that there is no authorization for an appeal to the Secretary or for judicial review on matters solely involving amounts of benefits under part B, and that insofar as part A amounts are concerned, appeal is authorized only if the amount in controversy is $100 or more and judicial review only if the amount in controversy is $1,000 or more.

95. Medicare: Coverage of persons needing kidney transplantation or dialysis

The bill provides that fully or currently insured workers under social security and their dependents with chronic renal disease would be deemed disabled for purposes of coverage under parts A and B of medicare. Coverage would begin 3 months after a course of renal dialysis is begun.

III. SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

The bill would replace the present State programs of aid to the aged, blind, and disabled, effective January 1, 1974, with a new wholly Federal program of supplemental security income.

National supplemental security income; disregard of social security or other income

Under the bill, aged, blind, and disabled persons with no other income would be guaranteed a monthly income of at least $130 for an individual or $195 for a couple. In addition the bill would provide that the first $20 of social security or any other income would not cause any reduction in supplemental security income payments.

As a result, aged, blind, and disabled persons who also have monthly income from social security or other sources (which are not need-related) of at least $20 would, be assured total monthly income of at least $150 for individual or $215 for a couple.

Earned income disregard

In addition to a monthly disregard of $20 of social security or other income, there would be an additional disregard of $65 of earned income plus one-half of any earnings above $65. This will enable those aged, blind, and disabled individuals who are able to do some work to do so and in the process give them a higher income in addition to supplemental security income.

In addition, as under present law, any income necessary for the fulfillment of a plan for achieving self-support would be disregarded for persons qualifying on the basis of blindness. A savings clause would assure that blind persons would not receive any reduction in benefits due to these provisions.

Definitions of blindness and disability

Under present law each State is free to prescribe its own definition of blindness and disability for purposes of eligibility for aid to the blind and aid to the permanently and totally disabled.

Under the new supplemental security income program, there would be a uniform Federal definition of "disability" and "blindness."

The term "disability" would be defined as "inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months." This definition is the same as that now used in the Social Security disability insurance program.

The term "blindness" would be defined as central visual acuity of 20/200 or less in the better eye with the use of correcting lens. Also included in this definition is the particular sight limitation which is referred to as "tunnel vision."

A blind or disabled person who was on the rolls in December 1973 and met the State definition for blindness or disability as defined in the State plan in effect October 1972 would be considered blind or disabled for purposes of this title so long as he continues to be blind or disabled.

No disabled person would be eligible if the disability is medically determined to be due solely to drug addiction or alcoholism unless such individual is undergoing appropriate treatment, if available. Payments for addicts or alcoholics would only be made to third parties as protective payments.

Other Federal eligibility standards

Eligibility for supplemental security income would be open to an aged, blind or disabled individual if his resources were less than $1500 (or $2250 for a couple). In determining the amount of his resources, the value of the home (including land surrounding home), household goods, personal effects, including an automobile, and property needed for self support would, if found to be reasonable, be excluded. Life insurance policies would not be counted if the face value of all policies was less than $1,500. (Current recipients under State programs with higher resource limits would retain their eligibility.)

State supplementation

States wishing to pay an aged, blind or disabled person amounts in addition to the Federal supplemental security income payment would be free to do so. The bill would permit States to enter into agreements for Federal administration of State supplemental benefits. Under these agreements supplemental payments would have to be made to all persons eligible for Federal supplemental security income payments except that a State could require a period of residence in the State as a condition of eligibility.

Ineligibility for food stamps

Individuals in the Supplemental Security Income program would not be eligible for food stamps or surplus commodities.

Savings clause

The bill provides no direct Federal participation in the costs of State supplemental payments. However, a savings clause is included under which the Federal Government would assume all of a State's costs of supplemental payments which exceed its calendar year 1972 share of the costs of aid to the aged, blind, and disabled. This savings clause would apply only to State supplementation needed to maintain the State's assistance levels in effect as of January 1972. The savings clause would, however, also cover an upward adjustment over the January levels to the extent necessary to offset the elimination of food stamp eligibility.

Medicaid coverage

Under present law, the States are required to cover all cash assistance recipients under the medicaid program. This bill would exempt from this requirement newly eligible recipients who qualify because of the new provision for a $130 minimum benefit with a disregard of $20 of social security or other income.

Social services

States would be authorized to continue programs providing social services to aged, blind, and disabled persons. These services are currently provided under the welfare programs for the aged, blind, and disabled which would be replaced by the new Federal supplemental security income program. There would be 75 percent Federal matching for the services provided, subject to the overall limitations established by the State and Local Fiscal Assistance Act.

Amendments to present law for aid for aged, blind, and disabled persons (effective until January 1, 1974)

Separation of social services and eligibility determination is specifically not required.

Cost for providing manuals

At its option, the State may require a charge for reasonable cost of providing manuals and other policy issuances.

Appeals process

The bill provides that the decision of the local agency on the matter considered at an evidentiary hearing may be implemented immediately.

Absence from State for 90 days

The bill provides that the State may make any person ineligible for money payments who has been absent from the State over 90 consecutive days until such person has been present in the State for 30 consecutive days in the case of an individual who has maintained his residence in the State during such period or 90 days in the case of any other individual.

Rent payments for public housing

Permits the States, if they elect to do so, to make rent payments directly to a public housing agency on behalf of a recipient or a group or groups of recipients.

Safeguarding information

The bill permits the use or disclosure of information concerning applicants or recipients to public officials who require such information in connection with their official duties.

Passalong of social security increases

Present law requires State programs of aid to the aged, blind, and disabled to assure that the total income of recipients who also get social security are at least $4 higher as a result of the 1969 social security benefit increase. The bill would add an additional $4 "passalong" related to this year's 20 percent social security increase and would make both "passalong" provisions applicable until January 1974.

IV. CHILD WELFARE SERVICES AND SOCIAL SERVICES

Grants to States for child welfare services (including foster care and adoptions)

The committee adopted an amendment increasing the anual authorization for Federal grants to the States for child welfare services to $196 million in fiscal year 1973, rising to $266 million in 1977 and thereafter. For fiscal year 1973, this is $150 million more than the $46 million which has been appropriated every year since 1967. It is anticipated that a substantial part of any increased appropriation under this higher authorization will go toward meeting the costs of providing foster care which now represents the largest single item of child welfare expenditure on the county level. The bill, however, avoided earmarking amounts specifically for foster care so that wherever possible the State and counties could use the additional funds to expand preventive child welfare services with the aim of helping families stay together and thus avoiding the need for foster care. The additional funds can also be used for adoption services, including action to increase adoptions of hard-to-place children.

Social services

Provides a saving provision to the limitation on expenditures for social services contained in the State and Local Assistance Act of 1972 so that States for the first quarter of fiscal 1973 will be reimbursed as they would have been under previous laws. This saving provision would be applicable only to the extent that the resultant Federal funding for this quarter does not exceed $50 million.

TABLE 1.—SOCIAL SECURITY TAX RATES FOR EMPLOYERS AND EMPLOYEES UNDER PRESENT LAW AND UNDER H.R. 1

[In percent]

Calendar year	OASDI		HI		Total	
	Present law	New schedule	Present law	New schedule	Present law	New schedule
1973 to 1977	4.60	4.85	0.9	1.0	5.50	5.85
1978 to 1980	4.50	4.80	1.0	1.25	5.50	6.05
1981 to 1985	4.50	4.80	1.0	1.35	5.50	6.15
1986 to 1992	4.50	4.80	1.1	1.45	5.60	6.25
1993 to 1997	4.50	4.80	1.2	1.45	5.70	6.25
1998 to 2010	4.50	4.80	(1.2)	(1.45)	(5.70)	(6.25)
2011 plus	5.35	5.85	(1.2)	(1.45)	(6.55)	(7.3)

Note: Under both present law and the new schedule, the contribution and benefit base would be $10,800 in 1973 and $12,000 in 1974, with automatic adjustment thereafter.

TABLE 2.—*Social security programs: First full-year cost of H.R. 1—Additional benefit payments in calendar year 1974*

[Amounts in millions]

Total	$4,372
Social security cash benefit programs:	
Earnings in year of attainment of age 72	14
Retirement test at $2,100	842
Special minimum at $170 for 30 years	20
Credit for delayed retirement prospectively	27
Liberalized disability provision for blind (House)	38
Reduction in disability waiting period to 5 months	128
Increased benefits for widows and widowers	1,109
Eliminate support requirement for divorced wives	23
Student child benefits payable after 22 to end of semester	19
Age 62 computation point for men	14
Liberalized workmen's compensation offset	22
Children disabled at ages 18 to 21	17
Increased allowance for vocational rehabilitation expenses	28
Military wage credit	$46
Subtotal, cash benefits	2,347
Hospital insurance program:	
Coverage of the disabled	1,412
Liberalized definition of skilled nursing facility care	110
Waiver of beneficiary liability for disallowed claims	35
Coverage of renal dialysis and transplantation	75
Subtotal, hospital insurance	1,632
Supplementary medical insurance program (general revenues):	
Coverage of the disabled	365
Increase in part B deductible	—58
Coverage of chiropractors' services	17
Coverage of speech pathologist services	9
Coverage of renal dialysis and transplantation	52
Eliminate coinsurance on home health services	8
Subtotal, supplementary medical insurance program	393

Source: Department of Health, Education, and Welfare.

TABLE 3.—*Changes in estimated Medicaid costs (+) and savings (—) under H.R. 1—Calendar year 1974*

[In millions of dollars]

Changes in H.R. 1:	
Coverage of the disabled under Medicare	—70
Increase in Medicare pt. B deductible from $50 to $60	+8
Reduction in Medicaid matching if States fail to perform required utilization review	—162
Imposition of premium, copayment and deductible requirements on Medicaid recipients	—89
Families with earnings under Medicaid:	
Eligibility extended 4 months	+33
Limitation on nursing home and intermediate care facility reimbursement to 105 percent of last year's payment	—22
Elimination of requirement that States move toward comprehensive Medicaid program by 1977	(1)
Elimination of requirement that States maintain their year to year fiscal efforts in Medicaid	—640
Payments to States under Medicaid for installation and operation of claims processing and information retrieval systems	+10
Increased Medicaid matching for Puerto Rico and the Virgin Islands	+10
More specific requirements as to eligibility for skilled nursing level of care	—14
100 percent reimbursement for the cost of certifying skilled nursing homes under Medicaid	+10
Expansion of Medicaid coverage to include inpatient care for mentally ill children	+120
90 percent Federal funding of family planning services	+36
Coverage of persons needing renal dialysis or transplanting under Medicare	—20
Preserving Medicaid eligibility for social security beneficiaries	-----
Total estimated reduction in Medicaid costs under H.R. 1	—790

[1] The current law estimates take no account of the effect of the requirement that States move toward comprehensive Medicaid programs by 1977; therefore, no savings are attributed to the repeal of this requirement.

Source: Department of Health, Education, and Welfare.

TABLE 4.—CALENDAR YEAR 1974 FEDERAL COSTS OF SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED, AND CHILD WELFARE SERVICES

[Dollars in millions]

	Gross costs	Current law	Amount of increase
Aged, blind, and disabled:			
Benefit payments	$3.5	$2.1	$1.4
Savings clause for State supplementation	.3	----	.3
Food programs	----	.3	—.3
Administrative costs	.4	.2	.2
Subtotal, aged, blind, and disabled	4.2	2.6	1.6
Child welfare services	.2	(1)	.2
Total	4.4	2.6	1.8

[1] Current law cost is $46,000,000.
Source: Department of Health, Education, and Welfare.

Mr. RIBICOFF. Mr. President, will the distinguished chairman yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Would the chairman be good enough to explain, for the pur-

pose of the RECORD, what happened to title IV?

Mr. LONG. Generally speaking, the effect of the conference was that the House would not take the Senate title IV provisions, and the Senate would not take the House title IV provisions. There are a few provisions in title IV, such as the increased funds for child welfare services, on which we agreed.

Other than this, it was agreed that the House will send to the Senate next year some kind of a bill relating to social security and public welfare, the target date being that it should be in the Senate by March 1, to offer the Senate the opportunity to propose the sort of thing such as the child support amendments that the Senate thought were vital but which the House felt needed more time for their consideration. We will seek to act on those measures next year.

Mr. RIBICOFF. I assume that where we are in the entire welfare mess is that we are back to where we were in August of 1969.

Mr. LONG. No, because we have done much in this bill. We have done for the aged, blind, and disabled categories, I believe, most of what the Senate wanted to do and I think almost all of what the House wanted to do.

In the area of medicare and medicaid, I should think that we have done, at the Federal level, about everything that most people had high hopes of achieving, except that we were unable to make a breakthrough in the drug area. That probably will come up again next year.

In the family welfare category, the House passed a bill that the Senate would not buy, and the Senate passed a bill that the House conferees would not buy.

I wish, we had more time to debate that matter. I am frank to say that when you try to persuade the House conferees to agree with the Senate version in that area, we are confronted with the situation that they have pride of authorship, too. They sponsored one approach, and the Senate sponsored a different approach. We would not buy theirs, and it would take a long time to persuade them to buy ours. It was too late in this session to persuade them to see the Senate's point of view.

Frankly, I think the House conferees were well aware of the fact that they were not going to persuade the Senate conferees to see it their way. I think that is part of the reason why in this area there was really not much chance to agree to title IV.

I would think that the welfare and workfare tests we would like to have had could have been agreed upon if the administration had not been opposing them. Frankly, the administration was opposed strongly to the type of tests we had proposed—at least, that is the impression I gained. In this particular area, I thought we had enough controversy between the Senate and the House without having a three-way debate on the matter, so we did not think the administration should be in the conference to participate in that part of the debate. I understand that the administration was opposed to the testing because of the cost, if nothing more.

Mr. RIBICOFF. I would ask the distinguished chairman who is, if anything, optimistic, does he see any reason for optimism on his part that next year, after having worked for 3 years on welfare reform, we can have meaningful welfare reform next year?

Mr. LONG. I think that we do have a lot of meaningful welfare reform in this bill for the adult categories, and I am satisfied that a great deal can be done in the family welfare area. But we are going to have to make a somewhat different start. I believe that it will take some people in the department having a little bit more ability to be flexible and to accommodate themselves more to the other fellow's point of view than we have seen over the past several years in order to bring it about.

I say that, recognizing that from the point of view of this Senator, I was determined, with the majority of us on the Senate committee also determined, that however the matter would be resolved, it should be worked out in a fashion that made it strongly to a person's advantage to go to work. It never seemed to me that the Secretary of Health, Education, and Welfare or those in his department were willing to try to bring that about. The Senator knows that at the beginning of this Congress, and prior to the end of the previous Congress, advice was given that if the administration wanted action in the family welfare area, they should substantially modify the family assistance plan they had sent down before. That did not happen, because what they sent down was substantially the same as they sent down before.

I am very optimistic that we will bring about a great deal of improvement in the family welfare program next year. I think that right now there is a strong divergence between Senate and House positions. But next year we will have another opportunity.

Mr. RIBICOFF. I do want to commend the distinguished chairman for what was achieved with the aged category. The distinguished chairman and myself saw eye to eye on that basic program right from the start. We had felt that to the extent we could take people off welfare in any category it was to the good not only of the individual but also to the Nation, and the taxpayers as a whole. I commend the distinguished chairman's leadership in this field.

So far as I am personally concerned, I do believe that failure of the Senate's position, and rejection of the Senate's position in the welfare field for the family assistance categories, is all to the good. What has been passed in the Senate, in my personal opinion, was retrogressive and would have done much more harm than good, and to the extent that the House did not accede and, as a result of the disagreement between House and Senate, title IV for all practical purposes is struck down and makes the conference report much more acceptable and much more palatable.

Mr. LONG. Mr. President, I personally feel that what the Senate recommended with regard to title IV was a very good measure. In my judgment, that is the kind of direction that welfare reform and family assistance categories should take. The bill reported by the Senate Finance Committee, in my judgment, was even a better proposal, because it was even more work-related than what the Senate agreed to. In the spirit of compromise, we were willing to forgo the guaranteed employment opportunity aspect of the bill in favor of a testing proposal.

Only time will tell who is right. I am confident I was right in my position, and that those who felt the same way were also.

It is not my fault nor that of the Senate conferees that the conference report makes no provision for any testing to give a completely adequate opportunity for both sides to prove the other wrong. If the administration, as it was 2 years ago, does not appear to have the same desire to test in their program, as some of its advocates would be willing to accept, I would be happy to have a full-scale test of both programs. My attitude on that remains the same. I am not the one who does not want to have the test on a full-scale basis. It is the administration that does not want it. If they had been willing to advocate it, there would have been great support for it, I believe.

Mr. BENNETT. Mr. President, I would like to underline one statement of the distinguished chairman which may have passed without adequate attention. The newspapers reported some time ago that the chairman of the Ways and Means Committee had said, "Welfare is dead for next year." We raised the question specifically during the conference, and the answer was completely to the contrary of the newspaper account. The Ways and Means Committee expects to be busy next year, at least during the beginning of the year, with other things, but they have agreed to send us some kind of a bill by March 1 which satisfies the constitutional requirement that the House act first, and the chairman of that committee assures us that he will feel perfectly all right if we begin, then, to hold hearings and try to develop a new program.

With this bobtail bill, or this core, or this legal seed, if you please, I assume that we in the Senate Finance Committee will have the opportunity, very rare to us, of really initiating the new pattern if we can, a new pattern of welfare reform. That power and privilege will come to us by or before March 1, so that we are not going to lose too much time, in view of all the hearings we have held and the experience we have gained in discussing this matter in committee. With all this work behind us, we can be a long way on our way toward developing a new pattern next year.

Mr. RIBICOFF. I am curious, as the Senator says, with all the hearings and all the years and months and days of time that we have spent in this field of welfare reform over the past 3 years, as to what new material does the Senator think we can adduce in the hearings 3 or 4 months hence?

Mr. LONG. If I might respond to that, I have yet to hear the first argument on the floor of the Senate against the child

support provision that the Senate put in in the Senate bill. I read in the newspapers somewhere that this provision was too harsh. I do not think it is harsh to make a father support his children. The House conferees did not undertake to give us any substantive argument, or any reasons why they would not agree to the position to pursue runaway fathers. Instead, they just would not take it, or agree to consider it, because of the lack of time. We insisted on them hearing some of our arguments, but there was no response. The departments themselves said they would not object to anything that was done in the way of requiring a father to do his duty toward his children, yet we had no help from the administration, no support at all. We think that we will succeed in achieving part of this next year. We think that the House probably will cooperate with us in due time. At this point, in the title IV area, with the House having twice passed it on to us on the family plan, and the Senate having declined to accept the family plan on two occasions, I think that the House conferees in that area were just yielding to the ordinary pride of authorship that one feels in initiating something that appears to him to be a good idea, and saying "We are not going to accept the Senate position on this." They were pretty well persuaded to the point of view of the administration plan. And the result was that they would not agree to that.

However, there will be a lot of support generated on the House side for the position of the Senate conferees. For example, Representative GRIFFITHS' subcommittee is coming up with material that supports many of the Senate provisions that are in the bill, showing that much should be done, and also supporting the tightening up of the administration on the family program.

I have no doubt that the fact that we have taken care of so many of these provisions, covering hundreds of pages, involving many billions of dollars in the area of adult assistance and in the medicare and medicaid programs, will enable us next year to focus more closely on the family program. I have a way of hearing what others are saying, and what the Senator from Connecticut is saying, even though I do not agree. And I think the same thing works both ways.

If all of the contestants in this arena are willing to divorce themselves from their past prejudices and start all over again to improve the welfare program, a great deal can be achieved.

Frankly, I think it would be a useful thing if everyone were to approach it the way that the Senator from Connecticut suggested 2 years ago—and not have everyone with a hardened and fixed position—and we can improve the program.

Mr. RIBICOFF. Mr. President, I personally appreciate the comments of the chairman of the committee. I personally will vote for the conference report. I have no intention to delay the Senate.

I assume that the Senate will ask for the yeas and nays.

Mr. LONG. Yes, I will.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. AIKEN. Mr. President, although I had hoped that the conferees might find it possible to be a little more generous in some respects, I want to say that they have included in this new bill several improvements which I had hoped for and worked for for several years.

I appreciate that the conferees have done the best job possible under the circumstances that could have been done.

Mr. President, I have one clarifying question.

The State of Vermont passes along for old age, the blind, and the disabled, as required by law, a $4 increase as a result of the 1969 social security increase.

Starting on November 1—2 weeks from now—the State of Vermont will institute a $7.50 income disregard for the old age, the blind and the disabled, as permitted by a 1967 law, although Vermont is just now taking advantage of that law.

The conference report on H.R. 1 requires States to pass along $4 of the 20 percent social security increase which was provided by the Congress some time ago to folks receiving old age, blind, and disabled benefits.

My question is whether the State of Vermont can now pass along a total of $15.50 by adding the new $4 pass along as required in H.R. 1 to the existing $11.50 they now pass along?

Mr. LONG. Yes, they can.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BENNETT. Mr. President, in looking at the first and second pages of the conference report, we will see that the House receded from 400 amendments and that the Senate receded from 84. So, we can imagine that the Senate took care of its bill in pretty good shape.

Mr. LONG. Mr. President, I regret that we did not meet that ratio in terms of dollars. The House bill was $10 billion less than the Senate bill. If we had added the $10 billion additional in this measure, I think that either the tax increase necessary would have outraged a great number of people in the country or else the deficit would have outraged even more.

Mr. President, this I believe is about the best we could work out under the circumstances. I will say that the House conferees, with reference to the cost of this matter, declined to accept our provisions and add them to the cost. We were willing to drop certain House benefits, and this too reduced the cost.

Mr. FULBRIGHT. Mr. President, would the Senator yield?

Mr. LONG. I yield.

Mr. FULBRIGHT. Mr. President, would the Senator describe for the benefit of the Senator from Arkansas what is in the bill for child welfare and whether there is anything in the bill for child development centers?

Mr. LONG. There is not. The provisions for additional money for child care were not agreed to. There is a provision in the bill to provide some relief from the cutback in the social services. But with respect to the additional $800 million that was suggested for child care, it was not agreed to.

Mr. FULBRIGHT. That was stricken out?

Mr. LONG. Yes.

Mr. FULBRIGHT. Does the Senator have any views as to the future? Did the House appear to be adamant and not interested in that program at all, or was it that, under the context of this bill, they thought it was too expensive? What was their attitude?

Mr. LONG. It was the expense, and also the fact that this area was relevant to the point where the Senate and House conferees could not come to agreement. Under the family program, the House advocated one program and the Senate advocated another. So, the House thought we should strike all parts of title IV other than the increase for child welfare services. Very little of title IV came out of the conference.

I regret that the special grants for model day care that the Senator proposed were lost in conference. However, I would urge the Senator to submit it early next year. We expect to have another chance to act in this family area next year, and this would be an appropriate provision. The House assured us they would send us a bill to which we could offer amendments of this sort not later than March. We would hope to make one of those areas the matter proposed by the Senator from Arkansas.

Mr. FULBRIGHT. The Senator believes it would be appropriate to prepare for the bill which he has referred a reauthorization or authorization for the child development centers, such as was considered in this bill.

Mr. JAVITS. Mr. President, we cannot hear.

Mr. LONG. From the point of view of the Senate conferees, in terms of the number of amendments that were agreed to, it would appear the Senate was successful. But we simply cannot say that in the title IV area we achieved what we wanted. On the other hand, that is the area where the Senate difference from the House conferees was greatest, and the House did not get what they wanted either.

Mr. FULBRIGHT. I was particularly interested in the amount for child development centers, first, because I think that is the most hopeful approach for doing anything in the future that is significant in regard to training children and to avoid in the long run the continuation of these very high, inordinately expensive welfare programs. In the long run, the future lies in child development centers.

Mr. LONG. In the title IV area we just talked at the House conferees. Sometimes I get the impression that we might as well have been talking to a stone wall.

Mr. FULBRIGHT. I sympathize with the Senator's position. I have had exactly the same experience with the House on foreign military assistance, to the point where we did not reach any agreement at all.

I am not criticizing the Senator. The record on this aspect of the bill is extremely important. With the Senator's support I shall introduce a follow-on pro-

gram to try to get started in each State a model setup for child development, in order that this most modern and effective program in this field may be available in every State of the Union.

Mr. LONG. I thank the Senator. I would like to help him in that regard. I think it is a very fine idea. What is being done in Little Rock along that line gives us great cause for hope that that course can be followed to give those children educational opportunities.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JAVITS. I wish to comment on what the Senator from Arkansas (Mr. FULBRIGHT) just said. If I heard the Senator correctly, the Senator said he was deeply interested in a more enlightened approach to child care, the child development concept. This is very refreshing to me. This is a matter for my particular committee. The Senator from Minnesota (Mr. MONDALE) and I actually developed the bill which the President vetoed. I have heard a number of times that it has been referred to here as a measure that the Senator from Minnesota and I invented as a big city concept.

I cannot tell the Senator from Arkansas how pleased I am that he is interested, and I know he can be extremely helpful in finally fashioning a bill that will receive the support of Congress and the signature of the President.

I am happy to know that the Senator is deeply concerned with this matter.

Mr. FULBRIGHT. I was reflecting in the Finance Committee on the program we have in Little Rock at the Kramer School. I realize that the Senator from New York and the Senator from Minnesota pursued this matter through other committees. But the Senator from Louisiana and our committee agreed to a small amount in this bill which would have provided for an experimental program modeled after the Kramer project which has already been recognized nationally as a success. Under our amendment, each State would have had a project to instruct people as to what can be done in this field.

It was not intended to answer the overall need, but it was a pilot project. I am speaking of Miss Betty Caldwell and her associates at the Center for Early Development in Little Rock. We believe that they are providing the answers to the child development problem.

Mr. JAVITS. On the matter of experimentation, I like it very much. The only difficulty is it has developed a reputation of being a way to shelve something. If we combine it with evaluation and carrying out a report on the evaluation at a relatively reasonable date I think the Senator would find people like me interested in espousing this concept.

The trouble is that when we get experimental programs, the label on the bottle immediately is, "That is the end of that. We will never hear any more about it." Or, "It is so controversial you will never get a result."

So I am interested in the pilot program. It would be assuring if it were coupled with money. We have to vote yes or no in areas that are always gray, never black and white. Why should we not do the same thing about some pilot plan?

Mr. FULBRIGHT. I may have left the wrong impression when I said "experimental." I believe that the Kramer project has proved that much can be done in the area of child development, and that we must present to the States an example of what can be done as a means of persuading them. My provision would have made $400,000 a year available for each State to establish a similar project for demonstration purposes, rather than experimental.

Mr. JAVITS. I thank the Senator.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ALLEN. Mr. President, I commend the distinguished senior Senator from Louisiana, the chairman of the Committee on Finance, and the distinguished ranking Republican member of the committee, and all members of the committee. I see the distinguished Senator from Georgia (Mr. TALMADGE) and the distinguished Senator from Wyoming (Mr. HANSEN) in the Chamber. I wish to commend the committee for the fine work they have done in this field. I commend the conference committee on cutting down the scope of this bill. I feel the conference report is a much better bill than the House sent to the Senate. I think it is a much better bill than the Senate sent back to the House. I certainly feel that this committee has been the workhorse committee of the Senate and I am always amazed and always marvel at the vast knowledge of the chairman of the committee and his expertise in handling these bills. He stands here on this floor hour after hour and answers questions with respect to the bill, and he has an intimate and vast knowledge of each of the finance programs of the U.S. Government.

One item that has not been discussed at any great length and it has been the policy of the Committee on Finance, I have noted, reporting back a bill calling for the expenditure of Federal moneys, to provide the method for raising that money. I understand that this bill is no exception. But the measure providing for some $6 billion in additional social security benefits comes to mind. I wish the distinguished chairman would explain for us to what extent the base of covered wages has been increased both presently and in the future, and the amount of the increase in the rate of the social security tax, for the RECORD and for the information of Senators.

Mr. LONG. This bill does not change the base compared with present law. In other words, the base for 1972 stands at $9,000.

In 1973, it goes up to $10,800.

For 1974, it goes up to $12,000. That was done by the Church amendment, which provided the 20 percent increase that we pased earlier this year.

Every Senator has a copy of a pamphlet entitled "Summary of Social Security Amednments of 1972 as Approved by the Conferees."

On page 31 of that document, table 1. I ask unanimous consent that that table be printed at this point in the RECORD.

There being no objection, the table 1 was ordered to be printed in the RECORD, as follows:

TABLE 1.—SOCIAL SECURITY TAX RATES FOR EMPLOYERS AND EMPLOYEES UNDER PRESENT LAW AND UNDER H.R. 1

[In percent]

Calendar year	OASDI		HI		Total	
	Present law	New schedule	Present law	New schedule	Present law	New schedule
1973 to 1977	4.60	4.85	0.9	1.0	5.50	5.85
1978 to 1980	4.50	4.80	1.0	1.25	5.50	6.05
1981 to 1985	4.50	4.80	1.0	1.35	5.50	6.15
1986 to 1992	4.50	4.80	1.1	1.45	5.60	6.25
1993 to 1997	4.50	4.80	1.2	1.45	5.70	6.25
1998 to 2010	4.50	4.80	(1.2)	(1.45)	(5.70)	(6.25)
2011 plus	5.35	5.85	(1.2)	(1.45)	(6.55)	(7.3)

Note: Under both present law and the new schedule, the contribution and benefit base would be $10,800 in 1973 and $12,000 in 1974, with automatic adjustment thereafter.

Mr. LONG. Mr. President, the Senator will see in the table the tax rates under present law, and under the new schedule in H.R. 1, both for cash benefits and for medicare.

Mr. ALLEN. Translated, though, into dollars and cents tax figures, what would a wage earner earning $12,000 today pay, and what will he be required to pay in the year 1974 on $12,000?

Mr. LONG. He would pay $468 in taxes in 1972.

In 1974, he will pay $702 in taxes. So that is an increase of——

Mr. ALLEN. $234 a year.

Mr. LONG. That is correct.

Mr. ALLEN. That would also entail the employer being increased $234; would it not?

Mr. LONG. That is right.

Mr. ALLEN. So that would be a $468 increase in taxes on the employer and the employee.

Mr. LONG. In the last analysis, the social security tax often works out as a hidden sales tax, because it tends to be added to the price of the product. So in some prospects one could say that it is $468 of additional taxes that that employee is absorbing in his purchasing power.

Mr. ALLEN. That is almost $40 a month for the employer and the employee. That is the unit amount that the tax is being raised.

Mr. LONG. That is correct; but I should point out that most of the increase is due to the Church amendment providing the 20-percent across-the-board increase, which was voted earlier this year.

That is what raised the taxable wage base; and, of course, it is the increase in the base, to a very large degree, which accounts for this increase. In other words, part of it is because of the increase in the rate; most of it is because of the increase in the base.

Mr. ALLEN. It was the intention of the Church amendment, the way it was based, that the arrangement would be less, not more. It is true that the covered wages were more, but the rate of deduction is going to be less, as the assertion is made on the floor of the Senate.

Mr. LONG. The cash benefit rates went down somewhat, but the overall tax rate did not.

Furthermore, we should keep in mind that the Church amendment was financed to a considerable degree by changing the assumptions that were implicit in the financing. We can find good support for that, but we cannot do it more than one time.

In years gone by, we have had social security increases as to which, we might say, Congress pulled a rabbit out of a hat We simply changed or increased the benefits to recognize the fact that we had provided more financing in previous years than was necessary to finance the program and that the assumptions were more conservative than need be.

We cannot do that any more, in my judgment. From now on, just as in this bill, every time we want to vote for a new benefit, we have to impose more taxes to pay for it. That is how it is now. That is how it is going to be in the future, unless someone engages in the irresponsibility of making this program insolvent, which it would certainly be unwise to do.

Mr. ALLEN. As always, as the Senator knows, there are two sides to every question, when we are paying out tremendous benefits, which we would like to see paid.

There is the other side, which calls for the taxpayer to pay the increased rate.

There is no contention that social security is actuarially sound any more, is there?

Mr. LONG. Oh, yes.

Mr. ALLEN. It is actuarially sound?

Mr. LONG. It is sound, and it will be sound if this program goes into effect. But the actuarial assumptions have been changed somewhat. The assumptions have been changed, based on the advice of the actuaries that they were needlessly conservative. They said we could safely modify the assumptions, as we have done.

For example, instead of carrying a reserve equal to a full year's benefits, we could settle for a reserve that would provide 75 percent of what it would take to pay 1 full year's benefit.

Mr. ALLEN. It is actuarially sound with this $468 per unit of taxes?

Mr. LONG. There is no doubt about it. Out of all the actuaries we had to advise us, there was agreement among all of them that this plan was actuarially sound, assuming that the Senator is willing to grant the assumption that the economy will continue to grow.

The only thing that might upset the actuarial soundness of this program is if the economy should fail to expand in the long run. If that should happen, we would be forced to raise the tax. But I honestly think that as long as Congress will continue to do business the way it has—that is, to look at the program every time it wants to improve benefits, raise the tax high enough to pay for the benefits and provide for an increase in the reserves in the program—there is no doubt in my mind that this will be an actuarially sound program.

This bill does not change the assumptions. It was under the Church amendment that the assumptions were changed. That occurred under the Church amendment in June. This bill, however, would finance every social security benefit provided.

Mr. ALLEN. It is a little rough on the fellow who is not going to retire for 30 or 40 years to have his employer increasing his payments by $468.

Mr. LONG. There is not a doubt in the world that he pays more. But in the long run, he is going to be the fellow who draws the largest retirement benefit. So if he lives long enough, he will draw a large benefit for it. He will be getting something for it. It is not as good a buy for him as it is for the fellow further down in the wage brackets, because the benefits provide far more relative return for those in the lower income brackets than for those in the higher income brackets.

Mr. ALLEN. I thank the Senator for the information.

Mr. JAVITS. Mr. President, I wish to address a few questions to the chairman of the Finance Committee, and then I would like to make a few remarks about this conference report.

I direct the attention of the chairman to page 31 of the report, dealing with savings provisions regarding certain expenditures for social services, which relates to this much discussed and debated $2.5 billion ceiling. I would like to ask the chairman, in addition to that hold harmless clause what we may expect regarding the other Stevens amendment—which deals with a redistribution of the amounts allotted to various States—which is not contained in the H.R. 1 conference bill, but has been included by the Senator from Alaska (Mr. STEVENS) as an amendment to the kind of omnibus bill carrying various tax amendments, H.R. 7577.

I point out to the chairman that this is a very serious matter because, while the thought was that we were going to put a limit on States which allegedly over use this social services opportunity, though I shall make some remarks which would sharply contest that, the fact is that a good deal of the formula which has now been adopted is going to feed the same money to States which have not even asked for it, even under earlier estimates. Hence there is bound to be some kind of a surplus for redistribution, which States endeavoring to keep down the galloping welfare rolls—which will cost the United States an additional $1.7 billion this year—may be able to use effectively. So I ask the chairman if we may know his thoughts on this question of reallocation of a part of that ceiling money which may not be used at all in the new formula which has now been adopted.

Mr. LONG. Mr. President, we had two Stevens amendments concerning social services, one of them the one which appears on page 31 of the pamphlet to which the Senator has made reference.

In effect, the House conferees were willing to accept that amendment, which was the less expensive of the two and which seemed to have the most appeal to them. I regret that that amendment did not benefit the State of New York. The Senator from Alaska has now offered his second amendment on another bill, a tax bill which hopefully the House of Representatives might be willing to consider.

I was disappointed that the Stevens amendment which could have been beneficial to the State of New York was not agreed to, even though the chairman of the House Ways and Means Committee had indicated that he would be willing to support such an amendment. He did vote for it in conference; however, his conferees voted him down. I guess that is one of the few occasions where one would find that Mr. MILLS was not able to speak for the entire House.

I am pleased to say that we were able to do better by the State of New York with regard to the unemployment insurance matter. In that area, the compromise that was worked out in conference does include New York among those States which should have some help in the unemployment insurance part of it. I am sorry that they would not agree to this social services part.

As to what might be the fate of this tax bill on which the second Stevens amendment was offered again, I am just in no position to predict. All I know is that at that particular time I had assumed that the House would be willing to go along with it, and I questioned the chairman of the House committee on that matter, and reminded him of the commitment he had made on the House floor. He said that he was willing to support it and he voted for it, but his conferees had voted him down.

Mr. JAVITS. I thank my colleague. I am interested in what the Senator says about the unemployment insurance. Is that on the debt limit bill?

Mr. LONG. Yes; that is in the debt limit bill. The compromise we made there would substantially limit the cost and reduce the number of States that would have the benefit from it. The information given the Senate conferees is that New York would be one of the States that would benefit from it.

Mr. JAVITS. We thought we were out of the unemployment, too, but we will look into it carefully.

Mr. LONG. They told the conferees that New York would be one of the States that would benefit, and I hope they advised us correctly, because I had in mind at that point that at least we could report good news to the Senator on that matter. I hope we can, and that the Senator will find that New York will benefit from the unemployment compensation amendment.

Mr. JAVITS. Well, the Senator is very

kind, but our analysis shows that that is not so, and that we have been left out all the way around.

Mr. LONG. I thought I had voted to take Louisiana out and leave New York in—I could be mistaken about that—and I hope that the people of Louisiana will forgive me if it works out that way.

Mr. JAVITS. I hope the Senator is correct, but we believe—we will check it further—that New York is out of everything, and I assure the Senator that I have some very deep feelings about New York, with 39 Members of the House of Representatives, being shut out of everything—social services, revenue sharing, and unemployment compensation.

Mr. LONG. As the Senator well knows, I have not always voted on New York's side, but on this occasion I was advised that I was voting for New York, and that they had left Louisiana out. So at least on this occasion we thought we were working for New York, and if not I shall be disappointed.

Mr. JAVITS. We will check it again.

Mr. President, I shall vote for this conference report—because of its general social security elements—but I would not want this moment to pass without commenting on certain aspects relating to the problems of poverty and welfare dependency in our Nation.

It is unfortunate indeed that the bill does not contain in any form the welfare reform first urged by the President in 1969. While we put forth our own alternative. The President's plan was nothing less than a historic first step toward the establishment of a national benefit level and Federal assumption of welfare costs with increased incentives and provisions for manpower training and child care.

I wish to reaffirm my continued support for those objectives and give my pledge to pursue them in the next Congress.

We have already covered the question of the redistribution provision, which the Senator from Louisiana has described, and where again New York, California, and Illinois are hurt.

The word was that the $2.5 billion ceiling was necessary because, in respect of section 1130 social service expenditures, that spending had gotten out of hand, and that the States and cities were using a loophole in the law and spending much beyond what Congress contemplated in providing these matching funds.

What greater "loophole" exists than the "uncontrollable expenditures" for welfare cash payments which will cost the Federal Government $7.7 billion in this fiscal year, an increase of $1.1 billion over a year ago?

That is the real loophole to be plugged, and it can only be closed—short of throwing the poor out on the street—with social services which the Congress, ironically, has now cut back.

The conference bill on H.R. 1 does not even include the $800 million "add-on" authority for child care which Senator MONDALE and I added in the Senate, to be run through title IV.

This was no "radical" or "fiscally irresponsible" commitment to child care. The amount was exactly that which the Senate Committee on Finance recommended in its own version of H.R. 1, though under a different delivery system.

It was only $50 million above the $750 million contained in the administration-backed House welfare provisions.

Does the fact that the vehicle in which this quotient was lodged—welfare reform—has stalled once again along the road, discharge us from the duty of meeting the ongoing need for which it was designed and which the Committee on Finance documented in its own report on H.R. 1?

The Committee on Finance suggests that the problem lies in the failure of the Secretary of Health, Education, and Welfare to adopt administrative controls.

But there is a remedy for that. If the Secretary will not tighten things up, then we all know that the Congress can write criteria into the law.

The Congress took the easy way out; it did not go to that trouble of looking carefully at the programs and what could be done to improve their effectiveness, it just arbitrarily slapped a ceiling on funds. I suppose this was done on the theory that with that imposition the States and the cities and the Secretary would have to eliminate the bad programs and continue the good ones.

But it did not do so in a way that would permit that result. Under the formula it developed it spreads out the limited money in a new way without any relationship to the past efforts or effectiveness in one State as opposed to another.

The formula which has been developed will leave out 24 jurisdictions—23 States and the District of Columbia—including the great industrial States of California, Illinois, and New York, short of the benefits which they estimate would help materially to cut down the welfare load. But it would give to 27 States more than they even requested.

Mr. President, what can be more administratively wasteful than that? With many States not even taking what they are allotted, we still do not have any provision for even a reallotment from States which will not take what they have.

This is most distressing and most deplorable, and it is something we really have to get into in the most serious way.

The big industrial States have a big problem. Notwithstanding the fact that more than 70 percent of the people live in cities, and that these three States alone—New York, California, and Illinois—just to take an example, have a population of almost 45 million, almost one-quarter of the country, I must say that their problems have not been regarded with any particular amount of sympathy, though they probably originate the most production and the most taxpaying in the United States.

We are going to have to dig into that very carefully, especially in the other body, which is supposed to represent the people directly; and, by some strange anomaly, it is the one which is blocking the very progress which that kind of representation is supposed to represent in terms of this Nation. They are acting as if they had two Representatives from each State, rather than our situation here, under the great constitutional compromise of 1789.

So, Mr. President, it is very depressing and most deplorable and is going to work regressively, and it is going to worsen instead of improve the situation.

And what will we hear in the months ahead as the welfare rolls continue upward?

We will hear again that the problem of welfare dependency rests in some lack of motivation on the part of the poor themselves—that "they" are "lazy good-for-nothings." Those who come to New York will find that the poor are standing in lines day after day so that they can get their children into child care centers and other services so that they can go to work, but that we have failed to provide them.

This is the real tragedy of the situation which this ceiling imposes.

There can be nothing more unfair, or unjust or pennywise and pound foolish than the ceiling. I shall continue to work to try to rectify this situation in the months to come, so that efforts of individuals, States and cities to deal with their welfare problems—so encouraged in rhetoric—will have the Federal funds to do just that.

Mr. President, one final matter a little more promising. I am very pleased that the conference bill does not contain two provisions contained in the Senate version which would have served to undermine, if not completely undo, the legal services program now conducted under the Economic Opportunity Act.

The first provision prohibited the use of funds under the program for activities "for or on behalf of any client or other person or class of persons, the purpose of which is—by litigation or by actions relating thereto—to nullify, challenge or circumvent any provision of the Social Security Act, or any of the purposes or intentions of the Congress in enacting any such title or provision relating thereto" except where a waiver is ordered by the Attorney General after 60 days notification and submission to the Senate Committee on Finance and the House Committee on Ways and Means.

The second directed the Attorney General and the Director of the Office of Economic Opportunity to enter into arrangements to make legal services attorneys available to State and local prosecuting authorities to assist in support cases.

Senator CRANSTON and I—joined by a number of Senators—opposed these provisions—as we considered them inimical to the purpose of the legal services program and the duty of the attorney to his client, if not unconstitutional. Unfortunately we lost on a tabling motion.

I hope that this conference result, which I am sure, comes in large part from the support for the program by the organized bar—will be the prelude to an autonomous Legal Services Corporation, or some other autonomous entity to render in the truest professional way legal services to the poor, who are beginning to consider this, and quite properly, one of the greatest contributions to their rehabilitation from the syndrome of poverty—to wit, their sense of dignity,

which they can exercise by virtue of the fact that they, too, like wealthier people, can have a lawyer to try to defend their individual interests.

Mr. President, on the whole, however, it is a most depressing thing for urbanized States such as my own, where we have lost about $600 million when you add revenue sharing to this social services ceiling; and we have not really gained anything out of the much-vaunted revenue-sharing machinery which was going to be of tremendous help to us, because these formulas have been distorted.

It is a very depressing and deplorable time for the big States and the major cities which have such dreadful problems. It is going to put us to our mettle, especially with respect to what was supposed to be the popular branch of the legislature.

But I shall vote for this report, because it is the only thing to do at this time. I pledge myself—and I hope others who represent the big States will do likewise—to do all I can to change the situation.

Mr. BUCKLEY. Mr. President, I should like to pose a question or two to the distinguished chairman.

I was distressed to see that the conference report did not include a measure for which the distinguished chairman was responsible, which would have had the effect of repealing section 204(c)2 of the Social Security Amendments of 1967. This would have had the explicit effect of eliminating an ambiguity which has grown up as to whether or not the existing WIN legislation has preempted the field, has foreclosed the ability of States to work out their own employment and work programs for recipients of welfare.

I would appreciate any enlightenment which the chairman can give us.

Mr. LONG. I regret that we were unable to persuade the House to accept that proposal. I will attempt to pursue it again next year, when the House sends us a bill, as they have promised they will, by March of next year. That is one of the proposals this Senator will suggest to be added to it, as well as other matters concerning a father's duty to his children.

The situation in the Department of Health, Education, and Welfare, it seems to me, is that they want to make, any way they can, the program of the States to be just as big a mess and as impossible to administer as they can, hoping that by doing so they will force the States to ask the Federal Government to take the whole thing over, and at that point they can reform, to use their language—and in their language, "reform" means to put everybody on welfare. I am not for that.

It seems to me that the proper answer is to help the States and to give them whatever authority they need to run a tight, work-oriented program.

Frankly, that is what the bureaucrats who are there, no matter who is in—many of them have been there since Franklin D. Roosevelt and some since Herbert Hoover—have in mind. It appears that their scheme is to simply bankrupt the States if they can or to force upon the States unacceptable conditions, to try to force the States to ask the Federal Government to simply take them out of it.

I am dismayed that that is how it is; but I am convinced that the worst thing that could happen to this country would be to permit those people who are determined to keep the States from administering the program to take charge of the program. It would be a great disservice to the people of this Nation.

I think we ought to do what the Senator seeks to do, and he will have my best efforts next year in trying to do exactly that.

Mr. BUCKLEY. I should like to ask the distinguished chairman another question.

I believe the Senator from Louisiana was chairman of the Committee on Finance when the Federal WIN statutes were enacted.

Mr. LONG. Yes, I was.

Mr. BUCKLEY. Was it ever the intention of Congress at that time to have the provisions of the WIN statutes preempt the field of employment and training for ADC recipients?

Mr. LONG. I did not have that in mind. But, as the Senator knows, that was an HEW interpretation, and the New York court backed them up in it.

It was not my intention; but when the court speaks out on some of those things, if the Supreme Court should support the decision which HEW supported at the lower court level, it is sometimes beyond the power of this Senator to do much about it, except to change the law, and I will be glad to help the Senator from New York change the law if I can. I would like to do so.

Mr. BUCKLEY. I mentioned earlier the word "ambiguity" which I read in this morning's New York Times, states that a district judge in New York may have left the question open, as I read the article, as to whether it is the type of statute which preempts the field and prevents the States from operating. Would it be fair to say that there is ambiguity? So far as the distinguished chairman is concerned, was it ever the intention of at least this body to have a preemption in this field?

Mr. LONG. It was never our intention to prevent a State from requiring recipients to do something for their money if they were employable. It seems to me reasonable that they should be asked to do something for the money. It would be far better to do something for the money than than nothing at all.

Mr. BUCKLEY. I thank the Senator from Louisiana very much.

Mr. ROTH. Mr. President, I should like to reiterate once again that I am deeply distressed at the decision of the conferees to take no action on welfare reform.

I thought that the Senate, when it adopted my amendment to provide for testing, had taken really the last best chance of moving forward in this most serious area of concern. It is perfectly clear that there is not a consensus in the Senate, as to what is the best approach to reforming welfare. There is general agreement that it is in shambles and that something constructive must be done. It is also obvious that it is time we move forward.

For that reason, I was pleased the other day when the Senate did adopt my proposal that would have permitted us to make a major test of the three approaches; namely, the proposal by the Finance Subcommittee, the proposal by the White House, and the third proposal, the so-called Ribicoff program.

I might point out that a number of Senators on both sides of the aisle, liberal and conservative, have told me they thought this was the best approach out of our dilemma. By our failure to act responsibly today by providing for no test, I fear greatly that we will find ourselves 2 years hence exactly where we are today.

I think we should make use of those 2 years because the reason there is no concensus is that no one is certain what is the proper approach. No one can say with certainty how best to reform welfare. There is no doubt about the need of reform, and the only way we are going to be able to move with some assurance of success, is by testing the various approaches.

So far as I am concerned, I think the American people are tired of us adopting new programs claiming that they will solve problem, when they do not.

The only way we will get results is to move with intelligence and that requires sound testing of innovative, but unproven ideas. It is therefore a tragedy that the conferees did not move ahead with testing, these giving the Congress an opportunity to adopt corrective legislation that has shown promises of success.

Mr. President, I should like to make a second observation about the conference report. I would like to ask a question, if I may, of our distinguished chairman.

I proposed an amendment that would have changed the tax treatment of social security benefits. The Senator may recall that I was deeply concerned that social security payments made to a widow for her minor children are considered income of the children and, consequently, a woman with little other income loses the right to count such children as dependents.

The Senate passed an amendment to correct this situation, which discriminates against widows with small incomes.

The question I would like to ask the distinguished chairman is: He did indicate during discussions of my amendment that he had sympathy with what I was trying to accomplish. I wonder whether there is any possibility that this problem will be taken up early next year.

Mr. LONG. I would think that we can look at it next year, on the tax bill. The House conferees insisted that this matter was a matter of general tax law and was not a social security matter.

We were unable to prevail on them to accept it on this occasion, but I would think, on a future occasion, it might be possible to have them agree to it.

Mr. ROTH. I appreciate that and I would urge the Finance Committee to give it consideration. I will certainly introduce such a bill to correct this gross injustice very early next year.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 1524) to amend title 12, District of Columbia Code, to provide a limitation of actions for actions arising out of death or injury caused by a defective or unsafe improvement to real property, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed 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. 15475) to provide for the establishment of a national advisory commission to determine the most effective means of finding the cause of and cures and treatments for multiple sclerosis.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 724) directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 1, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 27. An act to establish the Glen Canyon National Recreation Area in the States of Arizona and Utah;

S. 3240. An act to amend the Transportation Act of 1940, as amended, to facilitate the payment of transportation charges;

S. 3419. An act to protect consumers against unreasonable risk of injury from hazardous products, and for other purposes;

S. 3671. An act to amend provisions of law relating to the Administrative Conference of the United States;

S. 3959. An act to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments; and

H.R. 11032. An act to enable the blind and the otherwise physically disabled to participate fully in the social and economic life of the District of Columbia.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ROBERT C. BYRD).

Mr. BURDICK. Mr. President, I should like to ask the manager of the bill a question.

Mr. LONG. Yes, I will be glad to yield in a minute.

Mr. President, it has been brought to my attention that we should pass a concurrent resolution to correct certain errors and omissions which appear in the bill.

In view of the pressures under which the staff has had to operate, that is sometimes unavoidable; so I send this resolution to the desk and ask for its immediate consideration.

The resolution is designed to correct several errors in the conference report, H.R. 1. Because of the brief time in which the conference report was prepared, there crept in several errors and omissions which this concurrent resolution is needed to correct.

The PRESIDING OFFICER (Mr. FANNIN). The resolution will be stated.

The assistant legislative clerk read as follows:

H. Con. Res. 724, directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 1.

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

There being no objection, the resolution was considered and agreed to, as follows:

H. CON. RES. 724

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 1) to amend the Social Security Act, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) At the end of the table of contents, add the following:

Sec. 405. Separation of social services not required.
Sec. 406. Manuals and policy issuances not required without charge.
Sec. 407. Effective date of fair hearing decision.
Sec. 408. Absence from State for more than 90 days.
Sec. 409. Rent payments to public housing agency.
Sec. 410. Statewideness not required for services.
Sec. 411. Prohibition against participation in food stamp or surplus commodities program by persons eligible to participate in employment or assistance programs.
Sec. 412. Child welfare services.
Sec. 413. Safeguarding information.

(2) In section 137 of the bill, strike out "(a)" after "Sec. 137.".

(3) In section 283 of the bill—

(A) strike out "(including a single service rehabilitation facility)" in subsection (a);

(B) strike out "; except that" and all that follows down through "provided" in subsection (a);

(C) redesignate subsection (b) as subsection (c); and

(D) insert the following new subsection after subsection (a):

(b) Section 1835(a)(2) of such Act (as amended by section 251 of this Act) is further amended—

(1) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(2) by adding after subparagraph (C) the following new subparagraph:

"(D) in the case of outpatient speech pathology services, (i) such services are or were required because the individual needed speech pathology services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician.".

(4) In section 301 of the bill, in the proposed new section 1614(a)(1), before the period at the end of clause (B) insert the following: "(including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a)(7) or section 212(d)(5) of the Immigration and Nationality Act)".

(5) In section 306 of the bill, strike out "October" the second place it appears and insert "September".

(6) In section 403 of the bill, strike out all that follows the colon and insert the following:

(1) the amount, not to exceed $50,000,000, payable to the State (as determined without regard to such section 1130) with respect to the total expenditures incurred by the State for services (of type, and under the programs to which the allotment, as determined under such subsection (b), is applicable) for the calendar quarter commencing July 1, 1972, plus.

(2) an amount equal to three-fourths of the amount of the allotment of such State (as determined under such subsection (b), but without application of the provisions of this section):

Provided, however, That no State shall receive less under this section than the amount to which it would have been entitled otherwise under section 1130 of the Social Security Act.

(7) After section 411 of the bill, add the following new sections:

CHILD WELFARE SERVICES

SEC. 412. Effective with respect to fiscal years beginning after June 30, 1972, section 420 of the Social Security Act is amended by striking out $55,000,000 for the fiscal year ending June 30, 1968, $100,000,000 for the fiscal year ending June 30, 1969 and $110,000,000 for each fiscal year thereafter" and inserting in lieu thereof "$196,000,000 for the fiscal year ending June 30, 1973, $211,000,000 for the fiscal year ending June 30, 1974, $226,000,000 for the fiscal year ending June 30, 1975, $246,000,000 for the fiscal year ending June 30, 1976, and $266,000,000 for each fiscal year thereafter".

SAFEGUARDING INFORMATION

SEC. 413. (a) Section 2(a)(7) of the Social Security Act is amended to read as follows:

"(7) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties or (B) to other persons for purposes directly connected with the administration of the State plan;".

(b) Section 1002(a)(9) of such Act is amended to read as follows:

"(9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

(c) Section 1402(a)(9) of such Act is amended to read as follows:

"(9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

(d) Section 1602(a)(7) of such Act is amended to read as follows:

"(7) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

RECIPIENTS OF ASSISTANCE FOR THE AGED, BLIND, AND DISABLED INELIGIBLE

SEC. 414. (a) Section 402(a) of the Social Security Act is amended (1) by striking out the period at the end thereof and inserting in lieu of such period "; and", and (2) by adding at the end thereof the following new clause: "(24) if an individual is receiving benefits under title XVI, then, for the period for which such benefits are received, such individual shall not be regarded as a member of a family for purposes of determining the amount of the benefits of the family under this title and his income and resources shall

not be counted as income and resources of a family under this title."

(b) The amendments made by subsection (a) shall be effective on and after January 1, 1973.

SOCIAL SECURITY AMENDMENTS—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on H.R. 1.

Mr. BURDICK. Mr. President, I should like to ask the manager of the bill a question: I notice regretfully in the conference report, that amendment No. 583 which provides for full Federal funding of State assistance payments to the aged, blind and disabled Indians, Eskimos, and Aleuts in supplementation of basic Federal payments under title XVI, has been deleted.

I also understand that the House has agreed to reconsider these amendments, and others, on or before March of next year. Do I understand correctly that this Indian amendment will be considered?

Mr. LONG. The House is going to send us a bill early next year and then we will have the opportunity to legislate.

If the Senator would care to renew this amendment then, we could add it to the bill that they send us and we will go to conference with them on it. I would think that when we are not under the pressure of trying to do everything in 24 hours, as has been the case here, we might have a better chance to persuade the House to agree to it.

Mr. BURDICK. The Senator has my assurance that this amendment will be brought to the attention of the committee when we consider the bill next year.

Mr. LONG. I thank the Senator.

Mr. TAFT. Mr. President, more than 38 months ago, President Nixon proposed to the Congress welfare reform legislation that he said would transform "a system frozen in failure and frustration into a system that would work and would encourage people to work." The President added:

> The present welfare system has failed us—it has fostered family break-up, has provided very little help in many States and has deepened dependency by all too often making it more attractive to go on welfare than to go to work.

No one disagreed then with that assessment. No one disagrees now.

The current public assistance program, Aid to Families with Dependent Children, is made up of 54 different State and territorial programs, each administered by a separate jurisdiction under broad Federal guidelines. Including the county-administered programs, there are at least 1,152 distinct operating welfare systems. Federal matching funds available for welfare programs vary from 50 to 83 percent the programs' total cost.

Welfare benefits vary from State to State from a grossly inadequate $60 per month to $335 per month. There are as many different interpretations of the Federal welfare guidelines as there are interpreters. Because of the split of authority between the States and the Federal Government, there is virtually no control at the Federal level of caseloads, administrative efficiency or mushrooming costs.

Since 1955, total AFDC payments have increased at an annual rate of more than 61 percent. The number of families receiving such payments has increased at an annual rate of more than 25 percent. If the present rate of increase continues, total State welfare costs will double at least every 3 years.

Despite this enormous increase in costs, welfare recipients are no better off. In fact, welfare payments have been cut back in almost half the States during the last 2 years.

Other problems abound in the welfare system. By limiting payments to those families in which the male head is absent, family disintegration is encouraged. Unemployed-father families are eligible for assistance in only 23 States.

Men who work part time are discouraged from seeking full-time employment, because their families would lose eligibility for welfare if they worked full time. Families in which the father works full time but does not earn enough money to escape poverty are not helped at all. Yet 40 percent of the poor in this country live in families headed by a full-time worker.

Single people and childless couples under 65 are completely ineligible for Federal assistance unless they are blind or disabled. Social services, day care, and job training needed to stimulate the employment of those presently receiving welfare have not been provided.

All of us have been exposed to the nightmarish stories of unfair State and local laws or administrative practices which deny assistance to people who should be eligible for help. We are also reminded continually that there are some people receiving welfare who should be able to earn an adequate living so as not to need it.

The situation has hardly improved during the 3 years of congressional consideration of welfare reform. As of last May, more than 3,668,000 people had been added to the welfare rolls while Congress argued. The Nation's total welfare bill had climbed by nearly 55 percent to approximately $18 billion annually.

Today, unfortunately, we finally have before us the fruition of those 3 years of intensive efforts by so many Members of Congress—nothing. Considering the fundamental difference in philosophy between the guaranteed income approach in the House bill and the pilot testing programs authorized by the Senate bill, it is not surprising that at this late moment in the session, the conferees found the welfare provisions of H.R. 1 irreconcilable. In view of the possibility that the meager and in some aspects regressive provisions of the Senate bill might have been accepted as an excuse for meaningful welfare reform, perhaps it is just as well that no compromise was reached.

Nevertheless, I cannot avoid expressing disappointment at the inability of the 92d Congress to agree upon legislation to clean up the welfare mess. I am convinced that Americans want welfare reform, and they want it now.

They want a welfare program that provides, through training and meaningful, worthwhile job opportunities, boot straps for welfare recipients to grab onto.

They want a welfare program that excludes the small minority of recipients who presently should not be receiving assistance, yet does not penalize the men, women, and children who do need help.

And they want a welfare program that provides incentives and assistance for the man or woman who works hard, but whose wages are too little to allow an escape from poverty.

Americans, in short, want a welfare program that provides adequate assistance, in an equitable manner, to those who really need it.

I supported both the Ribicoff compromise proposal to provide a guaranteed income of $2,600 for a family of four, and the Stevenson modification of that proposal, because I believe that those approaches would create the kind of welfare system I have outlined above. I believe, in particular, that the standardization of welfare administration and benefits is essential if we are ever to come to grips with the welfare problem.

I am well aware, however, of the fundamental and honest differences of opinion and philosophy as to the exact form welfare reform should take. In view of these circumstances, I am not wedded to any specific welfare reform proposal. There are no specific provisions which I insist upon.

At this time, in my judgment, the most important concern is to keep the welfare reform issue alive. I hope that other Members of the Senate will overcome any sense of discouragement which they now understandably have, so that the 93d Congress can try once again. I hope that my colleagues will retain the flexibility to consider carefully various compromises and alternatives which may be offered to deal with this issue. Most of all, I urge my colleagues to retain the stamina, desire and enthusiasm that is going to be necessary to enact responsible welfare reform in the next Congress.

The country could benefit immensely if we were to be successful.

Mr. CHILES. Mr. President, I opposed the Senate-passed version of H.R. 1, 2 weeks ago when it was up for final passage. As I said then, the Finance Committee has done a world of work on this legislation, and I think there were a lot of good features in the bill. However, I voted against its final passage basically because of my objection to title IV which deals with welfare reform.

I have been against the guaranteed annual income idea because I felt it would kill incentive for people to work whether it was the Nixon or the Ribicoff plan. The workfare concept, I think, would be much better. But the Finance Committee just was not able to work out provisions that fit together, so what the committee proposed to the Senate just would not stand up to scrutiny. As a result, nothing could get a majority of support, and then the Senate moved to what is supposed to be a study program or test plan to try out the Nixon, Ribicoff and Finance Committee approaches. However, in the pilot approach they put many new changes that were not going to be just tests but would become perm-

anent fixtures in law. The Senate never really discussed most of these provisions.

Another reason I was compelled to vote against the bill was because the average wage earner in this country—the man making between $4,000 to $12,000 a year was and is paying a disproportionate share of taxes—especially payroll taxes. H.R. 1 instead of correcting this problem actually goes the other way and increases it.

Many of the beneficial services and other parts of H.R. 1 I feel should be paid out of general revenue sharing because they come in the area of welfare—not social security.

So, until we reach the point when we are willing to come to grips with the inequity built into social security taxation, we should not pass on an additional burden to our working people.

Now that House-Senate conference on H.R. 1 has removed from the bill those parts of title IV I had objected to earlier including the President's family assistance plan, the Ribicoff proposal—which went even further—and the Finance Committee's test plan—which in my mind along with other pilot approaches put in so many new changes which were not going to be just tests but permanent features in law. While I am still not satisfied with the disproportionate cost which will be financed by an increase in payroll taxes and passed on the workingman the conference committee version has been improved.

The initial cost of the House bill, passed a year ago, was about $8 billion or $9 billion for benefits in its first full year. The Senate added a big block of amendments, both in the committee and on the floor, raising the figure to about $18.5 billion. But the final bill, according to staff estimates, totaled about $6.1 billion in benefits the first year.

Several features in the conference report I feel are much needed including:

First. The raising of widows' and widower's benefits from 82.5 percent of the decreased spouse's entitlement to 100 percent, affecting 3.8 million persons.

Second. Raising from the present $1,680 to $2,100 a year the outside amount a social security retiree can earn without any loss of benefits. For earning above that benefits would be reduced $2 for each $1 earned. Nearly 1 million persons would benefit from this provision.

Third. Provide that employees who have worked in social security-covered employment for 30 years will receive a minimum of $170 a month in social security benefits when retiring, even if their benefits would otherwise work out to less. This is to provide long term low-wage workers with more adequate retirement income, and would benefit 850,000 persons.

Fourth. Reduce waiting period for disability insurance benefits from 6 months to 5 months.

In addition, Representative MILLS, chairman of the House Ways and Means Committee apparently has agreed to early next year working with the Senate in shaping new welfare reform legislation which I hope will come much closer to the mark in assisting people who truly need help and cannot work. Hopefully in coping with the issue of financing these funds will come out of general revenue because they are in the area of welfare and not social security. We also need legislation to aid and encourage those persons who are now working to continue to do so.

For these reasons I intend to support the conference committee report on H.R. 1.

Mr. CHURCH. Mr. President, I support the adoption of the conference report on H.R. 1, the 1972 Social Security Amendments.

The conference bill, to be sure, has a number of controversial features. But the beneficial provisions, in my judgment, clearly outweigh the others.

Several of the reforms will enable large numbers of older Americans to escape from poverty, without the necessity of resorting to welfare.

This is particularly important because Social Security is the economic mainstay of the vast majority of older Americans. Approximately 65 percent of all retired workers and 49 percent of aged couples depend on social security for more than half of their incomes.

Equally important, these reforms will help to improve and perfect the social security system.

Several of these measures, I am pleased to say, are either identical with, or similar to, proposals which I have sponsored.

As chairman of the Senate Committee on Aging, I am also heartened to note that these reforms have had the strong support of the committee and its membership.

FULL BENEFITS FOR WIDOWS

One of the major improvements is full benefits for widows, instead of only 82½ percent of their deceased husbands' primary insurance amount. Approximately 3.8 million elderly widows would have their social security benefits increased because of this urgently needed change.

The net impact of this change, along with the enactment of my recent amendment for a 20-percent social security increase is that average monthly benefits for widows will be increased from $114 to $156.

More importantly, this provision can, in one stroke, remove 200,000 aged widows from the grip of poverty.

SPECIAL MINIMUM MONTHLY BENEFITS

The conference bill also authorizes a new special minimum monthly benefit for persons with low lifetime earnings and long periods of covered employment under social security. This new special minimum would be equal to $8.50 multiplied by a worker's number of years of covered employment in excess of 10 years, up to a maximum of 30 years.

Under this provision, a worker with 30 years of covered employment would be entitled to a special payment of $170 a month.

LIBERALIZATION OF THE RETIREMENT TEST

Another improvement in H.R. 1 is the increase in the earnings limitation from $1,680 to $2,100.

For earnings in excess of this amount, $1 in benefits would be withheld for each $2 of earnings. Under present law, $1 in social security payments is withheld for each $2 of wages between $1,680 and $2,880. Thereafter, social security benefits are reduced for each dollar of earnings above $2,880.

These changes in H.R. 1 would make it possible for a retired worker to have earnings in excess of $8,000 and still receive some social security benefits.

It is high time that our Nation take down the arbitrary stop sign, which says that 65 is the end of the road for employment opportunities.

Surely, the wealthiest Nation in history is not so bankrupt in ideas that it cannot solve this problem.

And the adoption of these changes in H.R. 1 can help to remove some of the impediments for older Americans who want or need to work.

PROTECTION AGAINST RETROACTIVE DENIAL OF PAYMENTS

Another major reform in H.R. 1 is a proposal I have urged to protect medicare patients against retroactive denial of payments.

Today the determination of whether a patient qualifies for nursing home or home health care is usually made after the services are furnished. This practice has frequently resulted in the retroactive denial of payments for services which the elderly patient believed in good faith would be covered under medicare.

As modified by this bill, however, the Secretary of HEW would be authorized to establish periods after hospitalization during which a patient would be presumed to require home health and nursing home benefits.

The advantages of this approach, it seems to me, are many. Elderly patients would know, in fact, that their bills for skilled nursing home care would be covered. Equally important, physicians, home health agencies, and nursing homes would be assured that their services would be reimbursable under medicare.

AGE 62 COMPUTATION POINT

H.R. 1 also includes a provision to permit men to compute their benefits on the basis of earnings up to age 62—the same as now exists for women—instead of age 65. This provision will end the discrimination between men and women under the program.

SUPPLEMENTAL SECURITY

Undoubtedly, one of the most significant changes in H.R. 1 is the replacement of the adult welfare programs—aid for the aged, blind, and disabled—with a new income supplement plan.

This supplemental security income program would be administered by the Social Security Administration and financed out of general revenues.

Moreover, this new program would assure older Americans of a monthly income of $130, and $195 for elderly couples. In addition, the first $20 of social security or other retirement income would be disregarded in determining eligibility for these supplemental payments.

For most older Americans, the existing welfare system is demeaning. In fact, less than 50 percent of all persons living in poverty receive old age assistance.

IMPROVEMENTS FOR THE DISABLED

H.R. 1 not only makes vital improvements in social security and medicare for the aged, but it also provides several reforms for persons under 65—particularly the disabled.

One major change is extension of medicare coverage to 1.7 mililon disabled persons under age 65. This improvement is especially welcome because the disabled need health care services at a substantially greater level than other Americans.

Another welcome improvement is the reduction in the waiting period from 6 to 5 months to qualify for disability benefits.

Finally, H.R. 1 would authorize disability benefits to a child of an insured retired, deceased, or disabled worker if the disability began before age 22, rather than before 18 as under present law. Thus many a student will be helped through college.

CONCLUSION

The 1972 social security amendments, in many respects, represent landmark legislation for older and disabled Americans.

Mr. President, once again I wish to reaffirm my strong support for the social security, medicare, and welfare reforms for the aged in H.R. 1.

For these reasons, I urge the adoption of the conference report.

Mr. STENNIS. Mr. President, when the Senate passed the welfare bill, H.R. 1, I voted for the bill. The Senate version of the bill provided for tests of the major welfare reform proposals, in contrast to the minimum income established by the House version.

I voted for the Senate bill primarily to pass it and with the hope of improvement and with the confident expectation that what would come back from conference would be a better bill, and I am pleased to see that this is indeed the case. I am totally opposed to the concept of a Government-guaranteed minimum family income. It is a concept that is so dangerous as to threaten the whole structure of our society and our Nation. It is a step that once taken could never be retraced. It leads away from the work ethic and toward a system under which those who do not choose to work live from the labors of those who work for a living and have to pay taxes to support those who can work but do not want to work.

The conference report as written is a worthy bill which I can support, and I will vote for it. It is believed to be fiscally self-sustaining, imposing new social security taxes to pay for the increased benefits.

In that connection, however, the social security taxes are reaching a breaking point. These constant increases cannot continue to be made. These taxes are very hard on working families, for they begin with the first dollar earned. To continue to raise them will be intolerable.

I will, however, vote for the conference report. It is better than the Senate bill, and it is infinitely better than any system of guaranteed income.

Mr. McINTYRE. Mr. President, I lend my voice in expressing the frustration of the nearly 7 million elderly Americans now living in poverty or near poverty. I know that they share some disappointments in the social security legislation we are going to be passing this afternoon. They see that their voices have been heard here in the Senate time and time again. But they also see that their voices have not been heard downtown and only faintly heard in the House of Representatives.

I must indicate my bitter disappointment over the House's failure to accept provisions, passed overwhelmingly in this body, to provide a pass-through of the 20-percent social security increase to those receiving old-age assistance in addition to insurance benefits; to those who must rely on surplus food to survive; to those who receive Veterans' pensions in addition to insurance benefits; and to those who fear rent increases in public housing or housing for the elderly projects due to benefit increases.

There are two million recipients of old-age assistance, 1,250,000 of whom also receive some social security benefits. Many of these individuals will have the right hand, our Federal Government, present them a 20-percent increase, signed I might add by our President, and have the other hand, our State government, take the extra funds away in reduced public assistance. Yet, these are the people who need these benefits the most.

Each of the 7 million elderly Americans living in poverty, or near poverty, faces unprecedented inflation. Through May of this year the Consumer Price Index jumped 5 percent, food prices nearly 5.9 percent. Medical costs have increased 5.7 percent. And property taxes, paid ultimately by homeowners and renters alike, have increased over 14 percent.

Congress, led by the Senate, provided a 20-percent social security increase this year to help meet this tremendous burden on our senior citizens. Who needs it the most?

It is those who have social security, or the lack of it, which leaves them at near or below subsistence income levels. We are not even talking about poverty income levels for most of these individuals, we are talking about less than that. Their income enables them only to survive; and yet the House would not accept this pass-through and earlier this afternoon voted 300 to 1 to confirm the conferee's action.

When I heard late Saturday night that the conferees had refused this vital assistance, I asked myself how could it happen? The Senate passed these measures with voice votes, a unanimous acceptance.

As late as Saturday, I joined with 51 of my colleagues, a constitutional majority, in a letter informing the Senate conferees that we backed their attempts to see these measures included in the final bill. In a matter of hours we all found out that the House would not go along. How did this happen?

There are many causes; but I now know the prime cause. Continuing its 3-year record of careless disregard for the needs of our elderly, especially our elderly poor, the administration let it be known that they were strongly opposed to the pass-through provision. I guess it should not have surprised those Senators who thought that our actions would be confirmed by the other body. A 3-year record by the Nixon administration should have told us differently. No word, of course, was let out publicly, at least to my knowledge. But it was made clear.

Let me review the long-term record of the Nixon administration on social security. Since his election, President Nixon has consistently opposed adequate social security benefits. But that record did not prevent him from falsely claiming credit for the 15-percent catch-up social security increase in 1969 or the 10-percent catch-up enacted in 1971, or the 20-percent increase initiated by the Senate this year. The elderly have gotten more messages from the President than perhaps any other segment of our public. Matched with a check, the President has used a political tool that none of us could ever match. I think senior citizens know, however, that there is a great difference between the President's proclamations and his performance.

In 1969, he proposed a 7-percent increase, one that would have been totally wiped out by inflation before the checks were ever received. The House raised this to 15 percent and then received a stern statement by the President that he would veto any increase over 10 percent. In order to avoid this veto threat the House added the increase to the President's tax reform legislation; legislation, incidentally, that resulted in a major cut in corporate taxes. The Senate then enacted a similar provision and it became law because it was attached to a bill Nixon could not afford to veto.

In 1970, the House passed a modest 5-percent increase. What did the administration do? They issued immediate warnings that any larger increase would be unacceptable. In the Senate we saw that prices were escalating so rapidly that a 5-percent increase would be eaten up as soon as it was enacted. We, therefore, proposed a 10-percent increase over another veto threat and again and to attach this measure to a bill that the President could not veto in order to see it passed.

Once more in 1972, the Senate saw that our elderly were losing ground. We also saw that there was enough of a surplus in the social security trust fund to finance an increase, large enough to counter inflation, well into the next century. We, therefore, proposed a measure I sponsored for a 20-percent increase.

Again, we were met with a strong veto threat from the Nixon administration. And, again, we had to attach the increase to a veto-proof bill, the debt limit bill, in order to see it passed.

Now we find that new administration opposition has helped to frustrate the Senate's intent in a sad and callous opposition to a pass-through provision. I regret that this has happened. Yet, it is evident that there is no more the Senate can do this year.

I do know that this is not the end of the matter. We will try again next year to see if we can create some sympathy at 1600 Pennsylvania Avenue for the elderly poor.

There are other sections of this conference report, sections that can be cor-

rectible next year, that also disappoint me greatly. The Senate committee approved by an overwhelming vote a provision to place certain prescription drugs needed by the chronically ill under the medicare program. This, of course, was necessary because we saw that the elderly pay as great a proportion of their budget for medical care as they did before medicare was enacted. And medical costs increased by nearly 6 percent last year. This provision could have greatly helped those people who must rely on costly medication to survive on a day-to-day basis. Again, the House would not agree and the administration did not lift a finger to help.

I am also disappointed that the Senate's overwhelming acceptance of an amendment I cosponsored to raise the outside earning limitations from $1,600 to $3,000 was also frustrated. Here, at least, we see some progress. The earnings limit has been raised to $2,100 and the reduction in benefits over $2,100 is now set at 1 dollar for 2 rather than for 1 return we saw before. Again, however, there was no help from downtown and those millions of our senior citizens who want to work without penalty for their additional income will be hurt.

I must indicate, in the end, that I will reluctantly support passage of the conference report. It is evident to me that, without administration support, we cannot hope to change the result this week.

I would like to indicate that there is much good in this bill. I congratulate the distinguished chairman of the Senate Finance Committee, Senator LONG, for doing his best to see that a good bill emerged. We did pass many vital provisions that I would like to list below:

One provision, would boost widows' benefits from 82.5 percent at present to a 100 percent of the deceased husband's entitlement.

Also, as I mentioned above, the new income limitation of $2,100 is a step forward.

The provision to extend new medicare benefits to 1.7 million under 65 individuals who are retired and receiving social security is a needed reform—the federalization of the old-age assistance program and programs for aid to the blind and disabled starting in 1974 is a step forward. This provision will provide a new minimum income of $130 per individual and $195 for couples and it will substantially increase the income disregard provisions of current law.

I am also pleased that we recognized, in this bill, the needs of those who worked for 30 years in covered employment. They will be guaranteed a minimum of $170 a month even though their current entitlement is less. This would help about 850,000 Americans who spent all their working lives in covered employment; but whose low salaries prevent them from realizing benefits commensurate with their contribution to the plan.

I hope that as we do accept this conference report, I will be joined by those Senators who feel as I do in a commitment to reintroduce next year those provisions that the Senate could not get accepted by the House this time. And I sincerely hope that whatever administration is in the White House in January will give us their support.

THE PASS-THROUGH AMENDMENT

Mr. MONDALE. Mr. President, it is with deep regret that I shall cast my vote today for H.R. 1. The conference report before us lacks a provision which I believe is absolutely essential to maintaining our commitment to the millions of elderly persons in this country who depend on social security.

The provision to which I refer is the "pass-through" amendment which I introduced and the Senate approved during consideration of H.R. 1 on the floor. It would have prevented social security recipients from losing other necessary benefits—through rent increases or loss of eligibility for welfare or food stamps—as a result of the 20-percent social security increase voted before the Senate earlier this year.

I did not vote for the increase because I expected the Congress to take away other sorely needed benefits from citizens who already have so little. I cannot believe that any of my colleagues really intended when they voted for the 20-percent increase to reduce the benefits available to old people, who have already suffered inordinately from the inflation which has gripped our Nation for several years now. I was encouraged by the Senate approval of my amendment, and hopeful that we would be able to stave off the nightmare that was descending on so many old people as a result of the increase.

Listen to this Minneapolis woman's account of how the increase "helped" her:

> Why when you get a raise in Social Security does Housing or "Welfare" takes it from you, or if housing leaves your rent, off it comes from welfare. As it stands now I'm worse off than before the Social Security gave the 20% raise. Clothing, shoes are so expensive. I don't get a paper, no TV. No Radio, No Phone. I can't afford them. Housing offers trips to Duluth, Winona. I can't go. They are too expensive. I hope and pray you can stop welfare from taking the 20% off. God Bless you, if you can work out some way to prevent the taking away of the small amounts we get in Social Security.

This woman is not an isolated case. She has eloquently described the human misery that can result from the shortsightedness of our actions here. Because my amendment was dropped, up to 15,000 elderly Minnesotans are faced with increased public housing rents, and approximately 40,000 Minnesotans could lose food stamp benefits. Letters and phone calls from Minnesotans are pouring into my office on this subject, and I just don't even know how to respond to them at this point.

Last week a bipartisan group of 55 Senators wrote to Senator LONG urging him "to do everything in your power" to assure retention of the Mondale amendment. But the amendment was dropped by the committee.

Because the conference report does include some improvements in social security, medicare, and medicaid. I feel compelled to vote for it today. I only hope that the Congress will turn its energies as quickly as possible to rectifying the injustice it has done.

I also regret that in this legislation the Congress has failed to come to grips with the social security tax issue. The tax system that we have now is regressive and unfair; and the increases mandated in the bill are most unfortunate. I am hopeful that the new session of Congress will reconsider the whole matter; and adopt a new system such as the Mondale-Muskie proposal.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENSTEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mrs. EDWARDS), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from New Mexico (Mr. MONTOYA), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Virginia (Mr. SPONG) are necessarily absent.

I also announce that the Senator from Wyoming (Mr. MCGEE) and the Senator from Nevada (Mr. CANNON) are on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), the Senator from Indiana (Mr. HARTKE), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), and the Senator from South Carolina (Mr. HOLLINGS) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from New Jersey (Mr. CASE), the Senator from Kentucky (Mr. COOPER), the Senator from Nebraska (Mr. CURTIS), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Iowa (Mr. MILLER), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. SAXBE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Kentucky (Mr. COOK) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Michigan (Mr. GRIFFIN), the Senator from Hawaii (Mr. FONG), the Senator from Iowa (Mr. MILLER), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 61, nays 0, as follows:

[No. 567 Leg.]

YEAS—61

Aiken	Gravel	Packwood
Allen	Hansen	Pastore
Anderson	Hart	Proxmire
Beall	Hruska	Randolph
Bennett	Humphrey	Ribicoff
Bible	Inouye	Roth
Brooke	Jackson	Schweiker
Buckley	Javits	Scott
Burdick	Jordan, N.C.	Smith
Byrd, Harry F., Jr.	Jordan, Idaho	Stafford
Byrd, Robert C.	Kennedy	Stennis
Chiles	Long	Stevens
Church	Magnuson	Stevenson
Cotton	Mansfield	Symington
Cranston	Mathias	Taft
Dole	McClellan	Talmadge
Dominick	McIntyre	Tunney
Ervin	Mondale	Weicker
Fannin	Moss	Williams
Fulbright	Muskie	Young
	Nelson	

NAYS—0

NOT VOTING—39

Allott	Eastland	McGovern
Baker	Edwards	Metcalf
Bayh	Fong	Miller
Bellmon	Gambrell	Montoya
Bentsen	Goldwater	Mundt
Boggs	Griffin	Pearson
Brock	Gurney	Pell
Cannon	Harris	Percy
Case	Hartke	Saxbe
Cook	Hatfield	Sparkman
Cooper	Hollings	Spong
Curtis	Hughes	Thurmond
Eagleton	McGee	Tower

So the conference report was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. FULBRIGHT. I move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I wish to thank members of our staff who worked so diligently on this bill, especially Tom Vail, Mike Stern, Jay Constantine, Dr. Jim Mongan, and Bill Galvin, for the fantastic contribution they made and all the long hours they worked on this measure.

I also wish to thank the able help of the Congressional Research Service, headed by Fred Arner, Joseph Humphreys, Frank Crowley, Bob Guttman, and Glen Marcus, for the work necessary in the research, the hearings, and the draft of the committee report of a 1,300 pages and a bill over 900 pages long.

I think the Nation owes a debt of gratitude to these men who often are not seen and heard directly in the consideration of a measure of this sort but make such a valuable contribution to it.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that today, October 17, 1972, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 141. An act to establish the Fossil Butte National Monument in the State of Wyoming, and for other purposes;

S. 655. An act for the relief of certain employees at the Elmhurst, Ill., Post Office;

S. 909. An act for the relief of John C. Rogers;

S. 1198. An act to authorize the Secretary of Agriculture to review as to its suitability for preservation as wilderness the area commonly known as the Indian Peaks Area in the State of Colorado;

S. 1462. An act to provide for the disposition of funds appropriated to pay judgment in favor of the Mississippi Sioux Indians in Indian Claims Commission Dockets numbered 142, 359, 360, 361, 362, and 363, and for other purposes;

S. 2147. An act for the relief of Marie M. Ridgely;

S. 2270. An act for the relief of Magnus David Forrester;

S. 2275. An act for the relief of Wolfgang Kutter;

S. 2318. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, and for other purposes;

S. 2469. An act for the relief of Kenneth J. Wolff;

S. 2714. An act for the relief of M. Sgt. William C. Harpold, U.S. Marine Corps (retired);

S. 2753. An act for the relief of John C. Mayoros;

S. 2822. An act for the relief of Alberto Rodriguez;

S. 3055. An act for the relief of Maurice Marchbanks;

S. 3230. An act to provide for the division and for the disposition of the funds appropriated to pay a judgment in favor of the Assiniboine Tribes of the Fort Peck and Fort Belknap Reservations, Montana;

S. 3257. An act for the relief of Gary Wentworth, of Staples, Minn.;

S. 3358. An act to prohibit the use of certain small vessels in U.S. Fisheries;

S. 3483. An act for the relief of Cass County, N.D.;

S. 3524. An act to extend the provisions of the Commercial Fisheries Research and Development Act of 1964, as amended;

S. 3545. An act to amend section 7 of the Fishermen's Protective Act of 1967;

S. 3583. An act for the relief of Gerald Vincent Bull;

S. 3843. An act to authorize the Secretary of Transportation to make loans to certain railroads in order to restore or replace essential facilities and equipment damaged or destroyed as a result of natural disasters during the month of June 1972;

S. 3943. An act 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;

S. 4022. An act to provide for the participation of the United States in the International Exposition on the Environment to be held in Spokane, Washington, in 1974, and for other purposes;

S. 4059. An act to provide that any person operating a motor vehicle within the District of Columbia shall be deemed to have given his consent to a chemical test of his blood, breath, or urine, for the purpose of determining the blood alcohol content;

S. 4062. An act to provide for the acquisition by the Washington Metropolitan Area Transit Authority of the mass transit bus systems engaged in the scheduled regular route operations in the National Capital Area, and for other purposes; and

S. 27. An act to establish the Glen Canyon National Recreation Area in the States of Arizona and Utah;

S. 3240. An act to amend the Transportation Act of 1940, as amended, to facilitate the payment of transportation charges;

S. 3326. An act for the relief of the Appalachian Regional Hospitals, Incorporated;

S. 3419. An act to protect consumers against unreasonable risk of injury from hazardous products, and for other purposes;

S. 3671. An act to amend provisions of law relating to the Administrative Conference of the United States; and

S. 3959. An act to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments.

S.J. Res. 221. A joint resolution to designate Benjamin Franklin Memorial Hall at the Franklin Institute, Philadelphia, Pa., as the Benjamin Franklin National Memorial.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRIBUTES TO SENATOR ANDERSON TO BE COMPILED AND PRINTED AS A SENATE DOCUMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the tributes which have been delivered and which will be delivered with respect to our distinguished colleague, the senior Senator from New Mexico (Mr. ANDERSON), who will be retiring voluntarily at the end of this session, be compiled and printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Mississippi (Mr. STENNIS) to call up a bill which I understand has been cleared with the leadership on both sides.

SPECIAL PAY FOR NUCLEAR OFFICERS AND ENLISTED MEN

Mr. STENNIS. Mr. President, I call up the bill H.R. 16925, relating to special pay for nuclear qualified officers, both surface and submarine types, and nuclear trained and qualified enlisted personnel. I have submitted the report thereon from the Committee on Armed Services, which has not been printed, and I ask unanimous consent to have it

printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 16925) to amend title 37, United States Code, to extend the authority for special pay for nuclear qualified naval submarine officers, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the bill.

Mr. STENNIS. Mr. President, the bill was passed by the House in the last few days, along with other legislation that relate to bonus pay or compensation for the military. This bill itself has very narrow application. First, it pertains only to the officers and enlisted men who are in the nuclear field qualified to supervise and operate nuclear power plants. They are the nuclear technicians on the propulsion plants of the nuclear-powered submarines, carriers, and frigates.

And, of course, we shall have additional ones of these coming into service as time goes on.

We have a bonus provision in the law now that gives these men a bonus for reenlisting after they serve their first enlistment. If they enlist, say, for 3 years, they will receive a certain bonus based upon their rating and their salary, which, of course, is based upon their attainments in this field of nuclear engineering.

We do not have a provision under present law that would permit the Navy—and this is confined to the Navy—to pay these men who serve in their second reenlistment. In other words, there is no special inducement that the Navy has to keep these men, who by this time are becoming senior petty officers in the nuclear field, and who, are very much in demand by private industry. They are taken out for jobs that range up to $15,000, $18,000, $20,000 or more. This proposal would provide an additional weapon, you might say, or means to keep these men that they want to keep, and induce them to reenlist for a second term. It is a discretionary matter as to whether or not a person is asked to reenlist, especially at this increased pay.

We have not held any hearings ourselves on this bill, Mr. President, and I am relying on the hearings held by the House of Representatives. But this is a highly specialized group. They cannot just be hired overnight. It takes a long time to train them, and the very ones who are hired away are the ones who are most needed. I am satisfied that it would be better to go on and enact this law now.

There is another phase to the measure. The officers do not receive any increase, but there is a provision which extends a present law providing certain bonuses for the officers from June 30, 1973, when it will expire, to June 30, 1975.

What this bill does is to provide a bonus for those with between 6 and 10 years of service under which they will be paid up to a maximum of $15,000 if they reenlist for certain periods of time not to exceed 6 years. The average payment would be from somewhere between $8,000 to $10,000.

The bill has very little effect on nuclear trained officers since existing law already authorizes such bonuses.

The bill does extend existing law from June 30, 1973, until June 30, 1975, and expands the scope of the law to include the surface-type nuclear trained engineers rather than the submarine-type which are covered under existing provisions.

The bill would affect only about 1,400 enlisted men and 150 officers in fiscal year 1974 at a cost of 4.8 million increasing to about 1,800 total people affected in fiscal year 1975 with a total estimated cost of about 6 million.

Mr. President, this is a pressing problem and I hope the Senate will pass it.

EXHIBIT 1

SPECIAL PAY FOR NUCLEAR-QUALIFIED NAVAL SURFACE OFFICERS AND ENLISTED MEMBERS WHO AGREE TO REENLIST

The Committee on Armed Services, to which was referred the bill (H.R. 16925) to amend title 37, United States Code, to extend the authority for special pay for nuclear-qualified naval submarine officers, authorize special pay for nuclear-qualified naval surface officers, and provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 16925 is to continue for 2 additional years the special pay for nuclear-qualified submarine officers who contractually agree to remain beyond their minimum obligated service, to authorize special pay for nuclear-qualified naval surface officers who agree to continue service in that field beyond their obligated tour of duty, and to provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist. The authority is provided to run through June 30, 1975.

EXPLANATION OF THE BILL

This legislation is designed to provide monetary incentives which will increase the number of nuclear-trained and qualified officers and enlisted men who volunteer to remain on active duty to serve the needs of our nuclear naval fleet. By Public Law 91–20 the special pay of $15,000 was provided for nuclear-qualified submarine officers who contractually agree to serve in active nuclear submarine service for 4 additional years. At the time this legislation was enacted, the established goal was twofold: (1) to retain sufficient qualified officer personnel to meet the at-sea manning requirements and (2) to rebuild the nuclear submarine officer inventory following the excessive losses of the past so as to allow an equitable sea-shore rotation opportunity for these officers.

The rapidly decreasing retention was successfully arrested at 28 percent and subsequently raised to 40–45 percent for the more junior officers now completing their period of minimum obligated service. This equates to a current retention rate of about 110 officers per year as opposed to the 75 retained per year when the retention decline was arrested.

Similar action is now required to improve the retention of nuclear-qualified and experienced officers and petty officers assigned to duty in nuclear-powered surface ships. The nuclear-powered surface fleet is in the process of expansion from four to 11 major ships, which will triple officer manning in the next 2 years. These nuclear-qualified surface officers currently receive no special pay or allowances of any kind and their average retention rate is a totally unacceptable 11 percent. This retention rate cannot support the future requirements for adequate experienced supervision of the surface naval nuclear propulsion plants.

The bill provides a special continuation pay for nuclear-qualified and experienced enlisted personnel who reenlist and continue to contribute their significant experience and technical expertise by serving on board the surface ships and submarines of the nuclear-powered fleet. It also would extend for 2 years the very successful officers continuation pay for officers serving in the nuclear submarine fleet and make that pay available to officers who are on active duty in connection with supervision, operation, and maintenance of naval nuclear powerplants.

The necessity for this urgent legislative measure has been created by inadequate retention of highly trained and experienced nuclear-qualified petty officers. This has produced a situation which, if continued at the present low reenlistment rates, threatens the Navy's ability to provide the necessary experienced supervisory personnel for the naval nuclear propulsion plants. Decreasing reenlistment rates of experienced nuclear propulsion plant operators completing 6 to 9 years of service coupled with expanding requirements to man new nuclear-powered ships under construction has created a critical shortage of these highly trained supervisory personnel. If forceful corrective action is not immediately taken to reverse this critical experience level decline, the Navy will not be able to assure continued *safe* and *reliable* operation of the Nation's *nuclear-powered fleet*, which includes the Polaris/Poseidon submarine deterrent force.

The problem currently facing the Navy has developed following a period of dramatic growth in the size of the nuclear Navy. Prior to the early 1960's when the nuclear-powered fleet was very small, only career oriented petty officers from the conventional fleet were accepted for nuclear-propulsion training. Due to the tremendous expansion of the program with the building of the Polaris submarines in 1963–65, the primary input to the nuclear propulsion program was shifted to large numbers of new recruits. The program requires a 6-year service obligation, 2 years in training ashore followed by 4 years service in the fleet. The original groups of new recruits who entered the program at the beginning of the expansion in 1963 reached the end of their obligated service in fiscal year 1970 and only 19 percent reenlisted. In fiscal year 1971, the figure was 16 percent, and in fiscal year 1972 it further declined to 14 percent. A retention rate of 38 percent is required to sustain the necessary experienced operator manning level. This problem is identical to that which occurred with nuclear-qualified submarine officers in 1968, when the first groups of direct input officers reached the end of their minimum obligated service and a serious retention crisis developed.

The effect of this decreasing experience level is significant. In 1968, when there were 128 nuclear submarine crews and four nuclear-powered surface ships, the Navy had 1,900 experienced petty officers. Today, with 143 nuclear submarine crews and seven nuclear surface ships, it is down to 1,500 experienced petty officers. The situation is unsatisfactory, and is rapidly growing worse.

If the reduction in retention of nuclear-

qualified petty officers was principally a result of the shift to new recruits, why does it keep going down? The answer here is similar to that in the case of the nuclear submarine officers, in which the retention crisis was solved by the highly successful special continuation pay legislation enacted by the Congress in 1969. The high standards of training required and the mandatory adherence to prescribed operating procedures places unusual demands upon the nuclear-qualified individual. Simply stated, operating and maintaining a nuclear propulsion plant is hard work. It requires dedicated professional performance to rigid regulations, enforced by exacting inspections periodically conducted to insure continuing reactor safety. We are engaged in a rapid downward spiral. As more veteran nuclear plant operators leave the Navy, the supervisory burden becomes greater on those experienced personnel who choose to remain.

An additional influence is the severe competition the Navy's nuclear propulsion program faces from the civilian nuclear power industry. The highly trained enlisted operators are offered more pay than they receive in the Navy, less time away from their families, and far less arduous working conditions. The maximum salaries offered to ex-Navy nuclear operators are in the $17,000 to $20,000 bracket. This legislation would greatly improve the Navy's ability to compete with these incentives.

The Navy has employed every measure available to it to improve the conditions of service and thereby attempt to reverse the retention decline, without success. The people-oriented policies of the Chief of Naval Operations have certainly helped and all existing monetary incentives have been approved for nuclear-qualified enlisted personnel. Under existing legislation, no special reenlistment bonus incentives are available beyond the 8th year of service.

This bill contains monetary reenlistment incentives available to nuclear-qualified petty officers who reenlist for at least 4 years or incur sufficient obligated service to reach the 12th year of service. A typical nuclear-trained petty officer with 8 years service who reenlists for at least 4 years would receive a bonus based on a multiple of his basic pay at the time of reenlistment. The average amount payable would be about $12,000, paid in equal annual installments of about $3,000 per year during the 4 years of his additional term of service. The plan is designed so there would be no special bonus for service accrued beyond the 12th year, where reenlistment rates are currently adequate. Each member would be allowed only one bonus, and in no case would a total bonus ever exceed $15,000.

Surveys have been taken of the enlisted nuclear people, and the Navy has the highly successful nuclear submarine officer example to show that this bonus approach will work. This legislation would authorize the expenditure of around $12,000 to retain one nuclear-qualified petty officer for an additional 4 years. His fresh replacement would cost $20,000 to train, a conservative accounting figure. When this legislation is enacted, the cost for fiscal year 1973 is estimated to be $2.4 million. The annual cost would increase during the out-years and stabilize at about $6 million per annum. In comparison, the average avoided expenditure over the next 5 years resulting from reduced training requirements would be approximately $10 million per year, yielding a net saving of $4 million per year. Additionally, when weighed against the multibillion dollar investment in our nuclear fleet and the vital role these nuclear personnel play in support of the Nation's safety and security, this legislation is most cost-effective.

For the remainder of fiscal year 1973 approximately 60 nuclear surface officers would receive the bonus at the rate of $3,750 per man which amounts to a total cost of $220,000. It is estimated that 633 enlisted men would receive this bonus at a total cost of $1,900,000 in fiscal year 1973.

FISCAL DATA

Funds for implementing the purposes of this legislation are not inculded in the fiscal year 1973 budget estimates but the committee has been advised that the estimated additional costs of implementing this proposal will be absorbed within the fiscal year 1973 funds available to the Department of the Navy. The estimated total cost of these programs as recommended by the Committee on Armed Services is as follows:

[Dollar amounts in millions]

Fiscal year	Nuclear submarine officers		Nuclear surface officers		Nuclear enlisted		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Remainder fiscal year 1973			60	$0.220	633	$1.700	693	$2,120
1974	75	$0.225	80	.285	1,433	4.299	1,588	4.809
1975	225	.731	100	.353	1,833	5.499	2,158	6,583

The table is based on the following assumptions:

1. All payments will be made in equal annual installments.

2. The offer will be approximately 50-percent effective among junior nuclear qualified submarine officers.

3. The offer will be approximately 30-percent effective among junior nuclear qualified surface officers.

4. Nuclear qualified submarine officers are eligible for an existing retention enhancing bonus under existing legislation and budgeting until June 30, 1973. Therefore, no additioned expenditures are shown for this category for fiscal year 1973.

5. The offer will result in an approximate 25-percent increase over current enlisted retention rates.

DEPARTMENTAL POSITION

The Department of the Navy on behalf of the Department of Defense submitted its legislative proposal in the letter set forth below and hereby made a part of this report.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., July 19, 1972.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT. There is forwarded herewith a draft of proposed legislation to amend title 37, United States Code, to provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes.

This proposal is part of the Department of Defense Legislative Program for the 92d Congress. The Office of Management and Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that the proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to increase the number of reenlistments of nuclear-trained and qualified enlisted members in an experience range of 8 to 12 years of active duty. Decreasing rates of reenlistment by nuclear-trained petty officers in this experience range, coupled with increased requirements to man additional nuclear-powered ships, are creating an unacceptable shortage of these experienced personnel. Corrective action is necessary now to reverse this trend in order to influence the large numbers of prospective candidates who become eligible for separation in fiscal year 1973 and subsequent years. The Navy's ability to continue safe and reliable operation of our nuclear-powered ships is dependent in large measure on the attractiveness of continued career service to these highly trained and experienced specialists.

The input of enlisted members to the naval nuclear propulsion program prior to 1963 consisted primarily of volunteer, high quality, career petty officers from the fleet. With rapid expansion of the nuclear propulsion program, this volunteer source from fleet career assets was soon depleted. As a consequence, and since 1963, the primary enlisted source has been direct input that is made up of enlisted members recruited directly from civilian life for the naval nuclear propulsion program. Because initial service obligation of these direct input enlisted men is 6 years for the nuclear program, the first large numbers became eligible for career reenlistment during fiscal years 1969 and 1970. In fiscal year 1970 only 19 percent of these men chose to reenlist. The corresponding figure for fiscal year 1971 was 16 percent, and during fiscal year 1972 the percentage further decreased to 13.5 percent. Continued success of this vital and expanding Navy program demands improvement in the number of career aspirants. The Navy calculates the minimum desirable sustained requirement at approximately a 38-percent reenlistment rate for experienced nuclear-trained petty officers between their sixth and eighth year of service.

The adverse impact of the declining reenlistment rates is further amplified by the fact that nuclear-powered submarines and surface ships are already undermanned in nuclear-qualified chief and experienced first class petty officers. By comparison, in 1965 there were 6,400 nuclear-trained enlisted personnel, 2,000 of whom were experienced men with over 8 years of service. Yet, despite program expansion to 8,100 personnel by fiscal year 1972, numbers of experienced men with over 8 years of service contracted to 1,500. This represents a significant percentage decline in senior experienced petty officers from 32 to 19 percent.

This decline in experience level on our ships is self-defeating in that a greater load of operation, maintenance, and training is falling on smaller numbers of experienced people. This increased load occurs at the very time when the experienced enlisted man must also make his first real career decision. Prior to this time monetary compensation was adequate. Upon career reenlistment in the sixth to eighth year, however, insufficient monetary incentives are available to help encourage a favorable reenlistment decision. This constitutes a negative pay incentive situation which is further aggravated by the fact that the unique training and experience which these nuclear-trained enlisted personnel received in the Navy make them extremely attractive to employers in the rapidly

expanding civilian power industry. With resultant increases in workload and without competitive compensatory incentives, fewer experienced people agree to remain in the Navy.

The situation outlined above resembles in a number of aspects that which prevailed with nuclear-trained officers in 1968, for which urgent legislative action in the form of special nuclear submarine officer continuation pay was requested by the Navy and authorized by the Congress in 1969. As was so clear in the officer case, a declining retention situation in a small community is self-destroying and can only be sustained for a relatively short period of time before continued retention decreases accelerate to unacceptable levels. Dramatic corrective action is then required. In this case, the greater the loss of senior and experienced petty officers, the less the shore duty opportunity, the more severe the training burdens on those that remain, the more difficult the maintenance tasks, the more frequent the supervisory watch-standing duties, the longer the hours, and the greater the losses of potential careerists who might otherwise have remained in the Navy.

As the above situation developed over the past several years, steps were taken to increase inputs of new recruits into the nuclear power program. It is now recognized that these increased inputs have only served to maintain adequacy of overall numbers. Declining career retention has produced a critical experience shortage in spite of overall growth in inventory. Further increases in input to counter accelerating experience losses is now an unacceptable alternative. The seniority shortage crisis cannot be solved by numerical replacement with inexperienced personnel. In addition, training plans to accommodate low and declining career reenlistments gave already pressed the needed input to the full limits of capacity at the six Atomic Energy Commission operated land-based reactor prototypes at which Navy personnel must receive basic reactor plant training. Our training facilities must regain a posture below maximum limits to provide growth requirements needed as new ship/submarine programs come into being. In this regard, plans are under active consideration by Director, Division of Naval Reactors, Atomic Energy Commission, to mate an engineroom to an experimental reactor to provide a seventh prototype. However, this additional prototype will only offset program growth and will not produce a training output to offset numerical losses due to declining retention. Improved retention must be achieved now to solve both overall manning and needed experience levels.

As a consequence of the above, the Navy proposes a method to increase voluntary reenlistments of nuclear-qualified and experienced enlisted personnel. The Department of Defense considers enactment of this proposal essential to achieve this goal. The key feature of this proposal is that we will be able to apply monetary compensation at the point where it is vitally needed—the member-trained and qualified enlisted man making his career reenlistment decision beyond his sixth, seventh, and eighth year of service in return for his reenlistment to remain at least through the 10th, 11th or 12th year of service.

Under regulations prescribed by the Secretary of Defense, an eligible member who reenlists may receive from 1 to 6 months basic pay for each year of the reenlistment agreement. The maximum bonus payable to any one individual under this proposal is $15,000 per reenlistment. The implementing regulations will provide that the Secretary of the Navy will determine semiannually the necessity for continuation of the special pay as well as the appropriate multiple of basic pay to be awarded for each year of additional obligated service. Upon reenlistment, the total amount payable shall become fixed and shall be paid in equal yearly installments over the period of the reenlistment contract except that in meritorious cases the amount may be paid in fewer installments if the Secretary of the Navy determines it to be in the best interest of the member, The regulations will further provide that members who have served on active duty less than 6 or more than 10 years will not be eligible to reenlist for this special pay. In no case will a member be paid beyond his 12th year of service.

This legislation proposes a significant bonus in return for obligated service and will be applicable only upon acceptance by the Secretary of the Navy of a reenlistment agreement of at least 2 years. However, by regulation it will be available only once to each eligible nuclear-trained and qualified enlisted petty officer and is not competitive with any other compensatory entitlements now existing, such as variable reenlistment bonus. A member electing to receive incentive payments under this proposal would terminate his entitlement to receive any further compensation under the first term variable reenlistment bonus as provided for in section 308(g) of title 37. Provision is made for establishment of regulations relating to recovery of appropriate portions of the special pay in the event the member fails to complete his reenlistment contract or loses his technical qualifications for duty in support of naval nuclear propulsion plants.

It is recognized that one of the priority items in the Department of Defense legislative program for the 92d Congress is the Uniformed Services Special Pay Act of 1972 which has been introduced in the House of Representatives as H.R. 14545 and in the Senate as S. 3410. The Special Pay Act contains authority for a highly flexible selective reenlistment bonus which is ideally suited to address the Navy nuclear retention problem. However, the need for an immediate authority to provide a monetary incentive to arrest the alarming loss rate of experienced nuclear trained and qualified petty officers is of such urgency that the submission of separate legislation is mandatory. Accordingly, approval of the request will improve the conditions of service for career-oriented petty officers who remain, and assure the continued safe operation of the Navy's nuclear-powered ships. When the Uniformed Services Special Pay Act becomes law, it will supplant this legislation.

COST AND BUDGET DATA

If implemented in fiscal year 1973, annual costs would be:

	Number paid [1]	Estimated annual payment to each member	Total estimated annual cost (millions)
Fiscal year:			
1973	800	$3,000	$2.4
1974	1,600	3,000	4.8
1975	2,000	3,000	6.0
1976	2,000	3,000	6.0

[1] It has been assumed the special pay will result in the needed 20-percent increase over current retention rates.

Funds for this purpose were not included in the fiscal year 1973 budget estimates, but the estimated additional cost of implementing this proposal will be absorbed within the fiscal year 1973 funds available to the Department of the Navy.

Sincerely yours,

JOHN W. WARNER,
Secretary of the Navy.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of Rule XXIX of the Standing Rules of the Senate, there are printed below in parallel columns existing law and changes proposed to be made to existing law by the bill.

EXISTING LAW

Title 37, United States Code Chapter 5. Special and Incentive Pays Sections 312 Special pay: nuclear-qualified submarine officers extending period of active service

(a) Under regulations to be prescribed by the Secretary of the Navy, an officer of the naval service who—

(1) is entitled to basic pay;

(2) is currently designed "qualified in submarines";

(3) has the current technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants;

(4) has not completed ten years of commissioned service; and

(5) executes a written agreement to remain in active submarine service for one period of four years in addition to any other period of obligated active service, may, upon the acceptance by the Secretary or his designee of the written agreement, in addition to all other compensation to which he is entitled, be paid a sum of money not to exceed $3,750 for each year of the active-service agreement. The Secretary of the Navy shall determine semiannually the necessity for continuance of the special pay and the rate of special pay per year for such active-service agreement accepted within each six-month period. Upon acceptance of the agreement by the Secretary or his designee, the total amount payable shall become fixed and shall be paid in four equal yearly installments, commencing at the expiration of the initial obligated service; except, the Secretary or his designee may accept the active-service agreement not more than one year in advance of the expiration

THE BILL AS REPORTED

That chapter 5 of title 37, United States Code, is amended as follows:

(1) The catchline of section 312 and the corresponding item in the chapter analysis for that section are each amended by striking out "submarine".

(2) Section 312 is amended—

(A) by striking out clause (2) of subsection (a);

(B) by striking out "in active submarine service" in clause (5) of subsection (a) and inserting in place thereof "on active duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants";

of the initial obligated active service and the amount may then be paid in five yearly installments, not to exceed $3,000 per year, commencing with the date of acceptance of the agreement.

(b) No more than one agreement for each officer shall be accepted under this section.

(c) Pursuant to regulations prescribed by the Secretary of the Navy and subject to such exceptions as may be prescribed in those regulations, refunds, on a pro rata basis, of sums paid pursuant to this section may be required if the officer having received the payment fails to complete the full period of four years of active submarine service which he agreed to serve.

(d) Nothing in this section shall alter or modify the obligation of a regular officer to perform active service at the pleasure of the President. Completion of the additional period of four years' active submarine service under this section shall in no way obligate the President to accept the resignation submitted by a regular officer at the end of the four-year period.

EXISTING LAW

(e) The provisions of this section shall be effective only in the case of officers who, on or before June 30, 1973, execute the required written agreement to remain in active service.

(C) by striking out "submarine service" in subsection (c) and inserting in place thereof "duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants";

(D) by striking out "submarine" in subsection (d); and

THE BILL AS REPORTED

(E) by striking out "1973" in subsection (e) and inserting in place thereof "1975".

(3) By adding the following new section:

"§ 312a. Special pay: nuclear-trained and qualified enlisted members

"(a) Under regulations prescribed by the Secretary of Defense, an enlisted member of the naval service who—

"(1) is entitled to basic pay;

"(2) is currently qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants; and

"(3) has completed at least six, but not more than ten, years of active duty and executes, when eligible, a reenlistment agreement for not less than two years;

may upon acceptance of the reenlistment agreement by the Secretary of the Navy or his designee, be paid a bonus not to exceed six months of the basic pay to which he was entitled at the time of his discharge or release, multiplied by the number of years or the monthly fractions thereof, of additional obligated service, not to exceed six years, or $15,000, whichever is the lesser amount.

"(b) Bonus payments authorized under this section may be paid in either a lump sum or in installments.

"(c) An amount paid to a member under subsection (a) of this section is in addition to all other compensation to which he is entitled and does not count against the limitation prescribed by sections 308(c) of this title concerning the total amount of reenlistment bonus that may be paid. However, if he receives payment under this section, he is not entitled to any further payments under section 308(g) of this title.

"(d) Under regulations prescribed by the Secretary of the Navy, refunds, on a pro rata basis, of sums paid under subsection (a) of this section may be required, and further payments terminated, if the member who has received the payment fails to complete his reenlistment contract, or fails to maintain his technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants.

"(e) Provisions of this section shall be effective only in the cases of members who, on or before June 30, 1975, execute the required written agreement to remain in active service."; and

(4) by inserting the following new item in the analysis:

"312a. Special pay: nuclear-trained and qualified enlisted members.".

Mr. JACKSON. Mr. President, I merely wish to say that this is a very difficult and troublesome problem in the Navy. There is no area of naval operations that plays a more important part as far as personnel are concerned than the maintenance of the expertise needed for nuclear-qualified and nuclear-trained personnel. I understand this; it goes to the nuclear program both for submarines and for surface ships. It is a special expertise which the Navy has been losing very rapidly, and the sole thrust of the effort is to provide the incentive and the inducements to maintain that expertise and that quality of excellence that has been developed. If that is not done, the trend of the movement of the enlisted personnel from the Navy to private industry will go on unabated, and I feel that under all the circumstances, while there are problems involved with this, as there are with anything else, it is a wise course, because people who are trained and qualified in this area play a major role in the maintenance of the forces that are necessary. I commend the chairman of the committee for bringing it up.

Mr. STENNIS. I thank the Senator from Washington for his statement and his interest.

There is one other point involved here: The matter of the cost of the bill.

The provisions that we are applying, it is estimated, would cost, for fiscal year 1973, only $2.8 million, because a part of the year has expired, and it takes time to get into operation, but by fiscal year 1974 the added cost would be only $4.18 million.

I yield to the Senator from Vermont, who wishes to inquire about these matters.

Mr. STAFFORD. Mr. President, I appreciate the distinguished chairman of the Armed Services Committee yielding to me, basically for a question, but before I reach the question I want to assure the chairman of the Committee on Armed Services that I heartily support the legislation he has offered here this afternoon.

When it came over from the House of Representatives, a companion piece of legislation, H.R. 16924 came with it, and I had earlier intended to offer H.R. 16924 as an amendment to the pending bill, but I shall not do so. H.R. 16924, as a companion piece, had to do with reenlistment bonuses and special pay for doctors and skilled enlisted people in the other branches of the armed services who are in very high demand. It is, we believe, the final piece in the necessary steps to achieve an all-volunteer armed force by June 30, 1973.

My question to the chairman would simply be this: I would hope that when

the Armed Services Committee reconvenes in the 93d Congress, the committee will be in a position to take up a bill similar to H.R. 16924 and hold hearings with respect to it.

Mr. STENNIS. Mr. President, those bills are certainly worthy of consideration. I would not indicate what my individual support of them would be, because I just do not know at this point. They should have hearings before they are brought before the Senate, of course, and must have hearings; and they are entitled to hearings on their merits. As far as I am concerned, it would be my purpose, as soon as we could get to them, to get into that and consider those provisions and any others related thereto. We will certainly be holding hearings on those measures.

Mr. STAFFORD. I appreciate that statement, and I again say I heartily support the pending legislation.

Mr. STENNIS. I thank the Senator very much for his interest and his inquiry.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. STENNIS. I yield.

Mr. JAVITS. Mr. President, I respect the action of the Armed Services Committee in bringing in this bill, which as I understand is exactly the House bill, and at this stage of the session would make no effort to put in any amendment, but it does give me indication to ask the Senator about a bill which we in New York have been very much interested in, which would make officers who are graduates from the Merchant Marine Academy eligible for the Naval Reserve. I hope very much the chairman might be able to give me some encouragement as to early consideration of that measure by the committee.

Mr. STENNIS. Yes. I appreciate the Senator's interest in the bill. He did mention it to me before; I believe he wrote a letter.

We went into the bill to some extent, but we certainly could not bring it to the floor without a hearing. It has already been listed in our agenda, and so far as I am concerned, we will have hearings on it just as soon in the year 1973 as we possibly can.

Mr. JAVITS. I am grateful to the Senator. Knowing him as I do, I know it will really be as early as possible.

Mr. STENNIS. I appreciate the Senator's interjection. I am sure we will get into that, and we will want him as a witness, too.

Mr. JAVITS. I thank the Senator.

Mr. STENNIS. Mr. President, I yield to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, there is a minor matter which I know no way to get before the Senate except to inquire of the Senator from Mississippi whether he would consider accepting it as an amendment to his bill.

This involves a gift by the Navy to the city of Clifton Forge, Va., of a surplus steam locomotive no longer needed by the Navy and which has certain historical significance for the city of Clifton Forge.

What is required under the law, if we do not have an act, is a letter from the Navy and a waiting period. The actual letter from the Navy is on its way up here now; but in order to waive the waiting period which would permit the delivery of this locomotive, we would need a provision that section 7545(c) of title X would not apply with respect to the gift by the Navy of this locomotive after the date of enactment of the act.

Here I have to make a disclosure, because among the citizens of Clifton Forge, Va., who have been trying for some length of time to secure the locomotive—which is one of several being made available by the Navy to communities—is my brother. While no cost is involved in this matter that I know of, and there is no conflict of interest, I have never made any request for a member of my family before. I think I have to make the disclosure that one of the citizens involved in this matter, simply as a citizen, is my brother, Norman Scott, and I would not want to ask for any accommodation here without making that disclosure. He appears only as one of a number of citizens of this community who have been negotiating with the Navy.

The Navy has agreed to send the locomotive. A letter is on its way up here with respect to the gift of the locomotive.

I believe there is a waiting period of 30 legislative days which can be eliminated by acceptance of the amendment. This can be done without cost to the Federal Government. It does not affect expenditures here, so far as I am aware; and, under the circumstances, I hope the Senator can accept the amendment.

Mr. STENNIS. Mr. President, I do not know what the attitude of the House would be with respect to accepting this amendment. Has the Senator from Pennsylvania cleared this matter with anyone in the House who might be interested?

Mr. SCOTT. I understand that there is no objection in the House, but I cannot say that I have cleared it with anyone who would be sitting in the conference. I think the Members from that area of Virginia would be interested. As the Senator knows, there is no Member of the House representing that particular district in Congress at this time, since the Representative, Mr. Poff, has been elevated to the court, which is another reason why I am interesting myself in the matter. There is no House Member available.

Mr. STENNIS. Has this locomotive actually been offered by the Navy to the city of Clifton Forge?

Mr. SCOTT. Yes. The locomotive actually has been offered by the Navy. It is one of several locomotives being made available to several communities. Clifton Forge is a railway junction town, much like my own town of Altoona, Pa. They wish to commemorate the steam locomotive and to establish some historical activity around its existence there before steam locomotives are entirely lost to future generations.

Mr. STENNIS. What is the purpose of the 30-day delay, if the Senator knows?

Mr. SCOTT. It is simply in the act that there shall be a delay in order that anyone interested might interpose an objection. Negotiations have been going on for some time. No objections have been lodged. This is a public request which has been reported in the press, I understand, in Clifton Forge.

Mr. STENNIS. Mr. President, on these complicated bills with reference to salary increases, I had said that if any amendment—meaning an amendment along that line—was offered, I would have to withdraw the bill—amendments we had not had a chance to consider regarding salaries. But I see no objection at all to this matter, and I am willing to accept the amendment. It is up to the House as to whether it will be adopted. There is a very short time. If the House does not accept it promptly, the bill will be in jeopardy.

Would the Senator from Pennsylvania follow up on it this afternoon?

Mr. SCOTT. I would be glad to follow up. I will see that a copy of the letter from the Navy, as soon as received, goes to one of the members of the House Armed Services Committee.

Mr. STENNIS. If the Senator from Pennsylvania would take the responsibility to get this bill back here if his amendment is not accepted, I would be willing to accommodate him. No money would be involved as a result of this amendment.

Mr. SCOTT. I will be glad to do all I can to help get the bill over. We are all acting under last-minute pressures.

Mr. STENNIS. I mean to get it back here if the House does not adopt the amendment.

Mr. SCOTT. I will do my best to get it back here. As the Senator knows, I do not want to jeopardize his bill, because I realize the importance of it. I would want nothing to happen which would jeopardize his bill.

Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

At the end of the Act insert a new section as follows:

SEC. —. That the provisions of section 7545(c) of title 10, United States Code, shall not apply with respect to any gift made after the date of enactment of this Act and prior to January 1, 1973, by the Department of the Navy to the city of Clifton Forge, Virginia, of a Baldwin steam locomotive (No 606) which is no longer needed by the Navy and which has certain historical significance for the city of Clifton Forge, Virginia.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

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

The bill (H.R. 16925) was read the third time, and passed.

RECESS UNTIL 6:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until 6:30 p.m. today.

The motion was agreed to; and at 4:57 p.m. the Senate took a recess until 6:30 p.m.; whereupon, the Senate reassembled when called to order by the Senator from California (Mr. CRANSTON).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had concurred in the amendments of the Senate numbered 1 and 2 to the amendment of the House to the bill (S. 3858) to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes; and that the House insists on its disagreement to the amendments of the Senate numbered 3 and 4 to the amendment of the House.

The message further announced that the House had agreed 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. 16810) to provide for a temporary increase in the public debt limit and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973; and that the House had receded from its disagreement to the amendment of the Senate numbered 10 to the bill with an amendment in which it requests the concurrence of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STENNIS). Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. CRANSTON. Mr. President, I ask unanimous consent that three members of my staff be on the floor during the consideration of the debt limitation conference report. They are Carolyn Jordan, Roy Greenaway, and Murray Flander.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that Eugene Mittelman and Kenneth Guenther, of my staff, may be permitted on the floor of the Senate during the consideration of the debt ceiling conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I again suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will please call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I ask unanimous consent that a member of my staff, Mr. Harold Wolman, be permitted the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Moss). Without objection, it is so ordered.

PUBLIC DEBT LIMITATION—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 16810, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Moss). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16810) to provide for a temporary increase in the public debt limitation, and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of October 14, 1972, at p. 36520.)

Mr. LONG. Mr. President, I ask unanimous consent that Frank Crowley, of the Congressional Research Service, be granted the privilege of the floor during the debate on the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that two members of my staff, Robert Keating and Dan Spiegel, be granted the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, I ask unanimous consent that an additional staff member of mine, Nolan McKean, be granted the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that a member of my staff, my administrative assistant, Howard Shuman, be granted the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, as the Senate knows, I have not been in favor of giving the President unlimited authority to determine where the expenditure cuts should be made, in order to live with the $250 billion expenditure ceiling. In the tie vote in the Committee on Finance, I was one of those who favored imposing restrictions on the President's authority in making reductions to achieve the $250 billion expenditure ceiling. My views on this point account for my unwillingness to manage this bill on the floor of the Senate last week. Nevertheless, I found myself as chairman of the Senate conferees which had to deal with the House conferees on this point.

I might say that 90 percent of the discussion and time in the conference on the debt limitation was devoted to the Jordan amendment. I, of course, was fully aware that the Senate wanted us to yield as little as possible in this area, and I want the Senate to know that it is my sincere belief that what we bring back was the very most that could have been obtained from the House conferees at that time.

The Director of Office of Management and Budget and also the Secretary of the Treasury both informed the conferees that the Jordan amendment calling for a proportionate cut in all appropriations programs and activities, with the exception of certain excluded categories was a completely and totally unworkable approach, at least from their point of view. They indicated they could not possibly make the reductions on this basis. In doing this, they pointed out that this total on which they were supposed to make across-the-board cuts included such items as farm price supports, postal service, and expenditures for prior year contracts and obligations, as well as other uncontrollable items amounting to approximately $57 billion. In addition, they indicated that even in other programs a rigid across-the-board cut was not a feasible way of making reductions.

The administration contended that because relatively uncontrollable items, as shown in the budget document, amounted to nearly $175 billion out of the budget total of $246 billion, it was necessary for them to have a substantial flexibility in making cuts in the remaining budgetary items. The most that they were willing to concede gave them adequate flexibility to reduce the spending total to $250 billion was the right to make cuts of up to 25 percent in very broad functional categories. I have had distributed to each Senator certain tables to which I would like to call his attention, and one of these is headed "Broad Functional Categories."

The table referred to follows:

Summary of budget outlays for fiscal year 1973, by broad functional budget categories, as estimated in January 1972

[In millions of dollars]

Function and code:		Outlay estimate
050	National defense [1]	78,310
150	International affairs and finance	3,844
250	Space research and technology	3,191
350	Agriculture and rural development	6,891
400	Natural resources and environment	2,450
500	Commerce and transportation	11,550
550	Community development and housing	4,844
600	Education and manpower	11,281
650	Health	18,117
700	Income security	69,658
800	Veterans benefits and services	11,745
850	Interest	21,161
900	General government	5,531
940	General revenue sharing	5,000
	Allowances:	
	Pay raises (excluding Department of Defense)	775
	Contingencies	500
	Undistributed intragovernmental transactions	−8,590
	Total	246,257

[1] Includes allowances for military retirement systems reform and civilian and military pay raises for Department of Defense.

Mr. LONG. Mr. President, if the Senators will look at this table, they will note that the smallest total shown in this functional classification is $2.45 billion. This is in the category, "Natural Resources and Environment." A 25-percent cut in this category would have permitted the President to have eliminated over $600 million in terms of any program or combination of programs in this particular category. In the area of community development and housing, the cut in any program or combination of programs within this category could have been $1.2 billion. In most other categories, as the Senators can readily see by looking at the table, the cuts could be substantially larger than this. As the Senators can see, the minimum authority the administration was willing to accede to could have wiped out virtually any program it saw fit to.

While many of the Senators may be dissatisfied with the conference agreement that we brought back, I believe I can demonstrate that in the conference agreement, the power of the President to make expenditure reductions as a result of this act is very substantially reduced from the authority which the administration indicated was the minimum under which they could operate. First of all, as under the Jordan amendment, a series of exemptions are provided where the President is given no authority to make any reservation in spending authority under this bill. In most respects, these categories are similar to those in the Jordan amendment. They differ from the Jordan categories in that civil service annuities and railroad retirement annuities and pensions have been added, while interest, social service grants, and food stamps have been eliminated. One other change should also be noted—the right to make reductions in administrative costs of these programs and the right to delay construction in the case of any of these programs is retained and remains under the 20-percent limit. Obviously, the omission of interest from the Jordan categories makes no difference since this is clearly not subject to administration control. Similarly, I think that they will find it very difficult to make changes in the social service grants and in the food stamp programs, which also are in the category of budget uncontrollable items. As a result, I believe that there is little difference between the Jordan amendment and the conference agreement insofar as the exempt categories are concerned.

Let me turn now to the percentage maximum cut. The Jordan amendment in one part required a proportionate reduction and in another part permitted a reduction of no more than 10 percent. It was never clear to me how these two provisions were intended to interrelate. In any event, as I have already indicated, the proportionate cut in all categories other than exempt categories, the administration said was totally unworkable. As a result, the Senate conferees found it necessary to direct their attention to the percentage cut allowed by the Jordan amendment. Our effort here was to hold the percentage to the lowest possible figure and to divide the categories to which it applied into as many categories as possible since this has the effect of limiting the reduction which can be made in any one program. We believe that this was in line with the purpose of the Jordan amendment.

A 20-percent limitation was as low as the House conferees were, under any conditions, willing to go. Even this was strongly objected to by the administration. Also, instead of using the broad categories which I have already referred to, which divides the budget into only 17 functional categories, we insisted on using a more detailed functional classification. The functional classification we insisted upon is one shown in table 15 of the budget, which is also reproduced in abbreviated form and appears on each Senator's desk. This table contains 68 functional categories. In the compromise worked out, we finally agreed to reduce the number of functional categories for purposes of this cutting authority to 50. It is important for the Senators to note, however, that the functional categories where we permitted combinations in order to make the reduction to 50 are both those, for the most part, which tend to be those which I believe are less sensitive to the Senators and also are the relatively smaller categories. As a result, this combination of categories has not increased appreciably the ability of the administration to delete programs.

The table referred to follows:

Conference agreement on functional budget categories for use in expenditure limitation in fiscal year 1973, and outlays as estimated in January 1972

[In millions of dollars]

		Estimated outlays 1973
050	National defense:	
051	Department of Defense—military	75,900
057	Military assistance	600
058	Atomic Energy	2,422
059	Defense related activities	79
	Combined subtotal	2,501
	Deductions for offsetting receipts	−692
	Total national defense	78,310
150	International affairs and finance:	
151	Conduct of foreign affairs	487
152	Economic and financial assistance	2,495
153	Foreign information and exchange activities	292
154	Food for peace	839
	Deductions for offsetting receipts	−268
	Total international affairs and finance	3,844
250	Space research and technology:	
251	Manned space flight	1,571
252	Space science and applications	853
253	Space technology	188
254	Aeronautical technology	251
259	Supporting space activities	339
	Combined subtotal	3,202
	Deductions for offsetting receipts	−11
	Total space research and technology	3,191
350	Agriculture and rural development:	
351	Farm income stabilization	5,011
352	Rural housing and public facilities	618
354	Agricultural land and water resources	388
355	Research and other agricultural services	915
	Combined subtotal	1,921
	Deduction for offsetting receipts	−41
	Total agriculture and rural development	6,890
400	Natural resources and environment:	
401	Water resources and power	3,207
402	Land management	918
403	Mineral resources	103
	Combined subtotal	1,021
404	Pollution control and abatement	1,541
405	Recreational resources	640
409	Other natural resources programs	176
	Combined subtotal	816
	Deductions for offsetting receipts	−4,135
	Total natural resources environment	2,450
500	Commerce and transportation:	
501	Air transportation	1,688
502	Water transportation	1,225
503	Ground transportation	5,720
505	Postal service	1,409
506	Advancement of business	642
507	Area and regional development	857
508	Regulation of business	153
	Combined subtotal	1,652
	Deductions for offsetting receipts	−143
	Total commerce and transportation	11,550

550	Community development and housing:	
551	Community planning, management, and development	3,009
552	Urban Community development revenue sharing	490
555	Low and moderate income housing aids	2,065
	Combined subtotal	2,555
556	Maintenance of the housing mortgage market	−720
	Deductions for offsetting receipts	—
	Total community development and housing	4,844
600	Education and manpower:	
601	Elementary and secondary education	3,619
602	Higher education	1,370
603	Vocational education	568
604	Education revenue sharing	110
605	Other education aids	745
	Combined subtotal	1,423
606	General science	596
607	Manpower training and employment services	3,918
609	Other manpower aids	387
	Deductions for offsetting receipts	−32
	Total education and manpower	11,280
650	Health:	
651	Development of health resources	2,787
652	Providing or financing medical services	14,733
653	Prevention and control of health problems	619
	Deductions for offsetting receipts	−22
	Total health	18,117
700	Income security:	
701	Retirement and social insurance	57,047
702	Public assistance	10,335
703	Social and individual services	2,297
	Deductions for offsetting receipts	−21
	Total income security	69,658
800	Veterans benefits and services:	
801	Income security for veterans	7,050
802	Veterans education, training and rehabilitation	2,437
803	Veterans Housing	−289
	Combined subtotal	2,148
804	Hospital and medical care for veterans	2,693
809	Other veterans benefits and services	349
	Deductions for offsetting receipts	−495
	Total veterans benefits and services	11,744
850	Interest:	
851	Interest on the public debt	22,700
852	Interest on refunds of receipts	158
853	Interest on uninvested funds	5
	Deductions for offsetting receipts	−1,703
	Total interest	21,161
900	General government:	
901	Legislative functions	332
902	Judicial functions	193
903	Executive direction and management	96
904	Central fiscal operations	1,718
	Combined subtotal	1,814
905	General property and records management	830
906	Central personnel management	302
	Combined subtotal	1,132
908	Law enforcement and justice	1,543
909	National capital region	537
910	Other general government	324
	Combined subtotal	861
	Deductions for offsetting receipts	−344
	Total general government	5,531
940	General revenue sharing	5,000
	Other:	
	Allowances for:	
	Pay raises (excluding Department of Defense)	775
	Contingencies	500
	Undistributed intragovernmental payments:	
	Employer share, employee retirement	−2,893
	Interest received by trust funds	−5,697
	Total outlays	246,257

Mr. LONG. Let me take one or two illustrations to point this out. In the case of education and manpower, for example, the total in the broad functional classification which the administration preferred is $12.4 billion. That appears on page 3 of the document I have laid before Senators.

In other words, in this area, any program or combination of programs amounting to $3.1 billion could, under their proposal, have been postponed until next year. An examination of the table showing the 50 functional categories will show that under Education and Manpower, there are six functional categories, the largest of which is account 607—Manpower Training and Employment Services. With the 20-percent limit, the largest reduction which could be made would be $780 million. While this is a sizable cut, I call attention to the fact that the administration proposal, instead of making a cut of this amount, could have nearly wiped out the entire Manpower Training and Employment Service category. In all other categories under Education and Manpower, the cuts which can be made under the 20-percent limit and with the more detailed functional classification are substantially smaller.

There are many other examples which could be cited of the much more limited right to reserve with respect to a program which is provided under the conference agreement than under the program which the administraiton indicated was their minimum requirement.

While I realize that many Senators want the spending authority of the President still more closely circumscribed, let me say that this is as circumscribed as it seemed possible to obtain from the House conferees. I should also call the Senators' attention to the fact that the expenditure cutbacks under this program are far more circumscribed than those provided by the Senate in the Smathers-Williams amendment in the Revenue and Expenditure Control Act of 1968.

What we have here is far more circumscribed than the measure the Senate voted for at that time in 1968. I sometimes think of this when people talk about the usurpation of power. Back at that time no one regarded it as usurpation for Congress to give the Executive the power to cut spending, a power far broader than anything here. That would have forced on the President what he did not want.

In this case Congress is asking the President to join us in bringing cuts about. That being the case, it is said that it is eroding the legislative power because the President opposes the limits that Congress is placing on the power rather than favoring it.

In 1968 when Congress forced upon the President a cut of $6 billion, which was about the same amount we are talking about here, the power of the President to make the cut was as broad as the present House amendment, and not near a fraction as circumscribed, as the provision we bring before you tonight.

I voted against it last week, but in relative terms no one contended it was an erosion of the power of Congress at that time because that was Congress forcing the very same power on a reluctant President, who said he did not want it. In this case where the President said he would welcome it, it is regarded as an erosion of the power of Congress.

That 1968 act provided essentially no guidelines which the President must follow in making the expenditure cut provided in that action. Yet, this aspect of the problem caused no concern in the Senate at that time. The reason being the President did not want it, anyway.

I should also say that the President will find when he comes to making cuts in any of these programs that each program has its own constituency that will fight hard against making reductions in the programs with which they are concerned.

Let me turn briefly now to the other matters in conference. The House conferees agreed to all four of the amendments included in the Roth amendment made to title III of the bill. This is the title which sets up the temporary committee to study ways of gaining congressional control over the budget.

The House conferees were unwilling to accept the McClellan amendment which would have set up a permanent Joint Committee on the Budget. They felt that this was a matter which should be reviewed by the temporary Joint Study Committee. They also were unwilling to accept the amendment which would provide the benefits of income splitting for single persons. They felt that this not not only was not germane to this bill, but also involved a big revenue loss and did not represent a complete answer to the problem.

The floor amendment by Senator MAGNUSON which would continue the Federal-State program for extended unem-

ployment compensation under certain conditions was modified but is retained in the bill as it comes back from the House.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed 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. 1467) to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973, and for other purposes.

The message further announced that the House insists upon its amendments to the bill (S. 3876) to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, to create a national Commission on Uniform Securities Laws, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 4678) to provide for the free entry of a carillon for the use of the University of California at Santa Barbara.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 16676) to amend the Community Mental Health Centers Act to extend for 1 year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 16925) to amend title 37, United States Code, to extend the authority for special pay for nuclear-qualified naval submarine officers, authorize special pay for nuclear-qualified naval surface officers, and provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate numbered 2 and 8 to the bill (H.R. 10751) to establish the Pennsylvania Avenue Development Corporation, to provide for the preparation and carrying out of a development plan for certain areas between the White House and the Capitol, to further the purposes for which the Pennsylvania Avenue National Historic Site was designated, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate numbered 1 to the bill and concurred therein with an amendment in which it requests concurrence of the Senate; and that the House had receded from its disagreement to the amendment of the Senate numbered 3 to the bill with an amendment in which it requests the concurrence of the Senate.

PUBLIC DEBT LIMITATION—CONFERENCE REPORT

The Senate continued with the consideration of 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. 16810) to provide for a temporary increase in the public debt limitation, and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973.

Mr. PROXMIRE. Mr. President, I support the distinguished chairman of the Finance Committee, and I earnestly hope that the Senate will support this conference report.

Mr. President, any Senator who is really interested in holding down Federal spending and preventing inflation should vote for the conference report. And here is why:

First, if the conference report is rejected and conferees are instructed to return to conference to secure restraint on Presidential spending authority like the Jordan amendment, there is a strong chance there will be no ceiling on spending at all this year. The record will seem very clear indeed. The Republican President asked for a ceiling on Federal spending to prevent inflation; the Democratic Congress turned him down. Simple and devastating. The political consequences should be clear to the most naive. But more important, we would be wrong to kill the conference report. The fact is that the compromise worked out by the conferees represents a reasonable and practical middle ground. It restrains the President's power, and the administration has already indicated its concern and unhappiness about that, but it would provide an effective limitation on spending at $250 billion.

Why is this better than the bill as it passed the Senate with the Jordan amendment attached?

The answer is that Jordan amendment requires a proportional cut across the board in all programs not specifically exempted from any reduction. Let us consider the consequences of placing handcuffs of this kind on the President's power to modify spending to meet changing circumstances. Consider each of the following possibilities. I realize some of these are unlikely, but they are all very possible.

Possibility No. 1.—Assume the Vietnam war ends on November 30. Suppose those who oppose this conference report prevail and we return to the Jordan amendment. This requires a proportional cut in all departments. Assume also the Russians agree to a prompt withdrawal of the Warsaw pact troops—if we withdraw a proportionate number of ours and demobilize. Result: multibillion savings in military—all of the cutback could, under the conference report, be achieved in the military. If the opponents of the conference report prevail, the military could only absorb a proportional cut and HEW programs would suffer a needless and perhaps a cruel reduction of billions.

Possibility No. 2.—I realize our friends on the other side of the aisle cannot agree that this is a possibility, but I think it is a real possibility—GEORGE military actions to defend our clear national mandate for a dramatic change in priorities. Under the conference report—much of that change could be achieved and promptly by reducing military and other programs. But if we return to the Jordan amendment this change—the electorate dramatically mandated—would be impossible.

Possibility No. 3.—An international crisis develops. It is essential to take military actions to defend our clear national interests—a reduction in military spending might then tragically jeopardize this Nation's security—the conference report would permit the Chief Executive to maintain or increase defense spending in our national interest. A return to the Jordan amendment by requiring proportional reductions would mandate a reduction, a dangerous reduction in our military security.

Possibility No. 4.—The economy dramatically improves. Unemployment drops by a million and a half—manpower shortages become widespread and everyone recognizes the need to sharply increase the staff necessary to control inflation—perhaps to institute rationing.

Under the changed circumstances the desirability of cutting out public employment programs is equally clear. The Chief Executive under those circumstances should act to increase resources to combat inflation and to reduce sharply and swiftly the inflationary impact of a number of stimulating governmental programs. If the conference report is adopted, the administration probably would have the leeway to act adequately. If we return to the Jordan amendment, it would not.

Mr. President, I could go on and on with other examples of what may happen in coming months. Some of the examples I have given may be very unlikely. Perhaps none of them will come to pass. But what we do know for certain is that change will come, the future will be different, and it may be dramatically different if we pass a resolution handcuffing the President, forcing him to make proportional cuts everywhere in this vast Federal Government. We prohibit the President from adapting to changes—major or minor—that may take place. Since we cannot foresee the future, we mandate policies which when the time comes may be foolish, and that all of us, Democrat and Republican, liberal and conservative, may recognize are foolish.

Now let us face it, Mr. President: No. 1, this has nothing to do with the Magna Carta, the Parliament, and the King—congressional weakness and presidential supremacy—except that any limitation—I repeat, any limitation—on spending limits the President, not the Congress, because we do not spend. The President, and the President alone, spends. We appropriate. He does now and always—I repeat always—has determined the timing and pace of the out-

lays. We limit him by providing or withholding the obligational authority. The President, and the President alone, determines how to spend that obligational authority.

So this spending restraint is a restraint on the President—not a license, a restraint.

No. 2, much as each and all of us would like to see our appropriations translated by the Executive into spending, and promptly, the discretion to do so has been an Executive prerogative since Washington and Jefferson. If we kill this conference report and insist on the Jordan amendment, we handcuff the President so he cannot react wisely and logically to change in military or economic or political conditions as they develop. And why do we do that? Because we have become the victims of our own propaganda. Some Senators have argued for so long that President Nixon would, if he could, kill or stunt all social programs and bloat the military that they believe it.

Mr. President, I disagree with President Nixon on priorities as do many others, but I honestly believe that if we pass this conference report we give him not one whit more authority than he had before the American people elected him. There is only one way to change presidential priorities, only one way to change the huge discretion American Presidents have with the broad obligational authority we gave them, and that is to elect a new President. Once the American people have spoken, the President has in the past, does now, and should in the future decide how to time, withhold, or proceed with spending.

The one way we can and should properly reduce his huge power to spend is to reduce the mamouth sums we appropriate.

It is too late for us to cut appropriation bills this year. We have acted. The moving finger has written and "having writ, Moves on: nor all your Piety nor Wit Shall lure it back to cancel half a Line Nor all your Tears wash out a Word of it."

We have appropriated billions more than we should have. If it is all spent, it will be seriously inflationary. The President has called for a ceiling. He is right. Both Houses of Congress have emphatically voted their agreement that we must have a ceiling on spending. It is painful for us to acknowledge that the spending reductions cannot be as each of us would like them.

Rather than let the President make the judgment, this body decided that, with certain exceptions, all cuts would be spread equally—across the board. This is, of course, completely unacceptable to President Nixon, and should be. If conditions change, it could mandate him to take foolish actions—cutting some programs that all of us in light of changed conditions might agree should not be cut, and not cutting adequately other programs which in the light of changed conditions we all might agree should be cut very sharply indeed.

The conference committee compromised. They broadly directed the President's authority to spend and left him, in my judgment, sufficient discretion to meet most likely developments in the next 9 months.

One more point, President Nixon has indicated his vigorous opposition not only to the Jordan amendment but to the conference report's restrictions on his spending. Frankly, I sympathize with the President. If I were in his position, I would take exactly the same position. But my guess is that, in view of the timing of this resolution, he will reluctantly sign the debt limit bill if we pass it in the form the conferees approve.

But, Mr. President, I cannot imagine the President signing that bill if we force the conferees to go back to the Jordan amendment to handcuff the President so that he must cut programs while changing conditions make such cuts foolish, and cannot cut more sharply programs where changing conditions make deep cuts wise and necessary.

Mr. President, this is a chamber of experienced, practical compromisers. We know we cannot have all we want right away. We know we must abide by the results of elections whether we agree or disagree with those results. President Nixon is President now. He or GEORGE MCGOVERN will be President during most of the life of this resolution. The excessive appropriations we have passed must be reduced. We can posture and stall and talk and blame the rest of this year and into the next year.

But if we are going to get any action, the conference compromise—disapproved by the President because it limits his power too much—denounced by Senators because they argue it gives the President too much power—this report, is the reasonable way to resolve this problem. I hope Senators will recognize that the American people do not care about rhetoric. They want inflation controlled; they want taxes held down. Overwhelmingly, they want a ceiling on the immense Federal spending that pushes up the taxes and the prices they pay. They want this ceiling, and they are right in wanting it.

The decision is a cruel and tough decision for many Senators, and I think it is for the President, too. But the conference report offers what is very likely the only available compromise that has any chance of enactment. I plead with my colleagues to support it.

Mr. President, I yield the floor.

Mr. JORDAN of Idaho. Mr. President, I intend to vote against the conference report on the debt extension bill, and I shall vote with great reluctance because I have great respect for the chairman and members of the Finance Committee upon which I am privileged to serve.

This bill, as approved by the House, contained a $250 billion limitation on Federal spending for fiscal year 1973. I approved and I still approve of the spending ceiling as a means to hold down Federal outlays, but I thought the House provision was not acceptable because it gave the President complete discretion as to where and how deeply to make the cuts in order to comply with the limitation. This authority is an unjustifiable encroachment upon the appropriation powers of Congress.

Each year the respective Appropriation Committees of the House and Senate consider the administration's spending requests, hear a great deal of testimony from persons with various viewpoints both from the public sector and private sector, and reach a consensus as to the amounts to recommend to the House and the Senate for the various programs. Both Houses then have the opportunity to accept, reject, or modify the recommendations of the committees. When the spending bills finally make their way through the congressional process, they embody the judgment or consensus of a large number of knowledgeable people both inside and outside of Congress.

Mr. President, it is very important to me that these appropriations bills, as passed by Congress, do represent the will of Congress, not the will of any one Member of Congress on either side, either in the House or in the Senate, but that they represent the consensus of all Members of Congress.

I think there is no better way, Mr. President, to define the priorities of the people of this country than by their elected representatives in the Congress.

It seems to me that this is a better means of determining our spending priorities than to allow any one man to determine what our priorities are or should be. No one man should have the authority to dictate spending priorities nor to change the priorities which have been established by Congress.

In the event that it becomes necessary to reduce Federal outlays, then the reduction should be made on a proportional basis. After all, the need for reduced spending should not of itself change the needs and the spending priorities of the Nation.

This was what I had in mind when I offered my amendment to the debt ceiling bill to require that a proportional reduction in all departmental spending be made, except for irreducible items, in order to comply with the spending limitation. My amendment contained the further requirement that no individual program could be cut in excess of 10 percent. I believe that this was a proper exercise of congressional authority over the budgetary process and I had hoped that the House would concur in the judgment of the Senate as expressed by an overwhelming vote of 46 to 28.

However, the conferees greatly watered down the Jordan amendment, almost nullifying the intent of the Senate in adopting it. The key word of the Jordan amendment was proportional. That word has been removed from the conference version of the debt bill. The President is permitted to cut up to 20 percent from a number of functionally grouped programs. But, when one reads the fine print he learns that the President could eliminate some programs entirely by applying the 20-percent group limitation against a single program within that grouping.

As approved by the conference, this bill allows the President practically complete discretion over the cuts which may be made in order to comply with the $250

billion spending ceiling. Therefore, I shall vote against the conference report because I am not willing to surrender even a part of the appropriative powers of Congress to this President or any President.

When I speak of the President, I am speaking of the Presidency. I am speaking of the Office, not the man who may be the incumbent in that Office.

Mr. President, I think we have reached a stalemate. I have no intention of trying to send the conferees back or trying to impose my will and the formula that I suggested. Even though it passed the Senate with a good margin, it has been rejected by the conference committee. It is apparent that we have reached a stalemate. Many of us are not willing to let the office of the Presidency cut the appropriations duly passed by Congress and make such reductions on his own terms.

Mr. President, I would much rather forgo expenditure control of $250 billion—strip the bill to debt extension only—than to surrender one iota of the appropriative power of Congress to the Presidency.

This, in essence, Mr. President, is the amendment offered by the distinguished Senator from Oregon (Mr. PACKWOOD).

Mr. PROXMIRE. Mr. President, will the Senator from Idaho yield?

Mr. JORDAN of Idaho. I yield.

Mr. PROXMIRE. I have great respect and affection for the Senator from Idaho. We have served together on the Joint Economic Committee for years. I admire and respect him.

I wonder if he can explain what power we are giving up, in view of the fact that our power is to appropriate and obligate funds. Our power never has been the power to spend funds or to determine precisely what the timing should be on Presidential expenditure of such funds. What power are we surrendering?

Mr. JORDAN of Idaho. The appropriative power of Congress, when we give the President the power to go through the various appropriation bills, change the amounts, and do away with certain programs that have been approved by Congress. Congress sets the priorities of the Nation. The Congress should do that, not one man.

When the Senator talks about changes likely to take place, one would think Congress would not be in session. I am certain that Congress will be here. We are readily available if such changes should take place.

What is wrong with making changes, if changes come, instead of vesting in the President the power to make changes?

Mr. PROXMIRE. I think there is a great deal to that. That is why I supported the Taft amendment, which would have provided a degree of flexibility for Congress by the proportional mandate we give in the Jordan amendment, and the President makes the cuts. We would have required the President to cut every program by 3.5 percent.

Mr. JORDAN of Idaho. I am ready now to turn down the conference report, send the conferees back with instructions to extend the debt limit, and go home.

Mr. PROXMIRE. Let me ask the Senator a question. I will not detain him long. I would like to ask is it not true that this year we appropriated new obligational authority of $81.7 billion for defense, and of that sum the President will spend $57 billion. He will not spend $81 billion. He will not spend $76 billion from the 1973 appropriation. The remaining amount of 1973 outlays some $20 billion comes from past obligational authority. He determines that; he always has. This is not only true of defense, it is true of HEW, where we appropriated $31 billion, of which the President will spend $23 billion.

The President has always had the spending authority. I think there is confusion on the part of Members of Congress, the press, and editorial writers. We assume when we make an appropriation, the money is spent that the President must spend that amount. This is not true. It never was. By limiting spending, we are limiting the President. We are not limiting ourselves. He is limited to the extent our appropriations have been limited. That limits him. But in addition, we are saying all past appropriations, all the unobligated balances that are available to him that exceeds $250 billion of past appropriations, we are saying that in the conference report there is a limit on the way he can expend this amount and, therefore, we are restraining him, not ourselves.

Mr. JORDAN of Idaho. I yield the floor.

Mr. LONG. Will the Senator yield?

Mr. JORDAN of Idaho. I yield.

Mr. LONG. Mr. President, as the Senator well knows, the Senator from Louisiana supported in committee the same position that the Senator from Idaho takes.

I was, unfortunately, absent to fulfill a prior commitment, at the time this matter came to a vote. I would have voted for the Jordan amendment. That is the reason I did not think I should manage the bill on the Senate floor.

I supported the position of the Senator, at least in principle, that there ought to be a great deal more limitation in the way the President exercises his authority.

The position taken by the administration is that if they are going to be limited to a proportional cut, they would rather not have anything.

Mr. JORDAN of Idaho. That is right.

Mr. LONG. Frankly, the House conferees are supporting the administration position on this matter. When I heard one of them explain their position in conference, I must concede that there was more merit to their arguments than mine. They did make the point that there were some items about which they felt that by the time Congress got through trimming them, they were trimmed below the point they should have been cut. They were not trying to put more back on.

The Senator knows that every President—and I suppose every Senator—has a sort of pride of authorship. For example, if I were asking for a cut on something, ordinarily the most logical thing to me to cut would be the first year of revenue sharing, because those governments have not received their money. If they have made some plans to spend it, they have not been able to firm them up for very long, because they did not know they would have the money until a short time ago.

The representation is made that revenue sharing is one item the President does not plan to cut. I understand that. He is going to sign that bill at Independence Hall on Friday and feel that it is a great monument to him and that it is going to restore home rule and local government to the people of the Union.

I do not at all quarrel with the President for feeling that this program, which he supported and advocated and worked for, is the best; that it is so good that it should not be reduced, while somebody else's program should be reduced.

Other Presidents had the same point of view, also. If we look at some of the programs President Johnson put on the statute books, he would say, "No, those programs should not be reduced."

I recall that one year I was the fortunate beneficiary of a plaque President Johnson sent to a number of us who helped him put the Great Society on the statute books. He sent out about 50 pens, each of which was used to sign major, significant programs. I received one, along with other Senators, and I believe the majority leader also received one.

While I am sure that some of those programs are very good, I think one would find over a period of time that some of those programs are of dubious value. What we really ought to do is to review some of these programs from time to time, drop most of them that have a low priority, and consolidate what is left into some other activity, so that we would keep the best part of each program.

For example, under some of these functions, we find several different departments seeking to do pretty much the same thing or moving in the same direction. It can be argued that it might be better to consolidate some of these and to reduce or eliminate some.

My administrative assistant has told me a story which he regards as somewhat amusing, as do I.

A Louisiana businessman was anxious to get a large amount of money—for some purpose which I do not recall—under one of the programs passed during the last 8 years. My assistant went to the Administrator, who told him, "I think I ought to make it clear to you that this is the third time you have brought constituents to me seeking money under this program. As long as you are here, I will tell you that we are not going to put a nickel into this. I do not think the program is any good, and I think the President sent me here not to spend anything on this."

My administrative assistant thought the man was right, that as priorities go, he probably was justified in not spending anything on it; but it is on the statute books and does have its advocates and its supporters.

So the position of the administration is that some of these things should be reduced drastically and some of these programs, especially some that came into effect in the last 10 years, ought to be abolished or consolidated into others,

with a drastic reduction in the amount being spent for that purpose.

That is their argument. While I voted against it, I must confess that if we look at the Smathers-Williams amendment, which was voted by the Senate—I have no idea how the Senator voted, but he probably voted against it as I did, because it did not appeal to me at the time—we will find that it provided far wider authority than what we are talking about here. In other words, we did have a small amount of guidance that said there would not be a reduction in funds necessary for special support of Vietnam operations, or the interest on the debt, or veterans' benefits, or payments from the Social Security Trust Fund. But, aside from that, the President was just told to save $6 billion and go to work and cut.

I recall the situation when that was voted. I was seeing President Johnson frequently—at least once or twice a week—at the time that matter was being acted upon. He did not want it. When he looked across the swath of what could be reduced, he found that there were some items which he felt could probably claim a lower priority.

But, frankly, even in that case, that President did not think the way to do it would be a proportionate cut. I know that makes all Senators feel a little safer, because we would think that if we are particularly interested in this program or that one, it would not suffer more than a 10-percent cut, as suggested by the Jordan amendment.

As a practical matter, having done the best I can in this matter, I have to say that we cannot get the House to take the Jordan amendment.

Mr. JORDAN of Idaho. I have given up on that.

Mr. LONG. The reason they will not take it is that the President and his administration just say that rather than have that, they would have nothing.

Mr. JORDAN of Idaho. I am of the same opinion. When the Senate passed the Jordan amendment by a vote of 46 to 28 it then became the Senate amendment. If we cannot have the Senate amendment, I would rather have nothing.

Mr. LONG. That is why they suggested, incidentally, that if we cannot agree to this—which they say is better than nothing; it is not at all what they want—they would advocate the same thing the Senator from Idaho suggests, just striking out the $250 billion limitation.

That is about the fix in which we find ourselves. I certainly respect the Senator's view on this matter. I voted for him in conference. All I am trying to do is to determine the will of the Senate on the matter.

Mr. MOSS. Mr. President, I commend the Senator from Idaho for his remarks. As he has said, if the Jordan amendment is not available, I shall vote against any kind of ceiling on the expenditures to be made by the Federal Government.

I supported the Jordan amendment. I did so after great soul-searching, but I thought that it might be one way we could try to accommodate the request of the Executive and still preserve some measure of the power of Congress to control the purse and to set priorities. The conference report has destroyed that. Therefore, I see no way to go but to strike out the ceiling on expenditures requested and simply grant the debt increase and go from here.

I think that we in the Senate tonight face a towering decision. It is probably as great a decision as has been made in this body during the history of the Republic, because I think that tonight, by our vote, we are asked to choose an entirely foreign and heretofore unknown governmental structure of delegating to the Executive the life and death control of the departments and the programs of this Government. Surely, our Founding Fathers did not envision the Republic to function that way, nor did the Constitution provide for it. Congress was given the power to appropriate moneys and determine how they should be spent and determine what the priorities should be. I think we have already started down the slippery slope by approving revenue sharing. I confess with some reluctance that I finally voted for revenue sharing because I could not articulate definitely enough the great reservations I had. But I voted with the greatest reluctance and I expressed at the time my reservation and regret at so doing. Because in revenue sharing alone, we vastly changed the Federal relationship of States, counties, and cities, vis-a-vis the Federal Government. As we finance those bodies more and more on a direct subsidy, how can they become but vassals of a central power?

Rather than enhance their independence by so-called no strings attached, grants, they become more and more dependent on the Central Government and, therefore, more beholden to it.

Now tonight we are faced with a second wrenching change in our form of government. We vote tonight, if we vote for the conference report, to give the United States its first absolute monarch in the fiscal ffeld. We vote to relegate Congress to an honorary officeholder status, to ratify the budget requests up to $250 billion ceiling, and then depart while the President decides what departments should be funded, which should be cut or eliminated, what programs will live and function, and which will suffer starvation or death.

So, Mr. President, I shall vote against the surrender of the Congress. Granting that our performance is not exemplary in all cases, yet we do remain the representatives of the people and our States. We are responsible to them. We must answer for them.

Should we now fold up and surrender our jurisdiction to an all powerful and all reaching Executive?

The Constitution gave the President the veto power, which he uses freely. He can restrain the Congress from any spending that Congress proposes to undertake, subject only to the override of a veto which requires a two-thirds vote. As all of us know in this body that very seldom do we attain a two-thirds vote of both Houses to override an Executive when he vetoes a program no matter how high the votes are when we pass a program in the first place, or pass an appropriation.

The President has tremendous power in the veto, and he can halt in the very first instance, if he has the will to do so, the spending of Congress if he thinks it is excessive by exercising his veto. Moreover, the President can and does freeze funds which he does not wish to spend. I disagree with that practice in many cases, and perhaps all cases. I think that is an overreaching exercise of his power when he simply refuses to spend the money, but I must admit that there is some respectable precedent for it, at least, that does not tear up the fabric of the division of powers in this Government. But now, if we accept this conference report, if we grant this power to the President, I think we will have made a full abdication of the power of the purse which resides in Congress.

The junior Senator from Oregon (Mr. PACKWOOD), in this body, two or three nights ago, traced the historical development in the English-speaking parliamentary type of government of wresting from the King the power of the purse and placing it in the Parliament.

That is what our forefathers knew. That is what our forefathers wrote into our Constitution and I am not going to stand here on the floor of the Senate tonight and abdicate that principle and turn back to the Executive the power of the purse that belongs in the hands of the Parliament, which in this case is the Congress of the United States.

Mr. BENNETT. Mr. President, will my colleague yield to me?

Mr. MOSS. I am glad to yield to my senior colleague.

Mr. BENNETT. Does the Senator feel that we abdicated that power a few years ago when it was given to Lyndon Johnson? This is not the first time. This is following a precedent that the Senate gave to the President in 1968, with much greater power than this bill would give to this President.

Mr. MOSS. Will the Senator enlighten me as to what it was we gave Lyndon Johnson the power to cut out any program he wanted, to cut in any amount?

Mr. BENNETT. We required, in section 202 of the Revenue and Expenditure Control Act of 1968, that he make a reduction of $6 billion in expenditures during fiscal year 1969, and we let him take it out of any part of the budget he pleased, except for veterans' benefits and interest and payments on the trust fund.

Mr. MOSS. I would be opposed to giving that power to Lyndon Johnson, Franklin Roosevelt, Thomas Jefferson, or any other President the Senator wanted to name. The power of the purse is here in the Congress.

Mr. BENNETT. I am not going to argue that, but do not say that tonight, for the first time, Congress is abdicating its responsibility. The members of your party abdicated power to the President before this.

Mr. MOSS. I would say to my senior colleague that I am sure the Republican Party never did anything that is reprehensible, but I salute the Senator from Idaho (Mr. JORDAN) who is willing to stand up and fight for a precedent which I intend to fight for tonight.

Mr. BENNETT. The junior Senator

from Utah goes around the point. Will he admit that he now remembers that this power was given to Lyndon Johnson in 1968 by this Senate, and this is not the first time that this kind of power has been transferred to him?

Mr. MOSS. I do not remember it. I do not believe that I concurred in it. I think the Senator was able to search around and asked the Senator from Louisiana and he read from some kind of piece of paper, but if we ever did it, it was a mistake but at last we overcame that mistake.

Mr. LONG. Mr. President, I was against doing it, but in 1968—and President Johnson did not want it—that was the Williams-Smathers amendment. The Senator may have voted against it. I would be surprised if he did vote for it. Some of us—I was one—voted against it, and President Johnson did not want it. President Johnson wanted a tax increase, and it was argued by former Senator Williams of Delaware that he and others would be willing to support a tax increase provided the President would cut spending by $6 billion—which is about the same amount we have involved here. That is what emerged from the Williams-Smathers amendment after it was sent to conference with the House. President Johnson, as we know, made a lot of reductions under that authority. I point out the authority there was 50 times as broad as the authority here. This is limited to a 20-percent cut on items broken down into——

Mr. MOSS. Categories.

Mr. LONG. Yes; and some of the categories are as small as three or four hundred million dollars, so that the cutting can only be done on a much more limited basis. It may be that Congress feels disposed to vote to make a President do this and not call that a surrender of legislative power, while if he would like to be asked to do it, that that is a surrender of power. But I do not see the difference when the President is reluctant or when he would welcome the instructions. There is no doubt about it, we gave President Johnson broad powers.

So it has been done here again. There is no doubt about its being done. The Senate and the House both did it.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. MOSS. Mr. President, I will reply first and then I will yield to the Senator from Florida.

Mr. President, as I have said, I acknowledge that some Presidents have in times past refused to spend certain sums in certain situations. I realize that there is a precedent because of that. However, I think if we set a precedent by saying that the Congress gives the President carte blanche authority to spend it or not to spend it, he can pick out programs that will be so severely cut down that they are impotent. And we will have surrendered the power of the Congress to make that decision and will have handed it to the President.

Yes, we can have serious problems. And we hope we can hold them down. But there is a veto power when the appropriations come through. If the President wants to exercise that power in these categories, he can do so. We have had three HEW vetoes. And we have had to rewrite the HEW appropriations three times during the administration under the incumbent President. So he has been effective when he wants to do it.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. MOSS. I yield to the Senator from Florida.

Mr. CHILES. Mr. President, regardless of whether we did something in 1968, if we should not have done it, there is no more reason to do it now because of our having done it in the past.

Mr. MOSS. The Senator is correct.

Mr. CHILES. Was not 1968 about the time that Congress was daily giving away all of its power? That was before the last little spark of hope engendered here by the passage of the War Powers Act, which I am sure was the most important bill that the Senate dealt with. However, the House did not do anything on that bill.

Now, for the first time since the decades of the 1930's, it seems that maybe the Congress, or the Senate at least, is ready to get into the ballgame and play our constitutional role as an equal power as it is defined in the framework of the government in which we operate. And what we did in 1968 or 1932 or at any other time is no precedent and no reason to do something that is diametrically opposed to the Constitution and diametrically opposed to the way our government was set up so that there would be a system of checks and balances and we would not have a king that would run the country and have all of the say so.

Regardless of what we did at other times, tonight is the night we will take a step to reverse that trend, I hope. What is important is what we do tonight, and not in 1968. Tonight will be the time that we get back on the path, the hard path, the right path for our constitutional government.

Mr. MOSS. Mr. President, I thank the Senator from Florida. I concur in what he has said. As I have stated before, if we ever did it before, I repent that. I do not recall it. Frankly, I was completely unaware of anything like that ever having happened before this. And if it did happen, the Senate was wrong and the House of Representatives was wrong in doing that. Tonight we ought to assert that we are the legislative branch of the Government and have the power of the purse and the power of determining priorities. That is where those powers rest. The President is simply to execute the laws and spend appropriations made by the Congress.

Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, we can indulge ourselves here in partisan argument. We can argue on whether a spending ceiling ought to be $250 billion, $245 billion, or $255 billion. We can spend our time tonight trying to conceive of new formulations or form amendments called compromises. However, the simple truth is that there is a constitutional issue at stake and we had better come to grips with it, and that constitutional issue is embodied in article I of the Constitution of the United States, section 7, clause 2. It points out that the Congress of the United States shall have the final say on all matters relating to appropriations. That is embodied in the provision which permits two-thirds of the Congress to override a Presidential veto.

The Founding Fathers were well aware of the possibility of the item veto. They did not provide for it because they did not want it. The framers of the Constitution in designing this very delicate balance of powers between the legislative and the executive and the judicial provided that the power to appropriate, the power to authorize, and the power to write statutory law was vested in the Congress of the United States.

The framers of the Constitution also provided that there could be a check upon that power by a Presidential veto. The President can veto. He cannot authorize or propose a statute, or appropriate. However, the final and last word on all matters of statutory law, taxes, and appropriations was not left to the executive branch, but with the Congress.

A procedure was written into the Constitution to carry out that principle; namely, the right of the Congress of the United States under terms of article I, section 7, clause 2, which reads:

> Every Bill which shall have passed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to pass the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become a Law.

Those are the provisions in the Constitution that relate to control by the Executive over the law or appropriations. And those are the only provisions in the Constitution that relate to the use of the veto power by the Executive.

I am fully aware of the fact that since the days of Thomas Jefferson, as I have indicated in other remarks on the floor in past days, Presidents have impounded funds. However, I do not believe that the Congress of the United States should give legality to a President's impoundments. In fact, there are those in this body, including myself, who believe that presidential impoundment violates both the letter and spirit of the Constitution.

Mr. President, I have heard it said here tonight that the President, having the power to impound, has a similar power to what we are talking about in this compromise proposal from the conference committee. It is not true, because impoundment has never had the blessing of this body, nor should it ever have. However, the compromise before us, as it is called, the conference report, puts the final word of the Congress of the United States upon the power of the President to use an item veto on matters of legislation and appropriation. I cannot support it.

We are engaged here tonight not in an argument over dollars. This is, indeed, a debate centering around constitutional

law. It is my judgment that this is the most significant single constitutional issue that has been before this Congress since this body struggled with the issue that tore this Nation apart prior to the days of the War Between the States.

Mr. President, you can say, "Well, we are only doing what has been done in other times," as I heard here a moment ago. That is just exactly what I want to emphasize: Once we have taken this step it gets worse every time. If we have been guilty of giving Presidents authority in previous days to tamper with congressional appropriations, to choke off legislation by starving those programs through lack of funds, we better erase it tonight.

Merely to have said in other days, "We have told a President and directed a President that he should cut back on spending," does not mean that it is a precedent that ought to be accepted or standardized by the formulation of law such as we would do if we adopt this conference report.

The conference report is in direct contradiction with the Senate's efforts on the original legislation. The conference report is not what I consider to be an acceptable compromise. It is the total reshaping of the intent of the Senate for the convenience of Presidential desire. The conference report eliminated the system of proportional cuts that was in the original Jordan amendment, of which I was privileged to be a cosponsor. It eliminated the 10-percent ceiling on line items within the appropriation. It completely dilutes—in fact it gives away congressional authority to control our appropriations.

But the worst part about the conference report is that it permits the President to be able to kill such programs. It is not just this prorgam, but let us look at the future. Let us get this out of the realm of present days. We are talking about giving to the President by an act of Congress authority which does not belong to him, which violates the spirit and letter of the Constitution.

We are talking about giving to the President, for all practical purposes, no matter how one defines it, an item veto.

I am not going to burden the Senate tonight by going through my speech of yesterday, but I want to discuss certain categories mentioned in this conference report which demonstrate that, for instance, in education, the President would have the authority under this conference report to completely eliminate vocational education, if he wished to do so.

The Congress of the United States authorized vocational education. Congress has appropriated for vocational education. I gather we want vocational education; and we want the President to carry out the intent of Congress. But what are we doing? We are giving the President the authority to eliminate vocational education. I do not think he will. I am not making any such accusation. I am saying it is within his power if this conference report is agreed to.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. The Senator has before him the information that I have had placed on the desk of each Senator. I refer to the table.

Mr. HUMPHREY. Yes.

Mr. LONG. Vocational education was not one of the larger items in the category. The Senator will note that vocational rehabilitation, which is No. 603, combined with Nos. 604 and 605, which are education revenue sharing and other education aids, and those items total $1.423 billion.

That would appear to me to be an area where you could make a 20-percent reduction which would be about $280 million. If my calculation is the same as the Senator's it would be possible to reduce that item in half, but I do not think this authority would give him the power under this resolution to reduce it by more than that. It would certainly be limited to a reduction of that $280 million, which would be substantial, but not eliminate it.

Mr. HUMPHREY. The Senator is correct. That is killing it. That is economic anemia.

Mr. LONG. I understand the Senator's argument, but I am sure that program could stand a 50-percent cut. There is a difference in that and eliminating.

In a similar situation where we had a Congress which had a Democratic majority we imposed on President Johnson the authority to make cuts, so the authority we imposed on him would have authorized him to strike all three of those items in their entirety.

This is a far more restrictive provision. Congress voted for that in the bill entitled Revenue and Expenditure Control Act of 1968. The Senator knows that President Johnson at that time was trying to get a tax increase. That was the 10-percent surtax. In order to get it he was compelled to comply with this. I did not like that and I voted against it when that expenditure limitation was added to it. I would have to state frankly that the power to reduce spending forced upon President Johnson at that point was far broader than anything we have here.

Mr. HUMPHREY. May I add that it compounds the mistake. I was not here in 1968. I was out being a Vice President where you have responsibility but no power. But I am here to say it is a mistake, and we should not continue to do it. One President did not want it; this President does; somebody else will want it. I was not here for that, but this proposal would permit the President to make these cuts in these appropriations. For instance there is the item of the Smithsonian Institution. That is only $72 million. Then there is the item for library services.

Whatever the program, there is a time to call a halt. We went around here a long period of time in days gone by where we said to the President, "We will give you authority to send forces into the Mideast; we will give you authority to send forces in the Gulf of Tonkin resolution." We pealed off congressional powers and put them in the hands of the Executive. The fact that we have done it does not mean it is right. As a matter of fact, this Congress and the Congress before it took similar action. We repealed the Gulf of Tonkin resolution, and this Congress in the War Powers Act has said, "We went too far," and it is trying to at least reclaim some of the constitutional authority that belongs to us.

This is a matter that goes far beyond whether Lyndon Johnson got something or whether Richard Nixon wants something. The issue is, of course, once again, to put it in the language of the distinguished chairman who appropriately calls our attention to 1968: Are we in 1972 going to make the precedent of 1968 even more firmly imbedded? That is what we are doing. We are saying that we are incapable of legislating our own affairs.

As I read the reports there is approximately $258 billion in what we call spending, that has been authorized by Congress. That is about $8 billion over the $250 billion.

I believe the Joint Committee on Reductions in Federal Expenditures said the President would have to reduce the total outlay of spending by $6.9 billion to get to the figure of $250 billion. But I want to call the attention of the Senate to the fact, again, that in this same so-called increase in spending was $6 billion for social security payments which are paid for by a rise in taxes, and that is not inflationary. If you take it back out of the economy as you put it into certain categories or groups, it is not inflationary. And the main argument for the President's wanting this spending ceiling is that if we do not give it to him, we will have to have a tax increase. When the Congress authorized an increase in social security, it faced up to its responsibility. It did put on the tax increase.

I submit that if we go along like we are talking about here, we are going to have a situation here where we can come in here as Representatives or Senators and we can vote in any way we want, and we look to Big Brother in the White House—whoever he is—and say, "You trim it back." It permits the Congress to indulge in recklessness and irresponsibility. Today we are held accountable for our votes, but it is entirely possible that we could go into a situation where we could vote appropriations, knowing full well the President of the United States is going to cut them back because of the authority we have given to him to do it.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. As a matter of fact, if we go along with the President on this, is it not an act of contrition? What we are doing is beating our breast and saying "Mea culpa, mea culpa." I mean, we are admitting we are irresponsible and that we cannot run the affairs for which we have been elected by the people of this country to run, and we are leaving it to someone else to correct them.

I want to remind the Senate that we have resolved the military budget and we cut out $5,227 million from the budget estimate, and when it came to military construction, we cut out $337 million. When it came to the bill that I managed, the State, Justice, and Commerce appropriation bill, we cut out $23 million.

We have been doing our job, but all this

is being talked about in this presidential campaign to justify the fact that, if a tax increase should take place next year, it is the fault of the Congress. It is just a political gimmick—nothing more or nothing less.

Mr. HUMPHREY. In my judgment, the Senator speaks the truth and speaks with a clarity that all can understand. But beyond this year, I want this body to know that you are putting into the President's hands an item veto, by the very nature of the language of this conference report. It means that after Senators work their hearts out to get a program that means something for their State, they are going to wake up, after telling their constituents what they got, and find that the President, under the authority of this law, will or can cancel it out.

It will not only permit the President to have the final word, which is in violation of the Constitution in matters of appropriations, because the Constitution provides that Congress has the final word in the right to override vetoes, but it gives him the right and the authority to hold a political club to beat Senators or Representatives into line. They are going to be told, "If you do not get into line, you are going to find that a project in which you are deeply interested is cut."

We have seen that not only in this administration but in other administrations, when members of the executive branch and lobbyists have done that. In fact, in the instance of this conference report, the Secretary of the Treasury, the Under Secretary of the Treasury, the Deputy Under Secretary of the Treasury, and the Director of the Office of Management and Budget sat in the conference. May I say that that within itself is something Senators around here did not have a right to do.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. We just passed a $30 billion revenue sharing program. Does the Senator know where the President is going to sign that bill? In Philadelphia, where the Declaration of Independence was signed. May I have the Senator's observation on that? What does that have to do with the Declaration of Independence?

Mr. HUMPHREY. Well, I would say to the Senator, to give the President the benefit of the doubt, that while he is signing the revenue sharing bill where the Declaration of Independence was written and signed and where the Constitution was written, if they will refer to article I, section 7, clause 2 of the Constitution, which is the real, basic, fundamental law of this country, it points out that the only way the President can override the will of the Congress on appropriations is by the veto, and then the Presidential veto can be overridden by a two-thirds vote of the Congress. The final word is with the Congress.

What does this particular compromise in the conference report do? It permits the President of the United States to cut programs without public notice. It permits the President of the United States to cut programs without the involvement of Congress. Yes, programs and appropriations can be reshaped, tailored, limited, restricted, and cut out without ever the Congress of the United States having a single word to say about it. I think it is wrong.

I yield to the Senator.

Mr. PASTORE. The Senator talks about playing politics with these cuts. Can it well be that the President is going to Philadelphia because the Democratic mayor of Philadelphia has endorsed Nixon's candidacy?

Mr. HUMPHREY. It would be one way that the carpet could be placed on the doorstep, and I have a feeling it will be a friendly reception.

May I say I have been working very closely with some of our colleagues across the aisle. I think the way we ought to judge this compromise or this conference report is by what it does to the standing of this Congress as an institution. We are demeaning ourselves. We are willfully, voluntarily, and freely giving away the most important authority, power, and responsibility we have in the appropriation process. We are permitting the people of America to believe that we write and establish public policy, only to have it diluted, changed, limited, and distorted by executive action. I think it is wrong.

I will just summarize quickly. This conference report gives the President an unprecedented item veto over congressional appropriations. The President, not the Congress, will now have the last word. This is in direct violation of the Constitution.

It allows the President to make item veto cuts up to 20 percent in designated budget categories. With this grouping of functional programs, the President has the authority to eliminate totally such programs as he desires.

This is nothing more or less than a domestic Gulf of Tonkin resolution—the resolution which, in foreign affairs, brought us trouble. It is a new political club for the President. With the ceiling as imposed by the conference report, the President will be able to put undue pressure on individual Members of Congress, holding projects in their districts and States as ransom.

The spending ceiling promotes congressional irresponsibility. Members of Congress will no longer be accountable to the people on appropriation matters.

This is not an 8-month grant of authority—this is a dangerous precedent.

May I say that the chairman of the committee has fortified that observation by noting here tonight that in 1968 something along this line was given to another President, only to have it come back again.

May I emphasize that there is no evidence, as the Senator from Rhode Island pointed out so eloquently the other day, of congressional irresponsibility in fiscal matters. To the contrary, since 1946 every Presidential budget has been reduced—every one of them—and in this instance, where we have gone beyond the $250 billion mark, it was because of social security, a 20-percent increase in payments which the President now claims he was for by sending out bulletins all over the country, and it is paid for by increased taxes.

Furthermore, the $250 billion budget ceiling was actually broken by the President himself in the extra requests that were made for the war in Vietnam, for bombing, for foreign aid, and for disaster relief.

The Congress of the United States cut back approximately $6 billion from the President's budget estimate. We have changed some priorities. We have put some more money into this program or that. We cut some out of foreign aid. We cut some out of space. We cut some out of the defense budget. Congress has established its responsibility, and I would hope that we would understand what we are doing here tonight, and not, in the name of expediency, just try to get home, as much as all of us want to be there, but rather stay here and vote tonight, as we will, and vote down this conference report.

The debt ceiling is needed. That we can provide for. But there is no need for changing the rules of this constitutional system of ours in midstream.

Why was there no demand for such a budget ceiling or spending ceiling three months ago? Why was there no demand two months ago? When did the demand come about? Within the last month. Within the political season.

I am perfectly aware of how our remarks can be interpreted. There will be those who say we did not care, that we were spendthrifts and wastrels, and they are going to say that the Congress of the United States would not put on a spending ceiling.

Let me say we have put on a spending ceiling. We do it every time we make an appropriation, and when we add up those appropriations, they are not excessive in terms of the needs of this country. The budget problems of this country are due to a recession, due to failure of the country to be able to generate revenues for the Treasury. Might I add that some of the other budget problems are due to the excessive cost of maintaining a huge military establishment. I happen to believe we need defense. I have not voted recklessly on defense cuts. I have voted to reduce some things, but I believe Congress can resolve this issue and resolve it with finality this evening.

The PRESIDING OFFICER (Mr. CHILES). The Senator from Delaware is recognized.

Mr. MAGNUSON. Mr. President, will the Senator from Delaware yield to me for a unanimous-consent request?

Mr. ROTH. I yield.

Mr. MAGNUSON. I ask unanimous consent that Mr. Dirks of my staff be permitted to remain in the Chamber during the debate on this issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, if the Senator will yield, might I point out that what we are being asked to do here is nothing, virtually nothing, compared to what the Senate did when Lyndon Johnson was President back in 1968, and the President was not asking for it. But at that time we had a big deficit, I do not recall the

exact amount, but there was a substantial deficit. He was concerned about it. This year, on a consolidated budget basis, we have a $31 billion deficit staring us in the face.

In order to get a tax cut, President Johnson had to go along with having this kind of power imposed on him, except that the power was five or 10 times as great as under this conference report, for example. I do not know why Senators want to strangle on gnat when 5 years ago they swallowed a camel.

Here is the vote on the conference report, 64 to 16, and I was one of those who voted against it back at that time, when we said the President shall cut $6 billion, about the same amount we have involved in this bill. And there was no limitation by items.

The Senator said he could take vocational education and cut it in half. Lyndon Johnson could have cut it out completely. And in addition, when you look at the vocational education figure, $568 million, the most he could cut it would be half, about $280 million.

Look at the next item, educational revenue sharing, $100 million. Other educational aids, $745 million. Go on down and include general science, $596 million; manpower training, $3,918,000,000.

Under the authority we gave President Johnson, he could have cut the whole thing out, and that was imposed on him by act of Congress without his asking for it. But that was what was passed by the Senate and send down to the President to sign, without his even asking for it, but it was forced on him, by a vote of 64 to 16.

I do not know why it is such an inordinate thing to give President Nixon the power to cut the items 20 percent, when we gave President Johnson the power to abolish them.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LONG. The Senator from Delaware has the floor. But here is the rollcall on the conference report, 64 to 16. We are not going to have anything like that now.

Mr. FULBRIGHT. The Senator says he does not know why there is a different attitude. I think the principal reason is that the President asked for this power with the explicit reason of expecting it to be rejected, and then being able to say that Congress is the principal necessity for a tax increase. He knows and everyone else knows that we have to have a tax bill next year.

The PRESIDING OFFICER. The Senator from Delaware has the floor. Does the Senator yield further?

Mr. LONG. Might I ask the Senator if he is aware of the fact that the vote on the Williams-Smathers amendment at that time was almost closer? I ask unanimous consent that the rollcall be printed in the RECORD. By a vote of 53 to 35, Congress voted to impose on President Johnson a $6 billion cut, which is about the same amount we are talking about here, and on these same sensitive items we are talking about he was given the power, not to cut them by 20 percent, but to wipe them out completely.

So the limitation we are talking about here is a very severe limitation compared to that given to President Johnson to wipe out whole categories of programs.

Mr. PASTORE. Mr. President, may I ask this one question?

Mr. ROTH. Mr. President, I ask unanimous consent that the voting record on the Smathers-Williams proposal be printed in the RECORD at this point.

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

The result was announced—yeas 53, nays 35, as follows:

[No. 96 Leg.]

YEAS—53

Aiken, Allott, Boggs, Brooke, Byrd, Va., Carlson, Case, Cooper, Curtis, Dirksen, Dodd, Dominick, Eastland, Ervin, Fannin, Fong, Gore, Griffin.

Hansen, Hickenlooper, Holland, Hruska, Inouye, Jackson, Javits, Jordan, Idaho, Kuchel, Mansfield, McClellan, McIntyre, Miller. Montoya, Morton, Moss, Mundt, Murphy.

Muskie, Pearson, Pell, Percy, Prouty, Randolph, Russell, Scott, Smathers, Smith, Spong, Stennis, Symington, Thurmond, Tower, Tydings, Williams, Del.

NAYS—35

Anderson, Bartlett, Bayh, Bible, Brewster, Burdick, Byrd, W. Va., Cannon, Clark, Cotton, Ellender, Fulbright.

Harris, Hart, Hartke, Hatfield, Hayden, Hill, Hollings, Kennedy, Mass., Long, La., Magnuson, McGee, McGovern.

Metcalf, Mondale, Monroney, Morse, Nelson, Proxmire, Ribicoff, Talmadge, Williams, N.J., Young, N. Dak., Young, Ohio.

NOT VOTING—12

Baker, Bennett, Church, Gruening, Jordan, N.C., Kennedy, N.Y., Lausche, Long, Mo., McCarthy, Pastore, Sparkman, Yarborough.

So the Williams-Smathers amendment, in the nature of a substitute, was agreed to.

Mr. PASTORE. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. PASTORE. I know; I am asking him.

May I ask the Senator from Louisiana this question: We all know there is going to be a very substantial deficit in the budget. There is no question about that. As a matter of fact, we were told it was going to be about $25 billion. It will end up to be about $40 billion, if not more. Will the Senator please explain to us just where Congress appropriated more than the amount that was submitted by the administration? What is it that was done that puts Congress in the position that it has to undergo an act of contrition.

Mr. ROTH. Mr. President, I decline to yield further.

Mr. LONG. Some of it has to do with funds that were carried over. Some of it has to do with the fact that the President asked for the revenue-sharing bill to start in 1 year, and we did not pass it until the next year. It gets somewhat complicated. Some of it has to do with such different things as carried over obligated funds. But there it is. The projected deficit, if we do not cut the $6 billion, is $31 billion on a unified budget basis, and if we do cut the $6 billion, the projected deficit would be $25 billion.

Mr. PASTORE. But the President of the United States has frozen funds before, as the Senator from Arkansas has already pointed out. Unfortunately, all this is being used as an instrument to accuse someone that unless Congress gives the President this authority which he already has—he has frozen money before, and can do it again—this whole thing is beng done now so that unless we give him this power, which he knows it is doubtful whether or not he could ever acquire, we will be responsible for an increase in taxes, and that is where we are hurt because the truth is not being told.

Mr. LONG. Mr. President, it is one thing to say cut spending by $6 billion, and it is another thing to say, as I myself contend that when the President refuses to spend the money that Congress appropriates, it is a usurpation of congressional authority. To make a $6-billion reduction without Congress having ordered the President to do so, and acquiesce in it, does subject the President to a very strong charge that he is usurping the functions of government and not obeying the law.

Mr. PASTORE. But we have already reduced the military budget by $5¼ billion.

Mr. ROTH. Mr. President, I should like to proceed, if I may, with my own statement.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I support the conference report. One of the things that intrigues me the most about the discussion tonight is that the principal reason why we should not adopt the conference report is that we are abdicating a great constitutional power that is rightfully ours.

The difficulty I see with that argument is that Congress has not exercised that responsibility. If it was interested, as it should be, in establishing an over-all budget in determining the priorities under that budget, then it should not wait until the last minute to take such action.

Last February I called to the attention of the Senate a similar ceiling, which if adopted then would have enabled Congress to exercise its constitutional responsibilities in an intelligent fashion.

I think that one of the most serious criticisms made of Congress is that it does not exercise intelligent control of the budget. To try to claim that we are doing so today just flies in the face of facts.

It is well known, I believe, that the only things we control are the appropriations, the funds that we put into the pipeline. In no way are we exercising a responsibility over the rate at which these funds can be spent. To try to claim otherwise is just contrary to facts.

As a matter of fact, the adoption of the conference report proposed by the conferees means in a very real way that Congress will be exercising far more power than it is at present.

In the first place, we will be telling the President that of the $540 billion that is in the pipeline, we intend for him to spend during this current year only $250 billion. We are setting the ceiling, not

he. I think that is a responsibility of Congress.

Second, let me also point out that under the provisions of the compromise, the President will be able to cut only 20 percent from each of the categories. So I say that here again we are setting a policy for the President that he cannot cut more than 20 percent from each of these categories. If we fail to do this, if we do not take any such action, then, of course, the President is relatively free to spend at whatever rate he wants. He can spend above $250 billion or below. He can decide where he wants to cut and how much, because no policy decisions are being exercised by Congress. In contrast, under the conference report it is Congress that is setting standards.

I would like to comment on another statement. There has been talk about there being politics involved in this matter. But economists have stated time and again that the economic pressures are such that it is important that we do something to stem inflation and that we do something today.

There are a number of factors that can be pointed out that show that if we do not bring deficit spending under control, we will again be running a very serious risk of inflation.

Senators might not like to hear that. We might disagree. We might call it politics; but the fact remains that economist after economist has said that unless some strong measures are taken, this is the risk we run.

What about the charge concerning taxes? As I mentioned the other day during the debate on this legislation, a number of economists urged that we spend more.

But these liberal economists also urged that we increase taxes.

I think that is the dilemma we face. Either we are willing to enact some kind of practical spending ceiling at $250 billion, or we are going to be faced with the dilemma of increased taxes, or inflation.

Mr. PASTORE. Will the Senator yield?

Mr. ROTH. I shall be happy to yield when I finish my statement.

I say that we have our last clear chance of adopting a positive measure tonight. The only choice we really have is to support what the conferees have adopted. We may argue over terms, but it seems to me we either support the conferees or we are going to be faced with the fact that it will be very difficult to enact any kind of limitation whatsoever.

As the chairman of the Finance Committee has already so eloquently pointed out, there is precedent for this legislation. Furthermore, we are delegating for only 8 months.

There is no truth to the statement that we will necessarily continue this practice after 8 months. If Senators believe that to be true, they have less faith in Congress than I do.

In fact, one of the hopes that I have about the long debate we have had on this matter is that Congress will come to grips with the problems and adopt procedures early next year that will give us a viable handle on spending and on the budget.

Just as in the case of a veto, Congress can override whatever the President does under this compromise language. If we disagree in any area where he is withholding funds, there is nothing to prevent Congress from taking action and overriding that action of the President.

In closing, I would urge that Congress adopt this proposal. I think it is a responsible step forward. I think it will help us to face the rising pressure on our economy, and I hope that next year Congress will take decisive steps to bring budget matters under control.

Mr. PASTORE. Will the Senator yield?

Mr. BENNETT. I thought the Senator was ready to yield the floor.

Mr. ROTH. I did tell the Senator from Rhode Island I would be happy to yield for a question.

Mr. PASTORE. The Senator from Delaware brought out the question of deficit spending. Will he admit that when this administration submitted its 1973 budget estimates, it advocated deficit spending on the grounds that a full employment budget would justify a deficit of about $25 billion?

Mr. ROTH. It is true that the administration proposed a full employment budget.

Mr. PASTORE. It has also advocated defense spending of $25 billion over and above the revenue that would come in. Am I right or wrong?

Mr. ROTH. That is correct. I point out to the Senator from Rhode Island that the $256 billion or $257 billion that is now being proposed by Congress is way over a so-called full employment budget. In fact, the full employment budget would be roughly $245 billion. Now, it is claimed that so long as one does not exceed the full employment budget, one avoids creating inflationary pressures. But even under that doctrine, a $250 billion budget leaves inflationary pressures.

So far as I am concerned, there is plenty of blame to be shared all the way around, with the executive branch as well as Congress.

I do not think that is the point. I do not think politics is the point. I think we are trying to get a handle on the situation, so as to avoid inflationary pressure; to develop a sound economy that provides employment without inflation. For that reason, I urge adoption of the conference report.

I yield the floor.

Mr. BENNETT. Mr. President, I think tonight we have forgotten what we did when we voted on this bill. We voted a spending ceiling of $250 billion. It is in the bill.

The House voted a spending ceiling of $250 billion. That is accomplished. That was not in conference. We could not take it out, so now the only question before us is, How do we reach the $250 billion?

It is not for us now to say that we are making history. We are for the first time or for the second time giving the President power that he should not have.

We have already done that. There is nothing we can undo about it, unless we reject the whole conference report and the whole thing goes out the window. Do we accept the pattern for reducing the amount of expenditures down to the $250 billion, or do we reject it?

It is not the philosophical question of whether we are permitting the President to usurp power. We made that decision when we voted the bill out of the Senate with the $250 billion ceiling in it.

Mr. PASTORE. Will the Senator admit that the conference report is a lot different from what we have done in the Senate?

Mr. BENNETT. No, not with respect to the ceiling——

Mr. PASTORE. The $250 billion ceiling, yes, but the fact still remains that we have gone from the 10 percent to the 20 percent, which gives the President the authority of establishing priorities that may be objectionable to the Congress. That is the point. We are all for the $250 billion ceiling, but all we are saying is that the Congress of the United States wishes to be a better partner in establishing priorities. When you take the 20 percent out of any particular item, you could nullify the program. That is what we do not want to happen. We gave the President a leeway of 10 percent but the Senator went to conference and came back with giving him 20 percent. That is exactly what we do not want. Because we do not want to take it out of housing for the elderly, or education or other social programs.

Mr. BENNETT. Mr. President, I yielded to the Senator only for a question, not for an argument.

Mr. PASTORE. I am making a speech. [Laughter.]

Mr. BENNETT. I know you are.

Mr. President, I want to make the point again. We told the President to reduce spending, and we told him in this body how we thought it should be reduced, and the House told him how they thought it should be reduced. Both we and the House told him that we gave him the responsibility to cut it back. Now to come back and say that because we gave him the responsibility he is going to misuse it, that is not the question any more. We gave him that responsibility. We mandated that he make that reduction.

Mr. LONG. The point is as to the precedent the Senator is talking about that by a vote of 53 to 35, with myself voting against it, a Democratic Congress imposed on a Democratic President the power and the mandate to make the cut in the same fashion that the House proposed the present President make. When we get down to it, we find that the precedent for a proportionate cut in spending does not exist, to my knowledge, but the precedent of telling the President, "You will cut x amount" was passed by Congress in 1968. There it is. The vote was 53 yeas 35 nays. I think we can see that we imposed that same requirement on this President. By the language in both bills, we mandated the President to make that cut. It is no longer a question. He has been charged by Congress to make the cut. So when we say that we are breaking precedent and we are giving up the power of Con-

gress, if we did that, we did it the other night. We are not doing it tonight.

Mr. JAVITS. Mr. President, I wish to raise yet another matter on the conference report, and that is the provision which relates to extended unemployed compensation which was included in the bill. This issue affects hundreds of thousands of workers in the country who have exhausted their regular State unemployment entitlement and now are likely to go on the welfare rolls.

The settlement in the conference report is most unsatisfactory because it omits the very material element of the Senate amendment offered by Senator MAGNUSON, myself and others, which the Senator from Louisiana (Mr. LONG) accepted.

The original amendment passed by the Senate made three changes in existing law:

First, it eliminated the 120-percent "off" trigger, that is, the requirement that insured unemployment remain above 120 percent of the average insured unemployment rate during the previous 2 years for the State to remain in the program.

Second, it eliminated the 120-percent "on" trigger requirement, that is, the requirement that insured unemployment must be at least 120 percent of the average during the previous 2 years for the State to qualify—or requalify—for the program.

Third, it eliminated the requirement that at least 13 weeks must lapse between the effective date of a State "off" indicator and a State "on" indicator.

Under the Senate amendment any State which has triggered out of the program because its rate of insured unemployment was less than 120 percent of the average insured unemployment rate during the provious 2 years, or because its current level of insured unemployment had dropped below 4 percent, could requalify whenever its insured unemployment rate rises again to reach 4 percent.

The Senate amendment would have helped 25 States to requalify or remain qualified to participate in the program.

The conference amendment removed only the 120 percent "off" trigger. This would help States which have or would have triggered out of the program solely because of the 120 percent requirement, that is States where insured unemployment has remained above 4 percent to requalify for the program. It would not help States in which insured unemployment drops below 4 percent at any time, such States will continue to be subject to both the 4 percent and the 120 percent "on" trigger requirement in order to requalify.

The following States would be helped by the conference amendment: Massachusetts, Michigan, Vermont, Alaska, Washington, Nevada, Rhode Island, Puerto Rico, and New Jersey. In each of those States unemployment has dropped or is expected to drop to less than 120 percent of the average during the previous 2 years, but not below 4 percent.

Among the States not helped by the conference amendment, that is those States such as New York where unemployment has dropped or is expected to drop below 4 percent and then climb back above 4 percent, are Montana, New York, Pennsylvania, Connecticut, California, Ohio, Louisiana, Oregon, Utah, West Virginia, Idaho, Hawaii, Arkansas, and North Dakota.

In New York the insured unemployment level just dropped below 4 percent last week. Because of seasonal factors statisticians are certain that it will climb back above 4 percent by January 15.

To permit New York and other States similarly situated it is necessary to eliminate the 120 percent "on" trigger as well as the "off" trigger.

Mr. President, I hope very much that an opportunity will be afforded to renegotiate this matter with the House. This is an elementary difficulty. In my State it affects 170,000 to 200,000 workers and tens of thousands of workers in all the other States that I have named. It seems inconceivable that this kind of discriminatory rule would be adopted.

I have no desire whatever to begrudge benefits to the nine States. I am delighted that they have it. But why deny it to the other 15? If it is equitable for the United States to go forward on this 50–50 sharing for the nine States, certainly it is equitable to go forward with the other 15, if their unemployment climbs back above 4 percent. Why discriminate against some? Either do not do it at all, which again would be inhumane, or do it for all those who are comparably affected. So that I hope very much the opportunity will be afforded, in respect of a vote on the conference report, to correct this situation.

Mr. FANNIN. Mr. President, I want to commend the distinguished chairman of the committee, the Senator from Louisiana (Mr. LONG), who has so capably handled this matter on the floor, and pay tribute to the outstanding services of the ranking minority member, the Senator from Utah (Mr. BENNETT), and other Senators who have given great assistance in placing this bill into the position where it can be considered properly.

The spending ceiling compromise worked out in the conference is vastly superior to the impractical and unworkable bill passed by the Senate.

As stated previously and so capably by the Senator from Utah (Mr. BENNETT), the $250 billion amount has been established both by the Senate and by the House.

But now let us talk about what could take place. I certainly commend the other members of the Finance Committee. The distinguished Senator from Wyoming (Mr. HANSEN) and I have worked on the statement here tonight which I will place in the RECORD, but I should like to comment on it first, regarding just what flexibility is given by the compromise worked out and which is before us now.

Under the Jordan amendment, the President would be required to make reductions of equal proportions in all reducible programs with a limit of 10 percent. If any programs at all were cut, the Senate version would require that the appropriations, even for the legislative branch, would have to be similarly reduced.

This appears to give the President a mandate to cut congressional salaries up to 10 percent—and that would mean the salaries of Members of the Senate in this Chamber also. That is not exclusive, but the mandate goes far beyond, I am sure, the original intent, so that it does not offer the flexibility. When we say that 20 percent is too much, the President can cut more than that today if he so desires. And he has the power.

We have not had all of these things happen that some of the Senators have said they were afraid would happen. He has not made wild cuts. However, he could have. It could be challenged if that were to happen. Senators talk about the constitutionality of it. However, over the years and under many Presidents this has happened.

If any programs at all were cut, the Senate version would require that the appropriations even for the legislative branch would have to be similarly reduced. This appears to give the President the mandate to cut congressional salaries up to 10 percent.

This is a very strange method of preserving the congressional prerogatives that we are concerned about in this legislation.

In effect, the terms of the Senate bill would limit the reduction in any program, even one of low priority, to the same percentage as could be taken from the most vital governmental function.

We could have something absolutely essential that should not be cut. It would be starving for funds. But it would have to be cut proportionately under the bill that the Senate sent to conference.

If a 10-percent reduction were needed in a large program to reach the $250 billion, the Jordan amendment would require a 10-percent cut in everything, including legislative appropriations.

The Jordan amendment is a meat-ax approach.

It does not take into consideration the fact that some programs would be crippled by a 10-percent cut, while others would not be damaged in the least due to the differing nature of various programs.

The Director of the OMB pointed out in our public hearings that any cut in the urban renewal appropriation would not affect spending—outlays—this fiscal year at all. Similarly, the 1973 impact of cuts in long leadtime procurement and construction appropriations would be very small.

On the other hand, a reduction of the same proportion in other programs could easily disrupt some of them. This is particularly true of small agencies which are not readily susceptible to cuts of a given percentage, such as larger ones can accommodate.

This does give flexibility. It is so badly needed. I think it is a good compromise. It is something that is workable and practical.

In many instances it only makes sense to cut programs either not at all or substantially. Some of them can be cut a small percentage without going all the way.

Most important, however, is the fact that the Senate bill with the Jordan

amendment makes it difficult if not impossible for the administration to hold Federal spending to the $250 billion limit.

We have heard estimates that Federal spending would be in the neighborhood of $257 billion this fiscal year unless the spending ceiling is imposed.

Let us look at former years. We have been talking about them. What happened? We have gone far over the actual amount. However, suppose that the Federal ceiling should be headed for $260 billion or more. We realize what would happen. I do not want to take extra time here tonight to cover the subject, because I think it has been very well brought out by the chairman of the committee and the ranking minority member of the committee who have illustrated, I hope to everyone's satisfaction, that this is a workable compromise that will aid materially in meeting a problem that we do face tonight.

The Senate bill recognizes that Congress has appropriated funds in excess of the $250 billion accepted in this legislation as allowable. It orders the President to rectify the mistake; then it imposes conditions which make it virtually impossible for the administration to do the job if we leave it on the basis it was in previously. I do feel that we have a workable solution. We have a serious problem. It was brought out publicly by Secretary Shultz that we must live up to our responsibility. He said:

> The fact is, we have got to change the whole way of thinking in every part of the government—not only in the Congress but in the Administration itself. The approach has to become, "fight, and keep spending under control."

I am not trying to say that the legislative branch is at fault, or that the administrative branch is at fault, or the executive branch is at fault. I am saying that we must all work together and realize that this is what we are up against.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, last Friday, October 13, I warned that it would be a wholesale abdication of congressional responsibility if we were to give up the power of the purse and permit any President to cut back or eliminate entire programs without congressional control. I suggested that where individual programs are cut more than 10 percent there is a policy decision involved. It relates to priorities of expenditure which should involve congressional review. Unfortunately, the Senate did not accept my amendment which would have permitted either House to override presidential spending cuts where they exceeded 10 percent of any budget item—of which there are estimated to be 1,500.

The Senate instead adopted the Jordan amendment which would have required a proportional reduction in spending for all programs which were not specifically exempted. I believe that this was not the best approach, since there is not a proportional amount of leeway in every program, and I can see no logic behind requiring a proportional spending reduction, and some programs are already cut to minimum subsistence levels.

While I strongly support the $250 billion limitation on spending, I believe that the better approach would be to give the President limited latitude to make budgetary decisions subject to a congressional override. Unfortunately, the conference committee has now adopted a solution that is no better than the Senate's mandate or the House's open ticket. The conference committee would permit the President to cut up to 20 percent within only 48 specified categories of programs and with only a few exempted areas. Within that 20-percent range, there would be no congressional voice at all. We entirely abdicate our responsibility for priorities.

What troubles me is the fact that these categories are so broad that entire programs could be eliminated without any congressional approval whatsoever.

I would like to ask the distinguished Chairman of the Finance Committee or the distinguished Senator from Utah (Mr. BENNETT) or any others supporting the conference report, if it is not true that under the conference report a President could entirely eliminate all military construction, and all Department of Defense research and development without any congressional approval whatsoever?

For instance, item 051 of table 15 lumps together defense items aggregating $75 billion. As I read the conference report, the President would be permitted to cut up to $15 billion from these programs provided he does not go below the $250 billion level. Am I not correct in assuming that the conferees would permit the President to eliminate all research development and all military construction without any further congressional authority or review?

Am I not correct in assuming that the President could entirely eliminate the funds for action in item 152 without any further congressional review whatever?

Under item 508 would it not be possible for the President to eliminate all funding for the Tennessee Valley Authority?

Under item 602 would it not be possible for the President to eliminate the entire budget of the Federal Trade Commission and the entire budget of the Securities and Exchange Commission without any further congressional approval?

Under item 602 would it not be possible for the President to eliminate entirely certain higher education programs? Is it possible for us to know at this time which programs will be cut back or eliminated entirely?

Under item 605 would it not be possible for the President to eliminate entirely all funds for the Corporation for Public Broadcasting together with all funds in that item under the legislative branch?

Under item 609 would it not be possible for the President to eliminate the entire budget of the National Labor Relations Board or the entire budget for the Equal Employment Opportunity Commission?

Is it possible for us to know which housing programs will be cut back and which may be eliminated entirely?

Under item 908 would it not be possible for the President to eliminate all law enforcement activities of the Department of the Treasury, together with the entire budget of the Commission on Civil Rights?

Let us take the area of agriculture. Under item 350, would it not be possible for the President to eliminate entirely the cotton allotment of $5.4 billion, and the entire cotton allotment is only $8.20 million.

Mr. President, the conferees are apparently willing to set a precedent that the executive branch can on its own entirely do away with programs or even agencies which have been carefully established through the legislative process. I am disturbed that such a serious erosion of congressional power would be proposed. The conferees apparently forget the bitter struggle between the English Parliament and the King over precisely the powers which we are now asked to give up.

The Senator from Delaware stated this arises from default of action by the legislative branch, and I agree in that conclusion, but is this an excuse to turn it over to the executive branch? This would be blaming the Senate for a dictatorial takeover by that branch. As the Senator from Delaware said, it is trying to get a handle on the situation, but the handle should be our handle and not the handle of the executive branch, and this conference report does not meet that objective.

The Founding Fathers of our country knew how important it was for the legislative representatives of the people to have control over our Nation's spending. Article I, section 8 of the Constitution provides that:

> The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

And article I, section 9 provides that:

> No money shall be drawn from the Treasury, but in consequence of appropriations made by law.

I for one am not willing to subvert this constitutional power.

We should also consider the fact that this legislation will probably be renewed and in future years will lead to "over appropriating" by the Congress in anticipation of budgetary cuts to be made by the President pursuant to this authority. This would be a most irresponsible practice but one which would almost be inevitable under this precedent as Members of Congress attempt to protect their pet projects.

Finally, we should recognize that every President engages in a certain amount of congressional arm twisting in an attempt to secure passage of measures favored at the White House. This is true of every administration. Do we want to permit a president to augment his already formidable powers by threatening to hold up public works projects in a Member's district if he does not support a given piece of legislation? This too would entirely subvert the separation of powers and make the Congress extremely vulnerable to the executive branch in exercising its legislative judgment.

The conference report in my judgment is an ill-conceived and dangerous distortion of our separation of powers and I shall therefore vote against it.

Several Senators addressed the Chair.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. The Senator reminds me of his father. It was always his position that we have a function to play. The comments of the Senator are very appropriate, and I associate myself with what he said.

Mr. LONG, Mr. BENNETT, and Mr. JAVITS addressed the Chair.

Mr. LONG. Mr. President, I ask that I might yield to the Senator from New York without losing my right to the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I, too, feel the whole heritage of the family of the Senator from Ohio brings him to this point. I think the Senate should take note of what he says on this subject with the utmost sincerity.

I would like to say for myself that one of the things that deeply troubles me, and we are not oblivious to history, is that emphasis has all been on cutting, but cutting what? Of this budget $78 billion is for defense, and the President's proposal has been to add $4 billion to defense, not cut it.

The Senator from Rhode Island (Mr. PASTORE) is correct about cutting it $5 billion.

Mr. LONG. Mr. President, I thought I was yielding so the Senator could compliment the Senator from Ohio.

Mr. JAVITS. The Senator from Ohio has the floor.

Mr. LONG. No, I have the floor.

Mr. TAFT. Mr. President, I ask the Chair if I have the floor.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. LONG. I thought I had been recognized.

The PRESIDING OFFICER. It was the fault of the Chair. The Senator from Ohio was still on his feet.

Mr. LONG. The Senator said he yielded the floor.

Mr. TAFT. The Senator is not correct. I did not yield the floor.

Mr. JAVITS. It does not matter. I will only take 1 minute. My only point is with respect to the defense appropriation. This is in the minds of many Senators. One-fourth of the $250 billion is involved in the Defense Appropriation and couple that with the fact that certain spokesmen for the administration have talked about how manpower training programs are to be affected or dismantled, and these are things that worry us. That is why this is not the previous case. Every case has its own history. So I think the words uttered by the Senator are very important to us all. I compliment the Senator on his speech.

Mr. TAFT. I thank the Senator. The point is that if we are to grant this power it should be only on line items so we keep some control. With respect to giving this broad power, many Members of the Senate are not here tonight and may not realize there is involved the authority to cut deeply many of the programs involved. I think the Senator should understand that before they vote on this measure tonight.

Mr. LONG. Mr. President, the Senator from Louisiana was here in 1968. Lyndon Johnson was President. At that time we debated about the battle of Runnymede. I was one of those who voted against this spending limitation on any basis at all. I was one of the 14 Senators that voted against the conference report when it came back.

I appreciate all the fears that have been expressed, but we have had experience under a spending limit. I regret to report, the only way in recent years we have been able to get spending under decent control is by spending limitations where you call upon the President to cut back. Look what happened to the budget deficit over the years. Starting in 1964 and 1965, with the Vietnam war, it built up to around $3.7 billion, then $8 billion, and then $25 billion. So with a $25 billion deficit in 1968 Congress said we must act. I did not like the idea of that spending limitation, but the President was demanding a tax increase and Congress was reluctant to go along with it. Finally it was proposed here by the Senator from Delaware, Mr. Williams, and the Senator from Florida, Mr. Smathers, a Republican and a Democrat, that the only way to get this under control is to vote a tax increase on one hand and a spending limitation on the other hand.

We voted a tax increase of about $8 billion. On that same bill we placed a spending limitation that required the President to cut back by $6 billion. The Senator from Louisiana was one of those Senators who did not like the presidential cut without it being specified where he was going to make the cut. I voted against the conference report. Here is a list of those who voted with me against the conference report, and here are the 53 Senators who voted for this kind of spending cut. At that time the deficit was $25 billion. That is what President Nixon is projecting this year, a deficit of $25 billion with the spending ceiling, and we are faced with a deficit of $31 billion without it. Then, in 1968, it was the Senator from Louisiana who should have been making speeches with respect to Runnymede and King James.

The Senate decided to make the President cut $6 billion. That is about the same figure $6 billion—that this President would like us to ask him to cut. So we asked President Johnson to cut $6 billion. The Senator from Louisiana did not want it, and President Johnson did not want it, but here are the Senators who voted for it: Senators AIKEN, ALLOTT, BOGGS, BROOKE, BYRD of Virginia, Carlson, CASE, COOPER, CURTIS, Dirksen, Dodd, DOMINICK, EASTLAND, ERVIN, FANNIN, FONG, Gore, GRIFFIN, HANSEN, Hickenlooper, Holland—one of the great moderate-conservative Senators—HRUSKA, INOUYE, JACKSON, JAVITS, JORDAN of Idaho, Kuchel, MANSFIELD, MCCLELLAN, MCINTYRE, MILLER, MONTOYA, Morton, Moss, MUNDT, Murphy, MUSKIE, PEARSON, PELL, Prouty, RANDOLPH, Russell of Georgia, SCOTT, Smathers, SMITH, SPONG, STENNIS, SYMINGTON, THURMOND, TOWER, Tydings, and Williams of Delaware.

They all voted to do that. I was against it. I did what I could against it. I am sorry it did not occur to me to make a speech about Runnymede. If I had, perhaps I would have prevailed on the Senate to do what I wanted.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. Did I vote?

Mr. LONG. I regret to say the Senator was not voting on that occasion.

Mr. PASTORE. Take another look at it.

Mr. LONG. The Senator was one of those not voting.

Mr. PASTORE. That is right. So PASTORE will not be repeating any mistake, will he?

Mr. LONG. No, Senator, but——

Mr. PASTORE. And if I had been here, I would have voted against it, as I am going to vote against it tonight.

Mr. LONG. That is not how the Senator voted on the conference report, as important as the Battle of Runnymede was. I even voted against the conference report, but apparently the Senator did not know that the Battle of Runnymede was involved in it.

Mr. PASTORE. Will the Senator yield further?

Mr. LONG. That is what we are debating now—the conference report.

Mr. PASTORE. Will the Senator yield?

Mr. LONG. Yes.

Mr. PASTORE. Is the Senator's logic that if we made a mistake in 1968 we should repeat it in 1972? Is that what he is trying to tell us tonight?

Mr. LONG. All I am saying is that is what we did in 1968——

Mr. PASTORE. That we should do it again, right or wrong?

Mr. LONG. Let me complete my sentence.

Mr. PASTORE. All right. I want to help the Senator out a little bit.

Mr. LONG. I want to help the Senator from Rhode Island. All I said is that when we did that in 1968, we changed from a deficit of $25 billion, which many people, including President Johnson, thought would impair the fiscal integrity of this country and its stature around the world and cause inflation. That is why President Johnson signed it. When we did that we changed from a unified budget deficit of $25 billion to a $3 billion surplus in the following year. That was a year when President Johnson was President part of the year and President Nixon was President a part of the year.

But that is the last surplus we had. I regret to say that is the last surplus, even in the unified budget. There was a small surplus in 1960. Since that time we have had enormous deficits. In 1971 it was $23 billion. In 1972 there was an estimated deficit of $23 billion. In 1973 the estimated deficit is $25 billion.

These are enormous deficits that would cause anyone to have his confidence in the solvency and the ability of this country to maintain its purchasing power and maintain its position as a leader of the free world left very much in doubt.

It is because of that that we have a President coming in here and asking us to impose on him the same thing that we put on Lyndon Johnson. The only difference is that Lyndon Johnson was not asking for it and this President is asking for it. That is the difference, save

this: Because there are people who feel there should be restrictions on the President, we have proposed that the President be so limited that we would look at 50 budget categories and undertake to say that he would not make more than 20 percent cuts in those 50 budget categories.

Look at what some of those are. Let us take the program for water resources. That is a $3.2 billion program. Under this conference report, the most the President could cut that program would be a little over $600 million, leaving about $2.5 billion in the program.

The way that Congress did it in 1968, with an overwhelming vote of 64 to 16 on that conference report, was to give President Johnson authority to eliminate the whole $3.2 billion. All the President could cut according to this conference report would be about $600 million.

Then look at water transportation, $1.2 billion. About all he could cut would be $240 million. They would have $1 billion left. With what we put on President Johnson, he could have eliminated all of it.

Air transportation, $1.668 billion. With the authority President Johnson had, he could have gone ahead and eliminated everything for air transportation.

So it goes item by item.

By comparison with what Congress voted for by an overwhelming vote in 1968 to get the budget under control, President Johnson was given authority to eliminate whole categories, whereas we would give the President authority now to make only 20-percent cuts.

It may be that Congress does not want to authorize the President to make any cut at all, but I want to say this: This is the only thing that has been proposed to get the genie back inside the bottle and try to get the deficit down to some manageable proportions.

As chairman of the Finance Committee, this is not ordinarily a matter of our jurisdiction. I would be pleased to have the Appropriations Committee take jurisdiction of this item. As far as I am concerned, it ought to be in the Appropriations Committee, not in the Finance Committee. When it was put in our bill in 1968, I was against it. I was not for putting it on this bill, but will find it here. The Senate insists that we accept this jurisdiction, and we will do the best we can. I was against the spending limitation as it came to us.

But, as the Senator pointed out, the $250 billion limit was not in conference. That is in the Senate bill. It is in the House bill. We have here as much as it was within the power of this Senator to get the conference to agree to.

Mr. BENNETT. Mr. President, will the Senator yield for an observation?

Mr. LONG. I yield.

Mr. BENNETT. When we were voting Friday night, the Senator from Oregon (Mr. PACKWOOD) gave us the opportunity to vote against giving this power to the President. His amendment would have removed the President's power to cut spending down to $250 billion, and the Senate rejected it.

Mr. LONG. Furthermore, I am going to offer the amendment myself, if this conference report fails, to strike that $250 billion as the remaining amendment, because the Senate should not be blowing hot and cold. The administration informed us about 50 times in conference that they did not want the Jordan amendment. They would rather do without anything and leave the President the power to impound, which Presidents have done on other occasions, and do the best they can with that. They do not want this. They think they can do what needs to be done without this. It is far more restrictive than we put on President Johnson. If Senators say they want it cut, but only on the ground that they provide the categories, the President is not going to accept that. He is going to try to comply with this proposal. Beyond that point, forget about it.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. The thing that disturbs the Senator from Rhode Island is the argument made tonight that just because we made a mistake in 1968 we should repeat it in 1972.

Mr. LONG. I do not think it was a mistake. I am not sure it was. That was the only balanced budget we had.

Mr. PASTORE. The Senator has argued that because we did it in 1968, no matter how we feel about it, we should do it again. So I do not care what terminology is used, it amounts to the same rationality. Had the Senate come back and said, "Look, we made it 10 percent and it comes out of conference with 20 percent," we could vote it up or down.

The one thing I do not like is the argument the Senator is making that just because it happened in 1968 under President Johnson it should happen in 1972 under President Nixon. It was made clear—I think the Senator from New York make it emphatically clear—that because we had gone along with the Jordan amendment, we would insist in conference that the conferees adhere to the Senate position.

Now, maybe that was impossible. I have been in conferences before, and it is a give and take. The position we are taking here tonight, it strikes us, that with this 20 percent—the Senator enumerated some big items like sewers and things of that kind, where we are appropriating in the billions of dollars, and when you cut out $600 million that may not be a significant amount. But when you take out 20 percent of programs like housing for the elderly, you might as well not have the program at all.

If the Senator is arguing that is the best they could do, and we either take it or leave it, that is one thing. On the other hand, if he is arguing that he justifies what the House compelled the Senate conferees to agree to on the ground that because we did it in 1968 we should do it again in 1972, I am afraid I cannot subscribe to that kind of rationale.

Mr. LONG. Mr. President, I do not concede that it was a mistake in 1968. I would think that logically I have a better right to say it was a mistake to do it in 1968 than someone else, because I voted against it in 1968, and I voted against it this time. But what I am saying is that this has been done before, there is a precedent for it, and what we are bringing back from conference is much more severely limited authority than what was given in 1968. I know it is more severely limited, because the conferees asked us for the elbowroom they thought they needed and we turned them down 50 times, at least. They felt that if they had to be limited at all, it should be in about 12 broad categories, where we limited them in 50. So, we limtted them four times as much.

I want to make just one more point which I think our Democratic colleagues should consider; and this was the viewpoint of Representative MILLS in the conference. In State after State in this Union, Democrats will be running where Mr. Nixon will be doing quite well, indeed. If I were running in those States, I would want people to know I would work with a Republican President if the people saw fit to elect a Republicant President. I know when President Eisenhower was President, we gained Democratic seats in that way, even though Eisenhower was enormously popular at that time.

If Senators who voted to give President Johnson far more authority than this want to take the view that they will not give President Nixon one quarter of the authority they gave President Johnson, then, Mr. President, I think they are making the issue and, whether they like it or not, they will have to live with it. They are not willing to give President Nixon one quarter of the authority to cut budgetary items that they were willing to give President Johnson, and they are making the case for the President that he has to have a Republican Congress in order to have some cooperation to bring under control the irresponsible spending which has given us a budget deficit of $100 billion in 3 years.

I would think that would be a very, very foolish thing for Democrats to insist on doing. If they want to make that record, they can, but it seems to me that when the President is saying he wants to make some reduction, but he is asking for no authority other than what we gave President Johnson, and is willing to settle for one-quarter of that, Mr. President, it would seem to me, would be an unwise thing to turn him down on that, particularly on this side of the aisle.

Mr. BENNETT. Mr. President, I would like to respond for a moment to the inquiry of the Senator from Rhode Island. This question of Runnymede and Lyndon Johnson never came up in conference, because the amount was not in conference. The thing we faced in conference was the demand of the House of Representatives that the President have the power with no limitations, which was their proposal. Ours was that anything he spent had to be spent proportionately, which provided that the President had no leeway.

How do you find a point in between? We struggled all day long. We felt, as the chairman has explained over and over again, that this was the only practical way in which we could impose some limits, because these classifications are the standard classifications in the budget

outlays. We are dealing with fixed items or fixed areas, and it seemed to me that that was the only way we could come in between.

So what we are voting on tonight and what the House of Representatives has already accepted is this practical accommodation or compromise between the idea of absolutely no limitation and the amount of limitation that was required by the Senate position.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. PASTORE. Now we are beginning to sing a different tune. If the Senators take the position that this was the best they could do in conference, then it is up to the Senate whether or not to accept it or reject it. But this idea that because it took place in 1968 it has to be repeated again in 1972 is an argument I do not think is relevant to the issue, and that is all I have heard here tonight, that "You Democrats should be doing this for Nixon because you did it for Johnson."

That is not the question here. I am perfectly willing to admit, though I was not here at the time—frankly, I was at Bethesda ——

Mr. BENNETT. So was I.

Mr. PASTORE. I could not be here to vote. But that is apart from the question. The question here is a matter of whether or not the function of the Senate and Congress are being impinged upon by the administration. That may be necessary as an emergency measure; I am not disputing that. It is true that we have limited the spending to $250 billion; that is absolutely correct. But the formula, of course, is not acceptable to some Senators, and that is the reason we feel the way we do.

I think myself it is a very simple matter. I think we all understand it and ought to put it up to a vote either for or against it, and let us see how the river flows.

Mr. BENNETT. May I explain to the Senator from Rhode Island how this all got started? I was not on the floor, but one of our Democratic colleagues made a long speech saying this was absolutely the first time that this kind of power had ever been given to a President, that this was a historic event, and we were about to break all precedents and all records. We had to tell him this was not the first time; but once we got on that theme, somehow we could not get off it.

I agree with the Senator from Rhode Island that we did the best we could in conference to find an accommodation between the two positions. We did not discuss this kind of business. And what the Senate has before it is the best solution that both sides of the conference working together, trying to solve the problem, could come up with, and we offer it to the Senate as the best possible solution.

Mr. TAFT. Mr. President, will the Senator yield for a question?

Mr. BENNETT. Yes.

Mr. TAFT. I would just like to ask the Senator, to make sure there is no misunderstanding about this, with regard to the power of the President under this 20-percent limitation, as I understand it, the amendment that was passed by the Senate the other night imposed a 10-percent limitation on expenditures. The amendment I proposed would have imposed a 10-percent limitation on expenditures as applied to individual budget items, of which there are 1,500 or more in the budget. This item that has come from conference applies this 20-percent cut on any one of just 48 items, so very much less power is given. To correlate the 20 percent and the 10 percent seems to me to be beside the point.

Take, for example, the housing for the elderly, which the Senator talked about the President cutting out. If the President wanted to, under this conference report, he could entirely wipe out the housing program for the elderly. The total of the items in that category amounts to billions of dollars, but the housing for the elderly is only $22 million. I do not think the Senate ought to be under any illusion as to the nature and the extent of the power they are giving under schedule 15–1; there is a tremendous lumping of items involved. The comparison of 10 percent and 20 percent is really beside the point. This is really an open door, with a slight limitation on a few items, instead of a completely open door, which I think would have been an even greater mistake.

Mr. BENNETT. In the course of the discussion, several things became evident. First, these uncontrolled programs, these things that cannot be cut, run all the way through the program. The second thing is that if we say to the President he has got to cut every item, it will take us back to the debate the other night, which was that we were giving the President an item veto, and that was not our intention.

Mr. TAFT. Is that not for all intents and purposes what has been done here?

Mr. BENNETT. No.

Mr. TAFT. Is not the size of the category, which is not so great, that for all practical purposes an item veto has been given?

Mr. BENNETT. I will finish by saying that we gave President Johnson this power, and he did not cut out anything. He did not destroy the system of government, and President Nixon is not going to destroy the system of government. So what is possible theoretically and what is politically possible and wise are two completely different things.

Mr. President, I think we should vote.

Mr. STEVENS. Mr. President, I have been listening to this debate. I should like to ask one question and follow up something that the Senator from Utah just said.

We know that in certain areas, such as the impact aid funds, the Office of Management and Budget and the executive branch have for years tried to reduce these funds, and Congress has traditionally restored them. We restored them again this year.

As I understand it, when we passed the HEW-Labor appropriation bill, we had a special formula attached to that bill. It was a 3 percent overall reduction, with not more than 13 percent on any item. When this bill previously passed the Senate, the distinguished Senator from South Carolina (Mr. HOLLINGS) attached an amendment to this bill which would have prevented the double impact of a reduction.

As I understand the situation now, the President, when he signs the HEW bill, has the power to reduce any item 13 percent; and this bill would again give the power to reduce it 20 percent, and that would lead to a 33-percent overall cut in the health, education, labor, welfare field.

The Senator from Utah, as I recall, when the Senator from South Carolina offered that amendment at the time the bill was before the Senate, previously agreed with him that that was not the intention of the Finance Committee. Yet, I note that the Senate receded from that amendment and it is no longer in the bill. Is that correct?

Mr. BENNETT. That is correct.

Mr. STEVENS. I have an amendment prepared in the event the conference committee report is adopted, and I am inclined to think the Finance Committee has done the best job it can. I intend to offer that amendment at the time the motion is made to concur, if the conference report is approved.

Could we have some understanding as to why this redundant power to cut the HEW-labor field was retained in the bill?

Mr. BENNETT. The Senator is not on the Appropriations Committee; but, as he remembers the discussion in the conference, it was pointed out that this power to cut 13 percent was in fact the power to cut down to the lowest level of the appropriations suggested by the two Houses. They took a figure higher than the lowest level—I do not remember whether it was the House or the Senate that was lowest—and then provided that this 13 percent could be used, which would only bring it down to the lower of the two levels that had been adopted.

So, under the circumstances, the House said, "Well, this is superfluous; we won't take it." So we had to give it up.

Mr. STEVENS. I ask unanimous consent to have printed at this point in the RECORD the statement of the committee on conference of the Labor-HEW bill, and I will be pointing this out later.

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

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 16654) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1973, and for other purposes, report that the conferees have been unable to agree.

Disagreement to the amendment of the Senate is a technical matter. The rules of the House prohibit the managers on the part of the House from agreeing to an amendment of the Senate that would have been subject to a point of order if it had originated in the House. The amendment of the Senate clearly would have been subject to a point of order. The amendment struck out all of the text of the House bill and substituted therefor the exact text of H.R. 15417, the vetoed Labor-HEW appropriation bill for fiscal year 1973,

with one additional section which reads as follows:

"Section 409. Notwithstanding any other provision of law, the President is authorized to withhold from obligation and expenditure from the amounts contained in this Act, such sums as he may deem necessary; however, the amounts withheld shall not cause the total available for obligation to be less than $29,603,448,500 in the aggregate for the appropriations made herein: *Provided*, That no amount specified in any appropriation provision contained in this Act or any activity within such appropriation may be reduced by more than 10 per centum: *Provided further*, That the amount available for obligation for any appropriation provision determined pursuant to this section shall be substituted for the amount for such appropriation provision contained in this Act and for the application of any formula for the distribution of funds."

The managers on the part of the House will offer a motion to recede and concur with the Senate amendment with an amendment which will have the effect of (1) changing the sum of $29,603,448,500 to $29,300,000,000, (2) changing the percentage figure from 10 to 13, and (3) limiting the use of funds contained in the bill for operation and maintenance of schools in Federally impacted areas to the entitlements based on the number of so-called "A" and "B" children. The funds were so limited in the House bill. The managers on the part of the Senate will move to agree to the amendment of the House to the amendment of the Senate.

The managers on the part of both the House and the Senate agree with the statement in the report of the Senate Committee on Appropriations and the Joint Explanatory Statement of the Committee of Conference on the vetoed bill, H.R. 15417, that it will be expected that such funds as are necessary, from the funds included in the bill for school construction under P.L. 815, will be used for urgently needed facilities at Holloman Air Force Base, New Mexico.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1973 recommended by the Committee of Conference, with comparisons to the fiscal year 1972 amount, the 1973 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1972	$27,396,058,000
Budget estimates of new (obligational) authority, fiscal year 1973	28,767,633,500
House bill, fiscal year 1973	29,603,448,500
Senate bill, fiscal year 1973	[1] 30,538,919,500
Conference agreement	[2] 30,538,919,500
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1972	+3,142,861,500
Budget estimates of new (obligational) authority (as amended), fiscal year 1973	+1,771,286,000
House bill, fiscal year 1973	+935,471,000
Senate bill, fiscal year 1973	

[1] Section 409 of the Senate bill authorizes the President to reduce the total amount of the bill to $29,603,448,500.

[2] Section 409 of the bill will authorize the President to reduce the total amount of the bill to $29,300,000,000.

Mr. STEVENS. It is my understanding that this is a defect in this bill, that it is theoretically possible to exercise this authority twice—once in the obligational authority and once on the expenditures. I do not think we should leave it in that situation. If the conference committee report is adopted—I have discussed this with the chairman and the ranking minority member of the Subcommittee on Health, Education, and Welfare appropriations, and it is something that Senator HOLLINGS would do if he were here—I intend to try to raise it again. I feel that it should be raised again if the conference committee report is adopted.

Mr. LONG. My understanding is that the cut to which the Senator refers is on the obligational authority, and the reduction that is proposed here is on the spending authority. So that they are two different things. Item 601 is the item which I suppose is the nearest to what the Senator has in mind and probably includes it. That would be elementary and secondary education, $3.619 billion and the reduction under this proposal that could be made would be about $720 million, leaving about $3 billion in that category.

Of course, whether the conference report is agreed to or not, there is an amendment which was taken by the House in disagreement. It deals with the unemployment insurance issue. If the bill survives, that amendment would be subject to amendment, and the Senator could offer his amendment to that provision.

Mr. STEVENS. That is my intention.

I point out that section 409 of H.R. 16654 provided:

Notwithstanding any other provision of law, the President is authorized to withhold from obligation and expenditure from the amount contained in this Act . . .

So there is a redundant authority, and there should be no mistake that we are only intending to give the President the power to cut once; and so far as I am concerned, it is to cut the HEW bill under the terms of the HEW bill and not under the terms of this bill.

Mr. MAGNUSON. I say to the Senator from Utah that we dropped the figure to a lower figure. We had 10 percent in the Senate bill. That added up then to 13 per cent in these items. They are mainly in education items, and that is what the problem is.

A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. If the conference report is not adopted, what will then be the pending order of business?

The PRESIDING OFFICER. The Chair will lay before the Senate the amendment reported in disagreement.

Mr. MAGNUSON. Which would be amendment No. 10?

The PRESIDING OFFICER. Amendment No. 10.

Mr. MAGNUSON. That is the unemployment compensation. Would that then be subject to an amendment?

The PRESIDING OFFICER. The Senate could concur with an amendment, if the Senate so desired.

Mr. MAGNUSON. So the Senator from Alaska would have a chance to clear up this matter, so there would not be 33 percent; and other Senators might want to offer an amendment to amendment No. 10.

Mr. JAVITS. I would.

Mr. MAGNUSON. I understand that that is the parliamentary situation.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. As I understand it, the amendments may only be in the first degree. Is that correct?

The PRESIDING OFFICER. It would be amendable in two degrees.

Mr. JAVITS. With that, Mr. President, is it also appropriate to state that there may be a series of amendments, that it is not limited to one amendment?

The PRESIDING OFFICER. The Senator is correct. The motion to concur is not put until all the amendments are disposed of.

Mr. JAVITS. And what is the nature of the debate on those amendments? Is that limited?

The PRESIDING OFFICER. Unlimited debate.

Mr. NELSON. Mr. President, I have heard the arguments. I agreed with and supported the proposal that was adopted in the Senate. I disagree with the conference proposal.

The Senate passed a spending limitation of $250 billion. It authorized a formula for reduction which went as far as it was possible to go without, in fact, delegating power to the President that is reserved for the Congress by the Constitution.

That provision required a proportional cut—except for noncontrollables, interest on debt, and so forth—for all agencies with adequate flexibility for larger cuts—up to 10 percent—from programs and functions within each agency.

This was a rational, workable proposal which respected the priorities established by Congress and approved by the President, while at the same time preserving congressional control over the appropriation process pursuant to the Constitution.

The White House rejected this proposal out of hand. All Saturday afternoon and late into Saturday night, White House representatives and Cabinet level officials were lobbying all over the Capitol to knock out the Senate proposal and give the President dictatorial control over the appropriations and spending process. It is a mind-boggling prospect to contemplate what utter contempt this administration has for the Constitution and the Congress. Even worse to contemplate has been the supine docility of the Congress itself over the years in the face of direct and arrogant challenges to its constitutional authority.

If Congress approves the Conference agreement, it will have authorized the President to cut 20 percent from all or any of 50 enumerated categories and within each category eliminate whole programs which have been debated, authorized, funded, passed by the Congress, and approved by the President. At no time has the administration been willing even to suggest to Congress where cuts might be made. They want to reserve those decisions to a small clique who will meet in a room in the White House and legislate for the whole United States. This is not the constitutional process of veto followed by a debate and

vote in the Congress. It is, purely and simply, government by fiat.

The October 17 Washington Post editorial clearly summarized the issues raised in the compromise ceiling proposal. The Post editorial stated that the proposal would "derange fundamentally the constitutional balance of powers" that it "would require a vast new centralization of fiscal power in the White House" that "A vote for the ceiling in the compromise form, is a vote for a historic shift of authority from Congress to the White House."

The Post is correct, and I will not support any proposal that further enhances Presidential power or erodes the constitutional authority.

Most ironic of all is the presidential posturing as a fiscal conservative while charging Congress with fiscal irresponsibility. The fact is that the budget deficit is part of the President's economic game plan. He designed it. He recommended it. He pushed it through Congress and defended it as a "full employment budget."

The President defended his full employment budget with the argument that while the budget appears to be unbalanced it really is not, because if we had full employment the budget would, in fact, be balanced and, therefore, there is no real deficit.

The fact is that the budget increases have resulted from Presidential recommendations and legislation signed by the President. Furthermore, the President's budget carried a whopping $26 billion deficit when he recommended it last January.

The public is entitled to know the facts. His recommendation is for a $250 billion spending ceiling which will require a $6 or $7 billion cutback. In the past 12 months alone, the President has recommended and pushed through Congress two proposals which are costing the Treasury $17 billion a year.

The first was a tax reduction of $11 billion last year despite a $23 billion deficit in fiscal 1971. This measure is costing the Treasury $22 billion during fiscal 1972 and 1973 and $10 billion a year thereafter.

Second, the President pushed a revenue-sharing bill through Congress while refusing to support the funding of it with Federal taxes. This measure will cost the Treasury an average of $6 billion a year for the next 5 years, just about exactly equal to the amount he now wants to cut. It is fair to ask just who has been fiscally irresponsible.

There were a number of us who voted against both measures. I was one of those. If the President had followed our advice, the spending level would be some $10 billion below the $250 spending ceiling he is now asking for.

The public should not be fooled by the President's charge of fiscal irresponsibility on the part of Congress.

Mr. McGOVERN. Mr. President, in recent days I have spoken out time and again against the spending limitation as it is embodied in the bill before the Senate. It represents an unprecedented extension of Presidential power, in defiance of the Constitution. And it exposes an elaborate deception being played by the administration at the expense of the Congress and the voting public.

The President has always claimed the power to withhold funds—including some $12 billion that is now impounded. Members of this body have always resented that Executive practice. The Congress has appropriated funds which it deems important, to accomplish desired policy ends. And time and again, the Congress has seen its will circumvented by an Executive that wields a heavy hand in the budget office: Refusing to spend moneys that have been appropriated, in effect using an item veto power he does not have, to kill badly needed appropriations.

Yet Mr. Nixon is now insisting on full congressional sanction for the arbitrary and socially disruptive budgetary license employed for 4 years.

The "power of the purse" is one of those powers which helps to maintain the delicate balance on which our system rests. For the Congress to relinquish that authority now, in the face of Executive blackmail, is to place ourselves in the position of adopting a domestic Gulf of Tonkin resolution, after we have long since seen it as a disaster in foreign affairs.

Let me draw attention to just two of the many program categories which would be affected by the language of this bill before the Senate: Health services and food assistance programs. And remember that granting the President the authority to reduce funds appropriated in any given category of the Federal budget by as much as 20 percent may result in a far less equitable reduction than we might hope.

Categories Nos. 651, 652, and 653 of the Federal budget affect our Federal health programs. These categories include all of our support for the entire National Institutes of Health complex, health manpower, the construction of health facilities, family planning services, and the occupational health activities so important to our workers, the community health, the maternal and child health services being supported in 50 States, centers that serve our urban areas, and a wide range of health-related activities, such as those which provide grants for the treatment and rehabilitation of alcoholics and narcotics addicts.

Category No. 652 alone includes virtually all of the money for nutrition-related services in the Federal budget: Services for mothers and children—reported through State departments of health—and money for nutrition services under the Center for Disease Control. Yet that same category, comprising some $15 billion in obligational authority, also includes the funds for medicare and medicaid, which cannot be touched according to the terms of this act.

The question very quickly becomes, Will a 20-percent reduction in category No. 652 end HEW's involvement in nutrition? Or will it eliminate the maternal and child health services projects which the President was content to allow expire? Will it eliminate family planning services for poor families? The services being provided for community mental health services? For migrant health? For the urban health centers?

Each of these programs exists because there is a demonstrated need, and each serves a constituency not otherwise served, whether that constituency is our State departments of health or our urban poverty neighborhoods. I, for one, am reluctant to tell the President that he may freely cut $3 billion worth of health services programs, many of which are providng the only health care available to poor families around the country. I am particularly reluctant to allow the President that choice when $3 billion represents nearly one-third of the total amount of funds available for such health services. Health care is uncertain enough today and particularly in the lives of America's poor; they cannot afford to make do on two-thirds of the inadequate services now available.

Where food assistance programs are concerned, virtually all of the Federal food and nutrition programs not in HEW are covered under Federal budget category No. 702. Within that category we find some $4 billion worth of Federal food assistance: Food stamps, donated foods, school lunch and school breakfast programs, and special child nutrition programs for the infant, the preschool youngster, and the urban child during the summer months. These are programs which the Congress has consistently supported, and over the years, expanded. These programs are at the heart of this Nation's fight against hunger, and they have laid the groundwork for improved nutrition for all our school-age children. The growth of these programs in recent years has been impressive, and I believe laudable. As chairman of the Select Committee on Nutrition and Human Needs I have felt a particularly keen interest in the future of these programs.

Now, we are told, the President is to have the authority to reduce by 20 percent the funds made available for food assistance, out of any of the programs within that category, as he chooses; $800 million is one-fifth of $4 billion. It is also comparable to two-thirds of the entire school lunch program; or, more than one-third the value of the entire food stamp program; or, the value of the entire school breakfast, supplemental foods, and all free and reduced price lunches combined.

My reluctance to allow the President free rein in reducing these food assistance programs is not without cause. Earlier this year we discovered that some $400 million worth of appropriated food stamp funds had been withheld by the President, and another $300 million out of the child nutrition programs had met the same fate.

This $800 million worth of hard-won food assistance ought not to be lightly given away. The fight against hunger is far from over. It will be dangerously curtailed if we allow it to be arbitrarily reduced by 20 percent.

There are, of course, other programs that will be as severely affected as these. But I believe that the risk to these two areas alone—health services and food assistance, is serious enough to demand defeat of this spending ceiling.

Mr. PERCY. Mr. President, I intend to

vote for the report of the conferees on H.R. 16810, dealing with public debt limitation and a limitation on Federal expenditures.

This is a difficult decision for any Senator who believes, as I do, in the necessity of a spending ceiling, and who voted, as I did, for the Jordan amendment as a proper limitation on the executive's use of the power that is conferred in him by this bill.

In my own case I support the conference report because it does provide a number of exemptions from cuts, and it does provide a basic limitation on the extent to which the President can cut any major grouping of programs. These limitations on the President's authority are already greater than in any of the three previous grants of such power to the President.

My support for the conference report is in line with my record of strong support for such measures beginning with the expenditure ceiling enacted for fiscal year 1969. I also voted this spring, with a majority of the Members of this body, for the Roth amendment. This amendment put an expenditure ceiling on fiscal year 1973 outlays of $246.3 billion, and placed no rein on the President's freedom to cut in any category not specifically exempted. May I remind my colleagues that this amendment passed this body by a vote of 53 to 30 on March 7 of this year.

It would be useful to describe briefly the effect of the conference compromise. It permits the President to cut no more than 20 percent from any revised budget estimate for any outlay for any numerical functional category which is listed in table 15 of the summary budget of the U.S. Government for fiscal year 1973. In this context budgetary outlay means expenditures plus net lending.

Table 15 of the budget is a listing of budget outlays in broad functional groupings. For example, programs for the "conduct of foreign affairs" are grouped in category No. 150. In this category are funds for the Department of State, $470 million; the Arms Control and Disarmament Agency, $10 million; the Foreign Claims Settlement Commission, $1 million; and the Tariff Commission, $6 million, a total of $487 million initially estimated for fiscal year 1973. Table 15 contains 75 such numerical functional categories in all. Of these, items related to interest, veterans benefits and services, payments from social insurance trust funds, medicaid, public assistance maintenance grants, social services grants, food stamps, military retirement pay and judicial salaries are exempted under the terms of the Jordan amendment and under the conference substitute. A shortcoming in dealing with table 15, however, is that it is not nearly detailed enough to give an accurate idea of the programs actually contained under the listed numerical categories. This presents a real difficulty in analysing the effect of the conference substitute.

Under the conference report, the President is entitled to cut a total of no more than 20 percent from his 1973 budget estimates as revised in any numerical category contained in table 15 of the summary budget. To obtain the 20-percent reduction, the President may cut any separate amount or amounts listed in that numerical category by an amount sufficient to obtain up to a 20-percent reduction in the total for the numerical category, or in the case of category No. 150, roughly $97 million. This means, hypothetically that one or several items within a category would be cut to zero.

The conference compromise contains the further proviso that a number of numerical categories listed in table 15 may be consolidated, and these are specifically named in the conference report.

Thus, where the Jordan amendment specifically expressed the intent of the Senate that no appropriation should be cut by a greater percentage than any other appropriation, the conference substitute provides measurably greater Presidential discretion.

I joined my colleagues in this clear expression of intent that the priorities set by Congress in exercising its power to appropriate should be maintained.

In conference, however, it became clear that there were certain technical difficulties that made the proportional cut approach of the Jordan amendment unfeasible. That is, in some line-item appropriations, all money obligated for fiscal year 1973 has been committed, and it would literally be impossible to rescind them now. This and other technical difficulties caused the Senate conferees to recede from the Jordan amendment.

I regret, however, that the conference substitute does not more completely meet the Jordan amendment's directive to retain congressional priorities. I understand and sympathize with those who fear that the Executive's discretion under the conference formula is very broad. For example, in table 15's numerical categories 603, 604, and 605, which under the conference report may be consolidated for the purpose of achieving the 20-percent cut, total fiscal year 1973 estimates listed in the budget are $1.423 billion. A 20-percent cut would be roughly $284.6 million. The conference compromise permits this cut to be made in any of the programs comprising the category as the President may decide: For example all of the $79 million for the National Foundation on the Arts and the Humanities could be cut.

Consolidation of groups of categories in this fashion permits the President greater leeway by allowing him to cut more in programs where he considers there is more unspent "water," or where he considers a program to be of lower priority.

Mr. President, I do think it would have been possible for the conferees to arrive at a compromise more nearly expressive of the intent of the Jordan amendment. For example, it may have been possible to devise a system under which each numerical category would be reduced by a uniform percentage, provided that no program within such a numerical subcategory could be reduced by an amount greater than 15 or 20 percent. Such a system would have limited the discretion of the President in cutting programs within numerical subgroupings. It would have retained the spending priorities determined through the congressional authorization and appropriations process, but it would have permitted sufficient flexibility to avoid cutting programs where all funds had been committed, and where for other reasons cuts are not possible.

Thus I, and I am sure many of my fellow colleagues, are confronted with a difficult decision. I favored a spending ceiling for several reasons. The primary reason is a concern that substantially excessive spending this fiscal year by an amount well in excess of an already huge budget deficit of about $30 billion, would provide such substantial fiscal stimulus to the economy that inflation will be simply impossible to control. The human, economic, and political costs of such an inflationary resurgence are simply unbearable. We must exercise fiscal restraint; it is an overriding imperative.

Furthermore, it is useful to remind ourselves that this is not the first time that Congress has given the President the power to make budget cuts in order to stay within a legislated spending ceiling. This power was granted in fiscal year 1969, and a budget surplus resulted. And it is important not to lose sight of the fact that the conference substitute gives less discretion to the President than the 1968 spending ceiling did.

The conference substitute exempts more categories of spending than the 1968 authorization did. The 1968 authorization contained no limit on permissible percentages of cuts in any outlay categories. In short, the present grant of authority contained in the conference substitute is more greatly restrained than the 1968 measure.

On the other hand, there are powerful arguments against any grant of spending cut authorization, and powerful arguments for limits on such spending cutting authority so as to retain congressionally determined priorities. I do not take lightly the problems posed by this grant of congressional power to the Executive to cut enacted appropriations laws. We have had a healthy debate about the constitutional prerogatives of the Congress, and their erosion.

Many of the Members of this body whom I most respect have made this argument with great sincerity. And I have listened to their arguments with great interest. On the other hand, Congress is partially responsible for the appropriations-fiscal policy crisis in which we find ourselves. We have the power as well as the obligation to reform our own institutions to create a systematic, logical, controlled revenue-raising and spending process. We have failed to use this power, and we have irresponsibly denied our obligation. Thus, I cannot help but observe that the cries of "constitutional crisis" that have been raised about this issue are a bit suspect.

I wonder whether these arguments are not a disguise for a basic concern on the part of many Senators that the President will cut programs that are particularly important to them. I wonder whether these cries would evaporate were the President to commit himself to making cuts in defense outlays.

I, too, have fought hard for funding

many highly desirable and necessary programs, many of which the administration has not valued as highly as I have. But I am also aware that in our chaotic appropriations process we often lose sight of priorities among programs, or that it can be very useful for a program to be cut back, or remain at a particular level, because such discipline can improve a program. There is no virtue per se in constantly increasing appropriations.

Thus I intend to vote for passage of the conference report. My decision to do so is very largely contingent, however, on the fact that a special study committee is established by this same bill, and is specifically charged with finding a speedy solution to our sloppy, disastrously inept appropriations revenue-raising process. In the Senate debate I proposed a method which would have established an overall budget within which the Appropriations Committees could do their work, and against which the revenue-raising committees could plan new tax increases and reductions.

I was assured on the floor of the Senate that my suggested procedure would be considered by the special joint committee on which I would be pleased to serve as ranking Republican member of the Government Operations Committee, which has original jurisdiction over the Legislative Reorganization Act in which the current committee system and committee powers are set forth.

In short, I find the compelling arguments for voting for the conference report to be as follows:

We must restrain spending in order to control inflation;

Program cutbacks need not be harmful, and in any case will not be permanent;

Congress created the current situation by refusing to reform its own institutions;

The grant of congressional authority is temporary;

While the spirit of the Jordan amendment is too loosely interpreted by the conference substitute, there are significant exemptions from cuts, and the 20-percent cutting limit is a much greater restraint on the President than any contained in previous expenditure-cutting authorizations.

WE NEED A SPENDING CEILING

Mr. CRANSTON. Mr. President, Mr. Nixon has asked for a ceiling on congressional spending. I agree with him.

Even if every congressional program were worthwhile—and a great majority of them are—we simply cannot "spend whatever it takes" to operate those programs at optimum levels.

There must be a rational limit on how much a government should tax its people; at least in some forms of taxes such as the property tax, we have in my judgment already exceeded the limit—just as we have already exceeded reasonable limits of taxes on middle and low incomes.

There must also be a rational limit on how much a government should spend on nonproductive programs that lead to inflation; we have already exceeded that limit too in military spending, the war, and foreign aid. Middle-income working families, wage earners, businessmen, the poor, the elderly have all suffered as a result.

Countless Californians have expressed to me their deep concern over the prospect of further ravages of their earnings and their savings. They feel caught in a fiscal vise through no fault of their own. The last 4 years have brought them:

The highest unemployment in a decade, the worst inflation in two decades, the highest budget and trade deficits in four decades, the highest interest rates in 100 years, and ever higher taxes.

Mr. Nixon has asked that the spending ceiling be placed at $250 billion for this fiscal year. Again I agree with him. $250 billion is one-quarter of a trillion dollars—that is 25 followed by zero, zero, zero, zero, zero, zero, zero, zero, zero, zero. I think we should be able to make do with that for the present.

But Mr. Nixon also demands a complete, unrestricted power to decide by himself which programs are to be cut—or to be cut out altogether—in order to stay under that ceiling. That is where I—along with a majority of the Senate, including many Members of the President's own party—profoundly disagree with him.

The power of the purse is the fundamental power of government. The Founding Fathers deliberately kept this power out of the hands of the Executive and placed it instead in the legislature so as prevent one-man government.

Ours is not a one-man government. It is a constitutional democracy of three independent, coordinate branches with defined, limited powers.

We do not elect a man to serve as a dictator every 4 years. The American people elect a President who functions—or who should function—under his constitutionally defined, constitutionally limited powers.

The American people also elect a Federal legislature—a Congress with constitutionally defined authority and responsibility to balance what might otherwise become the unchecked power of one-man rule.

The Congress of 535 men and women—not the one-man Presidency—has the constitutional responsibility of making laws by majority consensus and for creating government programs to operate under the laws.

The Congress of 535 men and women—not the one-man Presidency—has the constitutional responsibility of deciding by majority consensus how much money should be spent on each of those programs to make them effective.

The Congress is constitutionally responsible for deciding how much to spend and what to spend it for. Congress is also constitutionally responsible for deciding how much not to spend and what not to spend it on.

I readily grant that the Congress has not always lived up to this responsibility in a fiscally sound manner. We are less well organized, less well disciplined, less conformist than the executive department. Like the people who elected us, we are for the most part a body of independent individuals who resent and resist being dictated to, even by one another.

The result has been piecemeal budgeting with no overall, coordinated plan in mind; authorizations far in excess of what we honestly expect to appropriate; and appropriations voted without prudent regard for the availability of adequate revenues. Frankly, I am convinced that both Congress and the President have lost control of Government spending. The fact is, spending has gotten out of hand.

There is clear need for reform in congressional authorization and appropriation procedures. But congressional reform should not be confused with congressional abdication; we should change some of our practices so as better to meet our responsibilities, we must not abandon our responsibilities in favor of Big Fiscal Brother in the White House.

What is more, Big Fiscal Brother is not at all good. For all of Congress's shortcomings, Congress has year after year appropriated less money than the President requested; in the past 4 years Congress has appropriated $15 billion less than President Nixon asked for. And just this year alone the administration has called for an $18 billion increase in expenditures, a $32 billion increase in the national debt and $6.1 billion more than Congress finally appropriated.

The confrontation is not between a spendthrift Congress and an economizing Executive, it is a clash in spending priorities. Put simply: Congress wants to spend more on programs for which the President wants to spend less: Health, education, housing, improving the environment, mass transit, and helping those truly in need. And Congress wants to spend less on programs for which the President wants to spend more: The nuclear arms race, the war in Indochina, funds for foreign dictatorships.

But the issue is even more fundamental than that of congressional versus Presidential priorities; at stake in this debate is the future of American constitutional democracy.

I am gravely concerned by the talk being heard in Congress these past few days of the need for a "temporary, benevolent dictator." All because the House and the Senate cannot come to a speedy agreement in the closing days of Congress on the best means for cutting some $7 billion in Federal expenditures.

I find such talk shameful and such helplessness, deplorable. It gives further impetus to the one-man rule that we have already seen in operation in the conduct of the war under two Presidents. I feel constrained to remind my colleagues of what they already know: that there are no temporary dictators, all dictatorships are permanent; there are no benevolent dictators, all dictatorships are evil.

I plead with my colleagues:

Do not sell out American constitutional democracy for $7 billion. No, not for $70 billion. No, not for 70 hundreds of billions of dollars.

Congress can, Congress should, Congress must agree—and agree quickly—on a constitutional method for fixing a firm ceiling on Federal spending.

We should, therefore, reject this conference report.

Mr. MONDALE. Mr. President, I rise to oppose the conference report on H.R. 16810, a bill providing for a temporary increase in the public debt limitation and placing a limitation on expenditures and lending for fiscal year 1973.

I support a meaningful ceiling on Federal expenditures. When the debt ceiling bill—to which the spending limitation is attached—was before the Senate last week I supported the amendment of the Senator from Idaho (Mr. JORDAN) which would provide the President with the authority he asked to limit Federal expenditures to $250 billion.

The issue before us now is not whether or not we should adopt an expenditure ceiling.

The issue is whether we will impose a spending limitation that assures the Congress its proper constitutional role, or whether we will give the President almost unlimited power over spending and priorities.

I, for one, am not prepared to see the Congress abdicate one of its most important powers: the power of the purse. And that is what is at stake in the decision we make today. It involves nothing less than the doctrine of separation of powers.

Article I of the U.S. Constitution provides:

Section 1. All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives.

Section 8. The Congress shall have power to lay and collect taxes, duties, imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States.

The ceiling adopted by the Senate last week retained the congressional role in the appropriations process that is specified in the Constitution. And it provides the President with the mandate he has asked to limit Federal spending.

But it did not give the President the power he requests to impose budget cuts at will—to eliminate any program he wishes, to exempt other programs, and even entire Federal departments entirely.

Instead, it preserved the funding priorities established by the Congress by requiring that reductions be proportional among all executive departments. It exempted the following essential programs from any reduction:

First, interest in the national debt;

Second, veterans' benefits and services;

Third, payments from social insurance trust funds;

Fourth, medicaid;

Fifth, public assistance maintenance grants;

Sixth, social services grants under title IV of the Social Security Act;

Seventh, food stamps;

Eighth, military retirement pay; and

Ninth, judicial salaries, as constitutionally required. And it protected other vital programs from being arbitrarily eliminated by specifying that no program could be reduced by more than 10 percent.

The conference report before us today virtually eliminated those protections. It does not require proportional reductions among departments. It removes food stamps and social services from the list of programs exempted. And it replaces the 10-percent limitation on cuts in individual programs with an almost meaningless 20-percent limitation on cuts in "numerical functional categories" of the budget.

This offers no protection. It is nothing other than a line item veto in disguise. It amounts, as Senator HUMPHREY has observed, to a domestic Gulf of Tonkin resolution. Most functional categories specified in the conference report are huge, and where they are small the conference report combines them so that 20 percent of the total can be taken from any one of the categories included in the combination.

Consider for a moment what could be done under the conference report:

All of the reductions could be made in programs serving human needs without any effort to cut wasteful defense spending.

Some $750 million could be cut from the budget for elementary and secondary education—in ways that could eliminate entirely programs assisting bilingual education, school libraries, State departments of education, Indian education—or could cut almost in half the funding for ESEA title I.

Funding for vocational education could be cut by over 50 percent because vocational education is lumped into a combination of functional categories including educational revenue sharing and other educational aids.

Funds for rural housing could be eliminated because that category is combined with agriculture resources and research.

Hill-Burton hospital construction grants could be wiped out, despite the fact that the Congress overrode a Presidential veto in order to extend this authority.

Grants for the construction of health manpower facilities could be eliminated, as the President has proposed, even though the Congress has accorded high priority to this program.

Mr. President, these kinds of reductions would be intolerable. They would permit the destruction of vitally needed programs. And they would represent an abdication of congressional responsibilities in the establishment of priorities and the appropriations process.

The question is not whether the President will exercise this unprecedented power wisely. The question is whether the Congress is prepared to give to its own power to represent the people of the United States in determining national priority.

I repeat my support for a reasonable and meaningful limitation on spending that preserves the constitutional responsibilities of the Congress. I voted for just such a ceiling when the Senate passed this bill last week. But I cannot support a ceiling that threatens the separation of powers, amounts to little more than a line item veto, and reduces the Congress to an advisory position in the appropriations process. That is what the ceiling in the conference report before us represents, and that is why I must oppose it.

Mr. BIBLE. Mr. President, during consideration of the debt ceiling bill Friday and Saturday, October 13 and 14, I was necessarily absent from the Senate. I would like to make my position clear on this legislation.

I am in favor of gaining control over Federal Government spending by both a ceiling on debt which the Government can incur, and additionally an overall spending limit, which would cover both debt and appropriations. However, I am opposed to permitting the President to decide in his sole discretion where cuts should be made in appropriations measures approved by both Houses of Congress.

My reasons are these:

First, article I, section 9 of the Constitution places the spending power in the Congress. As a Member of Congress and a member of the Committee on Appropriations, I have a special responsibility to uphold this provision of the Constitution.

Second, the $250 billion limit for fiscal year 1973—ending June 30 of next year—which the President has proposed, is $7 billion below appropriations which will already have been approved by both the President and Congress at that time. Thus, there is a serious question whether this figure is realistic. This is especially questionable in view of the fact that President Nixon has run up one-fourth of the entire Federal debt in his term of office.

Third, it is my understanding that the priorities of the executive branch make it quite likely that the impact of such cuts in spending are likely to run contrary to the priorities of the Congress as expressed in its regularly enacted appropriations bills.

Finally, Mr. President, there is the questionable wisdom of confiding retroactive veto power over appropriations to the executive branch, and whether such action will further confuse the lines of responsibility in taxing and spending. I believe by doing so, we would be acquiescing in the creation of a "shell game" in which the average taxpayer and citizen of this country will be the loser.

It seems difficult for Congress to resist the political appeal of such proposals in an election year. However, I believe it may be even more difficult in the future to undo the damage if this proposal becomes law.

I believe the debt and spending ceilings should be passed, but that we should adhere to the Constitution and refuse to give such unrestricted and unconstitutional power over appropriations to the President.

Mr. KENNEDY. Mr. President, I rise in opposition to the conference report on the public debt limit bill, H.R. 16810, now being considered by the Senate.

I do so in the belief that this measure's virtually unlimited grant of power to the President to set national priorities will forever diminish the role of Congress as a coequal branch of Government.

For once we have given up this power, it will be nearly impossible to retrieve it. We have seen the same distortion in the principle of the separation of powers as

it applies to foreign affairs, and this conference report would carry that distortion to domestic matters.

For it presents the President with the equivalent of an item veto, a power that the Founding Fathers absolutely rejected. For they well understood that vesting the power of the item veto in the executive branch of the Government would render meaningless the appropriation powers granted to Congress by article I, section 8, of the Constitution. And this conference report would grant that power to the President.

For the conference report would give to the President a license to impound, a license to destroy programs and activities by denying them funds Congress has appropriated. And it would distort so fundamentally the intent of the Senate that it must be rejected.

The Senate last week said to the President that a $250 billion ceiling on expenditures is acceptable; but only if there are proportional reductions in all nonexcludable appropriations and only when the reduction in any single program or activity remains less than 10 percent.

Mr. President, on constitutional grounds, I would have supported striking this entire title. However, the Senate decided otherwise. It decided that while it was willing to provide some limitation, it would say how much; it would set forth limits on where those cuts should be made.

Yet now the conference report defeats that effort. For it does not contain any requirement for proportional reductions.

And the conference report also rejects the other key element within the Jordan amendment. It wipes away the protection assured by the provision limiting the reduction in any program or activity to 10 percent. Now the President can cut as deeply as he desires within the broad budget categories listed in the conference report.

And the result can be predicted now. For those programs that have been opposed by this administration will be cut to the bone and perhaps even destroyed entirely by what would become legal impoundment of their funds. Programs that the Congress approved over administration objections would face the fiscal guillotine.

I remind my colleagues that in 1970 the Senate passed the Hill-Burton hospital assistance legislation by 79 to 0. President Nixon, incredibly, vetoed that bill which authorized the expenditure of more funds than he wanted. The Congress promptly overrode that veto, the vote in the Senate being 76 to 19. Now, the President may have his veto upheld, 2 years after the Congress overrode it; the effect of passage of the debt ceiling legislation would be to reinstate that veto—it could mean the end of hospital construction in this country; the end of long-term-care-facility construction in this country; it could seal the fate of our decaying inner-city hospitals by eliminating modernization funds.

The enactment of this conference report would produce a grave and immediate threat to the health of the American people. President Nixon has already made his intentions in the health field clear. His administration has testified against each of the last 11 pieces of health legislation considered by the Senate. In doing so, the administration has effectively:

Opposed the improvement of our medical libraries;

Opposed the provision of doctors to doctorless counties;

Opposed the provision of more money for hospital construction and modernization;

Opposed the banning of a known cancer-causing substance from our food supply;

Opposed the strengthening and expansion of our community mental health centers program;

Opposed the training of allied health personnel; and

Opposed the expansion of our communicable disease control programs.

But this administration has done more than just oppose the passage of new health legislation. The President has set unprecedented records by vetoing two of the last three health appropriations bills—appropriations of all the existing health programs. These vetos show where the President's priorities lie.

What he wanted and could not get through the appropriations process, he will obtain through the spending limit in this conference report. Let us look at the budget the President wanted.

He wanted a budget which—

Would not allow the Maternal and Child Health Service to provide care for one additional mother or child;

Would not permit one new comprehensive neighborhood health center to be opened;

Would serve 150,000 fewer school-aged handicapped children this year than last;

Would prevent 30,000 crippled children from receiving medical services;

Would turn away 10,500 nursing students seeking scholarships; and

Would not provide any money for hospitalization costs for migrant farmworkers;

Would prevent the development of 25 new specialized care units for premature babies;

Would continue services to only 2½ percent of the mentally retarded children in the country.

This is bad enough. But President Nixon also—

Wanted absolutely no money for medical school construction grants;

Wanted no money for nursing school construction grants;

Wanted no money for hospital construction grants;

Wanted no money for long-term care construction grants;

Wanted no money for hospital modernization.

It is incredible to me that the President of the United States would, if given his way, construct no new hosiptals, modernize no old hospitals, build no new medical schools. But if we approve the conference report, that is precisely what he can do.

In the past, the Congress has consistently thwarted the President's attempt to drop these important programs. In 1971 the President's total budget request for the Hill-Burton program was $89 million. The Congress appropriated $196 million. In 1972 the President requested $108 million; the Congress appropriated $308 million. In each of those years the President requested little or nothing in the construction categories. It is only because of the perseverance of the Congress that new hospitals are being built today and decaying inner city hospitals are being renovated.

This conference report could put an end to those activities.

This conference report would give the President the power he has wanted all along, the power to kill these health programs.

Mr. President, this is unacceptable in the United States of America. We in the Congress must not pay for the failure of Nixonomics with the health of the American people; if we enact this legislation, that is what we will be doing.

And it does not take a prophet to predict the same catastrophic outcome in the areas of education, in the areas of housing and in the areas of antipoverty programs.

This conference report must be rejected. And I would hope that the new conferees would decide to report back to the Senate a bill with merely an increase in the public debt level and the Magnuson amendment providing relief to those States with a persistently high rate of unemployment.

This then would give the Congress an opportunity early in the next session to develop on its own the mechanism for developing a unified budget within which Congress would decide on spending priorities. That would be the responsible way for Congress to fulfill its responsibilities.

Passage of this conference report would mean that Congress has abdicated those responsibilities and passage on this report would mean that Congress has abandoned health, education, and job training to the mercy of this administration.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mrs. EDWARDS), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Virginia (Mr. SPONG) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGEE) and the Senator from Nevada (Mr. CANNON) are absent on official business.

On this vote, the Senator from Mississippi (Mr. EASTLAND) is paired with the Senator from Iowa (Mr. HUGHES).

If present and voting, the Senator from Mississippi would vote "yea" and the Senator from Iowa would vote "nay."

I further announce that, if present and voting, the Senator from New Mexico (Mr. MONTOYA) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Tennesseee (Mr. BAKER and Mr. BROCK), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Iowa (Mr. MILLER), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. SAXBE), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Kentucky (Mr. COOK) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Texas (Mr. TOWER), and the Senator from Iowa (Mr. MILLER) would each vote "yea."

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Maryland (Mr. BEALL). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Maryland would vote "nay."

The result was announced—yeas 27, nays 39, as follows:

[No. 568 Leg.]

YEAS—27

Allen	Fannin	Randolph
Anderson	Gambrell	Roth
Bennett	Griffin	Scott
Buckley	Hansen	Smith
Byrd, Harry F., Jr.	Hruska	Stennis
	Long	Stevens
Byrd, Robert C.	Magnuson	Talmadge
Cooper	McIntyre	Young
Cotton	Percy	
Dominick	Proxmire	

NAYS—39

Aiken	Humphrey	Muskie
Bible	Inouye	Nelson
Brooke	Jackson	Packwood
Burdick	Javits	Pastore
Case	Jordan, N.C.	Pell
Chiles	Jordan, Idaho	Ribicoff
Church	Kennedy	Schweiker
Cranston	Mansfield	Stafford
Eagleton	Mathias	Stevenson
Ervin	McClellan	Symington
Fulbright	McGovern	Taft
Gravel	Mondale	Tunney
Hart	Moss	Williams

NOT VOTING—34

Allott	Eastland	Miller
Baker	Edwards	Montoya
Bayh	Fong	Mundt
Beall	Goldwater	Pearson
Bellmon	Gurney	Saxbe
Bentsen	Harris	Sparkman
Boggs	Hartke	Spong
Brock	Hatfield	Thurmond
Cannon	Hollings	Tower
Cook	Hughes	Weicker
Curtis	McGee	
Dole	Metcalf	

So the conference report was rejected.

Mr. LONG. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the first amendment in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed to be inserted, insert:

TITLE V—MISCELLANEOUS PROVISIONS

AMENDMENT TO FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970

SEC. 501. Section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before July 1, 1973, and beginning after the date of the enactment of this sentence (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'off' indicator ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

Mr. LONG. Mr. President, I offer an amendment that is at the desk. I believe it would be just as well for me to explain the amendment and read it.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator will withhold until we have order. The Senate is not in order. The Senate will be in order.

Does the Senator from Louisiana ask that the amendment not be read?

Mr. LONG. Yes. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

In lieu of the matter proposed to be inserted by the amendment of the House insert the following:

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 502. The provisions of title II of this Act shall cease to apply on the day after the date of the enactment of this Act and no action taken before such day shall have any force or effect on or after such day.

SEC. 501. Section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before July 1, 1973, and beginning after the date of the enactment of this Act (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof and as if paragraph (1) of section 203(b) did not contain subparagraph (B) thereof.

Mr. LONG. Mr. President, what the pending amendment does is to restore the Magnuson amendment as it was, on unemployment insurance, as it passed the Senate, in the hope we might be able to prevail upon the House to extend that more broadly than the House agreed in conference, particularly in view of the fact that we were led to believe it covered one State it does not cover, or I am led to believe it does not cover one State.

Furthermore, it is clear from those of us who struggled in this conference to try to work out something that could be agreed to by the House, that the House will not accept the Jordan amendment, and that the Senate will not accept the discretion that the President demands in how a reduction should be made.

As a matter of fact, on this same issue the conference once broke up in disagreement and it was suggested at that point there would be no debt limitation, no spending limitation, and no debt limit, but which would mean we would be forced to come back in November and pass a debt limit extension. It seems to me that at a minimum we should pass a debt limit proposal. But in view of the fact that the administration is determined it would rather have nothing than the Jordan amendment, and the Senate is determined it will not accept the kind of flexibility the administration insists upon if it is to have a spending limitation, the only way we can resolve this matter is to strike from the bill that which is in both the Senate and the House bill, which leaves the spending limit at $250 billion. However, since we cannot literally strike the $250 billion ceiling we must find some other way of achieving the same result.

This is what I have done by including in the amendment I offered the following section 502:

The provisions of title II of this Act shall cease to apply on the day after the date of the enactment of this Act and no action taken before such day shall have any force or effect on or after such day.

This provision would have the effect of repealing all of section 2 including the part not in conference. To the best of my knowledge, this is the only way this issue can be resolved between the House and the Senate. This possibility was discussed in conference, but then it was pointed out that the $250 billion ceiling was in both bills and therefore this issue was not in conference and was not available to us. I submit this is the only way this issue can be resolved. At the same time I submit that an increase in the debt is necessary. It will have to be made if the Government is to operate much past the end of this month.

Mr. President, under the circumstances I think this is all that can be done.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. SCOTT. Do I understand what the Senator proposes to do will have the ultimate effect of sending to the President the debt limitation bill without a ceiling in limitation——

Mr. LONG. In effect without a spending limitation.

Mr. SCOTT. Without a spending limitation. I just ask that for the purpose of clarifying the RECORD.

Mr. LONG. It is my understanding, and

if I am wrong I am happy to be corrected, the administration would rather have no spending limit than the Jordan amendment. I think Senator JORDAN said he understands that to be their position, and he, too, would rather have it that way if his amendment is not acceptable. I am satisfied that is the only way this problem can be worked out.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I believe that the proposition the Senator from Louisiana placed before the Senate is the way out of this present difficulty. I, for one, know we should have some action on the debt ceiling. We do not want to leave the Government in a position where it would have to default on payments on bonds and other certificates of indebtedness.

As I understand it, the Magnuson amendment would be included.

Mr. LONG. We would go back to conference with the Magnuson amendment.

Mr. HUMPHREY. That is what I mean. The Senator would go back to conference with a repealer on section 2.

Mr. LONG. What I am proposing with respect to the expenditure ceiling would have the effect of repealing it, but the indirect manner in which this is done is the only way to reach the ceiling in conference.

Mr. HUMPHREY. I understand that.

Mr. LONG. We would have what amounts to a repealer on the spending ceiling in the bill. We also would go back with the Magnuson amendment and see if we could work out the problem there.

Mr. HUMPHREY. Would the Senator be willing to take back the impoundment amendment so we get back what we believe——

Mr. LONG. That amendment was agreed to by the House, but in addition all Senate amendments are in conference since we are going back with this conference report in disagreement.

Mr. HUMPHREY. It is left in the bill?

Mr. BENNETT. If the Senator will yield, that is the point of the question I was going to ask; to make sure the Senator understands the impoundment amendment is in the bill and that the provision of the bill that came from the House requiring a study to be reported on early next year is in the bill.

Mr. HUMPHREY. Fine.

Mr. BENNETT. The only thing we are repealing is section 2, the spending ceiling.

Mr. HUMPHREY. I surely would like to concur in it. It is a splendid way to resolve the question.

Mr. LONG. It is the only way it can be resolved.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator will state the parliamentary question.

Mr. GRIFFIN. Is it in order to ask for a division of the question in view of the fact that there are two parts to the amendment, one dealing with the unemployment and one part dealing with the spending ceiling, and if so, I demand a division of the question.

The PRESIDING OFFICER (Mr. PELL). The Chair is informed by the Parliamentarian it strikes out and inserts and hence there can be no division.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. STEVENS. I understand from the previous colloquy that took place before the last vote, that in the event the amendment of the Senator from Louisiana is adopted, the amendment in disagreement is still subject to amendment to add another section 50—(b). Is that correct?

The PRESIDING OFFICER. In answer to the Senator's question, it would not be open to further amendment.

Mr. LONG. If the Senator will yield, at that point, the point the Senator raised about the double cut on something involving the HEW appropriation would be moot because it is understood what we are seeking to do is to have no spending limitation on this bill. That being the case, there would be no need for the amendment. In any event all Senate amendments will be in conference including the Hollings amendment.

Mr. STEVENS. I would like to say I am informed there was a discussion in the House and it was indicated if the bill were sent back to conference and a spending ceiling put in, there would be a more receptive attitude so far as the Hollings amendment. I am trying to restore the Hollings amendment. You are still going to try to come back here with a spending ceiling. Is that right?

Mr. LONG. No, we plan to come back without an effective spending ceiling. I am convinced we cannot agree on a spending ceiling. Not only am I convinced that that is the case, but as far as I can see up to now the House conferees have been talking the same position the administration seeks, and the best I can get, if they could not agree to this, is that they would not want any spending limitation.

Mr. STEVENS. The Hollings amendment was in the bill, but if we refused to accept the amendment, does it go back to conference?

The PRESIDING OFFICER. Everything goes back to conference that went to conference the first time, including this amendment now.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CRANSTON. Mr. President, I would like to say this about the current effect. Each year we go more deeply in debt and every 2 years we go through the charade of lifting the ceiling on the debt as if that indicates we feel that getting the debt and spending under control is not doing something that is very serious.

I think we should face the fact that the debt is out of hand. I think we should face the fact that spending is out of hand. Frankly, I believe that we in Congress have lost control over spending, and I believe that the President—not this President, but a series of Presidents—has slowly, with us, lost control over spending.

I believe there is a need for a spending limit. The President has asked for a spending limit. I happen to concur in his desire to have one, although I differ with him on the way he has asked it should be brought about.

I have heard, as each of you has heard, from constituent after constituent who feels caught in a dreadful squeeze, with his earnings, his payroll checks, and his savings more and more vulnerable to more and more attacks from more and more levels of government, taxing and taxing and taxing and spending and spending and spending.

It seems to me $250 billion is enough to run this Government for 1 year this year. That is a quarter of a trillion dollars. It seems to me we should fix a ceiling and operate within that ceiling this year.

To those concerned about the trend to one-man government in our country, to those concerned about the shirking of congressional responsibility and the constitutional obligation given to us to appropriate, to authorize, and to determine where the taxpayers' moneys may be used, I say this: We have seen a trend toward one-man rule in foreign policy and in the conduct of war under a series of Presidents. It has occurred on domestic programs under Lyndon Johnson, as the chairman of the committee has pointed out to us tonight. It is not the first precedent, but it is the second precedent, and I think it is a dangerous one if we should let it become precedent again, giving the President authority over spending priorities without Congress' will.

That trend would have gone further under the conference report. It would have given the President power to cut major departments and programs 20 percent. It would have given 100-percent power to the President to wipe out certain projects and programs totally if he saw fit.

I say to you if we adopt the amendment offered by the chairman of the committee and have no spending ceiling, the President of the United States has made it very clear that he intends to have a spending ceiling, and if we do not cooperate to give him one he will use the power of impoundment, I assume, to reach a $250 billion ceiling, and he will cut this program and that program without regard to our appropriations and authorizations and priorities in order to achieve it. So we are abandoning the game to him if we adopt the amendment of the distinguished chairman of the committee.

I, therefore, am going to propose an alternative. I do not propose to make a long debate on it. I am willing to have it come to a vote shortly or agree on a time, but I think we should choose between what the chairman of the committee has offered and an alternative.

My alternative, roughly, is a modification of what the distinguished Senator from Idaho offered and what the Senate overwhelmingly adopted and sent to conference the other day. It is an adjustment because, based on my conver-

sations with the chairman of the committee and others, the House conferees will not accept the Jordan amendment. I believe, therefore, it is incumbent on us to offer a compromise that may be acceptable to them, and I propose to do that.

Mr. President, I send to the desk an amendment, and will explain it. It is an amendment in lieu of the amendment proposed to be offered by the chairman of the committee, in lieu of section 502.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted by the Senator from Louisiana insert the following:

(b)(1) Notwithstanding the provisions of any other law, the President shall, in accordance with paragraphs (2) and (3), reserve from expenditures and net lending, from appropriations or other obligational authority heretofore or hereafter made available, such amounts as may be necessary to effectuate the provisions of subsection (a).

(2) In carrying out the provisions of paragraph (1), the President shall reserve amounts from appropriations or other obligational authority available for any program or activity, except for expenditures and net lending for—

(A) veterans' benefits and services;

(B) benefits from social insurance trust funds;

(C) medicaid;

(D) public assistance maintenance grants;

(E) military retirement pay, civil service annuities, and railroad retirement annuities and pensions; and

(F) judicial salaries.

(G) Food stamps.

(3) Under the authority of this Act, and subject to the limitations of para 2 of this subsection the President shall reserve amounts not less than two percentum nor more than six percentum from every numerical functional category set forth in table 15 (relating to budget outlays by function and agency) of part 7 of The Budget of the United States Government, 1973, (page 526 and following) of the revised budget estimate for such outlay. No amount specified in any appropriation or numerical category, or any activity, program or item within such appropriation or numerical category, may be reduced by more than 10 percentum.

(4) The amounts reserved under this subsection shall not include appropriations or other obligational authority available for fiscal year 1973 to which another statutory spending limitation of 10 per centum or more applies.

And the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

On page 5, line 7, of the Senate engrossed amendments, after "Sec." insert: 203; and the Senate agree to the same.

Mr. CRANSTON. I will read the amendment and explain it. Copies of the amendment are on Senators' desks, if any Senator wishes to look at the amendment as I read from it.

What Senators can look at has the heading "Public Debt Limitation—Mr. Mills of Arkansas, from the Committee of Conference, Submitted the Following Conference Report."

I am simply proposing to accept that conference report on this particular matter with certain revisions. The italics in (b)(1) on the desk of each Senator under the heading "Conference Report" I do not touch, but in (2)(A) "veterans," I would revise that sentence to read "veterans' benefits and services," so that veterans' medical care and other veterans' services will be covered by the exemption, as they are not fully covered by the language adopted in conference.

On page 2 of the same conference report, I do not touch (D), (E), or (F). I add "(G) food stamps," which I feel should also be exempted.

I then strike the language which reads:

Nothing in this paragraph shall preclude the reservation of amounts for administrative costs or construction . . .

For this reason: If there is no limitation on cutting out administrative or construction costs, one can gut a program 100 percent, or close to it, and I suggest we do not wish to do that. So I strike that language.

I make major modifications in section (3), so that section (3) will read as follows. It starts out "Under the authority of this Act." Then I insert:

The President shall reserve amounts not less than two per centum nor more than six per centum for every . . .

Then it would pick up in the second line of section (3):

numerical functional category . . .

The point there is not to restrict the President's cuts to 3.6 percent, which was called for by the Jordan amendment, but to give him some flexibility so he can cut any program not more than 6 percent and not less than 2 percent. That gives him elbow room.

Then I strike on line 4 of section (3) after the word "following" everything but the words "of the revised budget estimate for such outlay," and add the following language, which is a direct pickup from the Jordan amendment:

No amount specified in any appropriation or numerical category, or any activity, program or item within such appropriation or numerical category, may be reduced by more than 10 percentum.

That is so no program may be wiped out by more than a 10-percent cut within an appropriation or agency.

Finally, to cover the point brought up by the Senator from Alaska (Mr. STEVENS), and brought up successfully, but lost in conference, and brought up successfully by the Senator from South Carolina (Mr. HOLLINGS), I would add a section 4 which reads as follows:

The amounts reserved under this subsection shall not include appropriations or other obligational authority available for fiscal year 1973 to which another statutory spending limitation of 10 percentum or more applies.

That is to have the effect of not permitting a 23-percent cut in HEW because of the permission in the HEW appropriation written in by the distinguished Senator from Washington (Mr. MAGNUSON) giving him flexibility of 13 percent in HEW. This means there could not be a cut of more than 10 percent in HEW.

In sum, I am proposing a modification of the Jordan amendment designed to give a spending ceiling, some flexibility to the President, more than this body was willing to give him when we adopted the Jordan amendment, but which basically means that cuts will be made roughly in accordance with priorities adopted by Congress through the authorization and appropriation approach.

I think it is very important that we adopt a ceiling. I urge that the Senate adopt this amendment.

Mr. JAVITS and Mr. LONG addressed the Chair.

Mr. CRANSTON. I am delighted to yield first to the distinguished chairman of the committee.

Mr. LONG. Mr. President, I want the floor in my own right.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, as I understand the Senator's amendment, it goes to the item in disagreement, which is a House amendment proposed to the so-called Magnuson unemployment compensation approach.

Mr. CRANSTON. It does not touch that.

Mr. JAVITS. Will the Senator yield for a parliamentary inquiry?

Mr. CRANSTON. Yes.

Mr. JAVITS. Mr. President, my parliamentary inquiry is this: In view of the fact that the amendment of the Senator from Louisiana includes a provision substituting the Magnuson amendment in the bill for the House amendment sent to us for a vote as an item in disagreement, what is the effect upon that provision of Senator CRANSTON'S amendment?

The PRESIDING OFFICER (Mr. PELL). If the Cranston amendment is accepted, it would be striking out the House amendment to the Senate amendment.

Mr. JAVITS. Therefore, the original provision of the Magnuson amendment would remain in the Senate bill, and would be in conference?

The PRESIDING OFFICER. The original provision of the Magnuson amendment would remain, and so would the House language that had been stricken, if the conferees wished to do so.

Mr. JAVITS. But the conferees would have the choice, again. Would any different effect be achieved by the adoption of Senator LONG'S amendment than the one which the Chair has just described?

The PRESIDING OFFICER. There is not a great deal of difference.

Mr. JAVITS. What is the difference?

The PRESIDING OFFICER. There is not a great deal of difference as to what would be in conference.

Mr. JAVITS. What is the difference? Mr. President, I am too much of a lawyer to accept that. [Laughter.]

Mr. President, to give the Chair an opportunity to think it over, may I suggest that the Senator do what Senator LONG did, and include the Magnuson amendment?

Mr. CRANSTON. I do. That is my purpose.

Mr. JAVITS. I know, but just include the Magnuson amendment in what you send to the desk, as Senator LONG did. If there is some difference, why take the risk?

Mr. CRANSTON. After innumerable consultations with the Parliamentarian, the Assistant Parliamentarian, and other experts in the parliamentary rules and precedents of this body, I offer this amendment concurring in amendment No. 10, offering this as a substitute for the amendment offered by the Senator from Louisiana concurring in amendment No. 10, so amendment No. 10 remains, regardless of the fate of my amendment or the fate of the amendment of the Senator from Louisiana.

Mr. JAVITS. Amendment No. 10 is exactly the amendment the Long amendment changes. Amendment No. 10 is the one sent to us by the House of Representatives that is discriminatory and unsatisfactory.

Mr. President, I would make a further parliamentary inquiry. Is the Cranston amendment amenable in one more degree?

The PRESIDING OFFICER. No.

Mr. JAVITS. Then I would suggest to the Senator from California that he add the Magnuson amendment to his substitute.

Mr. CRANSTON. Mr. President, I would be delighted to do that. If there is no objection, I so modify my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, when you have been in the room with the House conferees and have heard the arguments on both sides, and know what the position of the Treasury Department is as well as what the position of the Bureau of the Budget is on the matter, I think you know pretty well what the possibility of compromise would be.

There is no chance on earth that this amendment would be agreed to by the House of Representatives. All it can do is put us through the many long hours of arguing over the Jordan amendment, which the House said they would not take and would rather have nothing than that. The administration also said it would have nothing than the Jordan amendment. When you get to this point, since this amendment basically is a version of the Jordan amendment, there is no reason to pass it since they will not accept it.

We had to do something like this in the fight over H.R. 1—we had to drop title IV. They had a title IV and we had a title IV. When we could not resolve the differences, we saved some minuscule part, and the rest had to go.

All we would do if we agreed to this amendment would be to send conferees over there to debate and argue with the House conferees for a number of hours, bring it back, and either go through the same thing we have been through before, of having the conference report turned down, or else wind up having to come back and ask for the same authority I am asking for now; that is, to dispense with the spending ceiling. The administration, as I understand it, is ready to forget about the spending ceiling. There is no argument about it. I understand that they think they can stay within precedent and are planning to use the power to impound to try to control spending insofar as they can appropriately do it.

They will not accept anything like this. They have turned us down on 50 suggestions along this line, and we have turned them down on more than 50 suggestions along their line. It cannot be worked out. All we can do is just drop the spending ceiling and come back next year and see if we can work out a better way. I wish we could work out a way where, in the beginning, the Appropriations Committee would try to set some target ceiling, and then, at the end, they would bring in a resolution whereby they agreed to cut some of the spending they had agreed to in their appropriation bills.

I know that this proposal is unacceptable; so, Mr. President, I move to lay on the table the amendment of the Senator from California.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. PELL). The question is on agreeing to the motion of the Senator from Louisiana (Mr. LONG) to lay on the table the substitute amendment of the Senator from California (Mr. CRANSTON) for the amendment of the Senator from Louisiana (Mr. LONG) to amendment in disagreement No. 10.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mrs. EDWARDS), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Virginia (Mr. SPONG) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Mississippi (Mr. EASTLAND) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Iowa (Mr. MILLER), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. SAXBE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Kentucky (Mr. COOK) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Iowa (Mr. MILLER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 50, nays 16, as follows:

[No. 569 Leg.]

YEAS—50

Aiken	Gravel	Packwood
Allen	Griffin	Pastore
Beall	Hansen	Proxmire
Bennett	Hruska	Randolph
Bible	Humphrey	Ribicoff
Buckley	Inouye	Roth
Burdick	Jackson	Scott
Byrd, Harry F., Jr.	Jordan, Idaho	Smith
Byrd, Robert C.	Long	Stafford
Case	Magnuson	Stennis
Chiles	Mansfield	Stevens
Cooper	Mathias	Stevenson
Cotton	McClellan	Symington
Dominick	McGovern	Taft
Fannin	McIntyre	Talmadge
Gambrell	Mondale	Williams
	Moss	Young

NAYS—16

Brooke	Hart	Pell
Church	Javits	Percy
Cranston	Jordan, N.C.	Schweiker
Eagleton	Kennedy	Tunney
Ervin	Muskie	
Fulbright	Nelson	

NOT VOTING—34

Allott	Eastland	Miller
Anderson	Edwards	Montoya
Baker	Fong	Mundt
Bayh	Goldwater	Pearson
Bellmon	Gurney	Saxbe
Bentsen	Harris	Sparkman
Boggs	Hartke	Spong
Brock	Hatfield	Thurmond
Cannon	Hollings	Tower
Cook	Hughes	Weicker
Curtis	McGee	
Dole	Metcalf	

So Mr. LONG's motion to table Mr. CRANSTON's amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Louisiana.

All those in favor——

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DOMINICK. Mr. President, I want to be clear on this. If I understand the adoption of the motion of the chairman we will then, later on tonight, or tomorrow, whatever it may be, be faced with nothing but raising the debt limit. I said before and I repeat now, I simply cannot understand the lack of responsibility of Congress itself in this area. It is a charade on the taxpayers of the country.

We have a debt limit and we do not abide by it either as a mechanical brake or as self-discipline. We put in appropriations which go beyond the debt limit

and then try to blame the President if he withholds them in order to meet the debt limit, on the ground that he is withholding funds. What we have done is to put up a hoax. So far as any taxpayer can see, we are supposed to have something which will last, yet all we do is make an immovable finish line in a foot race. As we come up closer, we extend it.

One or two things we should keep in mind: Abolish the debt limit and hold Congress responsible for what it does and not put up with this charade. It is a hoax. We do it once or twice a year. What we should do is to abide by the debt and cut appropriations down to where they should be. This is what we had a chance to do with the spending limit originally, in the other version even, but we did not do it. We are perpetrating a hoax on the American people and I, for one, want to register my protest.

Several Senators addressed the Chair.

Mr. CRANSTON. I should like to ask the Senator from Colorado if that was the amount in the motion to table previously voted on?

Mr. DOMINICK. No, it does not. I did not do that because I did not have a copy of the amendment and I do not know what it did. I never saw it before until the Senator got up to speak. At this hour of the night, it does not seem to me right to put up that kind of proposal.

Several Senators addressed the Chair.

Mr. HUMPHREY. Mr. President, I want to take exception to the remarks of the able Senator from Colorado (Mr. DOMINICK) on the basis of his charge that we do not have any regard for what happens on the so-called spending ceiling. There would be at a minimum of a $25.5 billion budget deficit, even if the spending ceiling was at $250 billion. The debt ceiling is not being raised because of the profligate spending by Congress, but rather by a recession in the economy, which results in reduced revenues for the Federal Treasury.

The President, presents us with what he calls a full-employment budget that is supposedly in balance, if according to the President's own estimates we have full employment. But we do not have full employment. In fact, we have unemployment, and that is why the debt ceiling goes up and up and up. By the President's own calculations, if we had the economy going as it should be, we would have a balanced budget and would not have to ask for an increase in the debt ceiling.

The President himself has not said that Congress was extravagant or irresponsible if we stayed within his $250 billion debt ceiling. But with such a spending ceiling the debt would continue to rise—and at a rate of over $25 billion.

Let the record be clear that the debt ceiling goes up not because Congress has been irresponsible or reckless. I do not think we should let a charge go unchallenged. It goes up because this country is not producing revenues from the tax system on the tax base. That tax base is related to production, income, wages, and profits.

When there is 1 percent of unemployment, there is a loss of $35 billion in the gross national product. This results in a loss of revenue. We will begin to balance the budget and reduce the debt when we have full employment. Then we will not have to come here for a raise in the debt ceiling.

Let us get the record straight. According to the chairman of the Finance Committee himself, who told us that even with the formula they came back from committee, which would reduce the deficit from $35.5 to $25 billion, we are faced with a deficit, not because we are spenders and irresponsible Members of this body, but because the economy has been in trouble for a long, long time.

Let us quit leveling charges on ourselves, that we are utterly incapable of any kind of self-discipline. Congress has proven that it can discipline itself. The Senator from Rhode Island listed the cuts made in the President's budget. We should not have this record indicate that we are saying because we have not acted to accept the conference report, that we are for unlimited spending. I think that Congress itself, in the next session, can set a limit for its own spending, what it should spend. We should recognize what is going wrong in this country; namely, that we have been in a first-class recession for a long time.

We had better try to get ourselves out of it. According to the President himself, the way to get out of it is by deficit spending. By his own words, he has given approval to deficit spending. He has presented a full-employment budget, which includes a substantial deficit predicated on economic production that will bring the economy back into full swing.

Mr. CRANSTON. Is it not true that Congress appropriated $6,100,000,000 less than the President requested in this fiscal year?

Mr. HUMPHREY. That was the calculation that was given to us by members of the Appropriations Committee, and also by several colleagues here who have been busy on appropriation items.

Mr. MATHIAS. I have an inquiry to make of the Senator from Minnesota about the Humphrey amendment, which has been included in the proposal set forth tonight by the distinguished chairman of the Finance Committee. As I understand the amendment, it directs the President to notify the Congress each time he intends to impound funds. My question is: By requiring the President to report on impoundment, are we, for the first time, recognizing, legitimizing and sanctifying this practice of impoundment?

Mr. HUMPHREY. Not one bit. Not at all. Not any more, may I say, than the fact that we ask the FBI to report on crime. [Laughter.]

Mr. MATHIAS. Mr. President, I yield to the Senator from New York.

Mr. JAVITS. Mr. President, the law on the subject is contained in the Antideficiency Act, 31 U.S.C. 665(c), and that states that "reserves" may be established to provide for contingencies or to effect savings whenever savings are made possible by greater efficiency, et cetera, but nowhere does the legislative history of the act or its context in the United States Code indicate that impoundment can be used to effect overall fiscal policy. Nevertheless, the most recent report from the Office of Management and Budget regarding impounded funds states that the President's authority to impound extends to spending ceilings and to "carry out broad economic and program policy objectives." The authority cited by this report is the "long-standing and consistent practice in both Republican and Democratic administrations to establish some reserves for other than financial administration."

It seems to me, therefore, that the requirement for reporting will in no way change the law and, on the contrary, as the Senator from Minnesota, the principal author of the amendment, has made clear, it will give us some handle in trying to bring it back to what it was supposed to be under the law.

Mr. MATHIAS. Mr. President, I thank the Senator from New York and the Senator from Minnesota. In view of the fact that this had but a very brief discussion and was adopted by a voice vote, I thought it wiser that the Senate be advised on what it was supposed to do by its authors.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana (putting the question).

The amendment was agreed to.

Mr. LONG. Mr. President, I move that the Senate insist upon its amendment and request a further conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. STEVENSON) appointed Mr. LONG, Mr. ANDERSON, Mr. TALMADGE, Mr. BENNETT, and Mr. JORDAN of Idaho conferees on the part of the Senate.

AUTHORITY FOR SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CHANGES AND CORRECTIONS IN ENGROSSMENT OF H.R. 16810

Mr. LONG. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make all necessary technical changes and corrections in the motion and the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

FURTHER CONTINUING APPROPRIATIONS, 1973—CONFERENCE REPORT

Mr. INOUYE. Mr. President, I submit a report of the committee of conference on House Joint Resolution 1331, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STEVENSON). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of today.)

Mr. INOUYE. Mr. President, the conference report which I bring back to the Senate will not satisfy all Members of the Senate—few, if any, do—because a true conference requires give and take by both sides.

The conference report provides an overall annual rate of new fiscal year 1973 obligational authority of $3,652,701,000.

Recalling that the annual rate in the joint resolution which passed the Senate yesterday totaled $3,494,701,000, it can be said that in conference the annual rate, as proposed by the House, was reduced by $357,454,000, while the Senate figure was increased by only $158 million.

It is, of course, important to understand the specific appropriation accounts in which the annual rates were increased over the figure that passed the Senate yesterday. These are as follows:

American Schools and Hospitals Abroad	+$5,500,000
Development Loans	+50,000,000
Military Assistance	+50,000,000
Regional Naval Training	+2,500,000
Security Supporting Assistance	+50,000,000

It is also perhaps deserving of note that the annual rate in the continuing resolution, as reported by the conference committee is $1,510,323,000 under the budget estimates submitted by the President and considered by both Houses.

The continuing resolution as passed by the House included $42.5 million to fund International Narcotic Control programs authorized by section 481 of the Foreign Assistance Act. The resolution as passed by the Senate contained no such appropriation. The conference committee report includes no separate line item appropriation for narcotic control programs.

I would like to emphasize it was the intent of the conferees to permit narcotic control programs under section 481 of the Foreign Assistance Act to be funded as they have been in past years, from any funds appropriated for foreign assistance purposes including supporting assistance, technical assistance, or other funds. It was not the intent of the conference to prevent the expenditure of funds appropriated under the continuing resolution for narcotic control purposes.

I expect to solidly support full funding of the President's request for this item in the annual bill and do not believe that there is any question that the full amount will be allowed.

I believe that most of those who served as conferees will agree that this represents our best efforts. I urge the Senate to accept it as the best possible means of resolving this difficult issue in the waning hours of this Congress.

The PRESIDING OFFICER. Would the Senator yield to receive a message from the President of the United States?

Mr. INOUYE. I yield.

MESSAGE FROM THE PRESIDENT

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

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972—VETO MESSAGE

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate the following message from the President of the United States:

To the Senate of the United States:

The pollution of our rivers, lakes and streams degrades the quality of American life. Cleaning up the Nation's waterways is a matter of urgent concern to me, as evidenced by the nearly tenfold increase in my budget for this purpose during the past four years.

I am also concerned, however, that we attack pollution in a way that does not ignore other very real threats to the quality of life, such as spiraling prices and increasingly onerous taxes. Legislation which would continue our efforts to raise water quality, but which would do so through extreme and needless overspending, does not serve the public interest. There is a much better way to get this job done.

For this reason, I am compelled to withhold my approval from S. 2770, the Federal Water Pollution Control Act Amendments of 1972—a bill whose laudable intent is outweighed by its unconscionable $24 billion price tag. My proposed legislation, as reflected in my budget, provided sufficient funds to fulfill that same intent in a fiscally responsible manner. Unfortunately the Congress ignored our other vital national concerns and broke the budget with this legislation.

Environmental protection has been one of my highest priorities as President. The record speaks for itself. With the Council on Environmental Quality and the Environmental Protection Agency, we have established a strong new framework for developing and administering forceful programs in this problem area. I have proposed more than 25 far-reaching laws to deal with threats to the environment; most still await final action in the Congress. Pending enactment of new legislation, our enforcement agencies have cracked down on polluters under old laws seldom enforced by previous administrations.

The budget authority which I have requested for pollution control and abatement in fiscal year 1973 is more than four times the amount requested in 1969. Federal grants for local sewage treatment plant construction have increased almost tenfold, from an annual rate of $214 million appropriated up to the time I took office, to $2 billion in my budget for 1973. This dramatic growth in the share of Federal Government resources being devoted to the environment exceeds, many times over, the rate of increase for funds in most other major government programs.

Every environmental spending increase that I have proposed, however, has been within the strict discipline of a responsible fiscal policy—*a policy which recognizes as the highest national priority the need to protect the working men and women of America against tax increases and renewed inflation.* Specifically, the water pollution control bill which I originally sent to the Congress last year was fully consistent with the concept of a balanced, full-employment budget. It would have committed $6 billion in Federal funds over a three-year period, enough to continue and accelerate the momentum toward that high standard of cleanliness which all of us want in America's waters.

By contrast, the bill which has now come to my desk would provide for the commitment of a staggering, budget-wrecking $24 billion. Every extra dollar which S. 2770 contemplates spending beyond the level of my budget proposals would exact a price from the consumer in the form of inflated living costs, or from the taxpayer in the form of a new Federal tax bite, or both.

Ironically, however, only a portion of the $18 billion by which my bill was fattened on Capitol Hill would actually go to buy more pollution control than the Administration bill would have done. One backward-looking provision, for example, would provide $750 million to reimburse State and local governments for work already completed on sewage treatment plants between 1956 and 1966. The precedent this would set for retroactive reimbursement in other matching grant programs is an invitation to fiscal chaos. Another provision would raise the Federal share of the cost of future facilities from 55 percent to 75 percent. Neither of these costly actions would, in any real sense, make our waters any cleaner: they would simply increase the burden on the Federal taxpayer.

There is a well-worn political axiom which says that any election year spending bill, no matter how ill-advised, defies veto by the President. But I say that any spending bill this year which would lead to higher prices and higher taxes defies signature by this President. I have nailed my colors to the mast on this issue; the political winds can blow where they may.

I am prepared for the possibility that my action on this bill will be overriden. The defeat of my proposal for a spending ceiling showed that many Senators and Congressmen are simply AWOL in our fight against higher taxes. And some have been lured to the wrong side of the fight by the false glitter of public works money for their districts or states. They seem to forget that it is their constituents' pockets from which the higher taxes must come as a result of their votes this week. Others, to their great credit, voted for the spending limit to try to hold taxes down. Taxpayers must be sad to learn that a majority are charge account Congressmen.

If this veto is not sustained, however, let the issue be clearly drawn. As with the spending ceiling, so with this bill, a vote to sustain the veto is a vote against a tax increase. A vote to override the veto is a vote to increase the likelihood of higher taxes.

Even if this bill is rammed into law

over the better judgment of the Executive—even if the Congress defaults its obligation to the taxpayers—I shall not default mine. Certain provisions of S. 2770 confer a measure of spending discretion and flexibility upon the President, and if forced to administer this legislation I mean to use those provisions to put the brakes on budget-wrecking expenditures as much as possible.

But the law would still exact an unfair and unnecessary price from the public. For I am convinced, on the basis of 26 years' experience with the political realities here in Washington, that the pressure for full funding under this bill would be so intense that funds approaching the maximum authorized amount could ultimately be claimed and paid out, no matter what technical controls the bill appears to grant the Executive.

I still hope, with millions of taxpayers, that at least one-third plus one of the Members in one House will be responsible enough to vote for the public interest and sustain this veto. It should be noted that doing so would by no means terminate the existing Federal water quality programs, because the Environmental Protection Agency will continue to operate those programs until the merits of a new water bill can be dealt with as a first order of business in the new Congress.

I look forward to cooperating with the next Congress on a prudent bill, to achieve ends on which we are mutually agreed, and by means which I trust will take better account than S. 2770 did of the working men and women who must ultimately pay the bill for environmental quality.

RICHARD NIXON.

THE WHITE HOUSE, *October 17, 1972.*

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the message from the President be held at the desk.

The PRESIDING OFFICER. Without objection, the veto message will be held at the desk.

FURTHER CONTINUING APPROPRIATIONS—CONFERENCE REPORT

Mr. LONG. Mr. President, I move to reconsider the vote by which my amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. YOUNG. Mr. President, the Senate conferees kept firmly in mind the votes of this body, that no significant increases could be made above the Senate level except as required. We were able to hold those increases at $158 million. Thus, we reduced the level for titles I and II of the foreign assistance program contained in the House-passed joint resolution by $357 million.

Mr. President, some may argue that we need no continuing resolution at all, that the foreign aid program can keep on going. This is not true.

Mr. President, the approval of the continuing resolution for the foreign assistance program is a must if the programs under the Foreign Assistance Act are to continue.

Most every Member of the Senate, including myself, is not in favor of all of these programs. However, I doubt if there is a single Member of the Senate who does not believe that some of these programs are necessary.

I am advised by the Department of State that in the absence of a continuing resolution, it will not be possible to obligate funds for the further conduct of foreign assistance programs.

Funds in the "pipeline" will not be available for that purpose. The Comptroller General has ruled that, in the absence of a continuing resolution, AID has no authority to obligate funds, even those in the pipeline. Moreover, the pipeline consists of commitments of money for projects already underway. To take money from the pipeline for new programs and obligations, will simply disrupt ongoing programs, many of which are vital to the security of the United States.

In the absence of a continuing resolution:

First. Our economic supporting assistance programs in Southeast Asia, will be aborted, dealing a severe or fatal blow to the growth, toward South Vietnamese self-sufficiency.

Second. Continuation of relief programs in Bangladesh and in the Philippines will not be possible.

Third. No supporting assistance will be available for Israel.

Fourth. Major development programs in countries around the world, in which the United States plays a key role as a participant, will be thrown into disarray.

Fifth. AID will have no authority to retain or pay its staff of approximately 12,000 people—6,000 of whom are foreign nationals.

Mr. President, I wish to commend the other conferees on their expeditious handling of House Joint Resolution 1331, the continuing resolution.

It will be recalled that on Saturday evening we passed House Joint Resolution 1331 which included funds for the foreign assistance program totaling $3,494,701,000. The amount of this resolution that passed the House was $4,010,155,000. I am happy to report that since the action taken last evening, we have been able to compromise our differences with the House of Representatives and have reduced the House level to $3,652,701,000.

The Senate conferees kept firmly in mind the views of this body that no significant increases should be made above the Senate levels passed last night. We were able to hold those increases to $158 million. Thus we reduced the levels for titles I and II of the foreign assistance programs contained in the House-passed resolution by $357 million.

We permitted an increase of $50 million in worldwide development loans to provide a total of $250 million in addition to other program availabilities. We also agreed to an increase of $50 million in security supporting assistance funds, but required that those funds be used only to support the disaster reconstruction efforts in the Philippine Islands. We agreed to an increase of $50 million for military assistance to a new level of $550.6 million. This is still $49.4 million under the House rate. We agreed to a limited increase of $5.5 million for American schools and hospitals and $2.5 million for a regional naval training facility in Florida.

We also upheld the Senate's position on the continuing resolution with regard to the use of other funds from unobligated carryover, deobligations, and loan repayments.

I firmly believe that these are not significant increases. They provide only limited amounts for annual rates for operation during the interim period between now and the end of February. As compared with usual practice in such conferences I think these compromises uphold the intention of the Senate and insure that we will be able to deal effectively with the conference on the final appropriation bill when it is reintroduced in the next Congress.

I am also very pleased that the Senate conferees were able to uphold the Senate's position with regard to funds for disabled coal miners who are victims of black lung disease. This program is obviously essential to provide relief and support for these unfortunate people.

Mr. JAVITS. Will the Senator yield?

Mr. YOUNG. I yield.

Mr. JAVITS. This resolution is limited to February 28, 1973?

Mr. YOUNG. That is correct.

Mr. JAVITS. I thank the Senator from North Dakota. I also thank the Senator from Hawaii (Mr. INOUYE) for what he said about the drug program. I am very much heartened by that. We know what a terrible problem exists with drugs. This all-pervasive problem exists throughout the country.

The chairman himself has pledged himself devotedly to making certain that this program is pursued with adequate funding.

Mr. President, the only reason I challenged the whole procedure by which we went into this matter on Saturday night was that it was hard to see what we could do about the cuts, which were sort of across the board. This proposal comes to about the same thing; but at least some effort has been made to zero in with certain items and certain activities, to see what should be done on A and what should be done on B. While I am not happy about it, I do not intend to pursue the matter further.

Mr. INOUYE. I thank the Senator from New York.

Mr. FULBRIGHT. Mr. President, this is one of the most unusual continuing resolutions I have ever heard about. I merely remind the Senate that we passed an appropriation for the economic foreign aid program. That program was authorized last year for 2 years.

There is no quarrel about all the economic items in the resolution. The Senate passed an appropriation bill for economic foreign aid. The House passed one. The only things that were not authorized were the military items and Bangladesh.

When the conferees went to conference, instead of going to conference on

the two bills, that is, the appropriation bills for the foreign economic aid, they merged them with the unauthorized military aspects, so as to bring us a continuing resolution involving both authorized and unauthorized programs.

I do not believe that I have ever heard of a continuing resolution which involved items which were authorized and appropriations passed by both Houses. The whole purpose of a continuing resolution is simply to continue a program which is being considered by either or both Houses and has not yet been authorized. It is not supposed to be a device by which to circumvent the appropriation process itself.

I do not believe anyone can recall an instance in which appropriations that had been passed by both Houses were then thrown into a continuing resolution.

What is the purpose of a continuing resolution? I shall read from a report by Representative MAHON on continuing appropriations, dated June 26, 1972.

I read from page 2 of the report. I read it to give the background of the way we should approach a continuing resolution.

This is from a House report:

Comporting with continuing resolutions over a period of many years, the emphasis in the resolution is on the continuation of existing projects and activities at the lowest of one of three rates, namely, the current (fiscal year 1972) rate; the budget request for 1973, where no action has been taken by either House; or the more restrictive amount adopted by either of the two Houses. The whole thrust of the resolution is to keep the Government functioning on a minimum basis until funds for the full year are otherwise determined upon.

For many years, it has been necessary to provide some stopgap appropriations through continuing resolutions. Officials having responsibility for managing programs during such interim periods are not—certainly should not be—unaware of the fact that the whole thrust behind these measures is to do only the minimum necessary for orderly continuation of activities, preserving to the maximum extent reasonably possible the flexibility of Congress in arriving at final decisions in the regular annual bills. Recognizing the almost countless differing situations involved in operating the far-flung activities of government, continuing resolutions have by design always been drawn rather broadly, counting heavily on administrators to follow a prudent and cautious course in respect to a particular program encompassed within an overall appropriation item.

Without laying down any hard and fast rules and short of encumbering administrative processes with detailed fiscal controls, the Committee nonetheless thinks that to the extent reasonably possible, departments and agencies should avoid the obligation of funds for specific budget line items or program allocations, on which congressional committees may have expressed strong criticism, at rates which unduly impinge upon discretionary decisions otherwise available to the Congress.

Then I skip to one other paragraph:

Where a bill has passed only one House, or where an appropriation for a project or activity is included in only one version of a bill as passed by both Houses, the pertinent project or activity continues under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current fiscal year 1972 rate or the rate permitted by the one House, whichever is the lower. 101(a)(4) deals with this.

In the situation before us, how can one justify taking appropriations that have been passed by both Houses for all the economic activities—appropriations as to which there is very little difference—and including military items for which there were no authorizations? There should have been no difficulty in arriving at the usual agreement between the conferees on the economic assistance programs. I certainly am raising no question whatever about the appropriations for any of the economic activities.

But then, the House conferees took the unauthorized military programs. They were not authorized by Congress.

The bill which proposed to authorize military foreign aid failed in conference. Therefore, I realize that a continuing resolution is necessary to continue such aid forward. But that relates only to the military programs. What they have done, I think, trying to read their reasons, is to use the economic aid to bring along and force us to accept their version of the military aid program.

We are not enabled under this continuing resolution to deal with just the military aid aspect, which is the only part that is legitimately entitled to be carried under this continuing resolution.

In addition to that, on the military, after we had the colloquy last night, I thought I made it very clear that I would not be prepared to accept a substantial increase in the military aid and related programs which are not authorized at this time. They should be subject to authorization if we are to respect the legislative processes of the Senate.

We have had this question up before. In 1969, Senators will recall, we had a controversy over an unauthorized item of $54 million for jets for Taiwan. This led to a great deal of difficulty and to an amendment which explicitly provided that no foreign aid money could be spent that was not authorized. Senators will recall that that was in 1969.

Again in 1970 there was an item of $200 million for military credit sales that was not authorized. The conference in that case had been held up on the authorization bill over the Cooper-Church amendment. There was a controversy over the $200 million for credit sales that had not been authorized.

In 1971 the Mansfield amendment was the item which held up the authorization bill for a long time. We finally did compromise that, after a considerable delay, and got an authorization.

In any case, I do not see how the Senate could be justified here in denigrating the appropriation process which was fulfilled in the case of all the economic items in this bill and lumping them in with the military in order to bring it along and put the Senate in the position of having to accept the continuing resolution for all these items. The great majority of items covered in this legislation should not be in a continuing resolution at all. They should be in a regular appropriation bill.

So I submit that the continuing resolution should not be accepted, and after a reasonable time, I shall move to table it in order to get to a vote this evening. I do not think we should be always forced by the action of the House to accept their views about these programs, on which there is a great difference of opinion. What they have done in this fashion is to go to the continuing resolution and to evade all the policy statements and policy programs which were adopted in the authorizing bill which passed the Senate, but which became deadlocked in conference.

The principal policy issue which brought the conference to a deadlock was the Case amendment, which provided that executive agreements or agreements with foreign governments providing for the stationing of American combat troops on foreign soil are of such a nature that they should be submitted to the Senate as treaties. In other words, the Senate judged this issue to be too important a commitment by our country to be executed by an executive agreement without any reference to the Congress.

In the conference, the Senate conferees, including the Senator from New Jersey, tried to compromise this matter with the House conferees. We offered to change the provision to include regular legislation, joint resolutions, which would give the House a part in the approval of such agreements involving troops on foreign soil, and we also agreed to give up—this was a tentative agreement, because we never got to a final agreement—the requirement that the Azores agreement be submitted for approval. This was the Senate compromise.

There were other important policy provisions in the bill, such as a $275 million spending ceiling for Cambodia for fiscal 1973. There was in that bill a prohibition on military sales to Pakistan, India, and the other nations of South Asia. There was in it a prohibition on the use of development aid for military purposes. There was the earmarking of $70 million for humanitarian aid for South Vietnam and for the initiation of planning for postwar relief in Indochina. There was also a prohibition in that bill on aid to countries in Southeast Asia which had not controlled illegal drug traffic.

So if the Senate accepts this continuing resolution, all of that legislation—and many of them are very important; the Senate adopted all of them—will go out the window. If we use the continuing resolution approach, it means all the work of the legislative committees is simply nullified and we will be doing nothing but simply appropriating money without any restriction or policy guidance whatever.

I do not see how we really can justify, especially in this case after passing two appropriation bills for authorized items, turning around and putting them in a continuing resolution in this fashion, in order to effect what I believe to be an ulterior purpose, that is, a purpose which is beyond the immediate purpose of appropriating the money itself. The purpose is to get around these restrictions, if you like, or qualifications, or provisions, which are included in the authorizing bills.

I wish to recall some of the debate we had last year. Senator ELLENDER, who was then chairman of the Appropriations Committee, had a great deal to say about this.

I ask unanimous consent, simply for the information of those who read the RECORD, to insert in the RECORD articles describing the controversy and the attitude of the then chairman of the Appropriations Committee.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 21, 1971]

CONTINUED FUNDING HIT BY ELLENDER

(By James Doyle and Garnett D. Horner)

The administration's campaign to revive President Nixon's foreign aid program was dealt a setback today when Sen. Allen J. Ellender, D-La., chairman of the Senate Appropriations Committee announced that he would oppose continued funding for the aid program beyond Nov. 15.

"We should have a new bill," Ellender said in his first public statement since the $2.2 billion aid proposal was rejected by the Senate Friday 41–27.

The administration had hoped to win a temporary continuation of the program but Ellender's announcement increased the possibility that the Senate will retain the initiative and rewrite its own reduced aid bill in the next two weeks.

ROGERS WARNS ON CUTOFF

The White House, meantime, continued a high-powered campaign to swing public opinion behind a revival of a "balanced" foreign aid program.

For the second day in a row, a top member of President Nixon's Cabinet appeared before White House newsmen to warn of adverse effects if the Senate vote killing the foreign aid program is allowed to stand.

Secretary of State William P. Rogers said that the Senate action "has been a very serious blow" to American foreign policy.

Secretary of Defense Melvin R. Laird had warned late yesterday that killing the original aid program would endanger the Vietnamization program by cutting off essential U.S. assistance for South Vietnam's economy.

LINKED TO TROOP PULLOUTS

Rogers said today that cutting off all foreign aid would "certainly be a factor that will have to be considered" in Nixon's decision, due to be announced about Nov. 15, regarding future American troop withdrawals.

He added, however, "I would not want to leave the impression that the President's decision would be directly affected."

Chairman J. William Fulbright of the Foreign Relations Committee said he hoped his panel would write an interim aid proposal this week and report it to the Senate floor next week.

He appeared to have the backing of Ellender, the most powerful senator when it comes to spending bills.

"Unless the Senate and the Congress can agree on legislation to authorize a revived form of foreign aid. I do not believe the Senate Appropriations Committee will agree to funding out aid operations by means of a continuing resolution," Ellender said.

He said that "if a consensus develops" within the Foreign Relations Committee and the Congress, the Appropriations Committee "might agree to including some portion of the program in a continuing resolution for a limited period of time," but added that in no event would such authority go beyond Dec. 1, which would be only a 15-day extension of the progam. Funding is due to expire Nov. 15.

Ellender said he "would personally favor allowing the program to die at some date certain, with enough time allowed for an orderly liquidation of our far-flung operations."

He said he favors only "a limited amount of technical assistance" and continued military assistance to Vietnam "but not in the current quantity," and added that aid to Cambodia should be reduced.

Fulbright said Rogers' statement was "most unusual in view of the statements of the minority leader that the President was prepared to veto the bill. Sen. Hugh Scott said he was speaking for the administration, that he had been requested to make that statement."

During the Senate debate last Thursday on the so-called Cooper-Church proposal to cut off funds for Indochina, Scott told the Senate that Nixon was prepared to veto the aid bill if it came to his desk with the Cooper-Church proposal in it.

OPPOSES "CONTINUING" AID

Fulbright stated publicly for the first time that he would be opposed to a continuing resolution that took the program more than a week or 10 days beyond the Nov. 15 expiration date.

Mansfield also referred to the Scott statement concerning a possible aid if restrictions on the President's actions in Indochina were part of the bill.

Mansfield said the program apparently faced abolition by the President if Congress had not acted and thus he saw no need to continue funding it beyond Nov. 15.

At the White House, Rogers listed ways in which what he called Nixon's "very successful" foreign policy would be seriously affected unless Congress acts now to restore the aid program.

First, he said it would be a "damaging blow" to the Nixon doctrine which provides for gradual troop reductions throughout Asia while at the same time providing financial assistance to enable Asian countries to "take up the slack."

He said it makes it impossible, or at least very difficult, to carry out America's commitments in Southeast Asia.

It also weakens the President's hand in negotiations being conducted throughout the world, Rogers said. He mentioned the Vietnam peace talks in Paris and the efforts to settle the Middle East crisis.

Rogers—who met with Nixon for more than an hour this morning—said he will make "a very stern and strong appeal" in his appearance before the Foreign Relations Committee tomorrow for "Congress responsibly to repair the damage that has been done."

Mansfield affirmed that he remains opposed to any new congressional resolution extending the program beyond Nov. 15, and said he was willing to see the Agency for International Development and other arms of the aid program expire on Nov. 15 if it took that kind of action to reshape aid.

Mansfield noted that any continuing resolution would be debatable, an indication that he might work to slow the progress of such a resolution. He said he presumed that payrolls could continue to be met from the $4.7 billion still in the aid pipeline, despite administration protests that all of that money already has been set aside for specific purposes.

SITUATION CONFUSED

Despite all the statements concerning the forging of a new aid program, the situation remained confused and the magnitude of the political loss to the Nixon administration was becoming more apparent.

Administration officials yesterday began seeking a four-month extension of the present program while they wrote a new bill.

They quickly discovered that was an all but impossible goal, and by nightfall officials were saying they would accept the will of the House Appropriations Committee chairman, George H. Mahon. Mahon wants the administration to offer a "quickie stop-gap" continuing resolution that would fund the program at about a $2.8 billion-per-year level until the Senate writes a new aid proposal or until adjournment, at the latest.

The administration will not try to write its own bill within that time, it was learned, but will try to work with what comes out of the Foreign Relations Committee, amending it to include some military assistance programs considered essential by the administration.

Laird, who left for Saigon today, was prepared to assure the South Vietnamese that he does not believe the Senate foreign aid vote is final.

After conferring with President Nixon late yesterday, Laird told newsmen at the White House that killing the foreign aid program would adversely affect the Vietnamization program and the general strategy of "realistic deterrents" on aggression anywhere.

But he said he is going to assure the South Vietnamese that as a former member of Congress, his assessment is that "corrective action will be taken" so the foreign aid program can go forward as planned.

CITES ECONOMIC AID

Laird said that while military assistance to the South Vietnamese is provided through the Defense Department budget, economic aid to prop up the South Vietnamese economy is essential to the success of the Vietnamization program, on which American troop withdrawals depend. The bill would have provided $565 million in economic aid to Vietnam.

One administration official maintained on Capitol Hill that the Senate would soon realize its mistake. He said congressional mail and phone calls, as well as editorial comments, were against the Senate already.

But reports from various senators were quite to the contrary. None could be found who had yet received an outpouring of mail criticizing the Friday vote.

Sen. Robert Dole, R-Kan., chairman of the Republican National Committee, said he found a universally favorable reaction to his vote against the aid bill from audiences in Kansas over the weekend.

Dole also said what others hinted at—that the administration was caught completely off guard by the Senate action.

"I didn't have any calls from anybody in the administration saying they needed my vote," Dole said. He has voted against the Foreign Assistance Act throughout his congressional career.

"I don't think this vote was anticipated, I thought the bill was in trouble Friday, but I didn't hear from downtown," Dole said.

He said he had not discovered the bill had been killed until Saturday morning, because he voted at the outset of the roll call and then left to catch a plane to Kansas.

He said he could not support a foreign aid bill that removed most of the military aid funds and left economic assistance and development programs. He said he could not say whether he would support any bill in the future and was not sure that he could vote even for a continuing resolution.

"I don't quarrel with the idea of foreign aid," Dole said, "but it's time to reassess our aid to some of these countries that are never around when we need them."

Dole was asked to comment on President Nixon's statement that the Senate's action was a "highly irresponsible act."

"I can understand the executive's point of view, but I didn't vote against it to be irresponsible," Dole said.

[From the New York Times, Nov. 3, 1971]

SENATE DEMOCRATS BALK AT 90-DAY EXTENSION FOR AID

(By Felix Belair Jr.)

WASHINGTON, November 2.—Despite new Administration appeals, the Democratic

leadership of the Senate balked today at proposals for a 90-day extension of the foreign aid program financed at last year's $2.64-billion annual rate.

Instead, Senator J. W. Fulbright, Chairman of the Foreign Relations Committee, indicated that his panel would have an "interim" measure ready for Senate consideration early next week.

Senator Allen J. Ellender, Chairman of the Appropriations Committee, said he would oppose any continuing resolution unless an interim authorization measure was clearly in prospect.

The moves by the chairmen, with the support of Senator Mike Mansfield, the majority leader, reflected a determined effort to retain the initiative in their continuing struggle to prevent a three-month extension of the present program with all aid categories intact.

The Administration began its campaign for the 90-day continuing resolution last Saturday after the Senate's unexpected 41-to-27 vote Friday rejecting a $2.9-billion authorization bill. Key Democratic Senators countered with a proposal to limit any extension to 30 days, or even two weeks, to permit the Foreign Relations Committee to prepare a stopgap bill.

AUTHORITY EXPIRES NOVEMBER 15

Authority for foreign aid spending since the end of the fiscal year on June 30 is based on a continuing resolution that expires Nov. 15.

The $2.9-billion authorization bill killed by the Senate had set limits on loans and grants for economic development and military aid programs under the Foreign Assistance Act for the current fiscal year, which began July 1.

However, the Senate action did not mean an immediate halt in aid, as there is about $4.7-billion of previously authorized funds in the pipeline.

Nor did the Senate action have any effect on other authorizations, estimated at $6-billion, under other legislation. These included about $2-billion for the International Bank for Reconstruction and Development and its affiliated institutions, about $2.25-billion in military aid for Indochina in the Pentagon's own budget and smaller amounts for the Peace Corps, the Food-for-Peace program and the United States Export-Import Bank.

STATEMENT BY ROGERS

Secretary of State William P. Rogers said today after conferring with President Nixon that the Senate's rejection of the foreign aid authorization bill was "a very serious blow" to United States foreign policy and weakened the President's ability to negotiate with other world powers.

"We think it essential that Congress act now to pass a bill which will be coordinated and balanced to carry on essential foreign policy," the Secretary declared at a news conference at the White House in an apparent effort to enlist public support for a three-month extension.

Among foreign policy areas where, he said, the United States position would be jeopardized unless foreign aid was continued, Mr. Rogers mentioned the Paris negotiations on Vietnam, diplomatic contacts with the Soviet Union and China, the Middle East and the "Nixon doctrine," which calls for increased aid to American allies as American forces are withdrawn.

Senator Fulbright said in commenting to newsmen:

"I am not for a continuing resolution even for a week or 10 days, but for reporting a bill to the Senate by the first of next week. It would be an interim bill to give time to reconsider and develop a new foreign aid program."

He said he was working closely with Senator Ellender's, whose intervention in the debate added a new and critical element, since any continuing resolution must originate with the Louisiana Senator's Appropriations Committee.

"We should have a new bill," Mr. Ellender said. "Unless the Senate and the Congress can agree on legislation to authorize a revised form of foreign aid, I do not believe the Appropriations Committee will agree to funding our aid operations by means of a continuing resolution."

Senator Ellender explained that, in theory, the extension of funding authority by means of a continuing resolution was based on an assumption that authorizing legislation would be passed within a reasonable time.

Although publicly and officially the Administration is still urging a three-month extension resolution, the first indications of doubt in its own case came after Representative George Mahon of Texas, chairman of the House Appropriations Committee, said yesterday he would propose a 30-day extension.

Some White House strategists, who asked not to be identified, said they thought they would have to settle for what they could get from the Senate Foreign Relations Committee plus some military aid programs considered essential by the Administration. The military aid would be proposed in amendments from the floor, under this plan.

Senator Mansfield continued to insist that the Agency for International Development could draw on $4.7-billion of "pipeline" funds to pay salaries of the more than 4,000 employes that the agency says will have to be dismissed on Nov. 15 unless its spending authority is continued beyond that date.

The State Department and the aid agency, however, insist that the pipeline funds have been committed for specific purposes and thus cannot be used for the salaries.

[From the Washington Post, Nov. 3, 1971]

ELLENDER OPPOSES AID FUND

(By Spencer Rich)

Despite new administration pleas for continuation of foreign aid at current spending levels until a whole new program is worked out, Senate Appropriations Committee Chairman Allen J. Ellender (D-La.) announced yesterday that he will oppose emergency financing for the program.

Ellender's position was disclosed as Secretary of State William P. Rogers, after a meeting with the President, said that failure to continue the aid program, for which the administration had sought $3.6 billion in Fiscal 1972, would endanger U.S. security arrangements with Asian nations by cutting off funds.

Rogers said it would undermine the Nixon Doctrine, under which the United States gradually withdraws troops from various places and lets indigenous forces do the fighting with U.S. equipment and economic aid.

Ellender's decision greatly strengthens the hand of Senate Foreign Relations Committee Chairman J. W. Fulbright (D-Ark.) and other aid critics in their struggle with the Nixon Administration over the fate of the program.

Existing financing arrangements for the program expire Nov. 15, and the Senate killed an authorization for program continuation by a 41 to 27 vote last Friday night. In that vote, traditional critics of high foreign spending were joined by Fulbright and others who believe the level of military aid to countries like Cambodia and Greece is far too high, and could involve the United States in new entanglements in Southeast Asia.

For the Nixon administration to reverse last Friday's 41 to 27 loss will take a massive shift of votes. A survey of senators who did not vote last Friday shows that had all senators but the ailing Karl E. Mundt (R-S.D.) been present and voting, the final vote would have been 57 to 42 against the bill.

GOP National Chairman Bob Dole (R-Kan.) said yesterday that he still does not like the bill, and would like to cut back U.N. contributions. Harry F. Byrd Jr. (Ind.-Va.) said he opposes a continuing resolution and wants big cuts. Barry Goldwater (R-Ariz.), who has always opposed aid, said he would have voted against the bill had he been present and hopes to see a drastic shift in the emphasis of the aid program.

The administration had hoped for passage of a "continuing resolution" carrying the program forward at its current $3.1 billion annual spending level for three or four months—long enough for it to tailor a more attractive package and change the votes of some senators who opposed the bill last Friday.

But Fulbright, whose committee will meet today with Secretary Rogers and AID administrator John A. Hannah, hopes to report out a new permanent authorization bill—perhaps by next Monday, he told reporters yesterday—that will sharply cut back the program and restrict military aid.

If Ellender's position sticks, and the administration is unable to get a long-term continuing resolution at a level of around $2.8 billion to $3 billion, then it may have to accept the cut-down new program envisioned by Fulbright, Majority Leader Mike Mansfield (D–Mont.) and other senators as the price of keeping the program alive at all.

Mansfield said yesterday as far as he can see, no emergency financing beyond Nov. 15 will be needed because the basic new program will be reported out of Foreign Relations shortly.

Ellender said that for the same reasons, he might be willing to extend existing financing to "Turkey Day" or perhaps Dec. 1, but no further. If no permanent legislation is enacted by then, he told a reporter, a handful of the more urgent foreign aid appropriations should be written into the final supplemental appropriation bill and the over-all program altogether phased out.

Fulbright, Mansfield and Norris Cotton (R–N.H.), a traditional opponent of the program, all said yesterday that failure to extend the continuing resolution will not mean an automatic cutoff of salaries for employees of the Agency for International Development, because that agency has authority to finance salaries out of the $4.7 billion in funds now in the aid pipeline.

Mr. FULBRIGHT. Senator Ellender was very strongly against using a continuing resolution in those circumstances where there had not been any authorization passed. As I have already described, after long travail, we finally got an authorization bill last year and then proceeded in the regular way.

I submit, Mr. President, that this is a very important procedural matter and that the conferees should go back. It would seem to me that, on the economic items, the conferees should in the regular fashion with air appropriation bill and not in a continuing resolution, and that the items, as I stated last night, that are not authorized; namely, the military aid and related programs should come in the continuing resolution. And they should be at the 1972 rate.

That is in conformity with the principle which I just read from the chairman of the House Appropriations Committee in which he used the lower of the three different figures. What I agreed to last night was a continuing resolution on military assistance and related programs at the rate of $1.450,600,000. This bill increases that amount by $102,500,-

000. That is over the fiscal year 1972 level, which does not conform to any of the criteria set down by Representative MAHON as the way to measure what a proper continuing resolution should carry.

I agreed to that last night. I was prepared to accept that, but as Senators know, the conferees, in their wisdom, did not bring back such a bill as that. I still think, even with that, it is very questionable to bring in a continuing resolution which includes items for which appropriations have already been approved by both Houses.

So, if there is no further discussion, I would propose to move to table the conference report.

Mr. CHURCH. Mr. President, will the Senator yield for a question, just for clarification?

Mr. FULBRIGHT. I yield to the Senator from Idaho.

Mr. CHURCH. Does the Senator know of any precedent for combining in one conference report legislation that has been authorized with legislation that has not been authorized, as has been done in this case?

Mr. FULBRIGHT. I do not. If anyone else knows of a precedent for that, I would be glad if they would remind us of it. I do not recall ever hearing of a continuing resolution including appropriations which have been authorized and passed by both Houses.

Mr. CHURCH. The regular procedure, as established by the precedents and in furtherance of good order, the regular procedure that is really essential to the maintenance of the integrity and authority of the legislative committees, would call for separating the two matters, would it not, the conference report which has been authorized in the regular manner——

Mr. FULBRIGHT. And appropriated.

Mr. CHURCH. And appropriated, and then separate from that a continuing resolution on the military assistance which has not been authorized by virtue of the failure of the two Houses to agree in conference? It seems to me that unless we separate the two, we abandon all of our previous precedents, and in addition to that we undermine the authority of the legislative committees.

I think this is a very dangerous thing to do. We might as well just close up shop for the legislative committees and turn everything over to the Appropriations Committees. I would hope that the Senate would not be prepared to take that step.

In the past, in fact, we have refused to take that step.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CHURCH. I yield to the Senator from North Dakota.

Mr. YOUNG. As a long-time member of the Appropriations Committee, I dislike very much appropriating money where it has not been authorized. We have many examples of it, one, on the last Defense appropriation bill. The House inserted at least about 15 very important items that the Defense Department considered vital, that were not authorized. The House Appropriations Committee went to the House Armed Services Committee, and they said to go ahead.

We were faced with that situation here, so we asked the Armed Services Committee what to do, and they held a meeting and said, "Go ahead." Now we are faced with a situation where, without a continuing resolution, the Comptroller General has ruled that the whole program will come to an end—all of it; they cannot even pay employee salaries. That is the ruling of the Comptroller General. That is what we are faced with tonight, and Congress wants to adjourn. It is not to our liking that we appropriate money here without an authorization.

Mr. FULBRIGHT. I was perfectly willing to continue the military programs at last year's level. I said that last night. I made it clear right here that I would go along with continuing it at last year's level. But the conferees insisted on increasing it above last year's level. If the Senator knows of any other precedent, I would like to hear about it, where they have an appropriation for the full year on all the economic items, not just until February but right up to the end of the fiscal year.

Is it not odd that, instead of going ahead and presenting a conference report on that appropriation, they bring everything back in a continuing resolution? This is a very unusual procedure. I think the Senator will have to admit that this is very unusual.

Mr. YOUNG. We did the best we could. We did not yield as much as the House did in conference. We tried to reach some agreement.

Mr. FULBRIGHT. But the procedure is really unprecedented, and has very strange implications. It puts us in a very strange position. We have been arguing all evening about the desire of the President and nearly everyone here to cut back on these ballooning expenditures of our government, and here we have a case where they come in just following that insisting on increasing a continuing resolution above the traditional level, which is last year's level.

This is really a strange mixture of policies or attitudes, that on the one hand we are so concerned about this huge deficit, we all want to help the President, and certainly the leaders on the other side of the Chairman of the Finance Committee were very eager to help the President cut back, and now we are faced with a continuing resolution that insists on increasing expenditures.

I said last night, and I was trying to be as frank as I could, "All right, I do not like the bill that mixes this all together, but if they bring it back without any increase in the military, I suppose I would accept it," and I thought that is what they would do. But instead of that, no, they just cannot help but increase it, in the face of all this argument about the budget being out of control, we are spending too much, and we have spent all evening being so sanctimonious about our desire to balance the budget. But as long as it is in the foreign military aid area, we have got to increase it. Why is foreign military aid so much more important than all the domestic programs which we were so eager for the President to cut, and gave him directions to cut them at least 10 percent? Here they will not even allow us to go on at last year's level.

I do not see how I can in good conscience accept that kind of procedure. It negates the whole legislative and appropriation processes. I just cannot accept that. For 3 years in a row, the Senate has gone on record as disapproving of expenditures in the foreign assistance field that have not been authorized. Two years ago, in 1970, we explicitly put that in the law. Now these continuing resolutions have laid waste to that explicit requirement of the law.

I cannot understand why the Senate conferees have to accept from the House of Representatives this most unusual procedure of combining appropriations that both Houses have passed with a continuing resolution for unauthorized items. I just do not understand it. I do not think the Senate ought to go down that road. This is a much greater departure, I would say, than the preceding measure, because the Senator from Louisiana (Mr. LONG) was at least able to cite a precedent that had some relevance to that case. I do not think anyone can cite a precedent in which they have taken an appropriation passed by both Houses and tied it to a continuing resolution which, if it follows the normal procedure, ought to be at the lowest level of the three criteria I have cited, which would be at least at the 1972 level, and that is all I have asked, that they bring in the continuing resolution on the military programs at the 1972 level, which actually was the amount the committee had originally agreed to.

Does the Senator from Hawaii want the floor?

Mr. INOUYE. Yes, I do.

Mr. FULBRIGHT. I yield.

Mr. INOUYE. Mr. President, your Appropriations Subcommittee on Foreign Operations reported a bill on September 27. That bill was considered the following day, and passed by the Senate.

As Senators will recall, that bill recognized the efforts of the legislative committee. The committee did not wish to undermine or denigrate the sovereignty or the jurisdiction of the legislative committee. And that bill contained only those items that had been authorized. The unauthorized sections, those in the military area, were not considered by the Appropriations Committee.

We passed that bill on to the House of Representatives. We made every effort to convince our colleagues in the House of Representatives to enter into a conference with us. I regret to report that we were unsuccessful; and so a few days ago we received the continuing resolution which we are now considering.

The resolution that was passed by the Senate, as described by the distinguished Senator from Arkansas, adopted the fiscal 1972 figures for the unauthorized items. I assure my colleagues that we did our very best to convince our House counterparts that we sustain the Senate views. But, as I indicated in my opening remarks, Mr. President, when we enter into a conference it must be assumed that we

will at least discuss the problems, hopefully with an open mind, because if we are going into a conference to say, "This is our position, and if you do not agree with it, forget it," then it is no conference at all, Mr. President.

I think it should be recognized, further, that this conference report is $1,510,323,000 less than what the President requested. When the Senate passed the bill two nights ago, our continuing resolution was $515 million less than that of the House. What we are now reporting to the Senate is still less than the House by $365 million. We did not get everything we wanted, and I do not suppose the House got everything it wanted.

For example, I think most Senators will agree that one of the worst scourges in the United States is drug addiction. We left the total amount out. Therefore, as manager of this bill, I had to place into the legislative record a statement indicating that it was our intent to have funds from other sources spent for narcotic purposes.

I assure Senators that, when the Senate conferees met with the House conferees, we had no intention to do what is commonly done here—to split the difference. We did not split the difference. In fact, if one wants to use percentages, we took 70 percent and they took 30 percent.

So, I hope that my colleagues, at this late hour—it is almost midnight—will accept the conference report, with my personal assurance, as chairman of the Subcommittee on Foreign Operations, that next year every effort will be made to assure the House Members, in adopting some of the principles we have discussed earlier, that we maintain a program that will be acceptable not only to Members of the House and the Senate but also to the people of the United States.

As chairman of this committee, I have decided that I will apply but one test to the foreign-aid bill, and it is a very simple test. It should be such that we could answer any question asked by any man on the street about foreign aid. At this time it would be impossible to give an honest answer to many of the subject matters covered by this bill. It should not be that way. I assure Senators that every effort will be made by the subcommittee to present a bill next year by which all of us can explain our actions to our constituents.

I hope the Senate will concur in the conference report.

SEVERAL SENATORS. Vote! Vote!

Mr. FULBRIGHT. Mr. President, I want to say one other thing which I do not think I mentioned before, with reference to the size of the foreign military assistance program. I am not questioning anything about economic assistance.

The amount in the continuing resolution is almost exactly double the amount appropriated in 1970. In other words, in 2 years, the military aspects of the foreign aid bill have doubled. It was $815 million in 1970; that is for military aid, supporting assistance, and military sales. The amount in the continuing resolution is $1.515 billion. It is almost double the amount.

When we talk about the huge deficit we have and of being concerned about trying to bring it under control, what is the justification for doubling the amount of foreign military assistance?

In other areas, we are told that we are making progress around the world in alleviating some of the old antagonisms—for example, the President's policy with regard to Russia and China. Why must foreign military assistance be doubled in 2 years?

I submit that the Senator from Hawaii, for whom we all have the greatest affection, has been extremely considerate in his attitude toward the committee; but he does not answer the question as to why they did not go to conference on the two appropriation bills, the House and the Senate, on authorized items, and bring back a regular appropriation bill. That is the one on which there should have been a conference.

Mr. INOUYE. I assure the Senator, as I have indicated in my statement, that every effort was made on the part of the Senate to convince the House to enter into a conference, but we were not successful.

Mr. FULBRIGHT. This exhibits a kind of arbitrariness I do not understand. The House will not agree to a conference on an appropriations bill that passed both Houses and in which there is very little difference. As I recall it, there was no difference of any consequence. I would have thought that would be the easiest kind of bill upon which to agree. A few people opposed the program as a whole, but those programs were almost the same. But the military programs were unauthorized and if the Senate adopts my tabling motion, I hope we can then agree to instruct the Senate conferees not to accept any increases in these unauthorized programs. I am willing to accept a continuing resolution with the military programs at the fiscal 1972 rate.

That is why I said a moment ago that there is some ulterior purpose. It is most unusual to give up a full year's appropriation that has been authorized and bring it back and put it in a continuing resolution for only 3 or 4 months. This is a very unusual situation, and I just do not understand it.

How can the House insist upon such unusual, unprecedented procedure? The only thing that suggests to me is that they are trying to blackmail the Senate into accepting their figures on the military assistance. They use that to drag along and blackmail us, force us to authorize, in a continuing resolution, amounts above those of last year, above all the traditional criteria that are used in continuing resolutions. I am unable to accept it, and I do not think the Senate ought to accept it.

If there is nothing further to be said, Mr. President, I move to lay the conference report on House Joint Resolution 1331 on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas to table the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mrs. EDWARDS), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), the Senator from Virginia (Mr. SPONG), the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Mississippi (Mr. EASTLAND) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Iowa (Mr. MILLER), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. SAXBE), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Kentucky (Mr. COOK) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Iowa (Mr. MILLER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "nay."

The result was announced—yeas 22, nays 41, as follows:

[No. 570 Leg.]

YEAS—22

Allen	Ervin	Muskie
Burdick	Fulbright	Nelson
Byrd, Harry F., Jr.	Gambrell	Pell
	Gravel	Proxmire
Chiles	Hart	Stevenson
Church	Jordan, N.C.	Symington
Cranston	Kennedy	Tunney
Eagleton	Mansfield	

NAYS—41

Aiken	Hruska	Percy
Beall	Humphrey	Randolph
Bennett	Inouye	Ribicoff
Bible	Jackson	Roth
Brooke	Javits	Schweiker
Buckley	Jordan, Idaho	Scott
Byrd, Robert C.	Long	Smith
Case	Magnuson	Stafford
Cooper	Mathias	Stennis
Cotton	McIntyre	Stevens
Dominick	Mondale	Taft
Fannin	Moss	Williams
Griffin	Packwood	Young
Hansen	Pastore	

NOT VOTING—37

Allott	Edwards	Miller
Anderson	Fong	Montoya
Baker	Goldwater	Mundt
Bayh	Gurney	Pearson
Bellmon	Harris	Saxbe
Bentsen	Hartke	Sparkman
Boggs	Hatfield	Spong
Brock	Hollings	Talmadge
Cannon	Hughes	Thurmond
Cook	McClellan	Tower
Curtis	McGee	Weicker
Dole	McGovern	
Eastland	Metcalf	

So the motion to table the conference report on House Joint Resolution 1331 was rejected.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. SCOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that any rollcall votes from now on be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now recurs on the adoption of the conference report.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Mr. President, is the veto message at the desk? Has the veto message arrived?

The PRESIDING OFFICER. The veto message is at the desk.

Mr. FULBRIGHT. Mr. President, I want to inquire of the majority leader whether it is his purpose to act upon the veto message tonight?

Mr. MANSFIELD. It is, after the disposal of the pending business.

Mr. FULBRIGHT. And that will have to go over until tomorrow. Will the Senate have to be in session tomorrow?

Mr. MANSFIELD. Yes, at 12 o'clock. But the veto messge will be taken up following the disposition of the pending business.

Mr. FULBRIGHT. Mr. President, can the Senator give us any idea how late he wants to run tonight?

Mr. MANSFIELD. As long as the Senate would like to run.

Mr. FULBRIGHT. Mr. President, I am perfectly willing to adjourn now.

Mr. MANSFIELD. Some Members of the Senate are leaving tomorrow. Some Senators have come back. We have as good a showing here as I think we will have from here on out. I would like to dispose of the measure tonight. I do not intend to vote in favor of the conference report. However, I do feel that I have an obligation and a duty to the Senate as a whole. And I hope that the distinguished Senator from Arkansas will take that into consideration.

Mr. FULBRIGHT. I shall take it into consideration, and I shall not delay the Senate very long. However, I have a few comments to make.

FURTHER CONTINUING APPROPRIATIONS, 1973—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973, and for other purposes.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the military assistance part of a recent GAO report be printed at this point in the RECORD for the information of the Senate, together with some additional information on the matter of continuing resolutions. I also ask unanimous consent to have printed in the RECORD some comparative data on the security assistance program.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

II. MILITARY ASSISTANCE

OVERALL PROGRAM ADMINISTRATION

The President is authorized under the Foreign Assistance Act to furnish military assistance to any friendly country or international organization to strengthen the security of the United States and promote world peace. Military assistance is provided through loans or grants of defense articles and services, financial contributions to multilateral programs for facilities for collective defense financial assistance for the expenses of U.S. participation in regional or collective defense organizations, and the assignment or detailing of U.S. defense personnel for noncombatant duty, including training or advisory functions. (Section 503.)

The purposes of military assistance programs in various countries are, basically, (1) to assist a country to develop a defensive capability against external aggression, (2) to maintain internal security and assist local forces in undertaking civic action programs, and (3) to assure continuation of certain United States military rights.

This initial subsection covers several GAO reports on problems relating to the general administration of military assistance programs.

Manpower utilized to administer military assistance

In 1966, GAO reported that the Department of Defense (DOD) planned to continue the operation of a military assistance group in a recipient country even though the military assistance grant-aid program for the country had been virtually completed and although available information indicated that other U.S. organizations in the country could perform the necessary residual functions.

DOD had made substantial reductions in the size of the group as the workload had decreased because of reductions in the military assistance program. GAO believed, however, that greater reductions in personnel and resultant savings could have been made if DOD had realistically evaluated the need to continue operations as carried out in recent fiscal years, and if DOD had made a determined effort to phase out the group and reassign responsibilities for essential functions to other U.S. organizations.

GAO recommended that DOD take action to (1) reduce the staff of the military assistance group to match its present reduced duties, (2) eliminate unnecessary functions and transfer necessary continuing functions to other existing U.S. organizations, and (3) terminate the activities of the group at the earliest practicable time.

DOD agreed that further limited reductions might have been possible. However, while DOD agreed in principle with GAO's recommendation to terminate the group as soon as possible, DOD felt that it was advantageous to continue operation of the group with reduced manpower. DOD later advised GAO of a reduction in the manpower authorization, and in 1969 the group was reduced from a staff of 85 to a staff of 16. (B–159341, August 15, 1966.**)

Military Assistance Furnished to Turkey

GAO reported in 1967 on its examination of military assistance furnished to the Turkish Air Force under the military assistance program.

GAO found that many of the same types of deficiencies that had been found in a prior GAO review of the program in Turkey and reported to the Congress in 1962 continued to exist. GAO also noted that some of the same types of deficiencies had been found by the Air Force Auditor General and were covered in his 1967 report on U.S. military assistance provided to Turkey.

GAO found that some improvements had been made since its prior review. However, GAO also found that (1) funds were still being over-programed, (2) excesses were not being recovered, and (3) unneeded items were being requisitioned. GAO believed that there was a need for improved management of the military assistance furnished to the Turkish Air Force to eliminate these deficiencies. GAO also believed that greater efforts by U.S. advisory personnel could achieve this objective and would thereby substantially reduce the cost of the military assistance program. (B–125085, June 7, 1967[1])

Cost Sharing of Military Construction Projects in Europe

The North Atlantic Treaty Organization (NATO) has an infrastructure program which is designed to provide the fixed defense installations and facilities required by NATO forces. The costs of this program are shared by member nations.

In 1969, GAO reported that improvements had been made in administration of U.S. participation in the NATO infrastructure program since GAO's last report on the program in 1965. GAO found, however, that further improvement was needed, particularly in recovering costs of projects initially financed by the United States. GAO reviewed several projects, valued at over $9 million, and found delays both in the submission of Air Force projects for cost sharing and in the subsequent recovery of costs of initially-financed programs after they were included in the NATO program.

GAO believed that the need for further improvement could be largely attributed to the fact that the services did not fully understand the NATO financial system, a lack of specific instructions in some instances, a lack of centralized responsibility for certain cost-sharing functions, and the failure of the U.S. Command in Europe to fully examine delays in cost recovery and take corrective action. GAO also found that the U.S. Army in Europe, purportedly to maintain operational control, had followed a policy of not pursuing NATO cost sharing for certain facilities eligible under the program.

GAO proposed that DOD reconsider GAO's 1965 proposal to establish a single office within DOD to be responsible for and coordinate uniform infrastructure policies and practices. GAO also made several more specific proposals, including more specific arrangements

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with host countries, which were applicable to all U.S.-prefinanced projects and which GAO felt could bring earlier fund recoveries.

DOD generally accepted the GAO proposals and began needed actions, but felt that a single DOD office was not necessary and that new guarantee procedures in U.S.-host country relations and discrete diplomatic pressures could bring fund recovery without negotiating reimbursement agreements for all possible cases.

GAO recommended that DOD further consider a central DOD authority with definite responsibility for enforcing and monitoring DOD policies and procedures. GAO also recommended an evaluation of the effectiveness of the new procedures relating to the need for more specific U.S.-host country agreements. DOD subsequently advised GAO that DOD instructions were being revised to establish provisions for the European Command to monitor and enforce DOD policies and procedures relative to the cost sharing of NATO infrastructure programs. (B–156489, October 10, 1969.[1])

Payment of Taxes to Other Governments on U.S. Defense Activities Overseas

The U.S. and various other governments have arranged for U.S. purchases in and supply and equipment imports into those countries to be exempt from taxes and import duties when the items are for the common collective defense or for other purposes which are in their mutual national security interest.

GAO reported in 1970, however, that the United States had incurred substantial tax costs in several countries. Examples of significant direct and indirect tax costs which the United States had incurred over several years for property leases, family housing rentals, local procurements, and imports of supplies and equipment were $28 million in Vietnam, $4 million in Thailand, and $2.2 million in Germany.

GAO believed that when the financial burden of a foreign tax is passed on to the United States indirectly and the tax is substantial, such action is inappropriate, particularly in view of the substantial U.S. expenditures for the common collective defense.

GAO recommended that the Departments of State and Defense (1) jointly develop and promulgate specific guidelines which would define the U.S. tax-exemption policy, (2) clearly establish the responsibilities of the concerned U.S. agencies, and (3) provide for an adequate management system to operate an effective tax relief program.

The two departments recognized that tax exemption problems existed. They generally agreed with the GAO recommendations and had begun corrective action. GAO believed that the benefits derived from these actions would have a favorable impact on the balance of payments and would also provide more funds for direct defense and other assistance efforts.

The Departments of Defense and State later provided GAO a joint response with a comprehensive analysis concerning the payment of taxes to other governments by the United States on a country-by-country basis. The gist of the Departments' analysis was that (1) the United States had succeeded in obtaining tax relief for its expenditures overseas, made for common defense purposes, in all major respects; (2) a joint task force had been formed by the Departments of State, Defense and Treasury, studies were being made, and steps were being taken to strengthen the management of the U.S. foreign tax relief program by issuance and implementation of revised instructions concerning administrative policies and procedures; and (3) audit programs initiated by the Departments would be adjusted to assure greater audit emphasis on the administration of foreign tax relief matters. (B–133267, January 20, 1970.)

U.S. Support of Philippine Troops in Vietnam

In 1970, GAO also reported on payments made by the U.S. Government to the Government of the Philippines in support of Philippine troops in Vietnam.

GAO found that the assistance given to the Philippine Government, which was funded by DOD, consisted of approximately $35 million in equipment and logistics support, and about $3.6 million of direct payments which were appropriated for DOD by the Congress and paid GAO also found evidence that other forms of U.S. assistance to the Philippine Government, such as military and economic assistance funded under the Foreign Assistance Act, were increased during the period of the Philippine troop commitment to Vietnam.

GAO reported that its work had been seriously hampered and delayed by the reluctance of the Departments of State and Defense to give GAO access to the records considered pertinent to the GAO review. Generally, GAO received access only to those records which it could specifically identify and request, and then only after time-consuming screening within the Departments. GAO concluded that because of the restricted access to records it was possible that the agencies might have withheld information which was pertinent to the GAO study. (B–168501, March 21, 1970.)

Purchase Commitment Made to an International Organization Prior to Availability of Funds

In 1960, DOD entered into a written agreement with a consortium of five NATO countries formed to produce HAWK surface-to-air missiles in Europe. U.S. participation included providing certain materiel and services needed for production along with purchasing four of the missile systems. Part of the assistance provided was to be offset against the cost, but the total cost was not stated in the agreement. Preproduction performance began immediately.

DOD had only a portion of the funds available to purchase the four missile systems when the 1960 agreement was signed. Instead of making sufficient funds available or limiting U.S. liabilities, DOD had a clause inserted into the agreement stating that the U.S. purchase commitment was "subject to availability of funds."

In 1970, GAO reported that no express authorization existed in law allowing DOD to enter into the purchase commitment without having sufficient funds available. GAO believed the commitment did not comply with the intent of the Anti-Deficiency Act, which requires government agencies to have estimated funds available or advance congressional approval before entering into contractual obligations. This ensures that the Congress has the opportunity to pass on contractual obligations for which it will be required to appropriate funds.

GAO concluded that by signing the 1960 agreement and providing assistance to the consortium, which made it possible to proceed with production of the missile systems, DOD firmly committed the United States to buy four missile systems at an unknown cost, and committed the Congress to appropriate the additional funds after-the-fact, notwithstanding the proviso "subject to availability of funds." There was little practical control that the Congress could exercise over the amount of funds it would subsequently be required to appropriate if the United States was to meet its contractual commitments under the international agreement.

GAO also found that DOD funded the commitment incrementally, consistent with the annual assistance requirements but with little or no relation to the costs of the four systems because the funding was less than the projected costs of the systems. In mid-1969, DOD estimated the total costs of the four systems in millions of dollars, and also estimated that several million dollars would have to be paid to the consortium for an $11.9 million claim to the consortium for documentation, services, and depreciation costs. The final cost was not expected to be known or final payment made until 1972 or 1973.

GAO recommended to DOD that a report be made to the President, through the Office of Management and Budget, and to the Congress of all pertinent facts concerning this matter and any action taken or to be taken, as required by law. GAO also recommended that the matter be brought to the attention of appropriate DOD officials to point out that decisions on the making of contractual obligations of the Government should be consistent with the requirements of law and pertinent DOD directives.

DOD did not agree with GAO's findings and recommendations. DOD stated that (1) the Mutual Security Act of 1954 was the authority for its actions and the term "subject to availability of funds" was used in accordance with then-current Comptroller General decisions; (2) the Congress had been clearly advised of the agreement through the military assistance budget estimates of U.S. funding support for the program on an incremental basis; and (3) the obligation to fund an additional amount covering the total U.S. liability was of a contingent nature and not an actual recordable obligation.

In May 1970, GAO was informed that $9.1 million of the claim had been tentatively accepted, that the current cost projection for the four systems was higher than previously estimated, and that several millions of dollars had beeen obligated for a tentative payment to the consortium. After considering DOD's comments, GAO still believed that a violation of the Anti-Deficiency Act had occurred and that DOD should take appropriate action as recommended.

In December 1970, DOD stated that since it disagreed with the GAO conclusion concerning violation of the Anti-Deficiency Act and Section 1311 of the Supplemental Appropriations Act, 1955 (31 U.S.C. 200), no corrective action was deemed necessary. GAO is now taking steps to report this matter to the Congress and the Office of Management and Budget for their further consideration, (B–160154, October 2, 1970.[1])

Current GAO Reviews

GAO is currently initiating reviews of military assistance programs in several countries to evaluate whether the military assistance is being effectively utilized to achieve U.S. objectives. GAO is also reviewing assistance related to Free World Forces in Vietnam, to examine the costs borne by the United States to equip and support troops from other countries, and to examine other economic benefits which these countries may derive as a result of sending troops to Vietnam.

MANAGEMENT OF MATERIEL PROGRAMS

Military assistance consists primarily of military hardware and services and is furnished on both a grant and sales basis. This subsection summarizes recent GAO reports dealing with the furnishing and use of military hardware, including military excess property. The types of articles available under the military assistance program include aircraft, missiles, ships, vehicles, weapons, ammunition, communications equipment, and construction and support equipment.

Overprocurements from Ineffective Supply Management in Korea

GAO reported in 1965 that, under the military assistance program, about $463,000 of overprocurements for unneeded spare parts and assemblies for Japanese-manufactured

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vehicles had been made because excesses within the Korean Army supply system were not identified and recovered.

GAO believed that inadequate advisory efforts of U.S. personnel had contributed largely to this deficiency. Additional procurements of similar unneeded parts, valued at about $693,000, could have followed if DOD had not taken timely corrective action as a result of the GAO review. (B–125099, May 28, 1965.)

New Ships Provided to Iran Instead of Reserve Fleet Vessels

GAO also reported in 1965 that two new patrol frigates, constructed at a cost of about $74 million, had been furnished to Iran under the military assistance program even though the Iranian navy's requirements could have been met by activating, overhauling, and modernizing available reserve fleet destroyer escorts at an estimated cost of $3.8 million.

GAO found that adequate consideration had not been given to use of the reserve fleet vessels because the responsible officials were reluctant to request congressional approval required for their transfer to a foreign nation, and because cost data used in evaluating the advantages of furnishing new patrol frigates was unrealistic. GAO recommended that, in the future, DOD give adequate consideration to the use of available reserve fleet ships in fulfilling requirements under the military assistance program (B–133134, February 3, 1965.[1])

Depot Construction in Iran

In another 1965 report on the military assistance program in Iran, GAO concluded that U.S. funds of $8.4 million were for the most part wasted in construction of a depot.

GAO found that the depot had had only negligible use since its construction in 1960, and that current plans called for dismantling and relocating many of its storage facilities. GAO believed that the facts available when construction of the depot began in 1958 clearly indicated that the depot was not needed or wanted by the Iranian Army.

In compliance with GAO's proposals, DOD instituted procedures to require continuing reevaluation and necessary revision of such construction projects to assure that they are justified. (B–133134, Mar. 22, 1965.)

Air Defense Equipment for the Republic of China

In 1966, GAO reported on its review of air defense equipment furnished to and procured for the Republic of China under the military assistance program.

GAO found that the Chinese Army ordnance missile support unit had about $450,000 worth of items which were excess to its current needs. The excess items accounted for over 37 percent of the inventory of high-value items. GAO concluded that there was a need for increased continuing efforts by U.S. advisory personnel to identify military assistance program spare parts which are excess to the needs of the recipient country, and to report them for redistribution to meet other valid requirements. DOD later advised GAO that procedures would be implemented requiring faster identification and validation of requirements and that changes producing quantitative increases or decreases would be processed more rapidly. (B–125087, June 3, 1966.)

Aircraft Supply Support in a Far East Country

GAO reported in 1966 on the adequacy of supply support provided by the Air Force of a Far East country under the military assistance program. GAO found that the defense capability of the country's Air Force was impaired because a high percentage of F–104 aircraft was deadlined for excessive periods of time because of a lack of essential operating parts. Over a 6-month period the monthly average of inoperable F–104 aircraft was as high as 32 percent and represented nonfunctioning aircraft valued at $21.5 million. GAO also noted evidence of decreased operational effectiveness of F–100 aircraft because of the lack of working jet engines.

GAO recommended that DOD establish effective procedures to coordinate supply activities with the country's Air Force and with U.S. supply units, and increase controls over stock levels, priority requisitions, and depot activities to ensure availability of priority items. The Air Force took action on these GAO recommendations, and DOD informed GAO that a complete stock level review had been made by the recipient country's Air Force and that country repair capability had been increased. (B–125087, February 23, 1966.[1])

Supply Management of Spare Parts and Equipment for the Korean Air Force

In another 1966 report, GAO concluded that a substantial reduction in costs of logistical support for the Korean Air Force could be achieved through greater efforts by U.S. advisory personnel in assisting the Koreans to improve the management of materiel provided by the United States.

Because of a lack of effective supply management, the Korean Air Force had requisitioned and the United States had delivered large quantities of assemblies, spare parts, and support equipment—valued at several million dollars—in excess of actual needs. GAO believed that while the large accumulation of excess stock resulted from numerous problems in day-to-day supply operations, the major contributing factors were the failure to consider all stocks on hand at operational levels before computing requirements for more stock, the use of unreliable requirement data, and the ordering of supplies and equipment in excess of established requirements. During GAO's review, U.S. advisors began action to cancel $314,000 of outstanding requisitions.

GAO proposed that DOD (1) identify and redistribute the stocks excess to Korean Air Force needs, (2) ensure that outstanding requisitions were really justified, (3) establish procedures to minimize future excess stock accumulations, and (4) ensure that requirement and requisitioning processes would be properly managed. DOD informed GAO, in classified comments, of corrective actions being taken. (B–160122, October 10, 1966.[1]

Procurement of Locomotives for Thailand

In 1967, GAO reported that the U.S. Army had spent about $1 million to buy for and deliver to Thailand locomotives which did not meet Thailand's specific requirements for mainline use—the purpose for which they were intended. GAO also found that instead of clarifying the contradictory technical requirements, Army officials had prepared a purchase description and begun procurement of the locomotives before determining whether the locomotives could perform as intended. As a result, replacement locomotives costing $2.3 million were to be delivered to Thailand.

GAO recommended that DOD require the military departments to establish procedures for review and approval by the user of purchase descriptions for the purchase of complex nonstandard equipment, with the review to be made before the contract award and to be documented in the procurement contract file. The Army advised GAO that it was exploring possible uses of the locomotives that were found unsuitable for Thailand's purpose. (B–157421, January 31, 1967.)

Disposal of Excess Military Property in Turkey

GAO reported in 1967 that the United States had been disposing of excess military property in Turkey for many years at prices well below the market values of the property. The major causes of this practice were (1) the very restrictive nature of the bilateral agreement between the United States and Turkey for disposal of excess property, which permitted sales within Turkey to be made only to firms designated by the Turkish Government, and (2) the reluctance of the U.S. Embassy in Turkey to authorize the sale of U.S. excess military property outside Turkey, even though this was clearly provided for under the bilateral agreement.

U.S. officials in Turkey estimated that from early 1962 through late 1965 the U.S. lost about $2 million in Turkish lira by not selling its excess property to open-market buyers outside Turkey or about $3.2 million by not selling to open-market buyers in Turkey. These officials also estimated that the United States would continue to lose more than $1 million annually on disposal sales unless action was taken to improve the existing disposal process.

GAO concluded that the unsatisfactory arrangements, which had existed since 1959, would continue until the United States could negotiate a more liberal agreement with Turkey allowing sales on the open market or until the United States began using the provisions of the existing agreement which permitted disposal by export. GAO noted that since its review some corrective measures had been taken (B–160530, February 28, 1967.)

Excess Ammunition and Weapons in a Military Assistance Country

In another 1967 report, GAO found that several million dollars worth of ammunition and weapons in a military assistance country was excess to the military assistance purposes for which it was furnished. The responsible military advisory group had not carried out DOD guidance for obtaining the return of this material to U.S. control, and had not been required to so do by DOD or the U.S. European Command. Had this material been available, much of it could have been considered for use in meeting other U.S. requirements, particularly in Southeast Asia, instead of buying new items or renovating other available stocks.

During its review, GAO notified DOD that, in this review and in other reviews, it had found that military assistance advisory groups in many cases had not made a concerted effort to identify U.S.-furnished materiel no longer needed for the purposes provided, or to enforce existing agreements that require recipient countries to make such materiel available for redistribution.

DOD notified the military services and unified commands of the importance of recovering excess items which were urgently needed by the military departments because of the conflict in Southeast Asia. As a result, military assistance countries declared more than $30 million of MAP-furnished ammunition excess to their needs. GAO's follow-up of actions taken showed that, in early 1967, $14.5 million of the ammunition had been recovered and an additional $5.7 million was awaiting shipping instructions or ballistic acceptance. (B–125085, April 10, 1967.)

Recovery of Military Assistance Property Declared Excess by Recipient Countries

GAO reported in 1967 that a significant portion of military assistance property which had become excess to the needs of recipient countries was released to those countries by DOD without first determining, on a case-by-case basis, whether it would be worthwhile economically to recover the property for redistribution or disposal by the United States. GAO also noted that there were billions of dollars worth of military assistance property still being held by recipient countries which would eventually become excess.

GAO believed that the sale of this excess property by recipient countries had the effect of adding millions of dollars in additional

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U.S. aid to those countries which was not readily apparent since it was not a part of the usual aid program. GAO concluded that, if DOD had made case-by-case determinations of economic recoverability, these sales proceeds could have been received by the United States.

The U.S. practice of disposing of excess MAP property differed in many recipient countries. GAO believed that DOD could increase U.S. revenues by recovering a greater portion of the excess military assistance property in foreign countries for disposal by U.S. disposal agencies. GAO also believed that the release of economically recoverable property had deprived the United States of foreign currency which could have been used by the U.S. to reduce dollar expenditures and improve the U.S. balance-of-payments position.

The Departments of State and Defense informed GAO, in classified comments, that they could not agree with all of GAO's findings and conclusions, and pointed out some of the foreign policy and other considerations involved. However, GAO issued its report to advise the Congress of the additional assistance being provided to certain countries (B–161049, July 12, 1967.[1])

Management of Equipment Held in Storage

In another 1967 report, GAO found that millions of dollars worth of equipment, held in Army storage for the military assistance program was not being used by DOD to fill program requirements. Significant amounts of military assistance funds were being used to meet grant-aid and sales requirements which could have and should have been met with the equipment on hand. In addition, more MAP funds were expended for storage and maintaining the unassigned equipment.

GAO attributed the problem to a lack of accurate inventory data and proper procedures for systematically screening and using equipment, a lack of controls to ensure that operating units were following existing policies, and the use of verbal hold orders to reserve certain equipment for potential but unconfirmed uses. GAO also found a need for better management to ensure that Army-owned equipment reserved for military assistance programs would be promptly released for general military use when a military assistance requirement no longer existed.

DOD and Army officials generally agreed with GAO's findings and recommendations, and were taking action to improve management procedures and controls for military assistance program inventories. (B–162479, November 14, 1967.)

Major Weapon System Provided to Far East Countries

In 1970, GAO reported on its review of the combat readiness of a major weapon defense system provided to Far East countries under the military assistance program. The system was to be a part of the defense system of the U.S. Pacific Command, and is subject to U.S. control in the event of hostile actions.

GAO found that the combat readiness of the weapon system was seriously weakened by inadequate supply and maintenance support by the United States and the recipient countries. The systems had not been combat ready—fully capable of accomplishing the assigned mission—for extended periods of time, even though a U.S. Army, Pacific regulation required full combat readiness at all times.

DOD felt that GAO's findings were valid for the period of GAO's initial review, during 1967, but stated that since that time corrective actions had been taken and the situation had improved. GAO made a follow-up review, however, and found that, while some improvements had been made, a low level of readiness still existed, primarily because of continued inadequate supply and maintenance support. GAO recommended that DOD stress to appropriate officials the need for continued improvement.

DOD informed GAO that the supply and maintenance problems cited by GAO were being gradually corrected, and that U.S. and recipient country officials were well aware that much improvement was needed before full combat ready status could be sustained. DOD also stated that the U.S. Pacific Command was being requested to submit semi-annual reports of the progress made in taking corrective action. DOD later provided follow-on data that showed a slightly improved readiness status. (B–161764, January 14, 1970.[1])

Current GAO Reviews

GAO is currently conducting a review, at the request of the Senate Committee on Foreign Relations, of the need for and utilization of excess stock available under the military assistance program in countries receiving major amounts of excess military equipment and supplies from the United States. GAO is also doing follow-on review of the military assistance for the Far East country discussed in this section, including an examination of supply activities and the identification of current aircraft operational effectiveness.

MANAGEMENT OF TRAINING PROGRAMS

Another major component of military assistance programs, in addition to the furnishing of military hardware, is the conduct of training programs in military assistance recipient countries. GAO has issued reports, as discussed below, on problems in administering this type of assistance.

Military Assistance Training Program for Greece

In 1965, GAO reported that the Joint U.S. Military Aid Group in Greece was carrying out a multi-million dollar training program without taking effective action to: (1) identify training deficiencies in the Greek armed forces; (2) screen and approve the most appropriate candidates for training; (3) obtain proper and full utilization of trained personnel by the Greek armed forces; (4) properly consider and further develop the training capabilities of the Greek armed forces; and (5) attain the objectives of in-country civilian specialists furnished by the United States.

GAO's limited tests of training provided or programed from mid-1960 through mid-1963 indicated that training valued at about $500,000 was unnecessary. GAO recommended that the Chief of the Military Aid Group in Greece be required to obtain and maintain the information needed to avoid the above deficiencies before beginning other training programs. (B–133055, June 29, 1965.[1])

Military Assistance Training Program for Iran

In another 1965 report, GAO showed that about $650,000 of jet pilot training, programed under the military assistance training program in Iran from mid-1961 through mid-1963, could have been saved if in-country pilot training programs had been developed, a sufficient number of qualified personnel had been available for the training program, trained personnel had been fully and properly used, and the most economical means of transporting students to the United States had been used.

GAO recommended that the chief of the military assistance advisory group in Iran take action to: (1) establish and further develop in-country training programs within the Iranian armed forces; (2) determine realistic and essential training requirements for the Iranian armed forces; (3) ensure that qualified candidates would be available to fill programed training spaces; and (4) obtain and verify information on the qualifications and duties of skilled Iranian military personnel.

Administration of the Foreign Military Sales Fund

In 1969, GAO reported that DOD needed to make improvements if the accounting records and related financial statements of the Foreign Military Sales Fund were to adequately disclose the Fund's financial condition.

GAO found that the Fund's accounting records were not in proper condition for auditing because the records were not maintained on the accrual basis or in a current condition, and because the accounting practices being followed made it difficult to attempt to verify the records. GAO noted that because financial statements for the Fund had not been prepared on the accrual basis, substantial balances had been left out. GAO also questioned the accuracy of the stated balances for loans receivable and certain other aspects of accounting and reporting.

In view of recent legislation which initiated an estimated 10-year period of Fund liquidation, that began in 1968, and directed that assets of the fund be available to discharge fund liabilities and for transfers to the Treasury during the liquidation period, GAO believed that it was quite important to get the Fund's accounting records on a sound basis.

GAO suggested that DOD place the Fund's accounting records on the accrual basis as soon as possible and also take prompt action to analyze and adjust the accounts to show the correct and proper balances. DOD informed GAO that it was awaiting extension of accrual accounting to all DOD accounting systems before fully implementing it for the Fund. DOD also stated, however, that special efforts were being made to improve the accounting records. (B–165731, April 16, 1969.)

DOD advised GAO that action had been taken to correct the deficiencies found. DOD subsequently informed GAO that, based on a DOD review, the DOD military assistance manual had been changed to require an agreement with host-country officials on the length of time that foreign personnel trained under the military assistance program should work in a job appropriate to the training that they had received. (B–133134, December 10, 1965.[1])

Current GAO Reviews

At the request of the Chairman, Senate Committee on Foreign Relations, GAO has recently completed a review of the Military Assistance Training Program in Greece, Iran, Turkey, Korea, and six other countries. Its report was issued to the Senate Committee on Foreign Relations on February 16, 1971.

FOREIGN MILITARY SALES PROGRAM

Under the provisions of the Foreign Assistance Act, DOD has administered a revolving fund known as the Foreign Military Sales Fund which has been used to extend credit to foreign military sales customers. In 1968 the foreign assistance legislation relating to this subject was consolidated in the Foreign Military Sales Act. The Act authorizes the sale of defense articles and defense services to friendly countries for internal security, legitimate self-defense, participation in regional or collective arrangements, participation in United Nations collective peace-keeping efforts, or for civic action activities in support of a country's economic and social development. (Section 4.)

Two recent GAO reports dealing with problems of foreign military sales program administration are discussed below.

Charges for Military Pilot Training Sold to a Foreign Country

The Foreign Assistance Act requires that whenever military training services are sold to foreign countries DOD should charge the full value thereof in U.S. dollars.

GAO found that the price of about $62

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million established by the U.S. Air Force to recover the cost of pilot training provided to the Federal Republic of Germany for F–104 aircraft through 1966 did not include all direct and indirect costs incurred by the Air Force to provide that training. The Air Force excluded military pay and allowances, utilities, building and maintenance, and facility modification costs amounting to about $6 million. The Air Force also excluded rental charges on the U.S.-owned aircraft and equipment used, and failed to collect for government-furnished housing supplied to the foreign students.

DOD agreed, after preliminary investigation, that training costs had not always been computed accurately, uniformly, and in accordance with DOD pricing policy. In line with GAO's recommendations, DOD conducted a study of the pricing of foreign military sales for training. As a result of the study, DOD policy and criteria for pricing sales of training were revised. However, DOD disagreed with GAO's recommendation that it attempt to collect for those charges omitted in the past. DOD later advised GAO that DOD instructions would be revised to require full recovery of actual and indirect costs applicable to military pay and allowances. (B–167363, November 19, 1969.)

FOOTNOTE

[1] Unclassified summary of a classified report.

POINTS CONCERNING THE CONTINUING RESOLUTION FOR FOREIGN AID

1. Approval of a continuing resolution that would allow continuation of regular funding for the military aid program until March subverts the role of Congress in our Constitutional system. The functions of four Committees in shaping foreign aid legislation are being by-passed by this procedure. It denigrates the responsibilities of the Senate Foreign Relations Committee, the Senate Appropriations Committee, the House Foreign Affairs Committee, and the House Appropriations Committee.

2. The approach makes a mockery of the legislative process. If it is followed in the future, it could be used to undermine any conference which is having difficulty in reaching agreement on policy issues. The authorizing committees might as well close up shop if the Executive Branch knows it can count on getting a continuing resolution every time it is trying to kill an item in conference. This is a powerful club for the Executive Branch to hold over the head of all authorizing committees.

3. With a long-term continuing resolution for foreign aid the Executive Branch gets what it wants—money—and Congress gets nothing in the way of new policy restrictions. If the Executive Branch continues to get money for the military aid programs through a continuing resolution it can avoid the Senate-initiated policy provisions in the authorization bill such as:

A requirement that the Azores base agreement and all future foreign military base agreements be submitted to the Senate for approval.

A $275 million ceiling on U.S. spending in and for Cambodia in FY 1973.

A prohibition on military aid or sales to Pakistan, India, and Bangladesh.

A prohibition on the use of development aid funds for military purposes.

The earmarking of $70 million for humanitarian aid to South Vietnam and a requirement for the initiation of planning for post-war relief in Indochina.

A prohibition on aid to countries in Southeast Asia which do not control illegal drug traffic.

With a continuing resolution the Executive Branch can, in effect, have its cake and eat it too. Only Congress loses in the process.

4. There will be little prospect of reaching agreement with the House on an authorization bill after the new Congress reconvenes if a full-scale continuing resolution goes through. It will, thus, take away vital leverage from the Senate. When the proposed spending authority expires only four months will remain in the fiscal year. The Administration will be pushing for an extension of the continuing resolution for the remainder of the fiscal year, arguing that Congress should turn its attention to an authorization bill for the 1974 fiscal year and consider the policy disputes involved in the authorization bill that has died in conference as water over the dam. Both the House and the Administration will be far more amenable to reaching an agreement in January if the continuing resolution is limited to money for salaries only.

5. The position of the Senate conferees has been reasonable. They have not tried to force the Case amendment on the House without change. They offered a reasonable compromise which involved agreeing to drop the controversial Azores bases section and to allow future base agreements to be presented to Congress for approval through a joint resolution as well as by treaty, thus bringing in the House.

6. If traditional procedures were followed, the continuing resolution for the military assistance, military credit sales and the supporting assistance programs would provide at most only new obligational authority for salaries and necessary expenses for administering the $1.84 billion in the pipeline for these programs. The amount in the pipeline is $390 million more than the amount Congress appropriated in FY 1972 for these programs.

7. The continued funding of foreign aid items without an authorization violates the purpose of existing law, Section 10 of P.L. 91–672 (1971), which prohibits the obligation of appropriations for foreign aid or military sales unless there is a valid authorization. There is no authorization for FY 1973 for the three programs involved here and Section 10 has been waived in prior continuing resolutions for this fiscal year. Since it is now clear that an authorization bill will not be passed this session, there is no justification for waiving this requirement further.

8. Time after time over the last several years the Senate has voted to support the principle that there should not be appropriations for foreign aid without an authorization. In 1969 and 1970 the Senate rejected conference reports on foreign aid appropriation bills because they contained amounts which were not authorized. Last year the Senate refused to go along with an attempt by the House to circumvent the conference on the foreign aid authorization through use of continuing resolution authority.

9. Traditionally continuing resolutions are based on the assumption that an authorizing bill will be approved by Congress in a reasonable time. There is no assurance that this will be the case on authorizations for military aid. The Senate defeated the first military aid bill 42 to 48, and the second bill squeaked through 46 to 41 only after several Senators were induced to switch their votes. It is quite possible that support in the Senate for these programs will be even less in the next Congress.

COMPARATIVE DATA ON SECURITY ASSISTANCE—MONEY ITEMS (in millions)

Program	Appropriation fiscal year 1972	Budget request fiscal year 1973	Authorization bill		Appropriation bill		Continuing resolution rate to date	Conference report
			House	Senate	House	Senate		
I. Security assistance:								
1. Military grant assistance	$500.6	$780.0	$730.0	$600.0	$730.0		$500.6	$550.6
(a) Naval Training Center—Western Hemisphere			5.0	2.5	2.5			2.5
2. Supporting assistance	550.0	844.0	769.0	685.0	750.0		550.0	600.0
(a) Earmarked for Israel [1]	(50.0)		(50.0)	(85.0)	(50.0)			
3. Military credit sales	400.0	527.0	527.0	435.0	450.0		400.0	400.0
(a) Credit ceiling	[2] (550.0)	(629.0)	[2] (629.0)	[2] (600.0)				
Total security assistance	1,450.6	2,151.0	2,031.0	1,722.5	1,932.5		1,450.6	1,553.1
II. Bangladesh assistance	200.0	100.0	100.0	100.0	75.0		100.0	100.0
Total, security and Bangladesh assistance	1,650.6	2,251.0	2,131.0	1,822.5	2,007.5		1,550.6	1,653.1

[1] Other items were also earmarked in the authorization bills.

[2] $300,000,000 earmarked for Israel.

Mr. FULBRIGHT. Mr. President, I would like to clarify one point. I was just informed that certain Senators were saying that if this conference report were tabled, it would adversely affect aid to Israel. I can assure the Senate that was not the case. My proposal would not have affected it. The money would go to Israel even at last year's spending rate. Israel would not be adversely affected by that rate. It's the same as authorized this year by the Senate. I wanted to make that clear in the RECORD.

Mr. President, I do not see much point in the process of authorization if we are going to substitute continuing resolutions at any rate that suits the House of Representatives.

Mr. YOUNG. Mr. President, I only wish to say that the Comptroller General has issued a ruling that all foreign aid assistance, including aid to Israel, would be ended without the continuing resolution.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. FULBRIGHT. Mr. President, I want to make it clear that I was referring to this continuing resolution and not to be a continuing resolution in the regular procedure.

The PRESIDING OFFICER. The question is on agreeing to the conference report (putting the question).

The conference report was agreed to.

Mr. YOUNG. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. SCOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE TECHNOLOGY ASSESSMENT BOARD—APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. Moss). The Chair, on behalf of the President pro tempore, pursuant to Public Law 92-484, appoints the following Senators as members of the Technology Assessment Board: The Senator from Massachusetts (Mr. KENNEDY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Colorado (Mr. ALLOTT), the Senator from Colorado (Mr. DOMINICK), and the Senator from Pennsylvania (Mr. SCHWEIKER).

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972—VETO MESSAGE

The PRESIDING OFFICER (Mr. Moss). The Chair lays before the Senate the President's veto message on S. 2770, a bill to amend the Federal Water Pollution Control Act.

The Senate proceeded to reconsider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the veto message be considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is: Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, my impression is that the consideration of the veto is not likely to take too much time. So far as my own remarks are concerned, I think I can finish them in under 10 minutes. I simply want to answer the President's principal points.

I do not expect to prolong this evening session, but I think we do need to cover one or two points in order to make the record to override the veto.

I think the essence of the President's veto message is contained in the following language which I read:

> Legislation which would continue our efforts to raise water quality, but which would do so through extreme and needless overspending, does not serve the public interest. There is a much better way to get this job done.
>
> For this reason, I am compelled to withhold my approval from S. 2770, the Federal Water Pollution Control Act Amendments of 1972—a bill whose laudable intent is outweighed by its unconscionable $24 billion price tag.

Mr. President, the language I have read from the President's veto message states quite plainly that he believes this bill represents overspending. May I say to the Senate that the amount authorized in the legislation by the committees is based on a very careful evaluation of needs, including estimates submitted by the administration itself.

I now read from a letter sent to the President yesterday by Mr. Ruckelshaus, the Administrator of the Environmental Protection Agency:

> The total amount of contract grant authority contained in the enrolled bill is formulated from the Administration's estimate of construction needs as submitted to the Congress in February of this year. The total estimate amounted to $18.1 billion. The Federal share at 75% would amount to $13.6 billion. This needs estimate did not include any allowance for inflation, nor did it include funds for combined, storm, and collection sewers, or for recycled water supplies. These are project eligibilities newly specified by the enrolled bill.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that Dick Hellman, Phil Cummings, Bailey Guard, Barry Meyer, and Leon Billings, staff members from the Committee on Public Works, be permitted to be on the floor at this time, and also Mr. Jordan of the staff of the Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, will the Senator from Maine yield for 1 question?

Mr. MUSKIE. I will be happy to yield in just a moment.

I ask unanimous consent to place in the RECORD at this point the remainder of the comments of Mr. Ruckelshaus on this particular point in the President's message.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

> The total value of construction initiated in the near-term under the enrolled bill is expected to correspond closely to the total value of construction that would have been initiated under the Administration bill. Under the Administration's proposal, communities were free to continue to initiate reimbursable projects, were not constricted by the $6 billion authorization, and could have substantially increased this amount. Reimbursable projects are precluded under the enrolled bill and the $18 billion contract grant authority represents a ceiling, while the Administration's $6 billion proposal represented a floor. With the projected close correspondence in total near-term value of construction starts, the potential inflationary impact upon the entire construction sector would be minimized.
>
> The total amount of contract grant authority contained in the enrolled bill is formulated from the Administration's estimate of construction needs as submitted to the Congress in February of this year. The total estimate amounted to $18.1 billion. The Federal share at 75% would amount to $13.6 billion. This needs estimate did not include any allowance for inflation, nor did it include funds for combined storm, and collection sewers, or for recycled water supplies. These are project eligibilities newly specified by the enrolled bill.
>
> This needs estimate provided to the Congress was constructed to support the commitment of the President in his State of the Union message of January 22, 1970, to "put modern municipal waste treatment plants in every place in America where they are needed to make our waters clean again, and to do it now." This commitment was repeated in the February 1970 Message on the Environment, which enunciated funding support for "every community that needs it with secondary waste treatment, and also special, additional treatment in areas of special need, including communities on the Great Lakes." The commitment was re-endorsed in the February 1971 message on the Environment with a statement that we should provide "adequate funds to ensure construction of municipal waste treatment facilities needed to meet water quality standards."

Mr. MUSKIE. I yield to the Senator from Colorado.

Mr. DOMINICK. I thank the Senator from Maine.

Is my understanding correct that the amount authorized here is still subject to the appropriation process?

Mr. MUSKIE. Funds are made available through contract authority which is subject to the control of the President and also the Committee on Appropriations. Yes. As a matter of fact, may I say to the Senator that the conferees adopted an amendment proposed by Congressman HARSHA to indicate clearly intent of Congress with respect to that point.

Mr. DOMINICK. And so the Committee on Appropriations could by its action determine what contract authority the President would have. Is that correct?

Mr. MUSKIE. Under the amendments proposed by Congressman WILLIAM HARSHA and others, the authorizations for obligational authority are "not to exceed" $18 billion over the next 3 years. Also, "all" sums authorized to be obligated need not be committed, though they must be allocated. These two provisions were submitted to give the administration some flexibility concerning the obligation of construction grant funds.

Mr. COOPER. Mr. President, will the Senator yield briefly? I would like to be sure we are clear on this matter.

Mr. MUSKIE. I yield.

Mr. COOPER. Did I understand the question of the Senator from Colorado to be whether the Appropriations Committees could set a limit on the amount to be obligated?

Mr. DOMINICK. That is the question I asked. I understood from the Senator from Maine that the answer was in the affirmative; that the Appropriations Committee could set that limit.

Mr. COOPER. I thank the Senator. Out of this $24 billion, $6 billion is not subject to contract obligation. Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. President, may I say in addition to the Senator from Colorado the amount of contract authority may be anticipated by the Appropriations Committee. That is, years in the future up to 1975 the Committee on Appropriations may set amounts which the administration may obligate in advance. So there is plenty of flexibility in this bill for the President and the Congress to control spending.

Mr. DOMINICK. I thank the Senator for clarifying the record.

The distinguished Senator from Tennessee (Mr. BAKER) has been a valuable member of the Subcommittee on Air and Water Pollution. He has left with me a statement to be printed in the RECORD. Mr. President, I ask unanimous consent that the statement of the Senator from Tennessee (Mr. BAKER) on this matter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BAKER

Mr. President, I am deeply disappointed that President Nixon has chosen to veto the Federal Water Pollution Control Act Amendments of 1972. I hope that my colleagues will vote to override the President's veto.

I am as eager as anyone to see Federal spending held to responsible limits. I am as eager as anyone to see a tax increase avoided. Nonetheless, the Congress has gone out of its way to make it clear to the President that the funds authorized by the water pollution bill did not have to be spent in their entirety. If the President received legal advice to the contrary, I believe that such legal advice was misguided.

There are many, many Federal programs that are wasteful, and many American tax dollars are idly spent on programs that do not produce commensurate results. But that is not true of the Federal pollution effort. I have spent more time, as an individual Senator, on environmental legislation than on any other field of endeavor since coming to the Congress in 1967.

I believe that the Federal Water Pollution Control Act Amendments of 1972 is far and away the most significant and promising piece of environmental legislation ever enacted by the Congress. The goal of the legislation of to eliminate the discharge of pollutants into the waters of the United States by 1985. Of course such a ambitious program will cost money—public money and private money. The bill vetoed by the President strikes a fair and reasonable balance between financial investment and environmental quality. Study after study, public opinion poll after public opinion poll have revealed that the economy of this Nation can absorb the costs of cleaning up pollution without inflation or without a loss in economic productivity. As I have talked with thousands of Tennesseeans, I have found that the kind of natural environment we bequeath to our children and grandchildren is of paramount importance. If we cannot swim in our lakes and rivers, if we cannot breathe the air God has given us, what other comforts can life offer us?

I have not yet read the veto message of the President. I both hope and expect that the President's veto is not based on any lack of commitment to the quality of the human environment but, rather, solely on fiscal grounds. I believe that this Administration has an excellent record in protecting the environment. William D. Ruckelshaus, the Administrator of the Environmental Protection Agency, is among the finest appointments made by President Nixon, and I cannot imagine a more dedicated champion of the public interest. The President's Council on Environmental Quality has the potential of becoming a major force for progressive environmental improvement.

Mr. President, the Federal Water Pollution Control Act Amendments of 1972 have twice been approved unanimously by the Senate. They are genuinely a bipartisan product. I am proud to have worked with members of both parties in the evolution of this legislation. I hope that the vote to override the President's veto will, again, be both bipartisan and unanimous.

Mr. MUSKIE. Mr. President, I think it would be useful to Senators on both sides of the aisle if I read a few excerpts from the statement:

I am as eager as anyone to see Federal spending held to responsible limits. I am as eager as anyone to see a tax increase avoided. Nonetheless, the Congress has gone out of its way to make it clear to the President that the funds authorized by the water pollution bill did not have to be spent in their entirety. If the President received legal advice to the contrary, I believe that such legal advice was misguided.

The Senator from Tennessee also stated in his letter:

The bill vetoed by the President strikes a fair and reasonable balance between financial investment and environmental quality. Study after study, public opinion poll after public opinion poll have revealed that the economy of this Nation can absorb the costs of cleaning up pollution without inflation or without a loss in economic productivity.

Finally, the distinguished Senator stated:

Mr. President, the Federal Water Pollution Control Act Amendments of 1972 have twice been approved unanimously by the Senate. They are genuinely a bipartisan product. I am proud to have worked with members of both parties in the evolution of this legislation. I hope that the vote to override the President's veto will, again, be both bipartisan and unanimous.

Mr. President, another point the President raised in his veto message is found in the following language on page 3:

It should be noted that doing so would by no means terminate the existing Federal water quality programs, because the Environmental Protection Agency will continue to operate those programs until the merits of a new water bill can be dealt with as a first order of business in the new Congress.

That point in the President's veto message is also challenged by the Environmental Protection Agency in its news release of April 22, 1972. It stated:

TOP EPA OFFICIAL WARNS WATER POLLUTION CONTROL PROGRAM WILL BE IN DANGER UNLESS ACTION TAKEN PROMPTLY ON LEGISLATION

A top official of the U.S. Environmental Protection Agency said today (April 22) that the Nation's water pollution control program will be imperiled unless Congress promptly completes action on proposed amendments to the Federal Water Pollution Control Act.

This warning was sounded by John R. Quarles, Jr., Assistant Administrator for Enforcement and General Counsel.

Finally, from Mr. Ruckelshaus himself on August 2 of this year on that point:

We cannot overemphasize the critical importance of the need for the Congress to enact authority for us to continue these programs.

Mr. President, the Congress has worked for 2 years to write this legislation. On the Senate side we had 33 days of hearings, and 45 days of markup to write the bill. Then, in the House-Senate conference we had 39 days of sessions to work out the differences between the two bills. And throughout there was no party line drawn. The bill had the support of both parties throughout.

I cannot recall, in my entire experience in the Senate of 14 years, a bill which has had more hard work, was more soundly weighed, had a better staff rapport and had a more thoughtful consideration of the issues than this one.

The bill reflects the input, as I have indicated not only of the Senate and of the House but of the administration, of the Environmental Protection Agency, and of the President himself.

Mr. President, there is no justification for this veto.

With respect to the budget impact, let me give the Senate just one more factor to be included in the RECORD, a table showing the expenditures projected under this bill. I ask unanimous consent that it be included in the RECORD at this point.

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

RATE OF EXPENDITURES BY FISCAL YEAR [1] UNDER AUTHORIZATIONS OF S. 2770 [2]

[In billions]

	Fiscal year 1973	Fiscal year 1974	Fiscal year 1975	Total
Fiscal year:				
1973	$0.25			$0.25
1974	1.00	$0.30		1.30
1975	1.50	1.20	$0.35	3.05
1976	2.00	1.80	1.40	5.20
1977	.25	2.40	2.10	4.75
1978		.30	2.80	3.10
1979			.35	.35
Total	5.00	6.00	7.00	18.00

[1] 1st year, 5 percent of authorization; 2d year, 20 percent of authorization; 3d year, 30 percent of authorization; 4th year, 40 percent of authorization; 5th year, 5 percent of authorization.

[2] Fiscal year 1973, $5,000,000,000; fiscal year 1974, $6,000,000,000; fiscal year 1975, $7,000,000,000.

Mr. MUSKIE. Mr. President, this bill provides an authorization for 3 years. The table indicates that it will be spent over 7 years. The actual spending in this fiscal year—and these are based on the administration's figures—is $250 million.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. YOUNG. The Senator says the money will be spent. The Government cannot spend the money without an appropriation. Contracts are entered into. The appropriations are required before the contract. So the money cannot be spent without appropriations.

Mr. MUSKIE. The money is spent as the contracts require.

The estimate of the administration is that the spending in this fiscal year—not the contract authorization or the amount of the contracts, but the money to be spent—is $250 million.

The President, in his message, talks about "budget-wrecking." I assume he is talking about spending.

The second year we would spend $1.3 billion. The third year we would spend $3.05 billion. The fourth year we would spend $5.2 billion.

That is spending. It takes time to crank up these waste treatment facilities. It takes time to build up the bricks and mortar. That is why it would take 7 years to spend the money that would be subject to contract authority in the next 3 years.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. SCOTT. Assuming that the money can be and will be committed within 3 years, then the credit of the Government has been pledged under this contract authority, so that there would be an obligation to appropriate the funds to meet the contract obligations. Is that correct?

Mr. MUSKIE. Of course, there is a commitment. The whole intent of this bill is to make a national commitment. The President has not submitted budgets to us for 1974, 1975, 1976, 1977, 1978, and 1979. So when he is talking about "budget wrecking," I assume he is talking about 1973. We do not have a 1974 budget to consider. We are talking about a 1973 budget.

May I ask the distinguished Senator if we are wrecking the budget for 1974, 1975, 1976, 1977, 1978, and 1979?

Mr. SCOTT. Well, if the Senator will yield further, this bill contemplates an expenditure over a period of years, and therefore the President's veto has to relate to the impact on the Government, and therefore on the budget, not only of the next budget but the impact on successive budgets as it would be expected to be felt over the period which would be covered by this bill. Is that not correct?

Mr. MUSKIE. Yes, that is correct, but may I say——

Mr. SCOTT. Therefore——

Mr. MUSKIE. But may I say to the Senator, when we pass a piece of legislation like this, with its requirements imposed on industry, with its requirements imposed on the States, with its requirements imposed on the local governments, the question that faces us then is, as we impose this commitment on them, what commitment are we prepared to accept on the part of the Federal Government?

This point was well debated in the Senate when we took up this bill. I made it clear, the committee made it clear, that what we were asking of the Congress was a commitment that these people in other levels of government and the private sector could rely upon. Of course there is a commitment. The President 3 years ago, in his state of the Union message, said he had preempted the environmental issue and that he was making a commitment.

What is that commitment? Is it related to our needs? Is it related to something more than our needs? Does the commitment involve only State and local governments? Or, does it involve us? Of course, it involves a commitment. If it did not, I would not be here arguing that we should be overriding this veto.

INTRODUCTION

Mr. President, I am at a loss to explain the President's veto of the Federal Water Pollution Control Act Amendments of 1972.

To accept the argument that the regulatory and enforcement provisions of the bill are too strict presumes that the President has not meant what he has said in the past.

To accept the argument that the money authorizations of the bill are inflationary implies that the President thinks that we cannot afford to support life on this planet.

And I find it difficult, Mr. President, to put into words my reaction to the veto.

To call the President's decision "dangerous" falls short of adequately describing the risk it asks us to take with our rivers, lakes, and streams.

To call the President's decision "false economy" does not describe in strong enough terms either the President's bad judgment or the effect of his mistake.

The House of Representatives approved this legislation by a vote of 366 to 11. The Senate concurred with a unanimous vote of 74 to zero. I cannot imagine a congressional statement of public policy that could be more clear or more definite. I think that both Houses responded to a deeply felt determination on the part of our constituents to do what we must, and to pay the price for water that will support life. Now the President has told us to ignore that resolve.

I would like to reply to the President's veto message in his own terms—by answering each of the criticisms he has made of the bill.

ALLEGED "INFLATIONARY" EFFECTS

The President has charged that the legislation will have an inflationary effect. Let me explain how the conferees arrived at a figure of $18 billion for the construction grants program for fiscal years 1973 through 1975, and why we did not feel a lower figure could be justified by the arguments which the President has made.

The conferees spent hours and days studying the problem of financing the cleanup effort required by this new legislation, and specifically studying how much money would be necessary to achieve the objective and goals of the act, as set forth in section 101(a):

To restore and maintain the chemical, physical and biological integrity of the nation's waters. In order to achieve this objective . . . it is the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985.

And we studied the particular problem of how much money and what level of Federal assistance the States and cities would need to construct the kind of municipal waste treatment facilities necessary to meet those objectives. The criteria for those facilities are set forth in section 201(d):

(d) The Administrator shall encourage waste treatment management which results in the construction of revenue producing facilities providing for—

(1) the recycling of potential sewage pollutants through the production of agriculture, silviculture, or aquaculture products, or any combination thereof;

(2) the confined and contained disposal of pollutants not recycled;

(3) the reclamation of wastewater; and

(4) the ultimate disposal of sludge in a manner that will not result in environmental hazards.

These policies simply mean that streams and rivers are no longer to be considered part of the waste treatment process. This fact in turn means that advanced waste treatment, a level of treatment not generally required under existing law, will be required for every community in the Nation.

That, Mr. President, is a tall order. To set a level of funding which would enable communities to meet it, we examined the information we had received from both the administration and from the municipalities themselves.

In April of this year, the Environmental Protection Agency delivered its annual report on the costs of clean water. That report stated that the estimated total cost of constructing waste treatment facilities planned for fiscal years 1972 through 1974 was $14.5 billion. The report emphasized that these were facilities "needed to meet current water quality standards or enforcement requirements"—that is, standards and requirements less stringent, and thus less expensive, than those mandated by this legislation before us today.

In addition, the Senate Subcommittee on Air and Water Pollution had requested the National League of Cities to survey its members and to report to us on their cost estimates for the construction of treatment facilities to meet current needs. The League of Cities reported a staggering need of $33 to $37 billion over the next 5 years.

Since the President has told us that the price tag on this legislation is too high, let us compare the funding levels of the bill with his own administration's figures. Since the legislation requires Federal participation in all funded projects at a rate of 75 percent of the project's total cost, we should look at the difference between the $18 billion authorized in the bill for fiscal years 1973 through 1975, and 75 percent of the $14.5 billion in EPA's estimated needs for fiscal years 1972 through 1974, or approximately $11 billion; $11 billion is also the amount authorized in the bill for fiscal year 1973–74.

The difference of $7 billion between what the bill provides and what the EPA estimates indicated were required is identical to the bill's 1975 authorization, a year not anticipated by the EPA study of cost. There were added factors that forced the conferees to reach the $18 billion figure:

First. As I indicated earlier, the EPA estimate was based on existing standards and requirements. The new act will make those requirements more stringent and make meeting them more expensive.

Second. The old estimates did not take into account the statutory deadlines established by the new act. Those deadlines will accelerate the construction timetables in many jurisdictions, and thus require more money in less time.

Third. The EPA estimates did not include the costs of constructing and reconstructing collection systems and dealing with the problem of combined storm sewers. In order to meet the new requirements set forth in this act, municipalities will have to cope with these problems and will need more money to do so. The new act, therefore, makes these projects eligible for Federal construction grants.

Fourth. The EPA estimates did not anticipate wide, special use of joint municipal and industrial waste treatment; the new act encourages this course as more efficient and more economical. Even though one-half of this industrial share of the Federal grant will be repaid to the Treasury, initial capital construction costs will be higher, and the municipalities will need more money.

Thus, Mr. President, the conferees decided that $18 billion was the required level of funding for Federal grants. None of us were pleased that the price tag is that high, but none of us are prepared—as the President is—to back off from the challenge by claiming we cannot afford to pay that price.

Mr. President, the question of adequate funding for the construction of waste treatment facilities has been a source of almost constant frustration for this Senator, members of the Public Works Committee, and the Senate since the grant program was expanded in 1966. It has been frustrating because in the face of facts which could not be more stark, in the face of a threat to life that could not be more real, in the face of all these

things, there are still those in high places who question whether we can afford to spend this money.

At the time the Senate approved the conference report on the bill, I asked these questions: "Can we afford clean water? Can we afford rivers and lakes and streams and oceans which continue to make life possible on this planet? Can we afford life itself?" The answers are the same. Those questions were never asked as we destroyed the waters of our Nation, and they deserve no answers as we finally move to restore and renew them. These questions answer themselves. And those who say that raising the amounts of money called for in this legislation may require higher taxes, or that spending this much money may contribute to inflation simply do not understand the language of this crisis.

Mr. President, the conferees attempted also to reduce the possibility that this legislation would be vetoed. In our last conference, the able and distinguished ranking minority member of the House Committee on Public Works offered two amendments which he indicated would reduce opposition to the bill from the White House and the Office of Management and Budget. These two amendments were accepted by your conferees and by other House conferees in order to remove question of a veto on the basis of the money authorized by the legislation.

Under the amendments proposed by Congressman WILLIAM HARSHA and others, the authorizations for obligational authority are "not to exceed" $18 billion over the next 3 years. Also, "all" sums authorized to be obligated need not be committed, though they must be allocated. These two provisions were suggested to give the administration some flexibility concerning the obligation of construction grant funds.

The President knows the intent of those amendments. He knows that all the money authorized in the bill would not have to be obligated.

He knows as well as we all do that the pollution that is killing our Nation's waters will not abate, because we cry "Inflation." And he knows from what his own Council on Environmental Quality has told him that it will cost more in the end to quit than to fight. Let me read from the economics section of the Council's third annual report:

> The common property resources—air and water—are not included in the market exchange. They are used as free "dumps" for consumption and production residuals. But such dumping exacts social costs—in degraded air and water, impaired health, loss of fish and wildlife, loss of recreational opportunities and aesthetic values, and added costs of treatment necessary for downstream water users. Environmental problems stem largely from this fundamental failure of the economic system to take into account environmental costs.
>
> The traditional measure of the market value of goods and services produced by the economy—Gross National Product—was not designed to reflect overall economic welfare. Environmental values are not now incorporated in this accounting system. Many production and consumption activities degrade the environment, polluting air, water or land. This degradation is a cost, but it is not subtracted from the value of national output. The measure of output, then, overstates the real value of additional production by the amount of the environmental costs that are ignored. Conversely, when production enhances the environment, the value of total output is understated.
>
> We are seeing more clearly the many special costs of failure to check environmental degradation. The failure of our economic system to take these costs adequately into account in the past has spawned some of the major environmental problems we face today . . . .

The section concludes with this advise:

> The costs of effectively controlling pollution are well within the capacity of the American economy to absorb, although there will be some transitional problems. Our Nation's quest for environmental quality can be attained without sacrificing a healthy, dynamic economy. Failure to act would cost the Nation dearly in health impairment, loss of recreational resources, and a decline in the quality of life.

The annual report of the Council underlines two flaws in the President's logic. First, investments in pollution control are not inflationary; in fact, we would actually spend more of our money and more of our resources in failing to invest in pollution control than we would by making the investments authorized in this legislation. We can no longer talk about the "hidden" costs of inaction. Those costs are as self-evident as the lakes and streams we can no longer use and the rivers that have become open sewers. And those costs are now coming to roost in higher and higher prices for all our goods and services.

The second flaw in the President's logic is the implication that we can save money by postponing our investment in adequate pollution control. There is a job that has to be done, and the magnitude of that task will not decrease with time. In fact, the pollution of our Nation's waters is becoming so widespread so quickly that this may be our last realistic hope to catch up. Construction costs for waste treatment facilities rise higher and higher as every year passes and as the level of treatment required gets more expensive to achieve.

If we entertain any serious hopes of preserving life on this planet, the water pollution bill will have to be paid—soon. And it is not going to get any cheaper or less inflationary as time goes by.

CONCLUSION

It seems to me, Mr. President, and I think most Members will agree, that we have reached a point in our struggle against water pollution where as we say in New England—we must either "fish or cut bait." If we are serious about restoring the quality of our Nation's waters to a level that will support life in the future, then we ought to be prepared to make some sacrifices in that effort now. If we are not serious, then let us bury our heads in the sand, sustain the President's veto, and count on some unlikely providence to save us from ourselves.

This bill does not discriminate against Republicans or Democrats, industrial or municipal polluters, small businesses or conglomerates, private citizens or public officials. It simply says to everybody: We have no choice. Water pollution must stop. And here is a uniform, effective law to make sure that it does.

Let us close ranks, Mr. President, override this veto, and approve this bill one last time—so that we can take home to our constituents this week the realistic hope for a clean environment; so that we can leave to our children rivers and lakes and streams that are at least as clean as we found them; and so that we can begin to repay the debt we owe to the water that has sustained our Nation.

Mr. SCOTT. Will the Senator yield?

Mr. MUSKIE. I yield.

Mr. SCOTT. The President makes it clear in this message, as he did in his original message, that what he seeks to accomplish he seeks to accomplish within the budgetary framework of what the Government expects to receive by way of revenue. The President says this program which is not a program for $6 billion, but a program for $24 billion, has some retroactive features in it whereby State and local governments are reimbursed $70 million for work done between 1956 and 1966, and therefore the Senator would be establishing a pattern which, once begun, would reimburse State and local governments for work done 6 years ago and is a budget-busting operation.

Mr. MUSKIE. May I ask the Senator which budget he is talking about? Is he arguing that we are busting the 1973 budget, which is the latest one the President submitted, or is he saying we are busting some budgets as yet unpresented?

Mr. SCOTT. I think the President's words are clear enough. He refers to a "commitment of a staggering, budget-wrecking $24 billion."

Mr. MUSKIE. That is not in this budget. The President's language is not clear.

Mr. SCOTT. That is what the President is talking about—that you have gone to mortgaging future budgets and future resources of this country with a $24 billion program, which is $18 billion more than you started out with, and he says——

Mr. MUSKIE. Oh, no.

Mr. SCOTT. Let me finish. He says that a vote to override the veto is a vote to increase the likelihood of higher taxes. How can the Senator deny that? This additional $18 billion has to come from somewhere.

Mr. MUSKIE. The President speaks with one tongue earlier and another tongue now. Let me read from the letter of Mr. Ruckelshaus sent to the President yesterday. He said:

> The total value——

Mr. SCOTT. I was referring to the President.

Mr. MUSKIE. May I read this?

> The total value of construction initiated in the near term under the enrolled bill is expected to correspond closely to the total value of construction that would have been initiated under the Administration bill.

So the point is that in the near term we have not asked the country or Congress to do any more than what the

President did when he submitted his legislation. If we are talking about who is asking for too much in the near term, I submit the language of Mr. Ruckelshaus which I have just read.

Now, so far as the future is concerned, so far as the President's budget-wrecking language is concerned, he did not state in that message which budget we are wrecking.

So far as 1973 is concerned, the expenditure under this bill is $250 million. I would like to ask the Senator who is the spokesman for the President whether he says that amount would wreck the 1973 budget.

Mr. SCOTT. Mr. President, I certainly would not allow the Senator to first postulate a false premise and then ask me to confirm it.

Mr. MUSKIE. The Senator is citing the President's message. Is that a false premise?

Mr. SCOTT. I think that the Senator is doing his best to make the point that because this is $24 billion it really is not going to cost anyone anything very soon, and what I am saying is——

Mr. MUSKIE. That is not my point, may I say to the Senator.

Mr. SCOTT. What I am saying is that that is obligational. It is going to cost that; what it does not cost in this budget, it will cost in the next and the next and the next and the next and the next and the next, seven of them altogether. The Senator knows that, and the Senator knows it will take taxes to pay for it.

Mr. MUSKIE. I would be impressed by the Senator's argument if he addressed it as well to the program which the administration has submitted, because, as described by Mr. Ruckelshaus in a letter to the President which I just read to the distinguished Senator:

> The total value of construction initiated in the near term under this bill is expected to correspond closely to the total value of construction that would have been initiated under the administration bill.

What the Senator is saying, therefore, is that when Congress proposes this level of construction, it is reckless and budget wrecking.

Mr. SCOTT. That is right.

Mr. MUSKIE. But when the administration proposes it, it is responsible.

Mr. SCOTT. No, I am not.

Mr. MUSKIE. I just do not buy that argument.

Mr. SCOTT. No, I am not saying that.

Mr. MUSKIE. This is the same kind of rhetoric I heard the other night on television, in a television spot that undertook to lay out the President's record on the environment.

In that spot, you know, he claimed full credit for the 1975 clean car bill. Well, I wrote that bill, with the help of a bipartisan committee, and the President fought that bill every step of the way. Now, in an election year, he gives us a different view of what his role was.

We have the same problem here. The Environmental Protection Agency submitted these estimates. The Senator may not have been in the Chamber when I read that.

Mr. SCOTT. Well, I——

Mr. MUSKIE. I still have the floor.

Mr. SCOTT. I know; that puts me at a disadvantage.

Mr. MUSKIE. And I find that the Senator uses that advantage when he has the floor.

Mr. SCOTT. You bet I do.

Mr. MUSKIE. Let me read from Mr. Ruckelshaus' letter again:

> The total amount—contained in the enrolled bill is formulated from the administration's estimate of construction needs as submitted to the Congress in February of this year. The total estimate amount is $18.1 billion.

Mr. SCOTT. If the Senator will yield, I think the most natural expectation in the world is that the head of an agency will seek to persuade the President to give that agency as much money as he can secure for the agency. It is impossible to have Mr. Ruckelshaus here to testify. If we did, I think he would confound the Senator from Maine. But since he is not here, and the Senator is reading excerpts from a single letter, let me point out that the obligation of the President is not to consider, no matter how well presented, only the argument of one department or agency; he must consider the total budget, and he must do what the Senate refuses to do, adds up the totals and finds out whether those totals bust the budget; and he says, "Here is another one that busts the budget."

Mr. MUSKIE. All right. The administration did consider it, and I refer the Senator again to the sentence I have read twice:

> The total value of construction initiated for the near term under the enrolled bill is expected to correspond closely to the total value of construction that would have been initiated under the administration bill.

Now, the bill was submitted to Congress, and I assume it was based upon the estimates submitted by the Environmental Protection Agency, as I indicated in the other quotation from Mr. Ruckelshaus.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. MUSKIE. I yield.

Mr. MANSFIELD. I wonder if it would be possible to arrive at a time limitation, due to the lateness of the hour and the mandatory rollcall. Would the Senate agree to a vote at the hour of 1 o'clock, or is that too short a period of time?

Mr. SCOTT. I have no objection.

Mr. COTTON. Mr. President, will the majority leader yield?

Mr. MANSFIELD. Yes.

Mr. COTTON. I wanted to ask one question of the Senator from Maine on a matter which is quite different from the interrogations he has received. Could I use up 4 minutes?

Mr. MANSFIELD. Four minutes? Three minutes? Is that enough to argue? Make it 3 minutes to the Senator from Alabama, 4 minutes to the Senator from West Virginia, 4 minutes to the Senator from New Hampshire, and 2 minutes to the distinguished minority leader, and the rest of the time up to the will of the distinguished Senator from Maine.

Mr. COOPER. May I have some time? Or may I speak on the time of the Senator from Maine?

The PRESIDING OFFICER (Mr. Moss). What is the request?

Mr. MANSFIELD. Do not ask me to repeat it again. If there is no argument, let the Senate agree to it.

The PRESIDING OFFICER. Is there objection to voting at 10 minutes past 1? The chair gathered that much of the request.

Mr. MANSFIELD. Five minutes to the Senator from Kentucky, 4 minutes to the Senator from New Hampshire, 2 minutes to the Senator from Pennsylvania, 3 minutes to the Senator from West Virginia, 2 minutes to the Senator from Alabama, and the rest to the Senator from Maine.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. COTTON. Mr. President, will the Senator from Maine yield on my 4 minutes for a question?

Mr. MUSKIE. I yield.

Mr. COTTON. I have no desire to go into the merits of the contentions between the distinguished Senator from Maine and the distinguished minority leader. The only thing that I would like to straighten out, so that the record will be clear, is that I think there was a misapprehension created, though not knowingly, of course, in the colloquy about the control of the appropriating committees of the Congress.

It is my understanding, and I will be glad to have the Senator from Maine correct me if I am mistaken, that whether you talk about the spending budget or the obligational budget, the head of the EPA will have the authority to enter into contracts and obligate the Government to honor those contracts. It is also my understanding that there are certain controls that the President may have, but we do not always know he is going to have them, or how much he will exercise them, and we have been talking here for 2 days about Congress not abrogating its control to the President.

We have had some experience, in the Appropriations Committee, I think my colleagues on that committee will agree, that when the head of a department downtown has the authority to contract ahead, I do not know anything that the Appropriations Committee can do about a fait accompli. The thing that I want to be sure that we understand, and that the record is clear on, is that this bill, regardless of what checks the President has over it, does confer upon the head of the EPA power to enter into contracts for the future, and if that is the case, certainly the appropriating committees of Congress and Congress itself cannot abrogate those contracts once they are entered into; am I right or wrong?

Mr. MUSKIE. As I understand it, the Appropriations Committees have the authority to limit the amount of contract authority that might be used. I would assume also that the President is in a position to control the amount of such authority that is used by the Administrator of EPA, and probably the Office of Management and Budget as well.

May I point out to the Senator that

in the language of the authorization are the words "not to exceed." Obviously, those are words of control.

Mr. COTTON. If the head of the EPA acts more quickly and more expeditiously than Congress acts to prevent a future event, he can obligate us, and I do not know what the appropriating committee is to do about it, and I think that should be a matter of record.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from West Virginia is recognized for not to exceed 3 minutes.

Mr. RANDOLPH. Mr. President, I regret that in his veto message, the Chief Executive has indicated this bill has an unconscionable price tag. I think that is an incorrect statement, at least from the standpoint of my study of the problem.

I speak as a member of the Public Works Committee and as a conferee on S. 2770, who has spent the better part of 2 years participating in the development of this important legislation.

I think it is important for us to realize that the vote in this body on the original measure as it came from the Committee on Public Works—86 to zero. The Committee on Public Works bill contained authorizations of nearly $20 billion. I recall, also, that in the Senate, when the conference report came to the floor, the vote was 77 to zero. The Senate has twice recorded its unanimous support, first for the Senate version and then for the conference agreement.

In the House of Representatives, with more than 300 Members of that body voting on that body's original bill, only 14 votes were cast against it. Later, in that body, only 11 votes were cast against the conference report.

While the Senate bill contained $20 billion and the House bill contained about $22 billion, we came from the conference with $24 billion, because of the mix of the programs of different types. These programs were considered very carefully, as Senator MUSKIE has said, for 39 sessions by the conferees of the Senate and the House.

I think that as we consider the veto message on S. 2770, we have overlooked one very important fact that industrial users will return to the Federal Treasury in excess of $4.5 billion, this being their share—I think it is very important to stress—of the municipal plant construction. So, in reality, we are thinking in terms of a conference report not actually involving $24 billion but $19.5 billion.

As I have indicated, I regret the use of the wording "an unconscionable price tag." I say quietly, but earnestly, that I do not believe it is a matter of conscience on the part of the President or on the part of Congress. It is the judgment of the President that is at issue and the judgment of the Senate, and later the judgment of the House will be at issue, and ultimately the votes of both bodies.

I recognize and appreciate the problems to which the President must address himself in making a decision in the matter so important to the environmental needs of practically every segment of our society.

The President correctly stated that we have degradation of the waters of this country. I think it is essential that we meet the responsibility, this domestic need, this priority, which is here at home, rather than far away.

Mr. COOPER. Mr. President, I will try to limit myself to the questions asked by Senators YOUNG, COTTON, and DOMINICK.

I should like to make clear that of the sum of $24.6 billion, $18 billion is the sum we are talking about in contract authority for waste treatment works. The remaining funding is subject clearly to appropriation authority. The $18 billion relates to contract authority for municipal waste treatment plants.

When the Senate first passed this bill, it authorized $12 billion. The House had $18 billion in its bill and insisted on sticking to that figure, but we did change the wording in conference. Under the wording of the bill the House passed it was required that the sum of $18 billion over a period of 3 years be subject to contract authority. Upon the urging of the Senate with the House agreeing that language was changed in section 207 to state that "not to exceed" the given amount was authorized in each one of these years: not to exceed $5 billion in fiscal year 1973, not to exceed $6 billion in fiscal year 1974, and not to exceed $7 billion in fiscal year 1975.

The bill provides that when the Administrator of EPA approves plans and specifications for those years, it then becomes subject to contract authority, but "not to exceed" the amount specified. So the final figure does rest with the decision of the Administrator of EPA.

I pointed out that in the beginning, the first 2 years, the Administrator of EPA said in his letter to OMB it is true that the sums under the administration bill and the sums to be contracted under this bill would be about the same, because it takes time to get the program going; but after 3 years, the spiral would rise, and the difference would then begin to approach from a half billion dollars to $1 billion a year. Also, the option of impoundment is still open, and the President could utilize that option.

In making these statements, I do not want to argue against this bill, on which we spent almost 2 years. The Republicans and the Democrats here in the Senate were all in agreement on it, and the same was true in the House. It is possible that even with this $18 billion we may not meet all the needs for constructing waste treatment plants and cleaning up the water, but we hope we will substantially eliminate pollution from the Nation's waters by 1985. I simply wanted to respond to the questions that have been raised. I expect to vote to override the veto.

Mr. ALLEN. Mr. President, along with every other Senator who voted, I voted for this bill when it passed the Senate. I made a mistake. I am frank to admit that, and I appreciate the fact that the President has given me an opportunity to rectify that mistake.

I feel that this bill goes far too far, far too fast. All of us are in favor of controlling water pollution. A program of this sort is in absolutely no danger whatever, even if we sustain the President's veto.

Just as soon as a new Congress comes in, a bill can be passed. If a bill can get 86 votes to none against during one Congress, it certainly can pass during the next Congress.

I believe that this veto message and this debate tonight have indicated that this bill is not needed at this time. There is no emergency situation. As the Senator from Maine said, only $250 million will be spent during this fiscal year. Even if the bill does not pass, the water control program is not going to come to an end. EPA will continue to enforce the existing program. There is plenty of time during the next Congress.

I feel that it would be the better part of wisdom and discretion to sustain the President's veto and take a new look at the bill in the next Congress and pass a water control bill in the next Congress. We can certainly wait until then.

I would hope to sustain the veto.

Mr. SCOTT. I yield myself my 2 minutes.

I introduced the President's original environmental package in other bills. I supported it in another form. I have consistently supported and favored environmental legislation. I will again. I hope to have a chance to do so early next year. I wanted to support the bill. I hoped that it would be possible for the President to find that he could sign it. I hoped that he would obtain a spending limitation under which it would have been possible, in my judgment, for him to have signed it.

We have gotten through the spending limitation. We have once again shown that we do not know how to add in the Congress. When we do not know how to add, the President has to learn how to subtract or our troubles and our burdens will multiply. That is our problem. The President says in his veto message—

> . . . that at least one-third plus one of the members in one house will be responsible enough to vote for the public interest and sustain this veto.

And then,

> It should be noted that doing so would by no means terminate the existing Federal water quality programs, because the Environmental Protection Agency will continue to operate those programs until the merits of a new water bill can be dealt with as a first order of business in the new Congress.

As the Senator from Alabama well stated, the very argument of the Senator from Maine supports the arguments of the President of the United States. If, as a matter of fact , in the first year the additional money is sent, then very little is lost by the period in which we can enact a bill which will not in its subsequent operation and in its ascending and escalating costs bust future budgets. It is not enough to say that it does not bust the present budget because the commitments made before very long, added to the commitments made each year, will bust a lot of budgets.

Therefore, I am reluctantly going to have to take a position contrary to my own interests, and my own consideration, and probably contrary to what would be a politically expedient vote.

Mr. MUSKIE. I shall not take but a minute longer, but would like to say that the vote I ask the Senate to cast is not a politically expedient vote. There has been a unanimous view of committees of both Houses, unanimous on both sides of the aisle, that this kind of effort must be launched. This conclusion was not reached idly, as I have indicated earlier and recited in an effort to explain it.

To delay is not the casual kind of consequence suggested by the distinguished Senator from Alabama. Two hundred and fifty million dollars and no more can be spent the first year because it takes time, a lot of leadtime, to build the plants. We have taken 2 years just to write the bill. It came after a lot of sweat and hard work by a great many dedicated Senators and Representatives.

This bill, if it is vetoed, and the veto is sustained, I assure the Senate, and the distinguished minority leader, and the Senator from Alabama in particular, it will take a long time for Congress to act on this kind of legislation again. Thus, I urge the Senate to get to work and to get the country started to work cleaning up our waters. This bill will do it. It is a good piece of legislation. It is the sort of thing the President, I thought, was asking for 3 years ago. This is what he was asking of us when he criticized us a few weeks ago for not enacting his environmental legislation. He did not exclude this bill from the list of 24 that he castigated us about.

He did not say, "We want all 24 except the water pollution bill." He criticized us for not passing anything.

Here is the most important of them all, the most important water pollution bill we have had to consider in Congress in the history of the country.

I urge the Senate to override the veto.

Mr. STENNIS. Mr. President, I do not want this debate to close without somebody mentioning: Where are we going to get the money?

I ask, Where are we going to get the money?

Down home, in the State legislature, when someone was asked what he was going to do about getting the money, he would say "Appropriations."

I suppose that is what we are going to have to do here. But who is going to vote to raise the taxes to pay for the money in this bill? We have been talking about ceilings. We have been talking about restraints, restrictions and prerogatives.

I voted for the bill. I knew what was in it, but I do not know when we are going to start putting the brake on here. So at least I do raise the point, so that those who read the RECORD may see the question in print: Where is the money going to come from?

I do not know the answer.

Mr. ALLEN. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I do not have the time, I do not believe; but I am glad to yield.

Mr. ALLEN. I should like to ask the Senator, inasmuch as the Senator from Maine says that it was projected that a quarter of a billion dollars would be spent during this fiscal year, which of course would last on to the first of June, would it not be possible, when the new Congress meets in January, to get through an authorization bill which would allow that some $250 million to be spent during this fiscal year, as projected by the Senator from Maine, in a somewhat reduced program?

Mr. STENNIS. I would think we can pass a bill. I do not say that this is a bad bill. I appreciate the work which has been done on it, and the work its forerunners did on it, too. The Senator from Maine is entitled to a great deal of credit. I will support any reasonable amount for a water pollution control bill. But my point is, on the basis of the fact: Where is the money going to come from, that we have run a deficit of $100 billion over the past 3 years, counting the current fiscal year as 1 of those 3 years, and we have a budget before us this time that, with all due deference to the President, is an intended deficit of around $25 billion. This thing goes on and on and on. Someone, sometime, if our system of goverment is going to survive, will have to provide the money to pay for all this. Some Congress is going to have to do that.

I think it is just pitiful around campaign time that no one is going to be in favor of a tax increase, or even make a suggestion that there is going to be one, unless we are going to reduce our expenditures rather than increase them.

I am concerned about this, as I know many are. I take my blame for the overspending. We are all guilty to a degree. But I think a more modest bill certainly would be in order. We had $30 billion just a few weeks ago for money we do not have and it will be distributed all over the country—how much each village will get, each town, each county, each State and city. It encouraged me to vote against that bill as a matter of plain commonsense.

At least, I have had my say here. I have raised the point. I want the RECORD to show it. Somebody must say it: Where are we going to get the money?

Mr. MUSKIE. Mr. President, first of all, I suspect that the Senator from Mississippi and I might disagree as to how the priorities of our spending might be modified to take care of this program. I am not going to get into that here tonight; but the question the Senator has raised could be applied to the space program, the defense program, and across the board. But we are not going to settle those priorities in this debate.

As far as the Senator from Alabama is concerned, may I say to the Senator that I am not interested in spending this kind of money unless we have tough requirements, tough enforcement requirements, and get this kind of policy written into the law and approved by Congress. That will not be an easy task. Why did we spend 39 days of sessions on this bill? To rewrite it and include these tough policy requirements is not going to be easy. It will take months—perhaps years—of effort.

I urge the overriding of the veto of this bill.

Mr. BUCKLEY. Mr. President, it is difficult to take exception to much if not most of what the President has to say in his veto message.

As a member of the Public Works Committee I did my best to try to hold the line on such items as the retroactive grants for completed work and on the size of the Federal contribution. I, too, am convinced that the necessary work could have been set in motion at far less cost to the Federal Treasury—although not at the low cost suggested in the administration bill.

Unfortunately I and other like-minded members of the Public Works Committee proved to be in the minority; and we saw the cost of the Senate bill added to by the House.

I will not vote to override the President's veto, however, for the following reasons:

First, the delay in coming forward with new water pollution legislation has already proven enormously costly. I feel we are simply beyond the point where we can afford further delays; and by "afford" I speak in terms of total environmental and economic costs.

Second, I believe that a further delay would be more likely to lead to still more expensive legislation than that which the President has vetoed. I therefore feel that to sustain the veto could prove contraproductive.

Mr. President, I recognize that we cannot continue to expend far more money than we take in without the most serious consequences—renewed inflation or increased taxation. If it should become necessary to raise taxes in order to meet the cost of this and other legislation approved by this and future Congresses then we must be prepared to raise more taxes or find ways of trimming expenditures in other areas. One area which might fruitfully be investigated is the possibility of establishing a federal user tax on waste treatment facilities to be applied in part to the cost of the Federal Water Pollution Control Act.

Mr. WILLIAMS. Mr. President, as Senators know, the President has vetoed the Federal Water Pollution Control Act of 1972. He complained that this legislation authorized the expenditure of an inflationary amount of money and implied that it was reckless and excessive.

All of us here know that the original Senate bill, S. 2770, required nearly 2 full years to develop and was overwhelmingly approved by the Senate. Last November, we supported it with a 72–0 vote. A few month later, the House approved H.R. 11896, their version of the bill, by a 380–14 vote.

A conference was agreed to on May 1 and from then until the end of September, conferees met 39 times before submitting a conference report. Again, the Congress overwhelmingly supported water pollution control legislation. The Senate by 74–0 vote and the House by 366–11.

By passing this legislation, Congress has clearly demanded that the Federal Government make a substantial commitment to cleaning our waterways.

Congress has said that it wants to see the end of community and industrial discharges by 1985. This will be enabled by

the meeting of firmer interim standards. Congress has gone on record supporting national effluent standards so that industries will no longer be able to relocate to a community of less stringent pollution standards and the apportionment of funds to curtail water pollution among the States on the basis of need. Congress has provided the Environmental Protection Agency with the authority to curb discharges through a permit system with penalties for violations. Furthermore, Congress has said that it is willing to commit the funds necessary to reach these goals and standards.

Now, with very significant congressional support for this legislation, what sort of leadership do we see from the White House. We noticed Mr. Nixon's attempts to weaken the House bill. Fortunately, most of his provisions were omitted during the conference. Now we are told that Congress is reckless and naive about this issue. I submit that the Congress is merely reflecting the wishes of the people who have sent us here to Washington.

These people are wisely saying that they have endured dangerously filthy rivers, streams, and oceans for too long. They are not content with a country in which 90 percent of the watersheds are more than moderately polluted. They want to be able to swim and fish in the waters that flow near their homes. They want to enjoy clean waters just as much as they want to enjoy clean air. I believe this guarantee is provided by the bill which the President vetoed tonight.

I have been actively concerned about the problems of water pollution for some time. New Jersey has two substantial problems which must be confronted. First, the ocean off New Jersey's coast has been devastated with the dumping wastes. Second, the large amount of industry in New Jersey necessarily requires a means of disposing of its wastes. For too long, they have relied on the rivers and streams.

It is estimated that nearly 90 percent of the sewage sludge dumped into U.S. coastal waters each year is dumped within 6 miles of the New Jersey coast. The deleterious effect of this regular dumping off Sandy Hook and Cape May has resulted in the creation of "dead seas" where marine life fit for human consumption cannot survive.

This most serious dumping problem has adversely affected the tourist industry as swimmers who emerge from the surf are covered with itchy, slimy substances and the shellfishing industry. These problems led me to introduce legislation over the last several years to establish new regulations for ocean dumping.

I am most gratified that the final bill included major features of the legislation I introduced. It immediately prohibits the dumping of toxic materials, including biological, chemical, and radioactive warfare materials in offshore ocean areas. Furthermore, it sets standards under which a permit must be issued by the Administration of EPA for any discharge of sewage sludge into the contiguous zone or the oceans. These standards will take into account the effect of disposal of pollutants on human health and welfare, on marine life, and on recreational and economic values.

Now, after the extensive development and the near unanimous passage of this landmark legislation, we are faced with a Presidential veto. In my judgment, the President is being blatantly irresponsible. Water pollution is an urgent problem which we must start confronting. While Congress provides the machinery and the money, the President backs down. He has condemned the most significant, responsible program Congress has developed to reverse the dangerous trend to more severe water pollution.

At the same time, he does not mention the fact that he has withheld $1.07 billion of the $1.65 which Congress authorized and appropriated for construction of water pollution abatement facilities during fiscal year 1972. Mr. President, I can assure you that this money which was impounded is sorely needed by many communities in New Jersey that want to solve their water pollution problems but do not have the fiscal capability. I am wondering why this relatively modest amount of money was not spent, why the President is dragging his feet on this vital national problem.

While Mr. Nixon tells us that the water pollution bill is vastly too expensive, he pursues and spends freely in areas which are much more closely questioned here by all Americans. The Department of Defense is the prime example. For fiscal year 1972, DOD requested $73.5 billion and Congress appropriated $72.8. For fiscal year 1973, DOD requested $79.5 billion, an increase of $6 billion, but fortunately the Congress had the good sense to pare this down to $74.3 billion.

I have wondered where Mr. Nixon's fiscally responsible evaluation was when approximately $2.5 billion was paid out during fiscal years 1970–71 for feed grain, sugar, and wheat subsidies.

Another point which I must bring up in the course of this discussion is the cost of the war which continues to drain the Federal economy. In his first year as President, Richard Nixon said that the war would be over by 1972 and would no longer be a major issue tearing the country apart. However, let us look at the situation in Indochina today.

This year Mr. Nixon has undertaken the highest level of bombing of the war. It is estimated that the bombing of Indochina this year alone will cost over $3 billion. However, this is not sufficient for him. He has also mined Haiphong Harbor and increased markedly the size of the 7th Fleet off Indochina.

Many of us in the Congress seriously question these expenditures which I have mentioned. But very few—at last count only 11 in both Houses of Congress—oppose the idea of restructuring and realistically funding a water pollution control program.

I think Mr. Nixon has chosen the wrong time and the wrong issue to impose a veto. I believe he has failed all Americans, by providing negative leadership on this vital matter. He has taken a dangerous position by suggesting we delay the beginning of a massive water pollution control program.

Tonight, I urge my colleagues here in the Senate to disregard Mr. Nixon's ill-conceived advice on this matter, and firmly override his veto.

Mr. PERCY. Mr. President, there can be no doubt as to the critical need for cleaning up the Nation's waterways by establishing strict pollution standards for industries and municipal plants. The clean water bill authorizes the Federal Environmental Protection Agency to enter into contracts totaling $18 billion for construction of waste treatment facilities. The Federal Government would pay up to 75 percent of the costs of such projects and States and localities 25 percent.

The bill also provides for some $6.4 billion to reimburse municipalities for plants that had been built in anticipation of Federal aid, and would help to finance research, demonstration projects, low-interest loans to small businesses for pollution control equipment, and elimination of toxic pollutants in sludge on river bottoms.

The President, having sought $6 billion, with the Federal share at 50 percent of costs, has termed the bill "inflationary" because it is more than triple the amount of money requested for grants to localities to build sewage treatment plants.

Because of the vital need for waste treatment facilities throughout the Nation and in Illinois, where the estimated construction costs for such plants over the next 3 years total $910 million, I regard this as a matter of the highest priority. Indeed, I concur in the views of EPA's Administrator, Bill Ruckelshaus, that on fiscal grounds alone there would be no appreciable increase in outlays in the current fiscal year above what is in the President's budget and outlays next year could be held to $33 million. The major increase would come in the latter part of this decade and in the 1980's.

This bill constitutes a landmark step forward toward control of water pollution by supplementing water quality standards—that is, the stream by stream determination of how much pollution can be absorbed—with uniform effluence standards for the Nation, specifying what pollutants can be dumped in waterways. The present program to control industrial waste initiated by the President was literally brought to a halt by a court decision nearly a year ago. Unless this bill becomes law, the President's program for requiring permits for industrial wastes will be undermined, and the ability of States and localities to reduce municipal wastes will be severely impaired. I therefore must vote to override the President's veto.

The PRESIDING OFFICER. The time of the Senator from Maine has expired. All time has expired. Under the previous order, the Senate will now proceed to vote on the question, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

The yeas and nays are mandatory under the Constitution and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator for New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Missis-

sippi (Mr. EASTLAND), the Senator from Louisiana (Mrs. EDWARDS), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), the Senator from Virginia (Mr. SPONG), the Senator from Georgia (Mr. TALMADGE), and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent. I also announce that the Senator from Wyoming (Mr. MCGEE) and the Senator from Nevada (Mr. CANNON) are absent on official business.

On this vote, the Senator from Iowa (Mr. HUGHES) is paired with the Senator from Mississippi (Mr. EASTLAND).

If present and voting, the Senator from Iowa would vote "yea" and the Senator from Mississippi would vote "nay."

I further announce that, if present and voting, the Senator from South Carolina (Mr HOLLINGS), the Senator from Nevada (Mr. CANNON), and the Senator from Arkansas (Mr. MCCLELLAN), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Iowa (Mr. MILLER), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. SAXBE), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Kentucky (Mr. COOK) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Texas (Mr. TOWER) and the Senator from Iowa (Mr. MILLER) would each vote "yea."

On this vote, the Senator from Tennessee (Mr. BAKER) and the Senator from Delaware (Mr. BOGGS) are paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Tennessee and the Senator from Delaware would each vote "yea" and the Senator from Nebraska would vote "nay."

The yeas and nays resulted—yeas 52, nays 12, as follows:

[No. 571 Leg.]

YEAS—52

Aiken	Fulbright	Mathias
Beall	Gambrell	McGovern
Bible	Gravel	McIntyre
Brooke	Griffin	Mondale
Buckley	Hart	Moss
Burdick	Humphrey	Muskie
Byrd, Robert C.	Inouye	Nelson
Case	Jackson	Packwood
Chiles	Javits	Pastore
Church	Jordan, N.C.	Pell
Cooper	Kennedy	Percy
Cranston	Long	Proxmire
Dominick	Magnuson	Randolph
Eagleton	Mansfield	Ribicoff
Roth	Stevens	Tunney
Schweiker	Stevenson	Williams
Smith	Symington	
Stafford	Taft	

NAYS—12

Allen	Ervin	Scott
Bennett	Fannin	Stennis
Byrd, Harry F., Jr.	Hansen	Young
Cotton	Hruska	
	Jordan, Idaho	

NOT VOTING—36

Allott	Eastland	Metcalf
Anderson	Edwards	Miller
Baker	Fong	Montoya
Bayh	Goldwater	Mundt
Bellmon	Gurney	Pearson
Bentsen	Harris	Saxbe
Boggs	Hartke	Sparkman
Brock	Hatfield	Spong
Cannon	Hollings	Talmadge
Cook	Hughes	Thurmond
Curtis	McClellan	Tower
Dole	McGee	Weicker

The PRESIDING OFFICER. On this vote the yeas are 52, and the nays are 12. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States to the contrary notwithstanding.

EMERGENCY HEALTH PERSONNEL ACT AMENDMENTS OF 1972

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3858, a bill to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message:

Resolved, That the House concur in the amendments of the Senate numbered 1 and 2 to the bill (S. 3858) entitled "An Act to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes."

Resolved, That the House insists on its disagreement to the amendments of the Senate numbered 3 and 4 to the aforesaid bill.

Mr. KENNEDY. Mr. President, I move that the Senate recede from its position on amendments 3 and 4.

The motion was agreed to.

ADDITIONAL STATEMENTS

THE MYTH OF THE "BLOODBATH"

Mr. GRAVEL. Mr. President, with all that has been written about the Vietnam war it is not often that we are able to be moved by yet another piece of writing. Yet this must be the effect on anyone who objectively reads the recently released report by D. Gareth Porter of Cornell University entitled, "The Myth of the Bloodbath: North Vietnam's Land Reform Reconsidered." Toward this end I ask that the report be reprinted in its entirety at the conclusion of my short remarks.

Its findings are contained in the title—it exposes as myth the notion made popular by the Nixon administration that the land reform period of 1953 to 1956 was characterized by a deliberate reign of terror against former foes of the North Vietnamese leaders. Who can deny the monstrous mischief—indeed the disaster—this misplaced belief has visited on us through our tortured rationalization for continuing the war?

It is of course only a short step from swallowing the story of the "earlier bloodbath" to imagining the "slaughter" of the vanquished South Vietnamese or the full-scale attack on American troops on the beaches as they finally quit the country. Such a view fits neatly with the common tendency to picture all enemies as bloodthirsty, fanatical, irrational, broadly unpopular with their own people and ready to wreak their vengeance on them at the slightest whim. How tragic our misguidance.

The reason this Cornell study is so important, of course, is that the bloodbath story is as we all know, one of the principal arguments the administration has used for remaining in Vietnam—or, if you do not believe we are remaining, for doing what we have been doing there these last 4 years. Some of us attacked the thesis on the grounds that the bloodbaths are daily bringing to that sad country and region through our campaign of massive air strikes surely exceeds any likely killing of Vietnamese by other victorious Vietnamese. Now we find in the Porter report that there is very convincing evidence that even the earlier "bloodbath" was in fact a hoax in numbers and extent. What a cruel way to play with American public opinion to gain support for this perversion of policy of destroying life in order to save it.

It is nearly inconceivable to me that an administration would base so much of its conduct of the war on a thesis so scantily researched, so little thought out, and so highly speculative. With such vast resources in the administration devoted to foreign affairs—or at least military ones—why was so little research done to support or refute the bloodbath story? Where is the scholarship on the administration's side or was it in fact a matter of extrapolating the experience of a few villages plus a mountain of hearsay from others?

If there has been sloppy scholarship on this crucial point the State Department, the Department of Defense, and the National Security Council must share a major portion of the blame. And if there were darker motives behind the perpetuation of this myth—if myth it be—then we should hold the administration fully accountable. We are constantly reminded of how quick the administration is to play fast and loose with statistics, as for example, the President's assertion last July when justifying his POW stand that 15,000 French prisoners were never accounted for after France quit Indochina. The French Veterans Ministry subsequently stated that the figure was 6,200 and that the last French prisoners were returned less than 3 months after the Geneva agreements were concluded.

I commend the reading of the Cornell report to each and every colleague for its implications are powerful and strip away still another "reason" for doing what our country is doing in and to Vietnam, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report is ordered to be printed in the RECORD, as follows:

THE MYTH OF THE BLOODBATH: NORTH VIETNAM'S LAND REFORM RECONSIDERED

(By D. Gareth Porter, research associate, Cornell University)

ACKNOWLEDGMENTS

The author wishes to acknowledge with gratitude the assistance of Prof. Benedict Anderson and George McT. Kahin, who read earlier drafts of this paper and made helpful comments. The author owes special debt to Prof. David Mozingo, who has taken so much of his time to read and criticize earlier versions. These comments and criticisms have saved the author from many pitfalls. The author remains solely responsible, of course, for the contents of this paper.

INTRODUCTION

American intervention in Vietnam has been justified increasingly in recent years by portraying the North Vietnamese leaders as ideological fanatics who would carry out a massive "bloodbath" against former foes if they were to gain power in South Vietnam. In particular, this argument, which has been promoted in a series of Presidential speeches, draws on allegations concerning the North Vietnamese land reform program which was carried out from 1953 to 1956. The essence of these allegations is that the land reform was a deliberate reign of terror aimed at eliminating whole economic classes and that tens or even hundreds of thousands of innocent people were killed.

This view of land reform has been broadly accepted by both American scholars and the public as an established fact. Yet there has never been a careful study of the land reform which makes use of all the available documentation. Instead, opinions about the North Vietnamese leadership and the land reform have been formed on the basis of propaganda and careless scholarship. Fictions about the land reform in the North have been repeated and amplified year after year, shaping American perceptions of and responses to the Vietnamese revolution. U.S. policymakers, journalists and academics continue to view the D.R.V.'s leaders through this distorted lens as bloodthirsty and fanatical rather than as responding rationally to complex problems and real conditions.

If U.S. policy is to be based on a realistic assessment of the Vietnamese revolution instead of a caricature of it, a necessary first step must be to set aside the popular notion of the land reform as a "bloodbath". It is hoped that this essay may serve not only to unravel a central myth about the Democratic Republic of Vietnam, but also to reveal some of the "scratches on our minds" which underlie American policy in Vietnam.

CHAPTER I. THE LITERATURE OF THE LAND REFORM

While the U.S. government has made the myth of the blood-bath in North Vietnam an important weapon in its propaganda arsenal, the myth could not have received wide acceptance without a body of literature which supports it.[1] The specifics of the argument will be examined in detail in later sections, but it is important to note at the outset the intellectual background of the myth, which goes a long way in expanding its genesis and development.

The literature on North Vietnam's land reform is, first of all, a reflection of the low level of American scholarship on Vietnam in general and North Vietnam in particular. After more than twenty years of heavy involvement in Vietnam's destiny and more than ten years of warfare against Vietnamese revolutionaries, there is still no respectable body of scholarly work on the Democratic Republic of Vietnam. For many years, the late Bernard Fall was virtually the only academic specialist on Vietnam who was independent of the U.S. government, and he commanded correspondingly great attention and respect for his views. But Fall's analysis of the D. R. V.'s land reform was limited severely by his failure to consult authoritative French sources on landholding in Tonkin as well as by his inability to read Vietnamese.

Like other authors who wrote about North Vietnam's land reform, Fall was unable to do research in the original Vietnamese sources, particularly the Lao Dong Party's official organ *Nhan Dan* (*The People*). In trying to analyze a government and society on which virtually no journalistic or other non-official sources of information were available, this handicap was critical. For it meant that important documents were either not read at all or were obtained in summary translation from the U.S. or South Vietnamese governments. And those documents could have been distorted in the process of selection, translation and summarization so as to influence substantially the interpretation of developments in the North. This is precisely what happened in the case of certain documents used by American authors to characterize the land reform as an ideologically-motivated "bloodbath".

An even more significant consequence of the generally low level of knowledge of the D. R. V. even among those considered specialists with the dearth of information available to them was that they made it possible for a Vietnamese claiming to have personal knowledge of the D. R. V. to have an extraordinarily great influence on the interpretations of specialists as well as general public. Thus the individual who has probably done the most to shape American attitudes toward the land reform is a native of North Vietnam, Hoang Van Chi.

The American literature on the North Vietnamese land reform has relied heavily on his book, *From Colonialism to Communism*, as a primary source.[2] Its influence derives from his claim to have authoritative, first hand knowledge of the land reform campaign down to April 1955, when he left North Vietnam for Saigon. He makes frequent assertions implying detailed and intimate knowledge of Lao Dong party policy. Indeed, a CIA official, George Carver, who recommends the book to the public, refers to Hoang Van Chi as a "former Viet Minh cadre."[3] But in fact he was never a party member and, by his own account, he was only a teacher in a pre-college school in Thanh Hoa province from 1950 to 1955.[4] Thus he was not connected either with the Viet Minh government or the Lao Dong party during the entire period of the land reform—a fact which appears nowhere in the book.

Moreover, Mr. Chi was himself a relatively wealthy landowner, having inherited 20 acres from his parents.[5] As will be shown below, this constituted a large landholding in the North Vietnamese context. His account of the land reform, therefore, is far from being objective and dispassionate. His antagonism to the D.R.V. and to agrarian revolution led him, as we shall see, to make a number of assertions of fact where he actually lacked first-hand information.

Equally important in assessing his credentials as a primary source on the land reform is the fact of his direct involvement with Vietnamese and American propaganda organs after his arrival in South Vietnam in 1955. Mr. Chi worked for the Saigon government's Ministry of Information for some eight months in 1955 and 1956 and as a translator for the U.S. Information Agency.[6] In 1958, Diem's Ministry of Information partially subsidized the publication of his book, *The New Class in North Vietnam*,[7] in which he first presented his account of the North Vietnamese land reform.[8]

In 1960 Hoang Van Chi received a grant from the Congress for Cultural Freedom to spend a year in Paris writing a book which would reach American and European audiences with his attack on the D.R.V. land reform. For many years, the Central Intelligence Agency channeled funds to the Congress for Cultural Freedom as part of its global program of supporting anti-Communist intellectual groups.[9] U.S.I.A. subsidized the publication in 1964 of *From Colonialism to Communism*, as later admitted by U.S.I.A. Director Leonard Marks in September 1966.[10] Hoang Van Chi then came to the U.S. to work for the U.S.I.A., and he now lectures at A.I.D.'s Washington Training Center.[11]

It is thus no accident that Hoang Van Chi's account of the land reform has been used in U.S. propaganda against North Vietnam. For it was American money which made possible both the writing and the publication of his book, which has been a very successful long-term investment in the development of American public opinion about the D.R.V.

Although other authors have contributed to the making of the "bloodbath" myth by abusing important documentary evidence, it is Hoang Van Chi who has committed the most serious and most numerous offenses in this regard. His account is based on a series of falsehoods, non-existent documents and slanted translations which leave no doubt that his purpose was propaganda rather than accurate history. Much of the analysis which follows will therefore deal with Mr. Chi's assertions and the documentation used to support them.

One of the common characteristics of the literature of the land reform in North Vietnam is the denial of its economic and social rationale. Any objective analysis of the land reform must, however, begin with the question of why the leaders of the D.R.V. carried out radical land reform. It is to this question that we now turn.

FOOTNOTES

[1] The secondary sources referring to the North Vietnamese land reform which will be cited in this study are the following: Joseph Buttinger, *Vietnam: A Dragon Embattled*, vol. II. *Vietnam at War* (New York: Praeger, 1967); George Carver, "The Faceless Viet Cong", *Foreign Affairs*, vol. 44 (April 1966); Bernard Fall, *The Viet Minh Regime*, revised and enlarged edition (New York: Institute of Pacific Relations, 1956); Fall, *The Two Vietnams* (New York: Praeger, 1963); J. Price Gittinger, "Communist Land Policy in North Vietnam", *Far Eastern Survey*, August 1959; P. J. Honey, *Communism in North Vietnam* (Cambridge: MIT Press, 1963); Honey, *North Vietnam Today* (New York: Praeger, 1962).

More recently, two staff members of the Rand Corporation have referred to the land reform in the context of discussing the subject of political reprisals; see Stephen T. Hosmer, *Viet Cong Repression and its Implications for the Future* (Lexington, Mass.: Heath Lexington Books, 1970, pp. 46–98, and Anita Lauve Nutt, *On the Question of Communist Reprisals in Vietnam*, Rand Corporation, P–4416, August 1970.

[2] Hoang Van Chi, *From Colonialism to Communism* (New York: Praeger, 1964).

[3] Carver, *op. cit.*, p. 355. Carver's attempt to promote Hoang Van Chi's account of the land reform is especially significant in that Carver tried to conceal his own affiliation with the U.S. government in writing the article. The fact that Carver was a CIA official was revealed only later by Senator J. William Fulbright.

[4] See the interview with Hoang Van Chi published in the Agency for International Development's in-house newsletter, *Front Lines*, February 24, 1972.

[5] Interview with Hoang Van Chi, AID Washington Training Center, May 26, 1972.

[6] *Ibid.*

[7] Hoang Van Chi, *The New Class in North Vietnam* (Saigon: Cong Dan, 1958).

[8] Interview with Hoang Van Chi.

[9] See *New York Times*, April 27, 1966.

[10] *Ibid.*, September 28, 29, 1966.

[11] *Front Lines*, February 24, 1972.

CHAPTER II. WHY LAND REFORM?

The land reform in North Vietnam is commonly portrayed as an essentially political campaign carried out to fulfill abstract ideological requirements which conflicted with the real needs of Vietnamese society.[1] But none of the analyses of the land reform which have put forward this argument deal thoroughly or objectively with the social, economic and political conditions in Vietnam at the end of the French colonial period. The decision to carry out land reform cannot be properly understood apart from the land tenure system of North Vietnam and the political and military requirements of the struggle for independence.

Colonial Tonkin and Northern Annam, which together constitute the present territory of the Democratic Republic of Vietnam, have been treated by the literature on the land reform as regions of small farmers owning the land they tilled, with little tenancy or inequality of landownership. This view seriously misrepresents the well-documented realities of the land tenure system in the North during the colonial period. The Red River area had an extraordinarily high ratio of population to land, and while most peasants did own some land, they owned so little that they were forced to work on additional land belonging to someone else.

According to French geographer, Pierre Gourou, about 62% of the farming families owned less than one acre, while 20% owned less than one-half acre.[2] As Gourou pointed out in 1936, the owners of such minute plots "cannot live on their property and must hire themselves out, or else rent farms."[3] And by the same token the farmer with even a few hectares of land inevitably became a landlord, renting it out to a number of small tenants. "In Tonking", Gourou said, "the description 'large property' must be given to farmlands of truly unimpressive size (from 3.6 hectares!)"[4] According to Yves Henry, there were some 21,000 landowners with between 3.6 and 18 hectares, while 1,000 more owned more than 18 hectares.[5] But these figures certainly underestimated the number of large and middle landowners. Many of them, especially government officials, successfully hid their wealth by various devices, including the dispersal of plots among several villages and false land title registration under the names of their tenants.[6]

Gourou estimated that 90% of the landowners (not taking into account the families without any land at all) owned only 36.6% of the total cultivated land area in Tonkin, while 10% of the landowners controlled 43.2% of it.[7] And data collected by the D. R. V. on all of the 3653 villages which went through land reform confirm Gourou's estimates.[8] As of 1945, according to these figures, 89% of the rural population, comprising landless laborers, poor peasants and middle peasants, owned only 40% of the cultivated land. The poor peasants and landless laborers, who represented 60% of the population, owned only 10% of the land. At the same time, the 2.5% of the rural families who lived by renting out land, owned 24.5% of the land outright and controlled much more indirectly. Although in theory the needs of the landless and landpoor were supposed to be assuaged by a share of communal lands, which constituted an estimated 20 to 25% of the total cultivated farm land in the North, the reality was that these lands were usually monopolized by local notables, who exploited them for their own profit.[9]

These statistics convey the picture of a social and economic structure which kept the majority of poor peasants in permanent economic bondage to the landlord and on the margin of survival. Rents usually ranged from 50 to 75% of total yields. Constantly in debt to his landlord or another userer and often forced to beg enough rice to feed his family from one day to the next, the poor peasant was completely at the mercy of the landlord. When famine struck after flood or drought, it was the poor peasants who were most likely to starve.[10]

The revolution of August 1945 and the war of resistance against the French which followed did not fundamentally alter the land tenure system of North Vietnam, despite the fact that many large landowners who worked for the French had their land confiscated and redistributed. By 1953, according to a D. R. V. survey of 93 villages and 31 hamlets in 16 provinces, landlords still controlled 17% of the cultivated land while the poor peasants controlled only 18% of the land.[11] Although the D. R. V. introduced limited reforms aimed at reducing the rents from the former 50 to 70% of the crop to 25% and reducing the interest on loans to poor peasants, compliance by the landlords was limited, even in areas which had long been liberated.

The reasons for the failure of these partial reforms were both political and economic. With the emphasis during the resistance on the need to maintain tight unity of all social strata to oppose the French, peasants frequently were not informed by local cadres of their new rights or of the necessity to struggle for them.[12] In fact, the official Lao Dong Party organ made it clear that, although peasants should demand their rights, the method to be used was negotiation with the landlord, not coercion.[13] As one article in a party organ put it, "If the peasants are not tactful, it will harm the spirit of unity of the resistance".[14] With the peasants thus discouraged from taking direct action against them, many landowners simply used their much greater economic power to intimidate tenants who might hesitate to pay the rent demanded of them. This was done by refusing to rent a buffalo or loan paddy to the tenant when they were urgently needed or by threatening to throw uncooperative tenants off the land in favor of more submissive ones.[15] Since tenants could not afford to run these risks, the early reform decrees probably did not help most of the poor peasants to any significant extent. The realization by the party leadership that little progress had been made in rent reduction is indicated by a 1950 article in a party organ which asked, "What has the August Revolution brought for the peaasnts?" and answered, "Very little".[16]

D. R. V. leaders felt that this situation could not be allowed to continue. For it was the poor and landless peasants who constituted the bulk of the recruits for the People's Army as the war entered its final stage; it was they who had made the heaviest sacrifice in lives to challenge the French presence. General Vo Nguyen Giap had an urgent need to continue the rapid buildup of his army for the major battles which still lay ahead in the North. As Ho Chi Minh declared to the National Assembly in December 1953:

"The more the Resistance War develops the more manpower and wealth it requires. It is the peasants who have contributed the main force of the resistance. We must liberate them from the feudal yoke and ensure the conditions for them to develop their potentiality in order to be able to mobilize this huge force in the service of the resistance until final victory."[17]

Thus it was the urgent need to mobilize the poor peasants for a final push to victory over the French which determined the precise timing of the beginning of the land reform. But it is clear that a radical agrarian reform would ultimately have been necessary in any case. For the land tenure system in North Vietnam was not only economically regressive and an obstacle to increased production but prevented the poor peasants who comprised the majority of the population from achieving the status and dignity promised by the Vietnamese Revolution.

But those writers who have portrayed the land reform as economically and socially unnecessary and as the product of the ideological fanaticism of the Vietnamese leaders have brushed aside the social and economic conditions which made it imperative.[18] From his first study of the D.R.V. until his death in 1967, Bernard Fall argued consistently that the land reform was unnecessary and therefore a doctrinaire political exercise. His unwavering disapproval of the land reform was based on the erroneous assumption that the problem of inequality of land ownership was "acute" in South Vietnam but not in the North.[19] In his first analysis of the land reform, Fall asserted that 98.7% of the "total farm land area" in Tonkin was "tilled by owners"—a statement which would lead one to believe that only 1.3% of the farm land was worked by tenant farmers.[20] If true, it would indeed have made Tonkin's landholding system almost ideal. But the source from which he took the figure warned that 98.7% referred not to the percentage of farming units tilled by the owner (much less the "total farm land area" tilled by their owners) but to the percentage of landowners who did not rent out all their land.[21] In other words 1.3% of all those who owned land were landlords whose only income was from renting it to others. Fall's statement completely misrepresented the real situation, which was that the majority of the peasants either owned no land or so little that they had to rent *additional* land from a landlord to survive. Yet the statement that 98.7% of the land was owned by those who tilled it was later used by the Saigon government in attacking the North Vietnamese land reform as economically needless.[22]

Fall should have been aware of the very high proportion of the landowners who did not own enough land to support their families, for he mentioned in the same study the fact that 61% of the landowners held less than one acre—an amount which his own calculations showed to be too small to support an average-sized peasant family of five.[23] Yet, as late as 1963, he was still asserting that in Tonkin, more than 98% of the tilled land was owned by small-holders and concluding that, "To speak of 'land reform' is farcical".[24] Similarly, in dismissing the need for radical land redistribution, Hoang Van Chi cites figures from Henry showing that 91% of the landowners held less than 5 hectares in pre-revolutionary Tonkin.[25] His purpose is obviously to portray North Vietnam as a region of small-landowners. But this figure also misleads the reader, since it does not say anything about the landless and landpoor peasants who made up the majority of the population. In this manner, statistical data has been misused to make the distribution of land in the North appear more equitable.

The idea that the land tenure system in North Vietnam was one of contented small landowners was eagerly seized upon by official American spokesmen to discredit the North Vietnamese land reform. The CIA's George Carver, in a 1967 essay in *Foreign Affairs*, wrote: "Though there were inequities in land ownership in North Vietnam, the Red River delta had the most extensive pattern of private ownership to be found anywhere in Asia".[26] This "extensive pattern of private ownership" did not, of course, insure that the peasants had sufficient food for subsistence, nor did it prevent the exploitation of peasant labor through oppressive tenancy arrangements. But Carver was either unaware of the basic data on the landowning system in the North or chose to ignore it. This misleading statement was only the prelude to his conclusion that the rationale for the land reform was "rooted in the dogmatic fanaticism of the Vietnamese Communist leadership".

The same authors who have attempted to portray the land tenure system in North

Footnotes at end of chapter.

Vietnam in such a way as to deny the need for land reform have also attempted to minimize the actual economic benefits which the poor peasants derived from the reform. Here again, it was Fall who took the greatest pains to prove the point with statistical evidence, and again that evidence was seriously abused.

Scorning the results of the land reform as "economically absurd", Fall argued that the resulting parcels of land were hopelessly inadequate. According to official D. R. V. statistics which he used in *The Two Viet-Nams*, the average share of land distributed to agricultural workers, poor peasants and some middle peasants was about one acre, which increased the total holding of the average poor peasant family of five to 1.75 acres and that of the average agricultural laborer's family to 1.80 acres.[27] Fall asserts that at least one hectare (2.47 acres) was required by an average family for subsistence farming, without explaining how he reached this conclusion.[28] It appears that his 2.47-acre minimum derives from the figure of 800 grams of rice per day per person, which he had cited elsewhere as the minimum necessary for adequate nutrition.[29]

But an investigation of the data on rice consumption in Vietnam reveals that this standard was quite extravagant: the average rice consumption per person per day in the much wealthier Mekong Delta region of South Vietnam, according to an official survey in 1959, was only about 470 grams per day.[30] Another survey of six different South Vietnamese provinces and Saigon carried out at about the same time discovered that the province with the highest average daily consumption of rice per person was Phong Dinh, with 472 grams, while the poorest provinces had an average of less than 400 grams.[31] These figures compel us to look more closely at the alleged inadequacy of the plots distributed under the land reform program in the North.

As of 1960, just over half of the cultivated rice land in North Vietnam produced two crops annually. However, even those parcels which grew only one crop per year appear to have been capable of producing enough rice to feed each family member as well as the average Mekong Delta peasant—even using an extremely conservative estimate of paddy production per acre.

The average per acre rice production in 1956, 1957 and 1958, according to official D. R. V. statistics, was 752,729 and 828 kilos respectively.[32] But even if we take a figure as low as 600 kilos of paddy as the annual production of one acre, we find that 1.75 acres would produce 1050 kilos of paddy per year, or 2875 grams per day. After subtracting 20% for loss of weight in the milling process, the 1.75 acres would provide roughly 2300 grams per day, or 460 grams for each member of an average peasant family of five.

The real meaning of this statistic can best be understood by comparing it not with Fall's arbitrary requirement of 800 grams of rice per day but with the 264 grams which Yves Henry's more detailed study reported as the average daily consumption of rice per person in Tonkin in 1932.[33] Since there had been no increase in the productivity of riceland in the two decades which preceded the land reform, it is likely that this figure represented the approximate level of consumption for the majority of peasants when the land reform program began. In dismissing the land reform program as "economically absurd", Fall simply ignored the evidence of a fundamental improvement in the nutrition of the average poor peasant family. In fact, it would appear that after the land reform North Vietnamese peasants were at least as well fed as peasants in the much more fertile Mekong Delta, where the exploitative land tenure system had not yet been abolished.

A careful examination of the available data concerning the land tenure system in North Vietnam before the land reform as well as the actual economic benefits derived from the reform by the peasants indicates that there were sound social and economic reasons for a radical redistribution of land by the D. R. V. The land reform cannot be accurately portrayed, therefore, as merely the product of abstract ideology or as an "excuse" for the liquidation of social and political opponents.

FOOTNOTES

[1] The land reform program is sometimes confused with the later phase of North Vietnamese agricultural policy in which cooperatives were established; hence the alleged "bloodbath" may be associated in some minds with the later "collectivization" program in the rural areas. But that phase did not begin until November 1958, nearly two and a half years after the end of the land reform process. The allegations of a "bloodbath," therefore, have nothing to do with the "collectivization" of agriculture. In contrast to the land reform, the campaign to establish cooperatives was gradual and noncoercive. This analysis concerns only the land reform program which began in 1953 and was completed in 1956.

[2] Pierre Gourou, *Land Utilization in French Indochina*, translation of *L'Utilization u sol en Indochine Francaise*, (New York, 1945) Part II, pp. 276 ff. cited in Erich H. Jacoby, *Agrarian Unrest in Southeast Asia*, 2nd ed. (London: Asia Publishing House, 1961), p. 157.

[3] Gourou, *The Peasants of the Tonkin Delta* (New Haven: Human Relations Area Files, 1955), p. 280.

[4] *Ibid.*

[5] Yves Henry, *Economie Agricole de L'Indochine* (Hanoi: Gouvernement Generale de l'Indochine, 1932), pp. 108 and 110.

[6] See Pham Cao Duong, *Thuc Trang cua Gioi Nong Dan Viet Nam duoi Thoi Phap Thuoc (The True Situation of the Vietnamese Peasants under French Colonialism)*, (Saigon: Nha Sach Khai Tri, 1965), pp. 104–105.

[7] *Ibid.*, p. 286.

[8] Tran Phuong, ed., *Cach Mang Ruong Dat* (Agrarian Revolution in Vietnam), Hanoi: Khoa Hoc Xa Hoi, 1968), table no. 8, p. 14.

[9] See Henry, *op. cit.*, p. 112; Pham Cao Duong, *op. cit.*, pp. 74–83; Nguyen Huu Khang, *La Commune Annamite* (Paris: Librarie du Recueil Sirey, 1946), p. 54. For specific cases of such exploitation of communal lands by local notables under the French see the richly documented study by Truong Chinh and Vo Nguyen Giap, first published in 1937, *Van De Dan Cay* (The Peasant Problem), (Hanoi: Nha Xuat Ban Su That, 1959), second printing, pp. 122–123.

[10] See Ngo Vinh Long, *Before the August Revolution, The Living Conditions of the Vietnamese Peasant under French Colonialism* (Cambridge: MIT Press, 1972), see also Pham Cao Duong, *op. cit.*, p. 116.

[11] Tran Phuong, *loc. cit.*

[12] Le Hoai Tuyen, "Complete the Reduction of Rents, Carry out the Reduction of Debts", *Su That* (The Truth), no. 135, June 15, 1950, in *Quoc Khang Chien Than Thanh cua Nhan Dan Viet Nam (The Magnificent Resistance War of the Vietnamese People)*, (Hanoi: Su That, 1960), vol. II, p. 391.

[13] Tran Phuong, "The Land Reform", *Pages of History, 1945–54*, Vietnamese Studies, No. 7, 1966, p. 187.

[14] "Improving the Life of the Peasants". *Sinh Hoat Noi Bo* (Internal Activities), No. 7, April 1948, in *Quoc Khang Chien*, Vol. II, p. 34.

[15] Le Hoai Tuyen, *op. cit.*, p. 392.

[16] *Ibid.*

[17] Quoted in Doan Trong Truyen and Pham Phanh Vinh, *Building an Independent National Economy in Vietnam* (Hanoi: Foreign Languages Publishing House, 1964), p. 120.

[18] The only exception to this generalization is the detailed study by Christine Pelzer White, *Land Reform in North Vietnam*, Agency for International Development Spring Review, Country Paper, June 1970.

[19] Bernard Fall, *The Viet Minh Regime*, p. 118.

[20] *Ibid.*

[21] *The Agriculture of French Indochina*, U.S. Department of Agriculture, August 1950 (mimeo), p. 11. Despite this caveat, the same source nevertheless ventures the opinion that Tonkin could be considered as a country of "small peasants who till their own land"'—a completely misleading representation of the land tenure system.

[22] See *Land Reform Failures in Communist North Vietnam*, Special Edition, *Review Horizons* (Saigon, n.d.), p. 6.

[23] Fall, *loc. cit.* Even this statistic was used by another writer hostile to the land reform to show that there were few landlords to be confiscated in the North. Joseph Buttinger writes that "more than 60 percent of all land was in the hands of peasants owning around one acre", a statement which was wrong on two counts: first the statistic cited by Fall does not refer to land area but to landowners, and secondly, it specifically states that 61% of them owned *less* than one acre, not "around" one acre. Buttinger seems to have been unaware of the economic significance of a plot of *less* than one acre. See Joseph Buttinger, *Vietnam, A Dragon Embattled*, Vol. II; *Vietnam at War* (New York: Praeger, 1967), p. 912.

[24] Bernard Fall, "A 'Straight Zigzag': The Road to Socialism in North Vietnam", *Communist Strategies in Asia*, A. Doak Barnett, ed. (New York: Praeger, 1963), p. 216.

[25] Chi, *From Colonialism to Communism*, p. 149.

[26] George Carver, "The Faceless Viet Cong", *Foreign Affairs*, Vol. 44, No. 3 (April 1966), p. 353.

[27] Fall, *The Two Viet-Nams* (New York: Praeger, 1964), p. 159.

[28] *Ibid.*

[29] Fall, *The Viet Minh Regime*, p. 116.

[30] *Republic of Vietnam Nutritional Survey, October-December 1959*. U.S. Interdepartmental Committee on Nutrition for National Defense, Saigon, July 1960. Cited in Timothy Hallinan, *Economic Prospects of the Republic of Vietnam*, Rand Corporation Paper, P–4225, November 1969, p. 8.

[31] *Enquete sur la Consummation du Riz et des Conditions Sanitaires*, Institute de la Statistique, Republic of Vietnam, August 1963, p. 8.

[32] *Agricultural Economy of North Vietnam*, Economic Research Service, Foreign Regional Analysis Division, U.S. Department of Agriculture (Washington, D.C., 1965, p. 19.

[33] Henry, *op. cit.*, p. 334.

CHAPTER III. LAND REFORM POLICIES: MYTHICAL AND REAL

Secondary sources which have portrayed the North Vietnamese land reform as an ideologically-inspired campaign of mass murder have based their case almost entirely on Hoang Van Chi's supposedly authoritative account. An examination of the truth or falsity of the "bloodbath" allegation must begin, therefore, with Hoang Van Chi's description of the objectives and methods of the land reform.

That description can be briefly summarized in three basic assertions: 1) the Vietnamese Communist leaders, following the lead of their Communist mentors, used land reform as a means of physically liquidating the landlord and rich peasant classes; 2) in order to insure the completeness of the liquidation, they established arbitrary quotas of landlords to be discovered and executed in each village; 3) the murder and terror required to accomplish the task went so far as to engulf party members, resistance veterans and innocent people, with the result that tens or even hundreds of thousands

of people were killed in a massive "bloodbath".

The central allegation in Chi's account is that the aim of D.R.V. leaders was the "liquidation of the defenseless landowning class".[1] In support of this charge, Chi quotes what he calls the "Famous slogan" of the Lao Dong Party regarding rural classes: "Depend completely on the poor and landless peasants, unite with the middle level peasants, seek an understanding with the rich peasants and liquidate the landlords." [2] The slogan in question was indeed "famous", since it represented the general policy of the party during the land reform, which every cadre was expected to understand thoroughly. But Mr. Chi misquotes the slogan and, in the process, completely misrepresents the D. R. V.'s policy toward the landlord class. The slogan actually said, "abolish the federal regime of land ownership in a matter that is discriminating, methodical and under sound leadership". [3] There was, in fact, no slogan calling on the people to "liquidate landlords".

This egregious misquotation puts in sharp relief Hoang Van Chi's attempt to distort the real objectives of the land reform, which were to abolish the hold of landlords over peasants and bring about a more equitable sharing of North Vietnam's agricultural resources. Although Hoang Van Chi's account puts great emphasis on the public denunciation and trial of landlords, it falsely portrays their actual function in the context of the D.R.V.'s basic policy toward the landlords.

Contrary to Mr. Chi's allegations, only those landlords who had committed serious crimes were to be publicly denounced by local peasants and put on trial. At the very beginning of the land reform process, in 1953, when peasants were first encouraged to denounce landlords who had committed crimes, *Nhan Dan* emphasized the need to avoid any indiscriminate attack on landowners. "The object of the struggle is not all the landowners but only those who refuse to abide by the policy, who refuse to reduce rents and debts", it stated. Those who essentially abided by the law, it added, "even though they have a few shortcomings", would be "pardoned".[4]

The August 1953 resolution of the Lao Dong Party Political Bureau, which set forth the political line to be followed during the land reform program, also makes clear the fundamental importance attached by the Viet Minh leaders to distinguishing among different kinds of landowners in order to avoid needlessly alienating those who had supported the resistance. "We must pay attention to distinctions in our actions regarding landowners", it stated, "fundamentally dividing the landowning class and patronizing in the correct manner those who have participated in the resistance, because the fewer enemies we have, the better." [5]

Policies toward the landlord class were to be based on a three-fold distinction, depending on both the past political attitudes and behavior of the landlord and whether or not he resisted the land reform program. Those who had actively participated in the struggle against the French were to be considered "resistance landowners" and were to receive special consideration and compensation in the redistribution of their excess land. Those who were not active in the Viet Minh but who did not resist the D. R. V.'s laws and had committed no serious offenses against peasants were to be classified as "ordinary landowners". They were to retain a piece of land to till themselves and could change their class status after three to five years of honest labor.[6]

A final category of landowners was reserved for "traitors," "reactionaries," and "dishonest and wicked notable"—those who had committed more serious crimes. As a pamphlet issued in 1954 by the National Peasants' Association explained: "A severe punishment is reserved for traitors, criminals, notorious citizens hated by local people, and reaction-army elements who try to destroy our resistance and land reform movements." Those who received hard labor sentences of more than five years, it said, would not receive any land, but their families were entitled to enough land for subsistence provided they were not accomplices in the land owner's crimes.[7]

The sentences which could be meted out to landowners who violated various laws in connection with the rent reduction and land reform campaigns were fixed by Decree 151 of April 12, 1953. Lesser offenses, such as demanding illegal rent or attempting to disperse land to evade the new law, were liable to punishments ranging from a warning to imprisonment up to one year. The destruction by a landowner of his own property "for the purpose of injuring the peasants or sabotaging production" was considered more serious and was punishable by imprisonment for a term from one to five years. Those actions aiming at disrupting the land reform through bribery, threats, rumors or other means were punishable by prison terms of three to ten years. And the most serious crimes, punishable by prison terms ranging from ten years to life or by death sentence, included "organizing armed bands and directing them in agreement with the imperialists and puppet administration in order to commit acts of violence; attempts upon the lives of peasants and experienced workers; arson and destruction of dwellings, warehouses, foodstuffs, crops, or irrigation works; instigation or direction of disorders".[8]

After the restoration of peace in 1954, in conformity with the Geneva Agreement's provision forbidding reprisals, the slogan "Overthrow traitors, reactionaries, and dishonest and wicked notables" was replaced by the slogan "Overthrow dishonest and wicked notables". The procedures in the mass mobilization campaign were also changed to forbid any general accusations of political crimes and to allow only civil and criminal charges to be brought against landlords.[9]

Far from assuming all landlords to be guilty of some crime, the party's expectation clearly was that the vast majority of them would be classified as "ordinary" landowners and would therefore be able to redeem themselves through labor on their own land. As the same government pamphlet explained, "The reason we give land to landlords is to open the way for them to work for a living and to reform. This is the humane policy of our government." [10] This basic policy, widely publicized in the Lao Dong party organs throughout the land reform, is far removed from the bloodthirsty objectives attributed to the party by Hoang Van Chi and others.

One of the standard allegations about the land reform, found in a number of sources, is that the D. R. V.'s leaders established in advance a "quota" of landlords to be denounced and executed in each village, which put pressure on cadres to "discover" landlords to be punished even where none in fact existed. The story first appeared in a July 1957, Time magazine article which clearly reflected the work of official propagandists in Saigon. Dramatically entitled, "Land of the Mourning Widows", it described how the land reform had turned into a "bloodbath" because "the prestige of each Communist cadre was made dependent on the number of landlords sent to the gallows".[11]

It seems to be more than coincidence that at about the same time as the Time article appeared, Hoang Van Chi was working on a book, published in January 1958, in which he claimed that the Lao Dong Party Central Committee had established a quota of five death sentences in every hamlet in North Vietnam. He further asserted that Chinese advisers not only had "taught the peasants how to classify the population" but also had controlled the whole land reform "point by point".[12]

In his later book Mr. Chi carried the story further and, in the process, contradicted his earlier version. Chinese advisers, he alleged, had insisted on a second classification of population, after the first one did not produce enough landowners to suit them. The result, he claimed, was that five times more landlords were found in each village and that the Central Committee then gave orders for an increase in death sentences from one to five per village.[13] Since the Vietnamese village is made up of several hamlets, this revised version of the "quota" allegation represented a significant retreat from his earlier claim that the quota was set at five per hamlet.

Hoang Van Chi's unsubstantiated account of landlord quotas was quickly picked up and precented as fact by other propagandists working to discredit the North Vietnamese leadership as blood-thirsty and dogmatic. Even before Mr. Chi's book was published in the U.S., a certain William Kaye, identified only as a "specialist in Asian and Communist agrarian problems"—the usual words used to conceal the identity of U.S. intelligence analysts—wrote, "A predetermined number of landlords had to be found in each village, even if they did not, in fact, exist." [14] The CIA's George Carver similarly charged that "each land reform team had a pre-assigned quota of death sentences and hard labor imprisonments to mete out and these quotas were seldom underfulfilled".[15]

A more important voice in swaying American public opinion was that of Bernard Fall. Apparently drawing upon Hoang Van Chi's account, he wrote, in *The Two Viet-Nams*, "Local party officials began to deliver veritable quotas of landlords and rich peasants, even in areas where the difference between the largest and smallest village plots was a quarter of an acre".[16] Thus the legend of the "landlord quotas" was well on its way to becoming history.

Scholarly objectivity, however, surely required more evidence than Hoang Van Chi's undocumented account before presenting the landlord quota story as fact. No one who was familiar with the concepts and methods employed by the Lao Dong Party or had studied the basic party and government documents of the land reform period could have seriously entertained the notion that Hanoi would call for the classification, arrest or execution of an arbitrarily high number of people.

In fact, the most comprehensive account of the land reform program available provides detailed evidence that the Party's policy was precisely the opposite of that attributed to it by Mr. Chi. Far from having demanded a "quota" of "dishonest and wicked notables" to be executed in each village, the party leadership acted at the beginning of the campaign to *limit* the number of landlords which could be brought before the public for denunciation and trial in any one village. The reason for this action, according to this account, was that during the preliminary phase of the rent reduction campaign, carried out in a few selected villages in 1953, the peasants were denouncing on the average from 10 to 15 landlords for crimes in each village.[17]

Fearing that the denunciation of this many landlords in the villages would complicate and lengthen the land reform campaign and arouse unnecessary opposition among potential allies in the landlord class, the Political Bureau decided in August 1953, to "narrow the attack". During the second phase of the rent reduction campaign the land reform cadres were ordered to bring only those landlords with the most serious or the most numerous charges against them before these public denunciation sessions.

Footnotes at end of chapter.

Specifically, each village was permitted to bring no more than three landlords before such denunciation sessions.[18] The other landlords accused of crimes were to be allowed to undergo self-criticism before the Province Administrative Committee and then to admit their mistakes before the village Congress of Peasants' Representatives, which would then demand that the landlords make restitution for any wrongs done to peasants.

As a result of this procedure, according to this D. R. V. account, each village in which the rent reduction campaign was carried out had an average of 2.1 landowners publicly denounced and tried. An average of 3.8 others were brought before the Congress of Peasants' Representatives on lesser charges.[19] In 1875 villages the number of landowners tried for serious crimes was 3938 or 8.8% of the total number of those classified as landowners.[20]

But, as we have already seen, only those crimes involving conspiring with the "imperialists and puppet administration," attempts on the lives of peasants or cadres, or destruction of public or peasants' property were punishable by prison terms longer than ten years. And the figures released by D. R. V. after the completion of the 1953-54 phase of the land reform in August 1954 show that death sentences represented under 10% of the total number of sentences handed down by the land reform courts. The statistics for 836 villages which had gone through the process of mass mobilization for land reform showed that a total of about 1350 landowners had been denounced for their crimes of whom 135 had been given death sentences, while about 1,200 were given prison terms.[21]

The story of "landlord quotas", therefore, is contradicted by the official documentary evidence concerning both the procedures for handling these landowners accused of crimes, and the actual number of landlords tried, sentenced and executed.

Hoang Van Chi's effort to portray the "quotas" as a result of Chinese Communist direction of the program must be seen in the context of the propaganda campaign carried out by the Diem government's psychological warfare organs during this period. Diem wanted to convince his own people and the American public that North Vietnam had fallen under the control of the Chinese Communists, hoping to exploit politically the animosity toward the Chinese prevalent in both countries. As early as August 1954, the newly-created Diem regime was already broadcasting a wholly fabricated story of 50,000 Communist Chinese troops in North Vietnam, along with Chinese advisers who, in the words of the anonymous scriptwriter, "demanded grand receptions with beautiful young girls to entertain them, rice and meat of quality, and so forth".[22] The same broadcast linked the supposed Chinese menace to North Vietnam with the land reform program, citing reports of 5,000 Chinese administrative cadre preparing to go to Vietnam to train Viet Minh land reform teams.

But in 1956, Saigon's propaganda began claiming that the Chinese advisers were actually running the North Vietnamese government. In August 1956, Diem's embassy in Washington carried an article in its weekly bulletin, News From Viet-Nam, which claimed reports by refugees from the North of great resentment on the part of North Vietnamese people toward the "bellicose, arrogant attitude of Red Chinese cadres who are entering North Vietnam in great numbers to take up important government and army positions".[23] Thus Hoang Van Chi's first published account of the land reform, written in 1957, put the Chinese advisers in charge of the program from the beginning and controlling it "point by point", and not merely training Viet Minh cadres.[24]

Hoang Van Chi's account of Chinese supervision over the land reform was promoted enthusiastically by certain American and British authors interested in portraying the D. R. V. as being under Chinese influence. The mysterious William Kaye, for example, wrote that the landlords were tried "under the watchful eye of Chinese advisers".[25] P. J. Honey, the British specialist on Vietnam who had introduced Hoang Van Chi's book to American readers, asserted that "each of the agrarian reform teams was advised and supervised by Chinese instructors."[26] George Carver of the CIA repeated the argument, although with some qualification, stating that "some" of the land reform teams "almost certainly had Chinese advisers".[27] By that time American propagandists were giving greater emphasis to the theme of supposed Chinese influence over the D. R. V., but even Carver apparently felt that Hoang Van Chi's allegation of the Chinese "point by point" control of the land reform program went too far.

Another class said to have been included in the D. R. V.'s plan for liquidation is the rich peasant class. According to Hoang Van Chi, this was accomplished simply by classifying all rich peasants and even "strong middle level peasants" and "landlords".[28] Bernard Fall made the same charge, writing that rich peasants, to whom he referred as "kulaks", were "disposed of in the usual way through land reform tribunals".[29]

The assertion that rich peasants as well as landlords were targeted for liquidation again misrepresents basic D. R. V. policies toward the wealthier strata of the rural population. During the resistance against the French, the rich peasants, like elements of the landlord class, were viewed by the party leadership as basically "anti-imperialist" and were thus allies of the party within the "National United Front".[30] But there was a second reason for a conciliatory policy towards the rich peasant class, even during the land reform campaign. For the rich peasants were, in Marxist-Leninist terms, essentially "capitalist" rather than "feudal" in character, since the exploited other pesants primarily by hiring their labor rather than renting land to them.[31] For both of these reasons, therefore, the rich peasants were not a target of the land reform campaign.

On the contrary the policy during the land reform was summarized by the slogan "ally with the rich peasant". Even though some rich peasants had collaborated with the French, and like landlords, had abused poor peasants in the past, the Party Central Committee ordered that no rich peasants be brought before the public to be denounced. Again the purpose was to "narrow the struggle" and to concentrate exclusively on the "dishonest and wicked notables" of the landlord class.[32] No land belonging to rich peasants was to be confiscated unless it was rented out to poor peasants, while the hiring of labor was to be allowed to continue. Moreover, rich peasants were to be allowed to vote and to be elected to village people's councils.[33]

Hoang Van Chi's final charge about the land reform program is that it was accompanied by a "deliberate excess of terror" which would "annihilate" any adverse reaction.[34] As evidence of this intention, Mr. Chi alleges the land reform campaign used the slogan "Better kill ten innocent people than let one enemy escape".[35] This alleged slogan, which bears no resemblance to any public statement by the D. R. V. or the Lao Dong Party, was first published in 1957, not in Hanoi, but in the official newspaper of Ngo Dinh Diem's National Revolutionary Movement, *Cach Mang Quo Gia*.[36] It was said to have been quoted in a speech delivered in Hanoi by Professor Nguyen Manh Tuong of the Faculty of Pedagogy of the University of Hanoi.

The authenticity of this document, however, is doubtful, for the evidence indicates that it was fabricated by the Saigon regime for psychological warfare purposes.[37] In publishing the text of the alleged speech in *The New Class in North Vietnam*, Hoang Van Chi explained that it "fell into the hands of a Vietnamese correspondent in Rangoon, who sent it to Saigon where it was published in full in many papers".[38] In response to questioning about this story, however, Mr. Chi admitted that he received his own original copy of the document, not from a Vietnamese correspondent or a newspaper, but from an official of the psychological warfare office of the Ministry of Information several months before it was ever published in the Saigon press.[39] In fact, the "document" appears to have been used with great effectiveness by Diem's psychological warfare specialists in selling *Time* magazine the idea that the land reform was carried out with a "deliberate excess of terror". *Time* used the "better kill ten innocent" slogan and attributed it to Politbureau member Truong Chinh himself, apparently without checking on the quotation's origin.[40] Finally it found its way into official U.S. propaganda: the CIA's George Carver cited this alleged slogan as the one which guided the land reform program.[41]

Hoang Van Chi's portrayal of the land reform as a dogmatic plan to liquidate landlords by means of arbitrary quotas and a "deliberate excess of terror" thus completely misrepresents both the policies and procedures of the D.R.V. land reform program. The allegations which form the core of the myth of the "bloodbath" turn out upon investigation to be based on misquotation, a crucial document emanating from the Diem government rather than from Hanoi, and his own self-contradictory testimony.

None of these allegations is supported by a single authentic document. On the contrary, the documents which are available tell a completely different story. They show that the D. R. V. policy was to punish only those landlords who had committed the most serious crimes and to make it possible for the vast majority of the landlords to become productive citizens. They also show that the death sentence was used, in only a small fraction of the trials of "dishonest and cruel notables".

The land reform policy which thus emerges from the evidence is one characterized by caution, practicality and the desire to prevent unjust and needless loss of life or liberty. It must be considered a major failure of Western scholarship that the widely-used sources on the land reform fail to reflect this well-documented reality.

FOOTNOTES

[1] Hoang Van Chi, *From Colonialism to Communism*, p. 158.

[2] *Ibid.*, p. 165.

[3] See the communique of the Lao Dong Party Central Committee Vietnam News Agency, Radio Hanoi, October 29, 1956. The slogan, "Overthrow the reactionary traitors and cruel notables" was also used until after the Geneva Agreement, but this is quite different from "Liquidate the landlords". See Tran Phuong (ed.), *Cach Mang Ruong Dat*, pp. 115 and 141.

[4] *Nhan Dan*, June 1–5, 1953, in *Quoc Khang Chien*, pp. 57–58.

[5] Tran Phuong (ed.), *Cach Mang Ruong Dat*, p. 144.

[6] *Ibid.*, p. 158.

[7] *Lay Ruong Cua Ai? Chia Ruong Cho Ai?* (*Whose Land Will Be Taken? To Whom Will It Be Given?*), National Peasants' Liaison Committee, Democratic Republic of Vietnam, Hanoi, 1954. Translated in *Planning for Land Reform*, Translation Series No. 21, Institute of Advanced Projects, East-West Center, Honolulu, 1967, p. 52.

[8] The complete text of the decree may be found in M. A. Gel'fer, *Criminal Legislation in Foreign Socialist States* (State Publishing

House of Juridical Literature, 1957), pp. 88–89. Translated by Joint Publications Research Service, December 5, 1958 (DC–408).

[9] Tran Phuong (ed.), *Cach Mang Ruong Dat*, pp. 129–130. Anita Lauve Nutt of the RAND Corporation has argued that the land reform program was merely a cover for political reprisals against those who had worked for the French. *On the Question of Communist Reprisals in Vietnam*, RAND Corporation P–4416, August 1970, p. 4. But like Hoang Van Chi and Bernard Fall, she seriously distorts a major document of the land reform. She asserts that the Population Classification Decree of 1953 "clearly indicated that all 'wicked landowners' who had to be eliminated were also 'traitors', i.e., French collaborators." The reader will find no such indication in the decree, which is published in full in Fall, *The Viet Minh Regime*, Appendix IV, pp. 172–178.

[10] *Lay Ruong Cua Ai?*, loc. cit.

[11] *Time*, July 1, 1957, p. 27.

[12] Hoang Van Chi, *The New Class in North Vietnam*, pp. 5–7.

[13] Hoang Van Chi, *From Colonialism to Communism*, p. 166.

[14] William Kaye, "A Bowl of Rice Divided: The Economy of North Vietnam", in Honey (ed.), *North Vietnam Today*, p. 107.

[15] Carver, *op. cit.*, p. 353.

[16] Fall, *The Two Viet-Nams*, p. 155. Although Fall did not cite any source for his "landlord quota" charge in this popular American work, he had cited Mr. Chi's *The New Class in North Viet-Nam* as a primary source on the land reform in North Vietnam in earlier work in French. See Fall, *Le Viet Minh* (Paris: Librarie Armand Colin, 1960), p. 291, note. 35.

[17] Tran Phuong (ed.), *Cach Mang Ruong Dat*, p. 25.

[18] *Ibid.* Only those villages which had a population of more than 10,000 people were allowed to bring four or five landlords before public denunciation sessions. (The average population of a village in North Vietnam is approximately 3,000 people.)

[19] *Ibid.*, p. 126. The figure of 2.1 public denunciations for the average village during the mass mobilization for rent reduction is consistent with figures for several provinces published at the time. In Thanh Hoa province, where Hoang Van Chi was teaching school in 1954, it was reported that in 78 villages a total of 187 "dishonest and wicked notables" had been denounced for their crimes", while in Nghe An and Ha Tinh, a total of 189 landowners were denounced publicly. Dividing the total numbers of landlords denounced by the number of villages, we get averages of 2.4 per village in Thanh Hoa and 2.2 per village in Nghe An and Ha Tinh. *Nhan Dan*, April 1–3, 1954 and August 1–3, 1954.

[20] *Ibid.*

[21] Radio Hanoi, August 25, 1954, cited in J. Price Gittinger, "Communist Land Reform in North Vietnam", p. 116. *Nhan Dan*, August 13–18, 1954, reported figures of 1,215 landowners denounced publicly in 826 villages.

[22] Saigon Radio, August 6, 1954.

[23] *News from Viet-Nam*, August 4, 1956.

[24] Cf. note 12.

[25] Kaye, loc. cit.

[26] P. J. Honey, *Communism in North Viet-Nam*, p. 12.

[27] Carver, loc. cit.

[28] Chi, *From Communism to Colonialism*, p. 166.

[29] Fall, "A Straight Zigzag,'" p. 217.

[30] A major party document dated 1948 described the party's policy toward rural classes during the resistance with the following slogan: "Rely on the middle poor peasants, unite with the rich peasants, isolate the landowners and oppose the French imperialists." See "Tinh Hinh va Nhiem Vu De Cuong Dua Ra Dai Hoi Toan Quoc" (Situation and Tasks to be Presented to the National Congress), in Documents on Vietnamese Communism, Wason Film, 2584, Cornell University Library.

[31] Tran Phuong (ed.), *Cach Mang Ruong Dat*, pp. 142–143; Tran Phuong, "The Land Reform," *Pages of History*, p. 183; *Nhan Dan*, September 11–15, 1953, in *Quoc Khang Chien*, p. 121.

[32] Tran Phuong (ed.), *Cach Mang Ruong Dat* p. 125.

[33] *Ibid.*, p. 144; *Nhan Dan*, June 1–5, 1953, in *Quoc Khang Chien*, p. 58.

[34] Hoang Van Chi, *From Colonialism to Communism*, p. 211.

[35] *Ibid.*, p. 167 and 213.

[36] Hoang Van Chi, *The New Class in North Vietnam*, p. 134.

[37] The fabrication of documents attributed to the Communists is normal practice in South Vietnam. In 1970, the Ministry of Information distributed a leaflet comparing land reform programs in North and South Vietnam which quoted Truong Chinh as saying over Hanoi Radio on October 30, 1956: "The total number of innocent people who were killed after each phase of denunciation was 200,000". Republic of Vietnam, Ministry of Information, "Comparison of Land Reform Policies of South Vietnam and North Vietnam", December 1, 1970. (English translation by the Ministry). A check of *Nhan Dan*, Radio Hanoi and Vietnam News Agency confirms that no such statement was made.

[38] Hoang Van Chi, *loc. cit.*

[39] Interview with Hoang Van Chi, May 26, 1972. Tran Van Dinh, who was South Vietnamese Consul General in Rangoon in 1957 and is now living in Washington, D.C., says that the document originated in Dr. Tran Kim Tuyen's "Office of Social and Political Research", a cover for Diem's secret police and counterintelligence agency. According to Dinh, it was sent by Dr. Tuyen's office to all Embassies. Interview, Washington, D.C., April 27, 1972.

[40] *Time*, July 1, 1957, p. 26.

[41] Carver, *op. cit.*, p. 355.

Chapter IV.—Errors: Mythical and Real

Hoang Van Chi has put great emphasis on the supposed public admissions by D. R. V. leaders and press of massive and indiscriminate executions during the land reform as irrefutable evidence that there was indeed a "bloodbath" in the North. He quotes from what he claims are D. R. V. documents which appear to make such admission, and Bernard Fall and J. Price Gittinger have cited other such documents in characterizing the land reform. These alleged admissions have played an important role in causing American readers to accept uncritically the "bloodbath" myth.

Mr. Chi and other authors have capitalized on the fact that, three months after the land reform was completed, the Lao Dong party leadership launched a major campaign for the "rectification of errors" committed during the land reform. That unprecedented campaign, which followed months of open criticism in *Nhan Dan* of the implementation of the land reform program in many areas, was begun with a series of statements by party and governmental leaders admitting that "serious mistakes" had been committed.

But it is important to examine carefully what the documents admitting these mistakes actually did say and what they did *not* say. For it will be seen that these statements do not confirm Hoang Van Chi's charges of indiscriminate killing of innocent people. Like his description of the party's policies regarding land reform, Mr. Chi's account of the admission of errors of the land reform systematically distorts key D. R. V. documents.

Well before the land reform was completed at the end of July 1956, the process of correcting the mistakes of the land reform was already begun, though in an unsystematic fashion.[1] Three months after the end of the land reform campaign, however, the party leadership decided that the correction of the errors had to be a top priority program, and that it had to be based on clear directives from the top. At the end of October 1956, therefore, the party Central Committee began the campaign for "rectification of errors" of the land reform, formally admitting the mistakes and placing primary responsibility for the errors on the officials assigned to supervise the whole process. As *Nhan Dan* editorialized, "The mistakes were due to shortcomings in leadership as a consequence of which a number of policies advocated either were not sufficiently concrete or were not carefully worked out." Because of "shortcomings in the guidance of the application of policies," it continued, there was "insufficient understanding of many policies of the Central Committee," and the land reform administration "formed a separate system with excessively broad powers."[2]

Responsibility for guidance and control of the land reform and the party reorganization which accompanied it fell upon certain members of the Central Committee, and as a result of the errors, those members were forced to step down from their positions. The Ministers of State for Agriculture and Interior were forced to resign. Truong Chinh, considered by the Central Committee to bear overall responsibility for the mistakes as Secretary General of the Party, submitted his resignation after undertaking self-criticism before his colleagues.[3]

According to the party's own account, the failure of leadership had left the way open for the least politically conscious and least reliable elements of the poor peasant class to control the conduct of the land reform program in many villages. The cause of this development is easily explainable: throughout the resistance war the tendency of party cadres had been to compromise with the wealthier rural strata, even at the expense of the poor peasants' interests. When the rent reduction and land reform campaign began, therefore, land reform cadres were urged by the party to avoid this "right deviation".[4] As a result, the cadres swung to the other extreme of "left deviation", giving complete freedom to the poorest peasants to satisfy their immediate economic and political interests, often at the expense not only of landowners but of rich and middle peasants, including resistance fighters and party members.[5] In the words of a later D.R.V. account, the cadres were guilty of "following the masses" rather than "standing solidly on the position of the party".[6]

Often this meant that the land reform teams sent to the villages did not rely on local party cadres who had been trained during the resistance—even those from the poor peasant class—but turned instead to poor peasant elements who had previously been relatively inactive in the revolution.[7] These peasants, given a significant political role in their villages for the first time, apparently abused it in a variety of ways: guidelines put out by the Central Committee for dealing with landowners, rich peasants and middle peasants were systematically violated; proper distinctions were not made among landowners on the basis of their political attitudes; rich peasants were treated as landowners, and middle peasants were discriminated against; crop areas and land yields were overestimated and peasants often classified in a higher social stratum than was justified. Poor peasants not only denounced landowners who had committed crimes against them but also unjustly classified landowners as "dishonest and wicked notables" in order to make more land available for distribution.[8]

Similar political tendencies created seri-

Footnotes at end of chapter.

ous problems for a parallel effort to reorganize local party branches by taking in large numbers of poor peasants. Many of the older, better trained, party cadres were attacked by newcomers as reactionaries, forced out of the party and even jailed, with the result that some of the oldest party cells were left in disarray and some even dissolved completely.[9]

As if the combination of land reform and party reorganization were not enough, beginning in late 1955, the land reform cadres were also given the task of uncovering "counterrevolutionaries" in the villages. Convinced that the Diem regime and its American sponsors would try to leave espionage and sabotage organizations in the North after the departure of the French Union Forces, the Central Land Reform Committee decided in August 1955 to combine the land reform campaign with "repression of counterrevolutionaries".[10] And this decision exacerbated the existing tendencies of the newly powerful groups in the villages to attack already established party members as well as ordinary citizens. As the Central Committee of the Party said in its communique, "Land reform cadres wrongly estimated the force of the enemy. Many of them failed to distinguish the stubborn reactions of the most refractory elements of the landlord class from the strained and intricate situation due to the bad application of the party's line and policies."[11] In other words, protests against abuses by the land reform cadres too often resulted in the protesters being jailed merely on suspicion of being "counterrevolutionaries" or "saboteurs". By September 1956, the Central Committee realized that the combining of land reform and "repression of counterrevolutionaries" had been a major error which had increased the level of confusion and conflict in both land distribution and party reorganization.[12]

But although grievances caused by the errors of the land reform were widespread in the countryside, the only documented case of open violence against the D.R.V. which has been linked to the land reform program actually occurred more than three months after the land reform was completed. The violence invovled four predominantly Catholic villages in Quynh Luu district, Nghe An province, in which violations of party policy respecting freedom of worship may have further strained already tense relations between the D.R.V. and Catholics.[13] But there is solid evidence from International Control Commission reports on the district that, although there was probably widespread resentment among Catholics at having been prevented from emigrating to the South, there was no pattern of violence against Catholics during the period of the land reform. In 1957 the I.C.C. reported receiving nearly 1,000 petitions from persons in Quynh Luu district, who unsuccessfully had applied for permits to move to the South. But not one petition was received alleging political reprisals in the form of imprisonment or execution.[14]

The Party leadership clearly viewed the implementation of the land reform as an administrative disaster which had caused a serious political setback in the short term. It had seriously damaged many local party branches as well as harmed the prestige of the party in general. But the admission of these errors and their consequences, embarrassing though it was, provides no support to the "bloodbath" myth. For the documents of the period contain no indication that the party had ever wavered from its original objectives, or that the execution or imprisonment of innocent people had been officially encouraged.

Moreover, although the D. R. V. government pledged to make full restitution in cases of unjust imprisonment or execution,[15] there is no documentary evidence that there had been the kind of indiscriminate execution of innocent people so often alleged. Hoang Van Chi and others have not, in fact, used the actual texts of documents relating to the errors of the land reform campaign but have used instead gross mistranslations and misrepresentations of these documents.

The most serious case of such misrepresentation is Hoang Van Chi's translation of General Vo Nuygen Giap's speech of October 29, 1956, in which he discussed the resolution of the Tenth Central Committee Congress.[16] This document is especially significant, because it was the first major discussion by a high party official of the mistakes committed during the land reform program. As translated by Hoang Van Chi, the most important passages in the speech are those in which Giap appears to admit not only that the mistakes outlined above had been committed, but also the use of terror, as well as torture and murder of innocent people were normal practices which had simply been carried "too far" in the land reform.

According to Mr. Chi's translation, Giap said: "We made too many deviations and executed too many honest people. We attacked on too large a front, and, seeing enemies everywhere, resorted to terror, which became far too widespread." And in another passage, General Giap is quoted as saying: "Worse still, torture came to be regarded as a normal practice during party reorganization". Mr. Chi's translations imply that the execution of innocent people was part of the plan, since the error is said to lie in executing "too many honest people". Likewise, the impression is conveyed that terror was tolerated, if not encouraged, but that it became "too widespread", going beyond the bounds set by the party leadership.

But a careful study of the original text of Giap's speech reveals that Mr. Chi's translation is one of his most flagrant abuses of documentary evidence. An accurate translation of the first Giap statement cited above is: "We committed deviations in not emphasizing the necessity for caution and for avoiding the unjust disciplining of innocent people. We attacked on to wide a front, and used excessive repressive measures on a wide scale."[17] The second passage should have been translated: "Even coercion was used in order to carry out party reorganization".

Thus Mr. Chi's translation contains no less than eight significant mistranslations in three crucial sentences, which have the cumulative effect of substantially altering the meaning of Giap's statement. (See comparisons.)

GIAP'S SPEECH ON LAND REFORM ERRORS

Accurate translation

"Committed deviations . . ."

". . . in not emphasizing the necessity for caution and for avoiding . . ."

". . . the unjust disciplining of innocent people . . ."

(Not in original)

". . . used excessive repressive measures . . ."

". . . on a wide scale."

". . . even coercive measures . . ."

". . . were used to carry out party reorganization."

Chi's translation

"We committed too many deviations. . ."

(Omitted)

"And executed too many honest people . . ."

". . . seeing enemies everywhere . . ."

". . . resorted to terror . . ."

". . . which became far too widespread."

". . . worse still, torture . . ."

". . . came to be regarded as normal practice during party reorganization."

Giap is made to appear as admitting that the party had used murder and terror against innocent people in the implementation of land reform.[18] This distortion by mistranslation has undoubtedly convinced those who could not translate the original Vietnamese text that the party did indeed use a "deliberate excess of terror". In fact, Hoang Van Chi's translation provided such good anti-Hanoi propaganda that the Department of State, in drawing up its March 1966 legal brief to justify U.S. intervention in Vietnam, cited it as evidence that "Communist leaders were running a police state in which execution, terror and torture were commonplace . . . ."[19]

In his attempt to find party documents showing evidence of mass executions of innocent people, Hoang Van Chi also quotes a Nhan Dan article as saying:

"Nghe An is the province in which party organizations existed as early as 1930. But it is in the same province that the most serious mistakes have been made, and the greatest number of party members have been executed during the land reform."[20]

But the only article in *Nhan Dan* which refers to land reform in Nghe An says merely that "serious mistakes" had been committed in Interzone Four which had caused "heavy losses and pain" to the party branches in that region. The article continued:

"There are party branches established in 1930 in Nghe An and Ha Tinh, challenged during the resistance in newly liberated villages in Quang Binh, or matured in the movement to serve the front lines in Thanh Hoa, which have been dissolved."[21]

Nowhere in this discussion of the mistakes committed in Nghe An and other provinces of Interzone Four—or in any other article of the period—is there any sentence remotely resembling the one quoted by Hoang Van Chi, nor is there any reference to executions of party members. One is forced to conclude, therefore, that Mr. Chi's quotation is fraudulent.

Other American scholars misrepresented the documents dealing with the correction of errors because they could translate the documents themselves and relied on translations provided in Saigon. It is now apparent that from the 1956–57 period a number of the articles in *Nhan Dan* were seriously "doctored" in the process of translation and summarization by Vietnamese personnel.

Bernard Fall's brief account of the North Vietnamese land reform in *The Two Viet-Nam's* is marred by his use of one such translation. He cites a *Nahn Dan* article which, in his words, "openly admitted that loyal party members, including UBKC [resistance committee] chairmen, had been executed and besmirched."[22] But the text of the article to which he refers, a long, detailed and critical account of the implementation of land reform in To Hieu village, Ha Dong province, does not support this characterization.[23] It discusses the injustices done to many peasants, including party members and leaders, who were arrested on suspicion of sabotaging the land reform program, as well as other mistakes, but it makes no mention of executions of these persons. As for the local party secretary in To Hieu, (not the Chairman of the resistance committee as stated by Fall), he was indeed unjustly convicted of being a "dishonest and cruel notable", and of having led an "organization of saboteurs". But, he was not executed. On the contrary, after it was discovered by higher officials that his arrest was a mistake he was elected to represent the village in the province conference on land reform.

The fact that the substance of this *Nhan Dan* article was completely misrepresented does not mean, of course, that no party member or resistance veteran was unjustly executed. But it is indicative of the way in which the popular image of the land reform has been shaped by nonexistent or distorted documents that this same article was later cited by historian Joseph Buttinger as evidence for his charge that the Lao Dong party did nothing to control the "murderous momentum" of the land reform program.[24]

Another American source which has contributed to the "bloodbath" myth by distort-

Footnotes at end of chapter.

ing the documents of the "mistakes correction" campaign is the 1959 study by J. Price Gittinger, U.S. land reform adviser in Saigon at the time. Gittinger's article is often cited as an authoritative work on the North Vietnamese land reform because it cites numerous articles from *Nhan Dan*. But, like Bernard Fall, Gittinger could not read Vietnamese himself, and so he relied on the translations made available by the U.S. mission. Unfortunately, some of the reports from *Nhan Dan* which he uses to prove indiscriminate executions had been substantially altered in the translation.

The most serious of these cases involves an August 1957 article in *Nhan Dan* which, according to Gittinger, admits that "30 percent of the persons convicted as landlords were erroneously condemned".[25] As stated by Gittinger, the statement makes no sense since individuals were not "convicted" or "condemned" solely because they were landlords, but only for having committed specific crimes. The *Nhan Dan* article refers neither to the number of erroneous classifications *nor* to the number of erroneous convictions. What *Nhan Dan* said was: "The reclassification of those wrongly classified as landlords is being carried out rather fundamentally. Every village has corrected some mistakes. Some have corrected their mistakes relatively less, about thiry percent, while other have corrected over fifty percent of them".[26]

But like the story of landlord "quotas," this alleged percentage of innocent victims of the land reform was to become part of the official myth. It was repeated by the unidentified "specialist," William Kaye, who wrote in 1962: "Some years later it was admitted by the D.R.V. that nearly one-third of the persons tried and convicted as landlords had been condemned in error." [27]

Still another frequently-cited "fact" about the correction of errors campaign also turns out, on closer examination, to be without foundation. Hoang Van Chi claims that General Giap referred in his October 1956 speech to 12,000 party members, wrongly imprisoned in the course of the land reform, who would be released.[28] Carver also calls forth this "fact" in his denunciation of the land reform, citing the same document.[29] But a careful reading of the original text reveals that Giap made no mention of the number of party members or prisoners unjustly jailed and about to be freed.[30] In December 1956, Truong Chinh did refer to the release of 12,000 persons, but this was in the context of the government's three-phase review of all individuals imprisoned as a result of the land reform. In the first phase, those who had been wrongly arrested during the land reform and the party reorganization were released, along with all prisoners over sixty years of age; in the second phase those who had committed crimes not considered serious enough to warrant imprisonment were released; in the third phase, those who had committed serious crimes which could be commuted were released.[31] So the 12,000 figure refers not to party members imprisoned but to all those who were released from prison, for whatever reason, after the land reform.

Time magazine also misrepresented the 12,000 figure, asserting that the D.R.V. had announced the release of 12,000 "peasants".[32] Even more serious, however, was its report that "some 15,000" people had been killed in error during the land reform.[33] This figure was then used by Gittinger, who gave it the status of an "estimate".[34] It should have been disregarded as meaningless, however, since it was not based on any specific evidence and did not quote a known and credible Vietnamese source. The serious attention given to such an anonymous "estimate" was characteristic, unfortunately, of the casual way in which journalists and scholars treated the land reform.[35]

The campaign to correct the errors of the land reform, from which the "bloodbath" myth has claimed to draw much of its damning evidence, thus takes on a different aspect under careful and detailed examination. What the documents say, in fact, is quite different from the misleading impression conveyed in the literature on the land reform. The evidence simply does not support the charge that there was a D.R.V. policy of systematic, massive executions of innocent people.

FOOTNOTES

[1] See for examples, *Nhan Dan*, June 29, 1956; August 20, 1956; August 24, 1956, September 6, 1956; September 8, 1956.

[2] *Nhan Dan*, October 30, 1956, carried by Vietnam News Agency, Hanoi Radio, October 30, 1956.

[3] *Ibid.*

[4] See for example, the article "Correct Mistakes of Rightist Thinking" in *Nhan Dan*, January 13, 1956.

[5] Tran Phuong (ed.) *Cach Mang Ruong Dat*, p. 197.

[6] *Ibid.*

[7] *Ibid.*, p. 189.

[8] *Ibid.*, pp. 190–191. *Nhan Dan*, August 24, 1956 and October 30, 1956.

[9] *Nhan Dan*, July 2, 1956; October 7, 1956, November 22, 1956. Vietnam News Agency, Radio Hanoi, November 1, 1956.

[10] Tran Phuong (ed.), *Cach Mang Ruong Dat*, p. 187. This campaign to uncover subversives in the newly liberated areas, although exaggerated and ultimately self-defeating, was based on real fears of sabotage of the land reform campaign by agents of the Diem government or the Americans. In March 1956, *Nhan Dan* reported that in Ha Dong province someone was "spreading the rumor that U.S.-Diem troops are about to come, and you'll have to move again, so the land reform is not final." *Nhan Dan*, March 2, 1956.

[11] Communique of the Central Committee, October 29, 1956, Vietnam News Agency, Radio Hanoi, October 29, 1956.

[12] *Cach Mang Ruong Dat*, p. 188.

[13] Little reliable information is available concerning the so-called "Quynh Luu Revolt" of November 1956. The versions of the incident given by Fall and by the Diem government agree in emphasizing that the denial of permission to move to the South was a major factor in the revolt. See Fall, *The Two Viet-Nams*, p. 156; *News From Viet-Nam*, December 1, 1956, p. 3. The D. R. V. version admits that "reactionaries" had "availed themselves of the mistakes committed in the Agrarian Reform in the Catholic compatriots area to arouse dissatisfaction among a number of compatriots. . . ." *Vietnam News Agency*, Radio Hanoi, November 16, 1956. The Diem government claimed that "several hundred" people were killed by government troops during the fighting while the D. R. V. version claimed "a few" persons were killed or wounded. The truth is undoubtedly somewhere in between.

[14] *Eighth Interim Report of the International Commission for Supervision and Control in Vietnam* (Vietnam No. 1 [1958] Command Paper, 509). London: Great Britain Parliamentary Sessional Papers, XXX (1957/58), p. 8.

[15] See the statement by the D.R.V. government before the 6th Meeting of the National Assembly, *Nhan Dan*, January 4, 1957.

[16] Hoang Van Chi, *From Colonialism to Communism*, pp. 209–210. Mr. Chi inaccurately refers to it as a speech read before the 10th Congress of the Central Committee. In fact, it was read before a public meeting of the citizens of Hanoi, according to the official text.

[17] The complete text of Giap's speech is published in *Nhan Dan*, October 31, 1956. The translation is my own, but has been checked with several Vietnamese for accuracy.

[18] When I interviewed Hoang Van Chi in May 1972, I questioned him about his inaccurate and misleading translation of several words. He defended his translations by saying: "I tried to convey the real meaning more than the literal translations". He asserted, moreover, that this was the practice followed by all Vietnamese working for the Voice of America in translating communist documents.

[19] Department of State, Office of the Legal Adviser, "The Legality of United States Participation in the Defense of Vietnam", March 4, 1966 (mimeo), p. 33.

[20] *From Colonialism to Communism*, p. 225.

[21] *Nhan Dan*, November 22, 1956. There was no article even vaguely resembling the one described by Hoang Van Chi in the November 21 issue cited in his footnote.

[22] Fall, *The Two Viet-Nams*, p. 158.

[23] *Nhan Dan*, August 24, 1956.

[24] Joseph Buttinger, *Vietnam: A Political History* (New York: Praeger, 1967), p. 196.

[25] Gittinger, *loc. cit.*

[26] *Nhan Dan*, August 13, 1957.

[27] Kaye, *op. cit.*, p. 108.

[28] Hoang Van Chi, *From Colonialism to Communism*, p. 214.

[29] Carver, *loc. cit.*

[30] *Nhan Dan*, October 31, 1956.

[31] *Thoi Moi*, December 4, 1956.

[32] *Time*, July 1, 1957, p. 27.

[33] *Ibid.*

[34] Gittinger, *op. cit.*, p. 118.

[35] Journalist Tibor Mende also claimed that from 12,000 to 15,000 persons were killed in error, citing anonymous "estimates worthy of confidence". "Les Deux Vietnams: Laboratoires de l'Asie", *Esprit* (June 1957), p. 941. It is questionable journalism in such politically sensitive matters for the writer to usurp from his readers the right to judge the credentials of the source of such an "estimate". Either there is a compelling reason for the anonymity of the source, in which case the reason should be explained, or the source should be identified.

CHAPTER V. THE "ESTIMATES": QUANTIFYING THE MYTH

By his systematic distortion of the basic facts of the land reform, Hoang Van Chi laid the basis for public acceptance of certain irresponsible figures on the number of deaths caused by the land reform. These figures, for which neither concrete evidence nor explanation have ever been offered, were based in each case on wholly subjective judgment, false information and assumptions, or simple propaganda. Yet they represent virtually the only data available to most Americans on the D.R.V.'s land reform.

The most frequently used figure has been the one given by Bernard Fall, who wrote: "The best-educated guesses on the subject are that probably close to 50,000 North Vietnamese were executed in connection with the land reform and that at least twice as many were arrested and sent to forced labor camps".[1] Over the years this 50,000 figure has taken on an authoritative aura which was wholly unwarranted. For it was strongly influenced by his erroneous assumption that the D.R.V. leaders had the objective of liquidating whole economic classes. It may not be merely coincidence that *Time* magazine's mythical 15,000 landowners killed in error combined with Gittinger's mythical 30% of all landowners "erroneously condemned" happens to add up to the figure of 50,000 dead. In any event, all these figures were based on fiction rather than fact.

Other estimates which have been put forward have been more consciously political in character. The figure of 100,000 was given by a French history teacher, Gerard Tongas, who remained in Hanoi after the Geneva Agreement. Tongas returned to Paris in 1959 to write a heavy-handed diatribe entitled, *I Lived in the Communist Hell in North Vietnam and I chose Freedom*.[2] Like Hoang Van Chi, he makes no pretention of objectivity, not does he claim to have made a serious study of the objectives and procedures of the

land reform, which he calls a "v. ,nd fantastic swindle".[3] His information on the land reform appears to have been acquired from the Franchophile members of the Vietnamese bourgeoisie in Hanoi, who, according to Tongas, longed for the overthrow of the D. R. S. so that they could send their children to French schools.[4] His claim of 100,000 deaths thus represents the figure circulated by those who still hoped for a return to the status quo of the colonial period.

But it remained for Hoang Van Chi himself to provide American propaganda on the land reform with its most shocking "estimate". After asserting that "nobody has been able to assess accurately the exact number of deaths" from the land reform,[5] he casually refers in a later chapter to "the massacre of about 5 percent of the total population".[6] Based on a total estimated population of about 13.5 million in 1956, this would have represented a total of 675,000 people.

Mr. Chi offers no justification for this allegation, but he suggests at one point that most of the deaths were those of children who starved "owing to the 'isolation policy' ".[7] This is yet another of the many wholly unsubstantiated charges put forth by Mr. Chi, for there was no such policy of isolating families, even of those landlords sentenced for serious crimes during the land reform. As the official party organ, *Nhan Dan*, stated in June 1956, ". . . if the family is one of a dishonest and wicked notable, who has been sentenced to imprisonment, there should be no contact with the person imprisoned, but there can be visits with the other members of the family".[8] The picture of hundreds of thousands of innocent children being systematically starved to death is so absurd, in fact, that no secondary source has dared to use it. Yet it is mainly on the basis of Mr. Chi's totally unreliable account, the intention of which was plainly not historical accuracy but propaganda against the D. R. V., that the President of the United States himself has told the American people that "a half a million, by conservative estimates . . . were murdered or otherwise exterminated by the North Vietnamese. . . ."[9]

As against the subjective "guesses" cited above, the statistics which have been published by the D. R. V., though admittedly incomplete, provide a better basis for estimating the number of executions. We have already mentioned the directive of the Lao Dong Political Bureau of August 1953 which limited the number of landlords who could be publicly denounced and tried in each village to a maximum of three. The average number of landlords denounced and tried per village in the 1875 villages covered by the rent reduction campaign was 2.1, according to the D. R. V. study, for a total of 3938.[10] It has also been pointed out that a radio broadcast at the time reported 135 of the first 1350 landowners denounced and tried, or about 10%, received the death sentence. If this proportion were generally applied in all 1875 villages covered by the rent reduction campaign, the total number of death sentences would have been about 400.

In 1778 other villages, the land reform was carried out without the intervening phase of mass mobilization for rent reduction. No data is available from D. R. V. sources on the number of landlords sentenced in these villages or the proportion of those sentenced to death. The D. R. V.'s account of the land reform suggests that the most numerous mistakes of classification and of accusation were committed after June 1955 as the Party's supervision of land reform teams began to lag behind the pace of implementation in newly liberated areas.[11] It is worth noting, however, that even if the number of death sentences in these 1778 villages was three times more than the number of the first 1875, the total for the entire land reform would still have been less than 2,500. The available official documentation thus suggests from 800 to 2,500 executions during the land reform as a realistic estimate.

Further support for this estimate comes from a surprising source—an official document issued by the Diem government in July 1959. In its formal attack on the D. R. V. with regard to the Geneva Agreement, the Republic of Vietnam published figures which it claimed were the total number of sentences to death and hard labor for life in several provinces during North Vietnam's land reform. The figures were as follows:[12]

Phu Tho: 88 death sentences; 72 hard labor for life.

Bac Giang: 54 death sentences; 27 hard labor for life.

Thai Nguyen: 25 death sentences; 52 hard labor for life.

Thanh Hoa: 98 death sentences; 134 hard labor for life.

The totals for all of these four provinces, including Thanh Hoa, the most populous province in the North,[13] were thus 265 death sentences and 275 sentences of hard labor for life, or an average of 66 death sentences and 69 life sentences in each province. If these figures were indicative of the situation in the other eighteen provinces affected by the land reform, the totals would have been in the neighborhood of 1,500 executions and 1,500 life sentences, totals which would be entirely consistent with the statistics released by Hanoi.

It is not possible to judge the authenticity of the figures released by the South Vietnamese government, since no source was cited. But it is striking that the Information Ministry of a government so obviously hostile to Hanoi as the Diem government would give figures which are so low, so consistent with the D. R. V.'s figures and so inconsistent with the myth of the "bloodbath".

CONCLUSION

American attitudes toward the North Vietnamese land reform campaign in particular, and the Vietnamese revolution in general, have been formed in almost total ignorance of the actual historical record. The purpose of this analysis has been to show how that historical record has been systematically ignored or distorted in the sources available to the American public. The existing documentary evidence, however, indicates clearly that the objectives and policies, as well as the consequences of the land reform, were totally different from those portrayed by the secondary literature.

That evidence shows that, although the land reform program was marred by administrative failures, its aims were to liberate the poor peasants from the threat of famine and from their total subordination to the landlords. The main objective regarding the landlords was to transform them into productive citizens by their own labor, not to liquidate them, as so often has been charged. The evidence further indicates that the land reform policies were conceived with the aim of minimizing injustice and unnecessary suffering and not, as has been alleged, to murder innocent people with a "deliberate excess of terror".

The benefits of the land reform to the poor peasants, who made up the majority of the rural population, were a substantial increase in food for subsistence and an improved social and political status in the villages. Hitherto powerless elements were encouraged for the first time to assert themselves, and although the short term consequences were widespread abuses and conflict, even within the Lao Dong Party itself, the experiences of other nations suggest that bringing the poor peasants into the political process would be a positive development over the long run.

The determined propaganda attack against the land reform program launched in 1957 by the South Vietnamese government, with American support, succeeded in portraying it as an excuse for ideologically-inspired mass murder. The central figure in that attack was Hoang Van Chi, and by 1960, certain Americans had taken an active interest in helping his version of the land reform reach the American public. His account employed techniques which distinguished it from a legitimate historical study of the period. Where no evidence existed to support the "bloodbath" myth, it was created. Official documents were twisted to conform to the myth. Reports and statistics were quoted which, in fact, did not exist.

The American academic community did not have the resources to recognize Hoang Van Chi's writing as propaganda, while the official U.S. government community had an obvious interest in promoting it. As the U.S. government became more deeply involved in the attempt to control events in Vietnam, the myth of the "bloodbath" became increasingly useful and finally almost necessary. By the late 1960's, having been repeated by so many different sources, the myth of the "bloodbath" in North Vietnam had gained nearly universal acceptance. The President was then able to use it as a major rationale for maintaining the U.S. military presence in Vietnam.

Apart from the self-interest of officials and the incapacity of academics to do the necessary original research, however, it seems evident that the myth of the "bloodbath" in North Vietnam fits deeply-held prejudices common to most Americans. Two generations of Americans have been led to believe that revolutionaries guided by Marxist-Leninist concepts must be fanatical and cruel. Many Americans tended to accept that stereotype in total ignorance of the real nature of the Vietnamese revolution. Consequently they paved the way for the myth of the "bloodbath" to gain popular credence, and helped stifle the search for truth. That same stereotype which belittled the intelligence, the patriotism and the humanity of the Vietnamese Communist movement also made it easier for Americans to assume that it was no match for American economic and military power. It should now be clear that the U.S. can delay but cannot ultimately avoid coming to terms with the Vietnamese revolution. The abandonment of the crudely distorted portrayal of the Vietnamese Communists still prevalent in the U.S. should be the first step in that process.

FOOTNOTES

[1] Fall, *The Two Viet-Nams*, p. 159.

[2] Gerard Tongas, *J'ai Vecu dans l'Enfer Communiste au Nord Vietnam et J'ai Choisi la Liberte* (Paris: Nouvelles Editions Debresse, 1960).

[3] *Ibid*, p. 221.

[4] *Ibid.*, p. 353. Not only his affinity for the French-speaking bourgeoisie but his undisguised contempt for non-Francophile Vietnamese colored Tongas' attitude toward the D. R. V. Tongas once commented, "The cultural level of North Vietnam is undoubtedly one of the lowest imaginable". Tongas, "Indoctrination Replaces Education", in Honey (ed.), *North Vietnam Today*, p. 93.

[5] Hoang Van Chi, *From Colonialism to Communism*, p. 166.

[6] *Ibid.*, p. 212.

[7] *Ibid.*, p. 166.

[8] *Nhan Dan*, August 6, 1956. This allegation is further contradicted by Hoang Van Chi's own admission, thirty pages later, that there were few landlord families who could not get money from friends or relatives who were tradesmen or officials. *From Colonialism to Communism*, p. 196.

[9] President Nixon's Press Interview, April 16, 1971 (official White House text). President Nixon has escalated his own rhetoric on the "bloodbath" in North Vietnam, by multiplying the number of deaths, as the argument became increasingly crucial to the rationale for American policy in Vietnam. In 1969, he used Bernard Fall's figure of

50,000 deaths (President Nixon's Radio/TV address, November 3, 1969, official White House text). In 1971, he used the 500,000 figure cited above. But on July 27, 1972, the President reached a new level of rhetoric, declaring that more than one half million people were assassinated and another half a million died in "slave labor camps" in North Vietnam (*New York Times*, July 28, 1972). An inquiry to the National Security Council produced only a list of references of which Hoang Van Chi's "5 percent" figure was the only primary source. His own staff was thus unable to explain how he arrived at his new total of one million deaths from the North Vietnamese land reform.

[10] See notes 19 and 20, Chapter III, p. 29.

[11] Tran Phuong (ed.), *Cach Mang Ruong Dat*, p. 131.

[12] *Violations of the Geneva Agreements by the Viet-Minh Communists*, Ministry of Information, Republic of Vietnam (Saigon, July 1959), pp. 94–95.

[13] 1960 Population Figures by Province (from Central Census Steering Committee, 1961), *Nhan Dan*, November 2, 1960 (translated by JPRS, 6570, January 13, 1961).

BUDGETARY CUTS FOR INDIAN PROGRAMS

Mr. KENNEDY. Mr. President, on behalf of the distinguished Senator from Wyoming (Mr. McGEE), who is absent on official business, I ask unanimous consent to have printed in the RECORD a statement he prepared about a letter circulated by him and signed by 14 other colleagues—including myself—protesting planned cuts by the administration in the budget for Indian programs in fiscal year 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR McGEE

Yesterday, 14 of my Colleagues and I sent a letter to the President protesting planned budget cuts in Fiscal Year 1974 in programs vital to the Indian community of this nation.

The letter was sent to the President after it came to our attention that the Administration's planned budget for the BIA for Fiscal 1974 would be cut by $50 million from Fiscal 1973 levels and other $50 million might be cut from non-Interior programs which benefits Indians.

Joining me in co-signing the letter were Senators McGovern, Nelson, Cranston, Kennedy, Stevenson, Burdick, Hart, Moss, Harris, Tunney, Hughes, Hatfield, Montoya, and Mondale.

According to the American Indian Press Association, the staff of Indian Commissioner Louis R. Bruce, which prepared an "impact statement" on the cuts which lie ahead, reported in a confidential memo that:

"(The new allowance) makes no provision for any improvements to Indian programs other than roads; does not provide for increased cost of operation due to inflation; does not provide for increased school enrollments; does not provide for increased welfare case load and cost increases; does not provide for protecting the natural resources remaining for the Indian; does not provide for any badly needed irrigation projects; and does not provide adequate funds for school construction."

The American Indian Press Association noted that:

"Of the existing 37 separate BIA programs, 25 will have less funds next year. The single largest cut will be made in education, for $22.5 million. The second largest cut of $6.8 million will be taken from welfare and guidance services. A third meaningful cut will be made in the construction of new buildings and utilities—schools, housing and other public facilities—to the tune of $4.5 million."

The American Indian Press Association stated that "according to the BIA's 'impact statement,'" the following key areas would be affected:

Education: Eliminated will be the preschool child program serving 42,265 tribal summer employment programs for 22,000 Indian teenagers, and the Sioux Junior College program. Reduced will be all special programs benefiting Indian students in public schools through programs of special reading, home coordination, counseling and the like, and aid for Navajo Community College.

Terminated will be contracts with the University of New Mexico Indian Law Program, and Masters Degree Programs with Dartmouth University, together with the Universities of Georgia, Arizona and North Dakota.

Four large and yet unspecified boarding schools and several small institutions will be closed, and no Alaska Native children will be sent away to school in Wildwood, Alaska.

Other areas affected by the cutback include:

Welfare and Guidance: All Tribal Work Experience Programs will be eliminated and payments of general assistance and child welfare will be discontinued on next March 30.

Housing: Construction of 32 new homes and repairs on 234 homes will be cancelled, and staff layoffs will number 10. Five BIA housing offices will be closed, and contracting, training and management funds will be reduced.

Employment and vocational assistance: Closure of eight national field offices, seven area field assistance offices, the Solo Parent Training Center in San Diego, Calif., the Madera, Calif., and Roswell Employment Training Centers, and a reduction of the Bismark, N.D., Training Center by one-third.

Law and order: Closure of Roswell, N.M., Indian Policy Academy and staff reductions of 20 personnel.

Water Resource Protection: The current budget figure, $1.7 million, will be retained for the Indian Water Rights Office rather than the publicly announced $2 million figure. About $200,000 will be trimmed from funds for operating and maintaining irrigation systems on reservations, and $2 million will be eliminated from a budget for new waterways construction.

Cutbacks amounting to $1.6 million are also slated for resource management programs in areas of agricultural extension, credit, reservation programs, industrial development, real property management and appraisal, general trustee services and environmental quality services.

What is particularly disturbing about the situation is contained in the following statement from the American Indian Press Association:

"The BIA was already at work on the $50 million budget slash, it was learned from the confidential 'impact statement' memoranda, when Interior Secretary Rogers C. B. Morton addressed the National Tribal Chairmen's Association in Eugene, Ore., on August 7, during their annual convention. There Morton stated: 'Funding is the strongest indicator of commitment in government.'"

In a letter from Franklin Ducheneaux, Legislative Consultant for the National Congress of American Indians, pointing out the release from the American Indian Association, Mr. Ducheneaux noted that:

"This kind of cut is all the more devastating when one takes into consideration that Indian communities, reservations, and people are years behind the rest of the nation in every area of human and resource development. They are all the more cruel and hypocritical when measured against the promises and rhetoric of the Federal government of the last decade."

The Administration, through its rhetoric on a number of occasions, has committed itself to the principle of self-determination for the Indian peoples of this country. I do not believe that Congress should allow the Administration to carry out its planned budget cuts in Indian programs for Fiscal 1974. I urge my fellow Colleagues to hold the President to the commitment he has made to the Indian people and not allow this example of "bad faith" to be initiated.

I append the joint letter to the President and the letter from Frank Ducheneaux.

OCTOBER 16, 1972.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It has come to our attention that your planned budget for the Bureau of Indian Affairs for Fiscal Year 1974 will be cut by $50 million from Fiscal 1973 levels. We also understand that another $50 million may be cut from non-Interior programs which benefit Indians.

The purpose of our letter is to protest these planned cuts. In light of your past commitment to self-determination on the part of the Indian people, we urge that you recommend to Congress substantial increases in funding in Fiscal 1974 for Indian programs.

The Indian community in this nation continues to lag years behind the rest of the nation in every area of human, economic, and resource development. The planned cuts in Indian programs for Fiscal 1974 come at a critical moment in the development of new and innovative programs which hold the key to the future of the Indian community in this nation.

We urge that you reconsider your planned budget cuts for Indian programs in Fiscal 1974. We ask that prompt attention be given to this matter and we would appreciate a response to our letter at your earliest convenience.

Sincerely

GALE McGEE,
GAYLORD NELSON,
GEORGE McGOVERN,
ALAN CRANSTON,
EDWARD KENNEDY,
QUENTIN BURDICK,
FRANK MOSS,
JOHN TUNNEY,
MARK HATFIELD,
WALTER MONDALE,
ADLAI STEVENSON III,
PHILIP HART,
FRED HARRIS,
HAROLD HUGHES,
JOSEPH MONTOYA,
U.S. Senators.

OCTOBER 2, 1972.

Hon. GALE McGEE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR McGEE: Enclosed is a copy of a press release by the American Indian Press Association detailing the Administration's planned budget cuts for the Bureau of Indian Affairs totaling nearly $50 million for FY 1974. It quotes a BIA "impact statement", a confidential memorandum, which assesses the impact of such budget cuts on the various programs of the Bureau of Indian Affairs. In addition, its estimates that another $50 million may be cut from non-Interior programs which benefit Indians.

These cuts do not represent a major cut in a major program affecting Indian communities nor a substantial cut in a variety of programs affecting one Indian community, but a major cut in *all* the programs serving the totality of Indian communities and people across the nation, communities and people which are almost solely dependent upon Federal funds for programs and services which are supplied to non-Indian communities by a combination of Federal, State, and local governments. This kind of cut is all the more devastating when one takes into consideration that Indian communities, reservations, and people are years behind the rest of the nation in every area of human and resource development. They are all the

more cruel and hypocritical when measured against the promises and rhetoric of the Federal government of the last decade.

These cuts must not be sustained by the Congress in the FY 1974 appropriations if justice, good faith, and common decency are to be the hallmarks of Federal administration of Indian affairs. We urge you, with all respect, to oppose these cuts, to advise the administration of your opposition, and to support restoration of the FY 1974 Indian Affairs budget to *at least* the FY 1973 level.

Sincerely yours,

FRANKLIN DUCHENEAUX,
Legislative Consultant.

PERSUASION AND POWER, MERIT AND CLOUT

Mr. GRAVEL. Mr. President, today's Washington Post carries a commentary by the columnist Nicholas von Hoffman about Congress and the prospects for citizen influence on it. I think its relevance to the movement for a moratorium on the operation and construction of nuclear powerplants is obvious.

I ask unanimous consent that the article be printed here in the RECORD.

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

NADER'S DEBITS

(By Nicholas von Hoffman)

Ralph Nader comes as close as we have to a universally trusted public figure. In Washington during a time of graft, Nader personifies the honest man. Members of both parties, and none, have confidence in him.

It is a remarkable position of respect and, yet, all of this support, concurrence and approbation converts into a diminishing power to get much done. Nader, whose character is more honored than the President's, has less effective clout than the meanest White House aide with a gun in his attache case and a wallet full of hot Mexican money.

Partly this is because Nader is the supreme non-politician. He relies on facts, reason and the pursuit of truth, but there is no schmooze in the man. He lacks oil and the democratic affability we call the art of compromise.

The anomaly of Nader's position is underscored by the publication of his group's latest effort ("Who Runs Congress?" by Mark J. Green, James M. Fallows, David R. Zwick, Bantam Books, $1.95). It's a solid, competent work, a good one-volume compendium of what goes on under the great dome. On the debit side, they haven't put any new shockers in it—and we do like to be entertained with fresh dirt.

Congress is a very old scandal and this isn't a season of much interest even in new ones. It could be that Nader is going out of fashion. Muckraking has had its ups and downs before. It was a hot, highly salable commodity at the turn of the century; you couldn't give it away in the '20s; it came back in the '30s and died again in the Eisenhower period.

Whether or not Nader is about to go out of style, he does have other problems—the biggest being that his opponents are learning how to deal with him. The young Nader who took on and beat General Motors may have seemed to prove the proposition that the truth will make us free; but, in fact, the monster manufacturer creamed itself.

It counterpunched, and, by hitting back in a variety of idiot ways, not only made Nader a public figure but also made him a plausible one. The running controversy fired up enough heat, drama and pressure to get some automobile safety legislation on the statute books.

Subsequent Nader targets, many of whom were fully as injurious to the commonweal, weren't so eager to do themselves in. It occurred to them that Nader had very little second strike capability, as they like to say around Washington. He could do the press conference, issue the damning report, but then, if the people who were the objects of his exposes laid low, hid out and said nothing, the matter would sink from public attention. Nader has had no way of hitting a second time on the same people—no way of making his opponents stand up and fight.

Outfits like DuPont and First National City Bank of New York have been able to ride out the scrutiny of Nader's people without trouble. Congress will be able to do likewise with even less exertion.

Not that the suggestions of congressional improvement in the Nader document aren't worthwhile. They are. But Congress is as it is not through ignorance, but by intent. The seniority system and all the rest that Nader and so many others complain of could be abolished by a simple majority vote on the first day of the 93d session of Congress next January.

That majority doesn't exist and the publication of "Who Runs Congress?" won't create it. The Nader people recognize this sad little fact by inserting a weak and suffering little chapter called, "Taking on Congress; A primer for Citizen Action." This chapter, which few citizens are going to find very useful in taking on their congressmen, illustrates the difficulties that Nader and his people face.

It begins by giving a few examples of minor league Naders who by persistence and a great deal of luck have been able to get a few good laws through. More instructive would be a few case histories of would-be Naders who got nowhere, with an explanation of why. With this comes much material about the mechanics of influencing legislation, all useful to know if you have something besides your own naked body to do your influencing with.

Since Nader has arrayed himself against money power, the only other tool of influence is large numbers of people who, of course, must be organized. There are a few perfectly worthless pages devoted to telling the reader how to do that. Here you can find out how to organize your group, but that your group should have a "coordinator" and a project leader."

It's too much to expect Nader to know how to organize gobs of people. He and his associates have done far more than their fair share; but unless someone figures out how, Nader is going to lack that second punch. Without the power to compel the government to act, most of his work will be food for fishes and historians.

THE NATION'S GREATEST ASSET

Mr. JACKSON. Mr. President, George E. Stringfellow, Past Imperial Potentate of the National Shriners organization recently brought to my attention an address given on the occasion of the celebration in New York of the 100th anniversary of the founding of the Shrine.

The speech, by George M. Saunders, Imperial Recorder of the Shrine and Grand Secretary, concerned the future of Masonry and its youth organization DeMolay.

Mr. Saunders, former resident of Kansas City, Mo. and now of Chicago has been actively engaged in Masonry and Shrinedom throughout his life. He has been active in the International Supreme Council of the Order of DeMolay, having been associated with it since its founding days. He is a Past Grand Master of the Order and presently is the Grand Secretary.

He is a veteran of the Allied Expeditionary Forces in France in World War I, and has been a member of the Sanford Brown, Jr., American Legion Post since it was organized.

His Masonic background is long and distinguished. He is a life member of Sheffield Masonic Lodge at Kansas City, Mo.; he is a 33° Mason. His Shrine Temple is Ararat of Kansas City, Mo.

I should also point out that Mr. Saunders is listed in "Who's Who" in America.

Mr. President, I ask unanimous consent that Noble Saunder's recent address on the subject "Our Nation's Greatest Asset" be printed in the CONGRESSIONAL RECORD.

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

OUR NATION'S GREATEST ASSET

What is our nation's greatest asset?—the answers to this question will be many. They will be considered from many points of view, such as, material wealth, industry, agriculture and commerce.

All of these are of course important, but upon what does their future depend? Their future depends upon the young men and women, who are students in our high schools and colleges at the present time, or who will follow them as the years go by.

Our nation's greatest asset is, in my judgment, our young men and young women who are now preparing for their life's work. Let each of us who are now performing the duties and the responsibilities of citizenship do all in our power to remove all obstacles of life that will cause them to fail.

May we all who are still active, firmly resolve that each one of us will do all we can in assisting our young people in the preparation of their life's work. Let each one of us seek their friendship, secure their confidence, and help them to realize that "life is real, life is earnest and the grave is not its goal."

Encourage our young people to make a study of their own qualities of life, both positive and negative, those that will build character or destroy it. Every minute of the day they are forming habits, good or bad. How are habits formed? By the way of thinking. James S. Knox tells us "thoughts become actions, actions become habits, habits grow into character, and character is immortal. Think right and you will act right, act right and you will build a magnificent character."

Impress upon our young people that the future will soon be in their hands. Encourage them to accept the challenge, and give full measure of service to God, country and home.

Let me state that, if through our individual efforts, we have helped just one person to travel the right road from youth to maturity, our efforts have not been in vain. But will bring us much joy as we watch them, as they take a stand for what is right and just and by so doing makes our nation under God, one that will bring "liberty and justice to all."

The past is secure. Masonry has had a mighty part in the making of America and in fashioning its fundamental law and our very way of life. From its very beginning freemasonry has presented to the world men of courage, of valor, of virtue and of service. Down through the years, history tells a story of freemasons in every struggle for a righteous cause.

But what of the future of masonry in America and in the world? In this fast-moving atomic age, what was good enough yesterday may be obsolete today. What is good enough today may be out-of-date tomorrow.

The model T has been replaced by the jet. Today, too, our scientists are tapping the tremendous force and energy of matter. Space is no longer a mystery or a protection.

The destiny of this great Nation may ultimately depend upon the influence of the Masonic fraternity and the future of Freemasonry may very well depend upon the development of our Demolay program. The Order of Demolay would never have been created without the vision of an inspired and illustrious mason, past imperial potentate Frank S. Land. It would not have grown and flourished without the leadership and dedication of groups of masons in all branches of masonry.

Masonic bodies throughout the Nation caught the vision of Demolay and the organization has grown since its founding in 1919 until today there are 2,500 chapters operating in all States of the United States, seven provinces in Canada, Mexico and nine other countries and territories, with a total world-wide membership today of 146,000, and since its organization nearly 3,000,000 young men have knelt at its altar.

Demolay is the only masonic inspired organization to provide training for young men below the age of 21. We know from membership reports that the ranks of masonry are thinning out, and most grand jurisdictions have for a period of many years reported overall losses in membership each year. Soon it will begin to hurt the opportunities of the shrine to increase its membership annually.

If masonry is to survive for future generations, some attention must be given to the training of the younger men. There is no organization that offers the wholesome training to the youth in his formative years as does the order of Demolay, and Demolay deserves the complete support of the Masonic fraternity in general and the Shrine in particular. Quite frankly, I am of the belief that Demolay can very well be the salvation of masonry, if we can get masons to understand this. Demolay cannot be successful without masonic leadership, masonic guidance, masonic sponsorship, masonic advisorship, masonic counsel. Master masons, Shriners and masons of all degrees must recognize the fact that they owe a bit of themselves and their masonic knowledge to the future young men of the world.

Demolay chapters can furnish most of their own funds; it doesn't cost much to maintain an active Demolay chapter, and the Demolays profit by their own resources in supplying needed funds; but in the formative years of their lives, they need proper counseling and guidance. The teachings of Demolay make them grow in stature; they learn how to be men; to revere womanhood; to love their parents; to love their country.

It is my feeling that Demolay can be to masonry what the Sunday school is to the church; show me an active and aggressive Sunday school program and I will show you an active and healthy church. The same thing can be truly said of Demolay and masonry, and certainly if masonry has meant anything to us in our lives, we owe it to our sons and the friends of our sons to let them have an opportunity to share these same experiences.

DeMolay can make a great contribution in this respect to the youth of our country. It is only through an inculcation of Masonic ideals in today's youth that we will have a flourishing and active Masonic structure in the future. Never let it be said that our sons and their friends turn away from this early training in life because too few masons or shriners are available to provide leadership and counsel for these young men. Certainly if they are turned away without the helping hand of Masonry, all of the Masonic structure will suffer the loss.

What do these DeMolays ask of you? Listen to the words of one of these young men, a past master councilor from the State of Washington: "I am one of a vast army of youth—the Order of DeMolay. I cannot presume to speak for that army, but in the confidence that many others share my views, I appeal to you, our respected leaders—members of the Masonic fraternity.

"And as we travel the road of DeMolay, an organization potentially the world's greatest and most influential for youth training, achievement and service, we look to Masonry for inspiration, interest and understanding.

"Yet, in the frankness of youth, we ask and expect more. We believe in our organization strongly enough to ask of the members of Free Masonry, inspiration, guidance, protection and cooperation.

"We look to every Mason to provide for us and the younger boys who will follow, an example of uprightness and dedication to principles which will never show us a violation of those precious ideals on which both orders are based.

"We urge you to offer guidance and leadership to chapters of the Order of DeMolay. DeMolay needs qualified dedicated adult leaders in unlimited numbers. In no chapter of our organization do we now have enough.

"We plead for more Masonic advisors who show both a desire to serve DeMolay and the experience and temperament to work with our impressionable minds. In addition, we depend on Masonry for the extension of DeMolay, no DeMolay chapter was ever started on DeMolay initiative alone. Masons must lay the groundwork, inspire a desire for membership in the youth of the community, and then maintain their own interest and attendance in the chapter.

"DeMolay relies upon you for protection—protection from the devious paths down which our inexperience may lead us; protection through the strength of group opinion from influence which may be unwisely or unknowingly exerted upon us, and finally, protection of our inherent right to full democratic process in our own chapters.

"The youthfulness of DeMolay asks cooperation with the majority of Free Masonry. We ask an opportunity to help you in your service to mankind, and expect in return your support for our efforts to achieve the same goal."

Those words by a young DeMolay should tell you what you as Shriners can do for DeMolay. Many already have active programs of assistance for DeMolay chapters in their area. Some even have special Shrine units, devoted solely to DeMolay work.

We spend much time, effort and money healing the sick bodies of children, but we must also provide some efforts in behalf of our healthly young people, to insure that they remain healthy in mind, spirit and deed.

My appeal to each of you is to spend some time with these young men of DeMolay by working on an advisory council, giving guidance in one form or another, or helping in whatever way you can to promote the order of DeMolay.

DeMolay members are part of our nation's greatest asset—youth, and DeMolay deserves the best we have to offer. What will you offer?

A DE MOLAY'S ETHICS

A DeMolay serves God.
A DeMolay honors all womanhood.
A DeMolay loves and honors his parents.
A DeMolay is honest.
A DeMolay is loyal to ideals and friends.
A DeMolay practices honest toil.
A DeMolay's word is as good as his bond.
A DeMolay is courteous.
A DeMolay is at all times a gentleman.
A DeMolay is a patriot in peace as well as war.
A DeMolay is clean in mind and body.
A DeMolay stands unswervingly for the public schools.
A DeMolay always bears the reputation of a good and law-abiding citizen.

A DeMolay by precept and example must preserve the high standards to which he has pledged himself.

CLINTON P. ANDERSON: A GIANT OF THE SENATE TAKES HIS LEAVE

Mr. CHURCH. Mr. President, tributes to departing Members of this body should not be bunched together at the end of the session. Under such circumstances, they are hastily rendered and cannot do justice to the Senators we wish to honor.

In no case is this more poignantly true than in that of CLINTON P. ANDERSON, rancher, businessman, former Member of the House of Representatives, one-time Secretary of Agriculture, and a long-time Senator of the United States.

This man has ably represented the people of New Mexico in the Congress. When I first came to the Senate, in January of 1957, CLINTON P. ANDERSON of New Mexico was one of the giants of this body. It was his name that was connected with the most controversial bills, the legislation that really mattered. The King-Anderson bill, for example, was the forerunner of medicare.

My first vote was cast in favor of the Anderson motion to amend rule 22 of the Standing Rules of the Senate, then regarded as an insurmountable obstacle to the passage of civil rights legislation. I soon learned that Senator ANDERSON was a man to be reckoned with, a power among the powerful.

Later I learned that he was also a kindly man who took a personal interest in newcomers to the Senate and sought to help them on their way. As chairman of the Interior and Insular Affairs Committee, and, in alternating years, as chairman of the Joint Committee on Atomic Energy, Senator ANDERSON was always solicitous of the viewpoint and interests of even the most junior members of his committees.

It was characteristic of his generosity that, in later years, when he became the chairman of still another committee, the Space Committee, that he yielded to others his presiding position on both Interior and Atomic Energy.

I will remember CLINTON ANDERSON best as the father of the Wilderness Act, perhaps the most important piece of conservation legislation to come out of Congress in our time. He was taken ill as the bill came up for debate in the Senate, and he asked me to act as floor manager during his absence. Like every masterwork on which he left his mark, the wilderness bill was highly controversial, especially in the Western States. My connection with it, as floor manager, led user interests in Idaho to brand the bill with my name. It became the principal issue in my reelection campaign of 1962.

The business interests which traditionally dominated Idaho politics—lumber, mining, cattle, sheep—were all arrayed against the wilderness bill, which had been approved by the Senate but was still pending in the House of Representatives. They called it a "lock-up" of the public lands, and warned that it would lead to economic disaster.

But the people knew better. They

wanted some part of our fast vanishing wilderness preserved. The very fact that some of it still existed in Idaho made them proud to be citizens of such a State. They wanted to pass down that heritage to their children and grandchildren. So they voted in affirmation of the Wilderness Act, not against it. The cause of conservation got a big lift from the people in that election. And their interest has grown stronger in the years since.

Men like CLINTON P. ANDERSON led the way. He will leave many a milestone, but none more important than his leadership in the field of wise conservation of our great outdoors. In that worthy endeavor, he was my teacher and I shall always remain in his debt.

THE SEVENTH ANNIVERSARY OF TUESDAY MAGAZINE

Mr. PERCY. Mr. President, in these days when discouraging talk is heard of the state of black entrepreneurship, when the news media seems filled with articles bemoaning the lack of opportunity and success for black enterprise, it is refreshing to be reminded of the continued healthy existence of an important and black-owned part of the publishing industry.

I refer, Mr. President, to Tuesday magazine, which recently celebrated its seventh anniversary. Under the leadership of President and Publisher L. Leonard Evans, Jr., Tuesday focuses expertly upon individuals and developments of particular importance to the black community, yet in such a manner that any reader will find it interesting and stimulating. Tuesday has become an important and influential voice, not only in the black community, but throughout the Nation.

Tuesday's success is all the more significant because it is circulated principally through the Sunday editions of many of our major newspapers, whose circulations are definitely not limited to the black community. In fact, today, 7 years after its founding, Tuesday guarantees a circulation of 2,300,000, through 21 Sunday newspapers.

As a former businessman, I can somewhat imagine the frustrations and problems that Mr. Evans and his associates had to overcome in order to reach this day. Thus, I am especially pleased to be able to extend "happy anniversary" greetings to the publishers of Tuesday, and wish them many continued years of success.

SENATOR ANDERSON

Mr. NELSON. Mr. President, it has been a privilege over the past 10 years to serve with the distinguished Senator from New Mexico, CLINTON ANDERSON. In his many years in the Senate, he has contributed much wisdom and good sense to the making of public policy.

CLINTON ANDERSON'S contributions to society have ranged over a wide area of concerns. He has served at every important level of government, and recorded significant accomplishments in every position. As an official of the State of New Mexico in the 1930's, CLINTON ANDERSON was an integral part of that State's great dedication to human needs. As a Member of the House of Representatives for 6 years, he provided sound Agriculture leadership during the Roosevelt-Truman administration. And, as Secretary of Agriculture, CLINTON ANDERSON spoke up for the family farmer and worked tirelessly for their benefit.

In entering the U.S. Senate in 1948, CLINTON ANDERSON took his place in the history of this Nation as one of the most effective and most humanitarian Members of the U.S. Congress.

I have had the pleasure of serving with CLINTON ANDERSON on the Finance Committee during this session of Congress. During meetings of that committee, and in times of tense and hard work to achieve a goal, he has demonstrated that he would always be at the heart of the affairs of government. His commitment has been to the public good and the public trust, and his record vividly illustrates that commitment.

CLINTON ANDERSON has worked tirelessly to preserve and protect our natural resources. His leadership on the Senate Interior and Insular Affairs Committee has sown the seeds for a better environment for future generations of Americans. In the words of another great Member of the Senate, Robert Kennedy, "That our work may make a difference to ourselves and our fellow man." CLINTON ANDERSON has made a difference to this Nation.

The people of New Mexico can be proud to have elected CLINTON ANDERSON to so many positions of importance and responsibility.

All of us in the Senate will feel a great loss at his retirement. But we can take heart in the knowledge that CLINTON ANDERSON will continue to work for the health and welfare of all of the people.

SENATOR LEN B. JORDAN

Mr. WILLIAMS. Mr. President, on adjournment, Senator LEN B. JORDAN will retire after a public service career spanning more than 20 years, and four Presidential administrations.

Those 20 years have constituted a distinguished career, marked by perseverance, integrity, and independence of thought. Senator JORDAN has had a career in which the people of Idaho may take pride, and for which all Americans are grateful. His 10 years in the Senate and his membership on the Committee on Interior and Finance and the Joint Economic Committee have given the senior Senator from Idaho an opportunity to work in areas of extreme national importance where his own background and strong religious faith have contributed competent and sincere leadership.

Born and raised in the rugged mountains of the Northwest, LEN JORDAN has always had a special interest in protecting the environment and conserving wildlife. His experiences as a rancher brought him into close contact with problems of farmers and rural development, and he has fought hard in the Senate in their behalf.

Senator JORDAN has served in the Idaho Legislature, and in 1950 he served a 4-year term as Governor. On completion of his term, LEN JORDAN was chosen by President Eisenhower to head the U.S. delegation to the International Joint Commission negotiating with Canada on agreements for the St. Lawrence Seaway, the Columbia River Basin Treaty, and Libby Dam. President Eisenhower chose him for an additional assignment in 1956, and he led a team of U.S. engineers and economists on a survey of American water development assistance in Afghanistan. In 1958, Senator JORDAN accepted an appointment to the 12-man International Developmental Advisory Board studying the economic aspects of foreign aid.

Mr. President, I salute our retiring colleague, and wish the Senator and Mrs. Jordan happiness and contentment in their retirement years.

SENATOR ANDERSON

Mr. WILLIAMS. Mr. President, for 32 years as Congressman, Secretary of Agriculture, and Senator, CLINTON PRESBA ANDERSON has served the people of New Mexico and our Nation with stanch dedication.

As chairman of the Senate Aeronautical and Space Sciences Committee, CLINTON ANDERSON helped lead the way for some of the greatest feats of man in space exploration and aerospace research and development.

Since 1956 Senator ANDERSON has served on the Finance Committee and he shall retire as its ranking member. His principal accomplishment on that committee, and perhaps the major legislative landmark of the past decade, was the sponsorship and passage of medicare, which has brought medical services within the reach of millions of elderly and disabled Americans.

CLINTON ANDERSON'S legislative record consists of milestones in the development of our Nation. It was Senator ANDERSON who had the vision to promote peaceful—nonmilitary uses of the atom. And, as author of the Water Resources Research Act, and the Water Resources Planning Act, Upper Colorado River Storage Act he has deservedly earned the nickname of "Mr. Water."

CLINTON ANDERSON'S accomplishments in education, Indian affairs, and agriculture are no less significant than those previously cited. He has worked untiringly to expand opportunities for Indians through such laws as the Navajo-Hopi Rehabilitation Act, providing water and range improvement, better roads, education and medical assistance. The Navajo irrigation project will bring water to more than a hundred thousand acres of previously arid Indian lands.

Mr. President, CLINTON ANDERSON has earned the respect and admiration of all the American people. His colleagues in the Senate are indebted to him for his leadership and counsel. We shall, indeed, miss Senator ANDERSON in our debate and committee deliberations. I am hopeful that he will soon return to Washington to once again share his vision with us, and I do wish him all happiness and health in his retirement years.

CRISIS IN DEVELOPMENT

Mr. KENNEDY. Mr. President, despite the studies of a decade, despite the foreign aid efforts of a decade, and despite the rhetoric of a decade, the gap between the rich and poor nations of the world is growing daily.

The graphs depicting rising levels of population in the poor nations and relatively diminishing capacities to feed, shelter, and care for them spell generations more of hunger, poverty, and disease to hundreds of millions of human beings. By the end of the century, the population of the less developed countries will exceed 2½ billion, yet their per capita income will remain below $200.

The details of the development crisis and a discouraging analysis of our current efforts to respond to that crisis are set forth in a thoughtful and perceptive statement by Robert S. McNamara, President of the World Bank to the Bank's Board of Governors.

I urge Senators to consider the responsibilities of this Nation as they read this document. For as Mr. McNamara writes:

It would be naive not to recognize that time in many quarters of the world is running out.

Mr. President, I ask unanimous consent that the full address of Mr. McNamara be printed in the RECORD.

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

ADDRESS TO THE BOARD OF GOVERNORS BY ROBERT S. MCNAMARA

I. INTRODUCTION

Last year, in this forum, I discussed a number of problems which were of serious concern as the Second Development Decade got under way. Now that the trend of the decade is becoming more clearly predictable, I want to explore with you today an issue that is central not only to its success, but to the efficacy of the entire development process.

That issue is the critical relationship of social equity to economic growth.

But before turning to that, I should like to:

Report on the Bank Group's operations in Fiscal 1972.

Review the progress of our Five-Year Program for the fiscal years 1969–73.

Assess the current state of development throughout our developing member countries.

And, based on that assessment, sketch the outline of a program for the Bank for the five years 1974–78.

II. THE BANK GROUP'S OPERATIONS IN FISCAL YEAR 1972

Let me begin by touching upon our operations during the past fiscal year. For that period, new loans, credits and investments totalled $3.1 billion. This compares with $2.6 billion in 1971, $2.3 billion in 1970, $1.9 billion in 1969, and $1.0 billion in 1968.

To finance growing disbursements, and to increase the level of liquidity, the Bank borrowed, net of retirements, $1.1 billion during the year. This brought our liquid reserves to $3.2 billion—up $700 million from June 30, 1971. Net income for the year was $183 million, excluding a gain on revaluation of $51 million.

The year, then, was a productive one operationally. But as I have indicated to you before, the development task before us requires that we plan on a broader scale than year-to-year operations make possible. That is why in the fall of 1968, when I first met with you, I proposed a Five-Year Program. That program will be completed next June 30th, and I want to report to you now on its progress.

III. THE BANK GROUP'S 5-YEAR PROGRAM

You will recall what we set out to accomplish. Our analysis of the overall requirements for economic progress in our developing member countries convinced us that we should greatly broaden and expand the Bank Group's operations both in scope and in size.

We proposed as our overall lending objective that we should double the Bank Group's operations in the period 1969-73, as compared with the period 1964-68. Were we to achieve this goal, it would mean that during the five years the volume of lending would approach the total amount lent during the previous 23 years of the Bank's operations.

I can report to you today that we will not only meet that goal, but will surpass it.

But it was not principally the size of our operations which concerned us when we launched the Five-Year Program. We did not merely want to do more. We wanted to do more of what would contribute most to development.

Thus, within the overall lending program, we were resolved to shift our emphasis both into different sectors and into different geographical areas.

What does that mean in practice?

In a developing world in which hunger is chronic, it means intensifying our efforts in agriculture. We have quadrupled our operations in that sector.

In a developing world darkened by functional illiteracy, it means expanding our efforts in education. We have tripled our operations in that sector.

In a developing world caught up in the threat of unmanageable population pressures, it means facing up to that complex and controversial problem. We have established a Population Projects Department, and we have launched important initiatives in that sector.

In our previous meetings, I have stressed the damaging effect of runaway population growth on a developing economy. I have pointed out the strains this creates both at the family and the national level for any country struggling to improve the quality of life for its people.

Overly rapid population growth simply erodes and dissipates development gains in every sector: savings evaporate, scarcities multiply, resources are stretched so thin that in the end they cannot cover the most essential needs.

While the population problem is clearly one which cannot be solved within the confines of a five-year plan, or a development decade, or indeed even during what is left of our century, it is by its very nature a problem that can grow only worse with procrastination and delay. That is why we believe the entire international community must assign it the highest priority.

The Bank's initial work in the population field consisted of sector missions to a dozen different countries and projects deliberately initiated in smaller member countries in order to provide us with working experience on a scale commensurate with our new capabilities.

But in the early summer of this year we approved far-reaching projects in two of our largest member nations: India and Indonesia.

The project in India—a joint effort with the Government of Sweden—will develop what promises to be the most advanced systems approach to the population problem in any developing country. It will provide the essential information and analysis required to shape the overall massive effort India is making to reduce its current population growth.

Both the size of India's problem, and the magnitude of its effort to solve it, can be grasped in the statistics. The nation's total population now stands at over half a billion. It is growing by an additional million each month. The government has set up an organization of 80,000 persons to administer a family planning program to serve one hundred million couples. The Bank project is designed to help support that program with the experimentation and the systems analyses required to make it effective.

Like India, Indonesia is serious in its determination to provide its people with effective family planning assistance. With a population of more than 120 million, currently growing at an annual rate of 2.5%, it ranks fifth among the world's most heavily populated countries. Some two-thirds of its people live in Java and Bali, where the average density is nearly 1600 persons per square mile.

With the participation of the United Nations Fund for Population Activities, WHO, UNESCO and UNICEF, the Bank project provides $13 million for a greatly expanded family planning program. In addition to the construction of 300 health centers and the provision of the required vehicles and equipment, the project will help finance the training of several thousand field workers, the preparation of public school curricula, and a program of research and evaluation.

Should the overall objectives of the project be reached—and both the government and we are confident that they can—Indonesia's population by the end of the century, even though it will be twice as large as it is today, will be 50 million less than it would otherwise be.

What all this demonstrates is that our Five-Year Program has shifted the Bank's emphasis toward those sectors which in today's conditions require intensified effort: agriculture, education, and population, among a number of others.

But as I have indicated, our shifts in emphasis have been geographical as well as sectoral. In Africa, we expect to more than treble our lending over the previous five-year period.

And for the group of our poorest member countries—those whose per capita income average less than $100—we will quadruple our lending.

To achieve these goals has, of course, required a substantial strengthening of the Bank Group both organizationally and financially. The professional staff, for example, by the end of the five-year period will have increased by 125%.

Recruitment of highly qualified staff, representing the broadest possible geographical experience, has been facilitated by a worldwide interest in the work of the Bank. In the past year, more than 2400 candidates, from 98 countries, applied for 52 available openings in our Young Professionals Program.

Doubling the volume of our lending operations has meant, of course, that we had greatly to expand our borrowing capacity. This in turn depends on governments granting us access to their countries' capital markets. Despite recurrent and unsettling readjustments in the international monetary system, they have continued to do so.

Not only have we continued to borrow in our more traditional markets, but we have entered new markets as well, and have utilized new borrowing instruments, and new channels of distribution. Net borrowing for the five-year period will approximate three and three-quarters times that of the greater period and liquid reserves will increase by about 125%.

Neither the expansion of operations nor the shift into less traditional sectors of lending has adversely affected net income. On the contrary, total net income during the five-year period will be approximately 30% higher

than that of the previous period, and this despite a significant increase in the subsidy to the developing countries implicit in the Bank's lending rate.

Organizationally, then, and financially, the Bank Group will complete the first Five-Year Program in a position of strength.

But while encouragement over the Bank's operations is one thing, complacency with the state of development is quite another. And there is little danger of confusing the two if we take an objective look at the current prospects of the developing nations.

IV. THE STATE OF THE DEVELOPING WORLD AND THE BANK'S PROGRAM FOR FISCAL YEAR 1974–1978

In its strategy for the Second Development Decade, the United Nations set as a target that the average annual rate of growth in Gross National Product for the developing countries should be at least 6%. To make that possible, the developed countries were to increase their concessionary aid—known as Official Development Assistance—to .7% of their GNPs by 1975.

As I pointed out earlier this year at the United Nations Conference on Trade and Development in Santiago, it is now clear that the objective of .7% will not be reached. There seems little likelihood that during the first half of the decade Official Development Assistance will exceed .37% of GNP—only half of the Second Development Decade target (see attached table).

That is regrettable in the extreme, but we must be realistic. And realism dictates that we try to assess the effects of this massive shortfall in concessionary aid.

The first, and least tolerable, of the effects is that the poorer of our member countries—those with per capita GNPs of less than $200—will be penalized the most. Their needs for Official Development Assistance are the greatest, and their chances for finding feasible alternatives are the least.

What is more, these countries collectively contain 1.1 billion people, 64% of the aggregate population of our entire developing country membership. They are the very countries which have suffered the greatest burdens of poverty during the past decade. Their GNPs grew annually at an average rate of only 4.1% and their per capita incomes at a miniscule 1.7%.

With the ODA objective only half achieved, these poorer nations have almost no hope of attaining the 6% growth target. That will condemn them to so slow an economic advance over the decade that hundreds of millions of individuals within these countries will be able to detect virtually no improvement whatever in their desperately low standards of living. Their per capita incomes will rise by no more than two dollars a year.

Projected to the end of the century—only a generation away—that means the people of the developed countries will be enjoying per capita incomes, in 1972 prices, of over $8000 a year, while these masses of the poor (who by that time will total over two and one-quarter billion) will on average receive less than $200 per capita, and some 800 million of these will receive less than $100.

The deficit in development assistance will penalize the poorest countries the most. But even for those developing countries which are somewhat better off, a deficiency in ODA will cause serious economic and financial problems.

Publicly guaranteed debt in the developing world currently stands at about $75 billion, with annual debt services of approximately $7 billion. Debt service payments rose by 18% in 1970, and by 20% in 1971, representing twice the average rate of increase over the 1960s, and reflecting a hardening of the terms of debt as the proportion of concessionary aid in the total flow of external assistance to developing countries declined.

Given the shortfall in ODA, and the growing debt problem, it seems clear that the World Bank Group should try to continue to expand its operations. If we were to fail to make this effort, our developing member countries would be driven to an even greater dependence on higher-cost, shorter-maturity sources of external capital with the inevitable exacerbation of their debt-servicing burdens. They would have little choice, for without a reasonable flow of external finance they simply cannot meet even minimal development requirements.

For the Bank Group to relax in its resolve to do everything it feasibly can to assist in this situation would be to shirk our central responsibility: to recommend those policies, provide that technical assistance, and help finance those projects which will most effectively support our developing member countries' own struggle to advance the welfare of their people.

With careful planning and your support, we are convinced that the Bank Group can obtain the necessary funds to continue to expand its operations during a Second Five-Year Program. And that is what we propose to do.

As an overall goal, for the period FY 1974–1978, we propose to increase our financial commitments to our developing member countries by an average of 11% a year, and to shift an increasing percentage of these commitments to International Development Association credits.

If we can achieve this expanded level of operations—and I am confident that it is possible—it would mean that the World Bank Group would help finance, and provide technical assistance for some $50 billion of capital improvements in our developing member countries during the Second Five-Year Program period. This would be in contrast to $30 billion of such projects from 1969 to 1973, and $13 billion from 1964 to 1968.

V. SOCIAL EQUITY AND ECONOMIC GROWTH

Given the unfortunate shortfall in ODA, the consequent aggravation of the debt problem, and the procrastination of the developed countries in dismantling discriminatory barriers to trade from the developing countries, the Second Development Decade's 6% growth target is not going to be met by many nations and is going to be an exceptionally arduous task for many others.

But let us suppose that it were in fact to be accomplished by 1980.

Would that achievement, in itself, guarantee a significant advance in the quality of life for the majority of the two billion people who live in our developing member countries?

The frank answer is no.

The answer is no because increases in national income—as essential as they are—will not benefit the poor unless they reach the poor.

They have not reached the poor to any significant degree in most developing countries in the past, and this in spite of historically unprecedented average rates of growth throughout the sixties.

To understand this, it is useful to distinguish between three broad categories of poverty in the developing world.

First, there is great poverty in those countries, generally rather small, which simply have very few resources—natural, financial, or skilled—with which to promote growth. There is so little wealth in these nations that even if it were more equitably distributed, virtually everyone would still be very poor. These are the countries (there are 25, with populations totalling 140 million) which the United Nations has designated as the least developed and for which special measures of assistance have been approved.

Second, there are particularly impoverished regions in most of the larger developing countries—for example, the southern republics of Yugoslavia, the North East of Brazil, or the North East of Thailand. The integration of these regions into the more rapidly growing parts of the economy often poses difficult cultural as well as economic problems. These areas are, however, readily identifiable geographically, and it is possible to devise and implement programs specifically aimed at increasing the productive capacities and incomes of their populations.

But it is the third category that is the largest, the most pervasive, and the most persistent poverty of all. It is the poverty of the low-income strata—roughly the poorest 40%—of the total population in all developing countries. It is they who—despite their country's gross economic growth—remain entrapped in conditions of deprivation which fall below any rational definition of human decency.

This is not simply the poverty of a highly disadvantaged country, nor of a particularly backward geographical region in an otherwise rapidly advancing country. Rather, it is the poverty of those people widely dispersed throughout every developing country who, for whatever reason, lie beyond the reach of traditional market forces and present public services. It is the poverty of those masses of the population which current government policies do not adequately encompass, and which external assistance cannot directly reach.

This poverty of the poorest 40% of the citizenry is of immense urgency since their condition is in fact worse than national averages suggest. Our studies, for example, indicate that:

In 10 countries, with per capita incomes averaging $145, the poorest 40% of the population receive a per capita income of only $50.

In another 10 countries with per capita incomes averaging $275, the poorest 40% of the population receive a per capita income of only $80.

What we are dealing with here are problems that are difficult to grasp in their concrete, day-to-day realities.

When we reflect that of the more than half a billion persons living on the Indian subcontinent, some 200 million subsist on incomes that average less than $40 a year, how are we to comprehend what that really implies? The estimate is that if India were to depend exclusively on the growth of national income to solve its massive nutrition problems, it would require more than 30 years before the poorest third of the country could afford an adequate diet.

When we reflect that of the two billion persons living in our developing member countries, nearly two-thirds—some 1.3 billion—are members of farm families, and that of these there are some 900 million whose annual incomes average less than $100, what frame of reference are we to call on to make that fact meaningful?

To many in the affluent world, to be a farmer suggests a life of dignity and decency, free of the irritation and pollution of modern existence: a life close to nature and rich in satisfactions.

That may be what life on the land ought to be. But for hundreds of millions of these subsistence farmers, life is neither satisfying nor decent. Hunger and malnutrition menace their families. Illiteracy forecloses their futures. Disease and death visit their villages too often, stay too long, and return too soon.

Their nation may be developing, but their lives are not. The miracle of the Green Revolution may have arrived, but for the most part, the poor farmer has not been able to participate in it. He simply cannot afford to pay for the irrigation, the pesticide, the fertilizer—or perhaps even for the land itself on which his title may be vulnerable and his tenancy uncertain.

His nation may have doubled or tripled its

educational budget, and in the capital city there may be an impressive university. But for 300 million children of poor farmers like himself there are still no schools—and for hundreds of millions of others if a school, no qualified teacher—and if a qualified teacher, no adequate books.

His nation may be improving its communications, and jet aircraft may be landing at its international airport in increasing numbers. But for the poor farmer who has seldom seen an airplane, and never an airport, what communications really means—and what he all too often does not have—is a simple all-weather road that would allow him to get his meager harvest to market when the time is right and the prices are good.

Let us be candid.

What these men want are jobs for their survival, food for their families, and a future for their children. They want the simple satisfaction of working toward something better: toward an end to misery, and a beginning of hope.

We are not talking here about a few maladjusted discontents.

We are talking about hundreds of millions of desperately poor people throughout the whole of the developing world. We are talking about 40% of entire populations. Development is simply not reaching them in any decisive degree. Their countries are growing in gross economic terms. But their individual lives are stagnating in human terms.

What can be done?

That is the question I want to explore with you now.

VI. A PLAN OF ACTION

One must begin by analyzing the policy options which are generally proposed. They present clearly conflicting schools of thought.

One view is that governments in developing countries should make rapid economic growth the first objective, and that income redistribution and increased employment can be achieved later through fiscal and institutional changes.

Others argue that the growing pressures of poverty are so overwhelming that their widespread relief should be the central objective of development strategy, even if that entails major sacrifice in the peace of overall growth.

Of course it would be comforting to continue to believe that there is no conflict between rapid overall growth and comparable improvement in the incomes of the poor. But, unfortunately, in the real world in which we live, the evidence suggests that there is.

There is a natural tendency for growth to be concentrated in the modern sectors of the economy with little current benefit to the lowest income groups. What data there are—while admitedly incomplete—indicate that this pattern of growth has developed in many countries.

But if few dispute the fact that there exists some conflict between maximization of growth and the rapid reduction of poverty, many argue that in the long term the conflict is irrelevant since it can—given sufficient time—be resolved.

In the long term, rapid growth will increase productivity, and furnish the resources which can be redistributed to those who cannot yet be accommodated in the high-productivity, high-wage, modern sector.

The same view holds that even in the shorter term—in a decade, say—it is possible at least to reduce the conflict between rapid growth and more equitable income for the poor by shaping an economy which provides the proper incentives, which prices labor and capital correctly, which strengthens the fiscal system, and which emphasizes the right adaptive technologies.

But although this argument is correct as far as it goes, it doesn't go far enough. A decade may be the short term for a development planner. But a decade is the long term for a subsistence tenant farmer whose children are most likely to die before the age of 5, whose diet is already so inadequate that he cannot stave off chronic ill health, whose illiteracy limits his future ability to learn new skills, and whose perpetual indebtedness to the money lender and dependence on the land owner leave him neither options nor hope.

On the other hand, one must recognize that if a government were to initiate policies to increase the income growth of the lowest 40% of the population—with a view to assuring that, at a minimum, their share of the nation's overall economic growth does not decline as it has in the past—there are legitimate questions as to what the impact of such policies would be on the rate of overall national growth. Would it seriously hamper it? Would it prevent it altogether? What precisely would happen?

There are at least three possible consequences of economic policies directed to more equitable income distribution which are thought to hamper growth. They are: reduced entrepreneurial incentives; lower savings rates; and the choice of obsolete technology.

Let us consider these for a moment.

It is often suggested that wide disparities in income are necessary in order to provide entrepreneurial incentives. Without arguing whether such incentives are important stimuli to productivity, one can question the amount of incentive that is required to motivate the desired degree of effort.

In a study of the income disparities of 39 developing countries, in which the income of the wealthiest 5% is measured as a multiple of the bottom 40%, there is a wide range of differences among countries. There are eight countries in which the per capita income of the top 5% is more than 30 times greater than that of the lowest 40%. There are 16 countries in which the ratio is less than 15 to one.[1]

But the significant point is that when one compares these two sets of countries on their per capita growth performance during the 1960s, there is no discernible relationship between the size of the incentives and the rapidity of the growth. The average rate of growth of the group of countries with the greatest disparities was not significantly different from the group with the least. This indicates that there may well be substantial scope in the developing countries for moderating the highly skewed disparities in income without crippling the incentives to greater productivity.

Similarly, flexibility in the relationship between income distribution and the volume of savings available for socially productive investment may, in fact, be far greater than is generally assumed. While it is true that higher incomes permit a higher rate of savings, the real question is what becomes of those savings. If they are used for production of luxury goods to meet a demand pattern distorted by a skewed income distribution, it is questionable whether the high savings rate is, in fact, promoting any crucial national interest. If, on the other hand, a more equitable distribution of income results in a somewhat lower gross rate of savings, but more investment in the production of essential commodities, the lower rate of growth in national income may be accompanied by an increase in the incomes of the bulk of the population.

Finally, there is the question of the choice of technology. It is often asserted that rapid economic growth demands adoption of technologies which, by their very nature, penalize employment and perpetuate poverty. The argument is that unless the modern sector is so equipped, its inefficiencies will restrict the country's capacity to export and perpetuate a costly dependence on imports for even the most basic requirements.

But here again, the argument is oversimplified. The issue is not so much modern technology versus traditional technology. The real issue is efficient technology versus inefficient technology, and the essential question is how ought one to measure that efficiency. Efficiency as such is a relative term. A technology is efficient or inefficient relative to the resources one has available. In a labor-scarce, affluent, developed economy, the most efficient technology is capital-intensive and highly automated—it produces at the lowest cost per unit in terms of the scarce resource: labor.

But in a developing economy, where labor is abundant, and sophisticated skills are scarce, it is clearly inefficient to emulate technologies which lead to high costs per unit measured in terms of the scarce resource: capital. And yet that is the result when, in the rush to industrialize, developing countries subsidize capital by creating a structure in which foreign exchange is undervalued, credit is underpriced, and tax incentives misdirected.

If government policy were directed towards promoting a price structure which reflected the scarcity values of labor and capital more realistically, the technological choice would be different. The result would be greater employment, broader income distribution, and more competitive patterns of production of precisely those labor-intensive goods which labor-scarce affluent countries need, but cannot themselves produce inexpensively.

What, then, are we to conclude from this analysis?

The answer is that while we obviously do not know as much as we want to know about the relationship of more equitable income distribution to overall economic growth, we know enough to conclude that:

It is possible to design policies with the explicit goal of improving the conditions of life of the poorest 40% of the populations in the developing countries—and that this can be done without unacceptable penalties to the concomitant goal of national growth.

Without specific emphasis on such programs, there will not be significant progress in reducing poverty within acceptable time periods.

We know, in effect, that there is no rational alternative to moving toward policies of greater social equity.

When the highly privileged are few and the desperately poor are many—and when the gap between them is worsening rather than improving it—is only a question of time before a decisive choice must be made between the political costs of reform and the political risks of rebellion.

That is why policies specifically designed to reduce the deprivation among the poorest 40% in developing countries are prescriptions not only of principle but of prudence. Social justice is not merely a moral imperative. It is a political imperative as well.

What, then, can be done to attack the problem of massive poverty within the developing world?

The first and obvious step is the political resolve to make the effort.

It is clear that in the end each country must make its own decision as to how and when to deal with its internal inequities. The problems of poverty are rooted deeply in the institutional frameworks, particularly in the distribution of economic and political power within the system. Outside agencies can assist but cannot solve such problems. It is governments that have the responsibility of essential domestic reform, and there is no way they can escape that responsibility. To postpone reform on the grounds of political

[1] In the United States, the ratio is 5 to 1.

expediency is to invite political extremism. To remain indifferent to social frustration is to foster its growth.

Political will, then, is the first requisite.

Public understanding is the second. The fact is that all of us need a clearer perception of the problem. We need both more and better quantitative data on past and current trends in employment and in income distribution. And we need them urgently. I propose that the developing countries address this task of gathering income data, and that as a practical matter they set a target date of 1975 for a greatly expanded program of censuses, sample surveys, and specific studies. The international agencies—our own included—can assist technically and financially, and provide a multilateral forum for this effort.

Third, all of us need to identify concrete policies and actions which can reduce the skewness of the income distribution. Admittedly, we are on the frontier of a new field of knowledge here, and we have far more questions than we have answers. But the urgency of the situation is such that we simply cannot wait until all the answers are in. We must begin now with what we know now. And we clearly know enough to at least make a beginning. If we make mistakes we will simply have to learn from them. But the greatest mistake of all would be for the international development commnunity to sit back and continue to do in the future what it has done in the past: to ignore the problem. It is the time for new approaches.

What ought they to be?

The first step should be to establish specific targets, within the development plans of individual countries, for income growth among the poorest 40% of the population. I suggest that our goal should be to increase the income of the poorest sections of society in the short run—in five years—at least as fast as the national average. In the longer run—ten years—the goal should be to increase this growth significantly faster than the national average.

Given the intimate link between poverty and massive unemployment, unemployment and underemployment must be attacked head-on. With 20% or more of entire populations already jobless or virtually idle—and with the population explosion pouring a growing stream of new entrants into the labor pool each year—unless policies and programs are devised to absorb surplus labor into productive jobs, little can be done to improve the lot of the desperately poor. Job creation must therefore become a direct objective in itself. It will be necessary to organize rural and urban public works—the building of market roads; construction of low-cost simple housing; reforestation programs; expansion of irrigation and drainage facilities; highway maintenance, and similar low-skill, labor-intensive, and economically useful projects. The Banks will assist in financing such projects.

Institutional reforms to redistribute economic power are critically required in many developing countries: land reform, corporate reform, tax reform, credit and banking reform, and many others. Continuation of the existing land tenure patterns, tax laws, and banking regulations will simply assure that the present distribution of assets and income will be perpetuated. The Bank will support reforms in these areas with technical and financial assistance.

Shifts in the patterns of public expenditure represent one of the cost effective techniques a government possesses to improve the conditions of the poor. Too often these expenditures—on health, on transport, on water supply, on education and on many other sectors—end by benefiting the already privileged far more than the mass of the disadvantaged.[2] This, in part, is because these services are more concentrated in the urban areas and better neighborhoods. But it is also a function of the greater participation of the highly privileged in the political process. Governments can best begin to shift public expenditure towards those who need it the most by initiating surveys on the effects of their current patterns of disbursement: where do the funds really go, and who benefits the most? The Bank will assist in such surveys and, based on them, will help design programs, to be financed by it and others, which will improve the distribution of public services.

Finally, policies should be undertaken to eliminate distortions in the prices of land, labor, and capital. To underprice capital for the wealthy and make credit expensive for the poor; to allow liberal access to scarce resources for the privileged, and price them out of reach of the deprived; to provide subsidies for the powerful, and deny them to the powerless—these are wholly self-defeating approaches to development. Such policies lead a nation inevitably toward economic imbalance and social instability.

These, then, are the general measures which all of us in the international development community should move toward with all the urgency that we can command. We in the World Bank Group can assist our developing member countries in this effort, and we fully intend to do so.

VII. SUMMARY AND CONCLUSIONS

Let me summarize and conclude the argument I have put before you this morning.

Current development programs are seriously inadequate. They are inadequate because they are failing to achieve development's most fundamental goal: ending the inhuman deprivation in hundreds of millions of individual lives throughout the developing world.

Why are these programs failing?

There are two overriding reasons: the affluent nations are not moving effectively enough to assist the indigent nations; and the indigent nations are not moving effectively enough to assist the poorest 40% of their own populations.

The affluent nations have, of course, their own domestic priorities. But their growing incremental income is so immense, their technological capacity so powerful, and their whole range of advantage so disproportionately gigantic, that no rational argument can be made for their refusal to do more to assist the disadvantaged nations.

Collectively, the affluent nations are currently providing only half the targeted .7% of their GNPs in the Official Development Assistance which will make so decisive a difference to the development efforts of the poor countries. These amounts of money are miniscule in light of the fact that the collective gross national products of the developed nations, which totalled $2000 billion in 1970, are expected to grow to more than $3000 billion in 1980.

The rich nations are not being asked to diminish their riches in order to help the poor nations. They are only being asked to share a tiny percentage of their continually increasing wealth.

Further, the rich nations are failing the poor nations—and themselves—in another critical respect. They are refusing to give the poor nations a more reasonable opportunity to trade fairly with them. Discriminatory trade restrictions on the part of wealthy countries are indefensible on two counts: they penalize the people of the poor countries, and they penalize their own domestic consumers. The trade problem is admittedly complex, but the essence of it is simple enough. The political pressures of special-interest groups in affluent nations are prevailing over the interests of the majority of ordinary citizens in rich and poor countries alike.

If the rich nations do not act—through both aid and trade—to diminish the widening imbalance between their own collective wealth and the aggregate poverty of the poor nations, development simply cannot succeed within any acceptable time frame. The community of nations will only become more dangerously fragmented into the privileged and the deprived, the self-satisfied and the frustrated, the complacent and the bitter. It will not be an international atmosphere conducive to tranquillity.

The developed nations, then, must do more to promote at least minimal equity in the distribution of wealth among nations.

But the developing nations must do more as well.

Their internal equity problems are no less important than those of the international community at large. In the developing nation's pursuit of rapid economic growth, the poorest 40% of their populations are being largely left behind.

It is becoming increasingly clear that the critical issue within developing economies is not simply the pace of growth, but the nature of growth. The developing nations achieved an overall average annual GNP growth rate of more than the targeted 5% by the end of the sixties. But the social impact of that growth was so severely skewed, and the numbers of individuals all but passed by so absolutely immense, that the simple statistical achievement of that target was misleading.

Governments exist to promote the welfare of all of their citizens—not just that of a privileged few. Absolute egalitarianism is as chimerical as absolute laissez-faire, but what is certain is that absolute human degradation—when it reaches the proportions of 30 to 40% of an entire citizenry—cannot be ignored, cannot be suppressed, and cannot be tolerated for too long a time by any government hoping to preserve civil order.

It would be naive not to recognize that that time in many quarters of the world is running out.

The task, then, for the governments of the developing countries is to reorient their development policies in order to attack directly the personal poverty of the most deprived 40% of their populations. This the governments can do without abandoning their goals of vigorous overall economic growth. But they must be prepared to give greater priority to establishing growth targets in terms of essential human needs: in terms of nutrition, housing, health, literacy, and employment—even if it be at the cost of some reduction in the pace of advance in certain narrow and highly privileged sectors whose benefits accrue to the few.

Such a reorientation of social and economic policy is primarily a political task, and the developing countries must decide for themselves if they wish to undertake it. It will manifestly require immense resolve and courage.

The task of political leadership in the wealthy world is to match that resolve and courage with a greater commitment to equity between their own affluent nations and the grossly disadvantaged developing nations.

I believe that no one within this forum would deny that the time for significantly

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[2] This is strikingly illustrated in the access to public services. School enrollment ratios and the quality of education, for instance are almost uniformly higher in the higher income groups. And, in a sample of 20 developing countries, the allocation of scarce foreign exchange was ten times greater for the importation of private cars than for public buses.

greater social and economic equity both among nations and within nations has indeed come.

Given more than a million years of man's life on earth, it has been long in arriving.

Now that it is here we cannot escape asking ourselves where our responsibilities lie.

It seems to me that the character of our entire era will be defined by the shape of our response.

PROJECTED FLOW OF OFFICIAL DEVELOPMENT ASSISTANCE MEASURED AS A PERCENT OF GROSS NATIONAL PRODUCT[1]

	1970	1971	1972	1973	1974	1975
Australia	.59	.52	.59	.59	.59	.60
Austria	.13	.06	.17	.19	.22	.25
Belgium	.48	.49	.54	.58	.62	.66
Canada	.42	.37	.48	.51	.55	.59
Denmark	.38	.43	.48	.53	.58	.64
France	.68	.68	.65	.65	.65	.65
Germany	.32	.34	.33	.36	.36	.38
Italy	.16	.17	.16	.16	.16	.16
Japan	.23	.23	.28	.32	.36	.40
Netherlands	.63	.60	.70	.74	.76	.78
Norway	.32	.33	.47	.56	.67	.75
Portugal	.61	.75	.45	.45	.45	.45
Sweden	.36	.45	.50	.56	.65	.71
Switzerland	.15	.12	.22	.26	.30	.32
United Kingdom	.37	.41	.41	.41	.45	.46
United States	.31	.32	.30	.28	.26	.24
Total	.34	.35	.36	.36	.36	.37

[1] Countries included are members of OECD Development Assistance Committee, accounting for more than 95 percent of total official development assistance. Figures for 1970 and 1971 are actual data. The projections for later years are based on World Bank estimates of growth of GNP, on information on budget appropriations for aid, and on aid policy statements made by governments. Because of the relatively long period of time required to translate legislative authorizations first into commitments and later into disbursements, it is possible to project today, with reasonable accuracy, ODA flows (which by definition represent disbursements) for 1975.

SENATOR JACOB K. JAVITS 24TH ANNUAL REPORT, 1972

Mr. JAVITS. Mr. President, I am presenting my 24th annual report to the people of New York State on my own activities and on the work of the second session, 92d Congress.

I view this year as one in which we made encouraging progress toward a number of the major goals sought by our country but suffered serious setbacks in other important areas. The goal which must stand as most important to America and to all other countries—world peace—was significantly advanced. The President's trip to mainland China, and the subsequent trip of the leaders of Congress, while they could not result in immediate total accord between the two nations, greatly increased the possibility of rational exploration of matters of mutual concern which could lead to normalized relations between the two countries.

The President's trip to Moscow and the later ratification by Congress of the agreements limiting the proliferation of offensive and defensive strategic nuclear arms signed there provided an historic and tangible step forward for world peace. The prospect of greatly increased East-West trade raised by the United States-Russian trade talks—though dimmed by the onerous exit tax on minorities seeking to emigrate from the U.S.S.R.—suggests the strong possibility of building ties of mutual economic interest which could provide strong support for the maintenance of peace between nations.

Southeast Asia remained the glaring tragedy in our international position in 1972. The President wisely carried out the continued massive withdrawal of ground forces. But these withdrawals were offset by our escalataion of hostilities through the mining of Haiphong Harbor and the dramatic increase in the air war over North Vietnam. Equally alarming was the exposure of the fact that our Air Force had not fully observed the restrictions placed on its activities.

The domestic economy showed significant improvement in 1972, although unemployment remains disturbingly high. The Nation's output is at an all-time peak, and new jobs are being created at a record rate at a time when the labor force is expanding very rapidly. The administration's program for controlling prices and wages had considerable success in stemming inflation. In addition, the December 1971 adjustment in the value of the dollar relative to foreign currencies gave impetus to the domestic economic recovery and strengthened the American competitive position at home and overseas.

A number of urgent domestic problems did not receive sufficient attention in 1972. Not nearly enough progress was made in the critical domestic areas of reducing crime and drug abuse, combating hunger, disease, and poverty, restoring our cities, and providing justice and equal opportunity for all Americans. The historic passage of the Revenue Sharing Act will certainly help to focus more resources in the areas of greatest need. But far greater Federal efficiency is still needed in focusing resources on the right priorities and managing the Government to obtain maximum benefits for the dollars spent.

I continue to feel that my responsibilities in the Senate allow me to help to move us toward the solution of a number of our major contemporary problems. I currently serve as ranking Republican member of the Labor and Public Welfare Committee, the Joint Economic Committee of the Congress, the Select Committee on Small Business; the second ranking Republican member of the Select Committee on Equal Educational Opportunity; and the Governmental Operations Committee and as a member of the Foreign Relations Committee.

I look ahead with hope and confidence to 1973 as a year in which we will make further progress in world peace, social justice, and general prosperity.

THE ECONOMY

As the ranking Republican Senator on the Joint Economic Committee of the Congress, I was able to have an input into the formulation of policies that contributed to the generally favorable economic trends of 1972.

Prompt and complete withdrawal from Vietnam is one positive step that the administration could take to get its budgetary house in order. Further, I am sure that an $80 billion-plus defense budget contains enough fat to allow selective cutting at a time when our Nation is moving into a budgetary crisis. Finally, while I will continue to strive for reductions in governmental expenditures, I do not rule out a tax increase in light of the problems we may have over the next years in adequately financing the Federal budget.

REVENUE SHARING

The most significant economic event on the legislative front this year was passage of the historic general revenue sharing bill to provide Federal funds to States and localities with few restrictions on their use. I was particularly active, in cooperation with Governor Rockefeller, in securing the passage of this legislation and in arguing for a formula for fund distribution that would deal equitably with the fiscal plight of New York State and its local governments. The final formula for the distribution of funds reflects only somewhat our effort to call attention to the extraordinary problems of the urbanized States. And, I am now concerned that revenue sharing might be used as an excuse for unjust reductions in other parts of the Federal budget which provide essential grants-in-aid to State and local governments. It would be ironic indeed if we matched the revenue sharing legislation with budget cuts in education, manpower training, and other forms of grant-in-aid funds.

WAGE AND PRICE CONTROLS

Phase Two of the President's wage and price control program played a significant role in the performance of the economy this year. Much of my activity in the economic policy field was devoted to trying to make the administration's controls more equitable and effective.

One of the important accomplishments I have achieved was to help influence the Price Commission to strengthen the limits on rent increases which landlords can charge. I was also very pleased with the Pay Board's decision following the freeze to grant retroactivity for State and local employees, such as teachers, who were due their yearly increments. This was one of the policies for which I had argued most strongly during phase I.

The wage and price control program is necessarily complex and one of my most important functions has been to assist the thousands of constituents who have complained about certain aspects of the program. I will continue to have a professional staff member assigned full time to deal with control problems which affect the daily lives of so many of my constituents.

INTERNATIONAL ECONOMIC AFFAIRS

The year 1972 saw important developments in three areas that will dramatically influence the course of international economic affairs in the years to come. First, vigorous debate at home over the regulation of U.S. companies that operate abroad. Second, the initiation of discussions that could open important new trading relationships for the United States with the U.S.S.R. and the East. Finally, international discussion of the monetary arrangements affecting trade.

There is a significant danger that legislation restricting U.S. companies abroad will be debated in the Senate next year. It is my strong feeling that if such legislation were to pass, the American consumer would be penalized by being required to pay higher prices for

many products. Also, the American worker would find job opportunities in the most dynamic growth industries in the United States—that is, firms who also have overseas operations—drastically curtailed, and our country's access to increasingly vital natural resources from foreign markets could be curtailed. I favor the negotiation of voluntary import restraints on products whose sudden and concentrated influx are damaging U.S. firms and causing job loss. I also support the recent actions of the U.S. Treasury, which I had strongly urged, to prevent foreign nations from dumping their goods on the U.S. market at an unfair price.

The ongoing trade discussions with the Soviet Union, begun with President Nixon's visit, should lead to a trade agreement early this year which could well pave the way for greatly expanded East-West trade. Similarly, the President's discussions with Japanese Prime Minister Tanaka yielded some concessions that should aid the trade imbalance with that country.

Finally, the prospects for long-term reform of the international monetary system were substantially advanced by the United States putting forward a comprehensive plan at the recently concluded meetings of the International Moneary Fund and International Bank for Reconstruction and Development. As the ranking minority member on the International Exchange and Payments Subcommittee of the Joint Economic Committee, I welcomed this plan, just as I welcomed the conclusion of the Smithsonian Agreement of December 18, 1971, which realigned most major currencies against the dollar.

SMALL BUSINESS

As ranking Republican member of the Senate Select Committee on Small Business, I continued my efforts to assist America's small businessmen. I supported legislation enabling Government licensed Minority Enterprise Small Business Investment Companies to be chartered as nonprofit corporations, thereby paving the way for additional vehicles for private capital investment in minority enterprises. The bill would make new funding sources available to MESBIC's and would also provide for increased dollar leverage for MESBIC's with over $500,000 capital. To provide greater incentives for investment in new minority businesses, I cosponsored a bill amending the Small Business Investment Act of 1958 to provide short term SBA guarantees to investors who take an equity position in minority enterprises.

This year I have been able to give increased support to a number of organizations involved in economic and small business development in disadvantaged areas of New York City, Schnectady, Buffalo, and Binghamton.

FOREIGN AFFAIRS

WAR POWERS

Culminating a 2-year effort, the War Powers Act, of which I am the principal author joined by Senators STENNIS, SPONG, and EAGLETON, passed the Senate by a vote of 68 to 16. The War Powers Act is a unique legislative measure to restore the constitutional balance between the President and the Congress in respect to making war—a balance which has been upset by post-World War II practice, culminating in the Vietnam War. The war powers bill, which I initially introduced in June 1970, was the subject of extensive hearings conducted by the Foreign Relations Committee in 1971 which attracted considerable attention and comment from the academic community, legal and constitutional authorities, as well as the press. The 11-day Senate debate preceding the vote is regarded as one of the most important in our Nation's history on this key constitutional issue.

The House of Representatives by a vote of 319 to 13 passed a much more limited version of the War Powers Act. A House-Senate Conference Committee, of which I am a member, has been appointed to attempt to reconcile the divergent House and Senate versions of S. 2956, but final action could not be completed before the end of the session. I will continue to press for enactment of a meaningful War Powers Act to provide effective safeguards against future Vietnams and establish machinery to insure meaningful congressional participation in warmaking decisions as specified in the Constitution.

SOUTHEAST ASIA

The Vietnam war remains the single most disruptive and unsettling factor in this country and I have continued my efforts to terminate completely our active participation in it. To this end I have supported numerous legislative efforts in the Congress to set a date certain for the termination of our involvement in Vietnam. I supported the Church-Case amendment to the Foreign Relations Authorization Act to require a U.S. pullout from Vietnam 4 months after an agreement for the release of all American POW's, and the Brooke amendment to the Foreign Assistance Authorization Act, which passed on July 24 by a vote of 50 to 45. I spoke for the Cooper amendment, not brought to a vote, which required unconditional withdrawal from Vietnam 4 months after enactment. I supported the Brooke amendment to the military procurement authorization, which passed on August 2 by a vote of 49 to 47, only to be dropped in the House-Senate Conference Committee. I voted again for the Brooke amendment to a second foreign assistance authorization on September 26, after the first bill was defeated. The amendment was defeated.

I also supported Senate amendments placing ceilings and restrictions on the level of U.S. involvement in Laos and Cambodia. My own amendment, first adopted in 1970 as a part of the Foreign Assistance Act, making explicit that assistance to Cambodia does not constitute a U.S. commitment to Cambodia's defense, has been retained in this year's legislation.

ARMS CONTROL

President Nixon's SALT agreement to control the nuclear, strategic arms race with the Soviet Union represents an historic achievement in foreign policy. As a member of the Senate Foreign Relations Committee, I have been a strong advocate of arms control agreements and an active participant in Senate consideration of the matter, including the hearings which preceded Senate approval of the SALT agreements. The ABM treaty was approved by the Senate on August 2 by a vote of 88 to 2. The interim agreement on offensive weapons was approved on September 14 by a vote of 88 to 2.

I opposed the Jackson amendment to the interim agreement because I feel it could hinder prospects for further nuclear arms control agreements. It was adopted by a vote of 56 to 35 on September 14. I will do all I can to help achieve a favorable outcome to the SALT II negotiations which begin in late 1972.

SOVIET JEWRY

In our search for stability in our relations with the Soviet Union we must not sacrifice our own dedication to freedom and human dignity. Particular targets of repression in the U.S.S.R. at this time are its intellectuals and its Jewish community. I am the principal sponsor with Senator MUSKIE of an amendment to the Foreign Relations Authorization Act to provide $85 million in settlement assistance to Soviet Jews emigrating primarily to Israel. This measure is now law. I also cosponsored and helped to fashion the revised Jackson amendment to the East-West Trade Relations Act—to be acted on in 1973—to deny granting of "most favored nation" treatment and credit facilities to the Soviet Union after October 15, 1972, unless the "head tax ransom," especially affecting Soviet citizens of the Jewish faith desiring to emigrate, is abated. This amendment was introduced on October 4 with 76 cosponsors.

ISRAEL AND THE MIDDLE EAST

My discussions with Israel's top leaders during my July visit there confirmed that U.S.-Israel relations had reached a new plateau of cordiality and mutual cooperation. The support received from Congress and the Nixon administration is deeply appreciated by the Government and people of Israel and is an essential element in the continuing success of Israel's maintaining peace through deterrent military strength while also pushing ahead with economic and social development.

In the Senate I was again a key proponent of providing $85 million in defense supporting assistance and $300 million in military credit sales—both vital elements in Israel's self-defense efforts.

TERRORISM

The world was stunned by the barbaric murder of 11 Israeli athletes in Munich. I cosponsored with Senators SCOTT, MANSFIELD, and RIBICOFF Senate Resolution 358 to express the Senate's grief and outrage over this terrorism. I urged inclusion of international sanctions against nations harboring, aiding, or abetting in any way terrorists and air hijackers in a draft treaty considered by the Convention of the International Civil Aviation Organization. I authored an amendment to the Antihijacking Act of 1972 authorizing the President to suspend U.S. and foreign air service to and from any nation determined to have aided or abetted terrorists in any way and cosponsored a bill providing for screening of airline passengers.

EUROPE AND NATO

First priority in U.S. foreign policy must be given to restoring our fraying relations with Europe, the central area of U.S. interests in the world. Western Europe is now in the process of achieving economic, and some political, unity within the expanding European Economic Community. The changed conditions in Europe, as well as the new shape of international alinements emerging in the post-Vietnam era, require a new fabric of Atlantic partnership.

I am chairman of a Committee of Nine, consisting of prominent public figures from the NATO countries, which has been commissioned by the North Atlantic Assembly to study and make recommendations on the future of the Atlantic Alliance. The Committee of Nine has held three meetings in 1972 and I will deliver its interim report to the North Atlantic Assembly in Bonn in November. I am fortunate to have working with me on the Committee of Nine such distinguished statesmen as Lester Pearson of Canada, Lord Harlech of Britain, Walter Hallstein of Germany, Manlio Brosio of Italy, Michel Habib-Deloncle of France, Congressman HAYS, Max Vanderstoel of the Netherlands, and Halfdan Hegtun of Norway.

CHINA AND JAPAN

I view President Nixon's trip to Peking as an act of greatness at a time when our Nation and the world were so deeply in need of just such creative statesmanship. The new perception of China and the new conception of the U.S. role in Asia and the world implicit in the President's visit evidence a great sophistication and maturity on the part of U.S. policymakers. Further steps are needed to end China's isolation from the West. I shall work for new openings in Sino-American trade, cultural and scientific exchanges and arms control agreements—measures which I have advocated for some years.

This has also been a crucial year for United States-Japan relations. A close, cooperative United States-Japan partnership is the cornerstone of our policy in Asia, and it is imperative that we resolve our outstanding trade and monetary differences. President Nixon's meeting with Japanese Prime Minister Kakuei Tanaka in Hawaii was a constructive step in that direction. I have introduced the Japanese-American Friendship Act to set aside 10 percent of the funds to be paid by Japan under the agreement to return Okinawa to fund cultural, artistic, and scholarly exchange programs between our two countries. This will help assure mutual understanding and cooperation with Japan—a precondition for continuing peace and security in Asia.

CRIME AND DRUGS

During the past year I supported efforts to develop an effective crime control policy which would result in relatively rapid, significant decreases in the incidence of urban crime. This problem—combined with the devasting problem of heroin addiction—has assumed the dimension of one of the Nation's major domestic concerns.

I supported efforts designed to strengthen the capability of our police departments to obtain professional training assistance through the law enforcement education program. I also worked to eliminate the paralysis in local criminal courts in many parts of the Nation, and similarly, sought to expand LEAA programs dealing with the reform of our corrections system.

During 1972, I introduced five major bills designed to have a measurable impact upon the urban crime problem by concentrating $300 million for each of the next 3 years in the central cities having the highest crime rates in the country; developing a broad based methadone maintenance program; developing of innovative manpower training and job placement programs in the rehabilitation of offenders; formulating national standards relating to the treatment and rehabilitation of inmates in correctional institutions throughout the Nation; and developing a national criminal justice professions development program to attract more qualified people to all of the professions involved in the work of criminal justice.

I also vigorously supported legislation to outlaw the so-called Saturday night special handgun which has been so instrumental in the commission of violent crimes and particularly in homicides against policemen. In this latter connection, I supported an important bill designed to provide compensation for the victims of crime as well as for the widows of law enforcement officers who are killed in the line of duty.

As ranking minority member of the Senate Labor and Public Welfare Committee and as a member of the President's Commission on Marihuana and Drug Abuse, I have sought to clarify the means by which society may justly respond to the crushing weight which the heroin addict imposes upon our cities.

In view of the findings of the National Commission with reference to the effects of marihuana use, I have proposed legislation which would decriminalize the personal possession and use in private of small quantities of marihuana, while retaining criminal penalties for the commercial sale of the drug.

HOUSING

While production of housing under the Government subsidized programs continued at an increased rate, there was some evidence that certain speculators and builders were abusing the Government subsidy programs and that recipients were not sufficiently benefiting. Serious consideration should be given to alternatives to the present subsidy programs while continuing these programs with tightened controls. We must not overlook the fact that even with the present abuses much new housing was built throughout New York State and the Nation.

In 1972 I directed my energy toward both successfully increasing appropriations for Section 236 subsidy funds by $25 million for fiscal 1973—which means approximately $2.5 million for New York State—and proposing new programs. I introduced two major housing bills, both of which were incorporated into the Senate-passed omnibus housing bill which, unfortunately, was delayed in the House. The first would create a National Institute of Building Sciences to propose nationally accepted standards for local building firms and to serve as an authoritative source on the latest advances in construction. The second was the Neighborhood Conservation Act which sought to stimulate the upgrading of existing low- and moderate-income housing and to generate private capital for housing repairs, maintenance, and rehabilitation. I expect that the delayed omnibus housing bill will be enacted early in 1973.

POVERTY AND WELFARE REFORM

While in 1972 we were somewhat successful in efforts to obtain more satisfactory funding for the continuation of vital social programs, four measures which I believe essential—welfare reform, comprehensive manpower training, child development, and a new corporation for legal services—did not see final enactment.

We did see enactment into law of the Economic Opportunity Amendments of 1972. These authorize $4.7 billion over a two year period for the continuation of community action programs, manpower training, headstart and volunteer programs. This law contained provisions I coauthored to establish community development corporations and to increase allocations of funds to persons living outside of poverty areas and also to Puerto Rico. At my request, the Congress added $30 million for this law and other anti-poverty programs in the last appropriations bill.

I also cosponsored legislation which was the basis for the law extending manpower programs such as the JOBS program, the Concentrated Employment Program and the Neighborhood Youth Corps summer jobs program. I was also successful in increasing the appropriation for the Neighborhood Youth Corps summer job program by $150 million which provides approximately 180,000 job opportunities.

I was greatly disappointed by the Senate's failure to pass a meaningful welfare reform bill this year. The bi-partisan package which I supported would have provided for Federal assumption of the heavy welfare burden which is fast bankrupting our States and localities while assuring a meaningful minimum payment to the poor. Our proposal would also have encouraged welfare recipients to find jobs by providing gradually reduced benefits for the working poor, job training and child care services. However, the bill does provide new benefits such as: persons receiving disability are now eligible for medicare; widows will receive 100% of their husbands benefits; aid to the aged, blind and disabled will be administered by Federal Government; the social security earnings limitation will be raised to $2100; prescription drugs for the chronically ill will be under medicare; a special minimum benefit of $170 a month is provided for long term workers under social security.

I will continue my efforts in the next session to secure welfare reform and to attain enactment of the additional anti-poverty efforts I strongly support. The

first of these is comprehensive manpower training following the lines of the three bills I have introduced: S. 3421, the Community Manpower Training and Employment Act of 1972 which decentralizes existing manpower training programs; S. 3927, which establishes a Federal Full Employment Board and provides supplementary funding for public service jobs; and S. 2962, a Comprehensive Correctional Training and Employment Act to establish special manpower training and employment programs for criminal offenders.

Also a high priority is for enactment of comprehensive child development legislation which I coauthored this year, a plan for a national legal services corporation which I supported and new efforts to see that New York gets a greater share of funds for social services which have been limited by provisions in the Revenue Sharing Act and other new legislation.

LABOR

This year saw several important pieces of legislation considered which affected over 80 million workers.

Early in the year I comanaged a bill to strengthen the Equal Employment Opportunity Commission, which passed the Senate only after a 5-week filibuster. It permits the EEOC to bring cases in Federal courts against employers or unions who discriminate on the ground of race, religion, sex, or national origin. This legislation is vital to insure that true equality of opportunity is extended to millions of members of minorities and women in the labor force.

I was also deeply involved in the bill to expand the coverage of the minimum wage law and to increase the present minimum wage rate of $1.60. This rate was established in 1966 and clearly needs to be increased to permit low-income workers to catch up with increases in the cost of living. An increase is particularly important to New York because the State minimum wage is higher than the Federal minimum wage, which puts us at a competitive disadvantage in attracting new employers to the State. Although the Senate passed an excellent bill, which raised the minimum wage to $2 and later to $2.20, the House passed a different bill and it was not possible to reconcile these two versions this year. I have initiated efforts to find a compromise so that legislation can be enacted next year. I was closely involved this year with legislation which liberalized benefits for victims of black lung disease, increased railroad benefits, and provided better recognition of collective bargaining agreements in administration of the act which requires prevailing wages to be paid to service employees in Government projects. I was also involved in the continuing investigation of the election of officers of the United Mine Workers.

Oversight of the administration of various occupational safety and health laws enacted in recent years was also of major concern. The Labor Subcommittee held hearings on the need for better protection for employees. Legislation to this end will be considered by the committee early next year.

Another major piece of legislation which is of particular interest to New Yorkers is improvements in the workmen's compensation law applicable to longshoremen. The law enacted this year provides dramatic increases in benefit levels, and resolves the long and bitter controversy over third party actions under the so-called unseaworthiness doctrine. Its other provisions include many of the recommendations of the National Commission on State workmen's compensation laws which was created by an amendment which I authored in 1970.

At the close of this year I introduced legislation to require all State workmen's compensation laws to meet Federal minimum standards along the lines of the recommendations of the National Commission on State Workmen's Compensation laws. I expect to reintroduce this legislation and it will be given high priority next year.

PENSION BENEFITS

On September 18, 1972, the Committee on Labor and Public Welfare unanimously reported S. 3598, a comprehensive bipartisan pension reform bill which provides for pension vesting, funding, plan termination insurance, portability, fiduciary standards and disclosure. This bill took as its basis the bills I have authored since 1967, and was introduced jointly by the chairman of the Committee on Labor and Public Welfare, Senator WILLIAMS, and myself and cosponsored by close to 50 percent of the Senate. Regrettably, the Senate Committee on Finance stripped the bill of its key provisions; however, the leadership of both parties have pledged to treat this measure as a priority item in the coming Congress. I am confident it will become law.

Finally, I was successful in obtaining Senate approval of provisions to provide special pension protection for defense and aerospace scientists and engineers because of their high labor mobility.

HEALTH

This year was a very active year for health legislation. I introduced legislation to implement a national health insurance system and rationalize medical care service and facilities. I also introduced a bill to establish local comprehensive health services systems and the administration's HMO bill which, in great measure, formed the basis of the Senate passed bill to reorganize health care delivery.

A comprehensive new law, P.L. 92–157, to increase the supply and improve the utilization of physicians and other health professionals was largely based on the administration bill I introduced. Legislation I authored and cosponsored to provide a balanced program of support to nursing education was also enacted into law. P.L. 92–218 which will wage a new war against cancer and P.L. 92–423 which will advance the national attack upon heart, blood vessel, lung, and blood diseases were based upon bills I introduced in the Senate.

I authored the bill to provide for the prevention and control of venereal disease and a resolution to focus public attention on the crippling neuromuscular disease Myesthenia Gravis. I also cosponsored a bill to combat communicable diseases which has become law, and a bill to combat sickle cell anemia which is now law.

In response to the plight of the mentally retarded, I have authored and introduced a bill of rights for the mentally retarded, which for the first time, would establish strict standards to protect the human rights of the institutionalized mentally retarded and, at the same time, stimulate alternative programs of community care. I also authored legislation to safeguard the rights and welfare of human subjects involved in research.

THE HANDICAPPED

Congress enacted new legislation, of which I was a cosponsor, extending and expanding the vocational rehabilitation program. The bill contains provisions to encourage hiring the handicapped in programs under Federal contract or receiving Federal grants. My proposal to make sheltered workshops for the handicapped eligible for small business loans has become law.

OLDER CITIZENS

The 92d Congress took several major steps on behalf of the senior citizens in the Nation. I actively supported the 20-percent increase in social security benefits which has been signed into law. I cosponsored the Older American Comprehensive Services Amendments of 1972 which has passed the Congress and dramatically strengthens the Administration of Aging. This legislation gives authority to provide for more effective delivery of social and nutritional services to the elderly. In addition, I cosponsored the Nutrition Program for the Elderly Amendments—P.L. 92–258—which establishes permanent nationwide nutrition projects to provide low cost nutritionally sound meals to individuals 60 years of age or older and their spouses.

EDUCATION

Congress reaffirmed it priority interest in education by increasing the appropriation for elementary, secondary and higher education programs by $924 million over last year.

Passage of the comprehensive higher education bill which I cosponsored was a historical recognition of the Federal obligation toward higher education. This bill establishes a landmark student assistance program of basic educational grants which, when funded, will provide help to students of up to $1,400 annually. Young people from middle- and lower-income families will benefit particularly from the new law which expands work-study and loan programs as well as providing vitally needed assistance for institutions of postsecondary education.

I am particularly gratified that the bill includes several provisions of which I was the principal sponsor: A program to stimulate innovation in higher education; authorization of matching grants to States for State scholarship programs; establishment of Educational opportunity Centers to counsel the poor and others on entering college; establishment of a Bureau of Occupational and Adult Education in the U.S. Office of Education; and expansion of educational opportunity grants to include half-time students.

Efforts to insure high quality education to students of all backgrounds saw both gains and losses in 1972. The Emergency School Aid Act, which followed the lines of the President's recommendations, authorized $2 billion in financial assistance to encourage the establishment and maintenance of integrated schools, to assist in eliminating minority-group isolation in public school systems throughout the Nation and to provide special targeted assistance for improving academic achievement in inner city schools. It included two provisions, which I coauthored substantially expanding the present Federal commitment to bilingual education, and providing assistance to community-based groups seeking to supplement educational and counseling services.

Throughout our consideration of education legislation during the past year, educational issues were often clouded by attempts to halt school desegregation by restricting the authority of Federal courts to issue orders requiring busing. I believe most of these efforts were unconstitutional as well as unsound policy, and I opposed them. I did, however strongly support the Scott-Mansfield amendment, which assures that no busing can be ordered which endangers the health of children or impinges on the education of those bused or results in their attending inferior schools.

VETERANS

With my full support, the Congress passed important legislation increasing the educational assistance allowance, vocational rehabilitation allowance, and the training assistance allowance payable to veterans. I shall continue to work for legislation to give today's veteran the same benefits as veterans of World War II.

Additionally, I supported S. 2219, which provides health manpower, education, and training within the Veterans' Administration: S. 2354, which broadens veterans' health benefits; and S. 2108, which requires services to veterans suffering from alcoholism and drug dependence. All of these bills passed the Senate. I also supported a bill which liberalizes disability and death pensions, and dependency and indemnity compensation; and another, which establishes a national cemetery system within the Veterans' Administration.

I also supported these bills helping veterans which became law: P.L. 92–315, which extends servicemen's life insurance to service academy cadets and midshipmen; P.L. 92–328, which increases disabled veterans' compensation; and P.L. 92–341, which liberalizes housing grants to disabled veterans.

ENVIRONMENT

In 1972, I cosponsored legislation affecting water pollution, noise pollution, animal protection, solid waste disposal, and establishment of the historic Gateway Recreation Area—in the New York City area. I supported and voted for all major environmental legislation which was brought before the Senate this year.

The water pollution bill which I cosponsored served as the basis for a comprehensive bill which passed both Houses of Congress. This bill will make available over $20 billion to clean up our water and will reimburse New York State approximately $1 billion for construction of sewage treatment facilities.

Bills which I cosponsored to regulate the dumping of pollutants into our oceans, and for coastal zone management, have passed the Senate and the House and are expected to become law.

Other important environmental bills I have cosponsored include a bill relating to ocean mammals passed by both Houses of Congress; a bill to protect wild horses, which has become law; bills to restrict the use of poisons against animals and to discourage the use of certain types of traps on animals. Also I supported the Pesticide Control Act, which has passed both Houses; the noise pollution bill which passed the Senate; and I introduced legislation to provide for an effective method to dispose of abandoned automobiles and to promote more effective use of recycled materials in Government procurement.

FEDERAL PAY RAISES

I strongly supported a bill to provide a 4-percent pay raise to Federal Government hourly employees. The second pay increase scheduled by the 1970 Comparability Act, will take place in early 1973.

POSTAL SERVICE

I am pleased that the Postal Service will not ask for a first-class postage increase in early 1973 and I am supporting legislation which will insure that the mails encourage the dissemination of cultural and educational material.

CONSUMER PROTECTION

This year I sponsored a bill which would establish an independent Federal Consumer Protection Agency, create a three-member Council of Consumer Advisers in the White House, and provide for programs of consumer protection grants to State and local government. Similar to a House-passed bill, this legislation, though it had clear support from the majority of the Senate, was unfortunately killed for failure to muster the two-thirds majority necessary to overcome a filibuster. I will press next year for the enactment of this legislation.

In addition, I had a leadership role in the development and passage of the Consumer Product Safety Act. This establishes an independent regulatory commission to protect consumers from unreasonable risk of injury presented by consumer products.

TRANSPORTATION

I have consistently advocated the use of highway trust fund moneys to help solve the problems of urban mass transit. In 1972 I cosponsored a measure authorizing the use of highway trust funds to operate and improve public transportation services and supported the legislation that ultimately passed the Senate.

In addition I introduced an amendment which passed the Senate to provide up to $800 million over the next 2 fiscal years to help defray the operating deficit of the Nation's urban mass transit and commuter systems. The same provision was retained in subsequent Senate passed legislation.

I also supported legislation granting $270 million to the National Railroad Passenger Corp. for the purpose of insuring Amtrak at least be given a fighting chance to become a viable operation. I strongly urged Amtrak to route a train between New York City and Montreal through New York State. I will continue my efforts to see if rail transportation can be provided for all New York State communities that may have lost significant rail service.

AGRICULTURE

This year the Congress passed the Rural Development Act of 1972. This bill, which I supported, expanded the existing Farmers Home Administration loan and grant program by authorizing certain loans for rural businesses. Programs for farm loans and loans and grants for sewage and water facilities continued, and provisions to improve rural resource conservation and development and fire protection were included.

SPANISH-SPEAKING PEOPLE

My efforts for our Spanish-speaking citizens again focused on insuring that the Puerto Rican community obtains its just share of assistance.

I strongly supported the newly formed National Puerto Rican Coalition in its efforts to obtain a Governmentwide review of aid to Puerto Ricans in the Northeast. I was also successful in getting vital Internal Revenue Service information printed in Spanish.

ASSISTING NEW YORK STATE

Tropical Storm Agnes called for extensive Federal assistance to many New York communties. My personal tours of the devastated areas lead me to cosponsor numerous amendments to the disaster assistance legislation to better aid the needed reconstruction and replacement of damaged homes, farms, businesses, roads and other public works and schools. One such amendment which was signed into law by the President allows more liberal home loans to retired or disabled borrowers. I also cosponsored the Emergency Rail Facilities Restoration Act to provide loans to restore transportation in the affected areas. Finally, I supported a $250 million supplemental appropriations to the Department of Housing and Urban Development to be used for urban renewal in the disaster area.

My office's involvement with communities and community groups is very extensive. For example, I was particularly active in assisting the Richmondtown Restoration Corp. secure funding for their restoration efforts which will be tied to the bicentennial celebration activities planned for New York City. I have intervened to assist a number of local communities threatened with suspension of essential air traffic routes; and I have worked hard for the separate designation of Nassau-Suffolk as an SMSA, and for the expansion of the existing Syracuse SMSA. Other assistance has included efforts to improve local housing, childcare, nutrition programs, narcotics addiction programs, minority enterprise and community action programs. I have supported all grant applications by New York individuals, and

groups and have aided in the receipt of funds by dozens of such applicants.

My offices in Washington, New York City and Buffalo continue to maintain a fine record in assisting constituents whose letters and calls are always welcome.

TRIBUTE TO SENATOR MUNDT

Mr. PERCY. Mr. President, it is difficult for me, as a friend and colleague of Senator KARL MUNDT, to find the appropriate words to eulogize adequately a man who has loved his country so much and who has contributed so much to his State, his Nation, and the American people. I have been saddened by his absence from the Senate these last few years. He was a sincerely dedicated humanitarian. His love of people and his friends knew no bounds.

KARL, as we all knew him, came to the Congress in 1938 where he established a reputation as a hard-working, conscientious Member. He worked incessantly for the good of the family farmer, REA, and Missouri River development which means so much to South Dakota today. KARL was not provincial, however. In addition to his vital interest in America, he was also concerned about his fellow man throughout the world. He was the sponsor of legislation which ultimately became the food for peace program and, along with Senator SMITH, sponsored the Smith-Mundt Act, which established the Voice of America.

We all knew KARL as a man who would listen, but once he made up his mind, it was difficult to get him to change it, without an impressive presentation of facts. As an orator and debater par excelence, he was a match for anyone who challenged him either in committee or on the floor of the Senate. He was a man who used facts and enjoyed the role of the advocate.

The Senate will be diminished by his departure. This Congress, the American people and, in fact, the people of the world will have lost a true and loyal spokesman. I am proud to serve as a trustee of the Karl Mundt Library.

PRODUCTIVITY BARGAINING A KEY TO FUTURE PRODUCTIVITY GAINS

Mr. PERCY. Mr. President, in the midst of an economic recovery such as we are now experiencing, it seems appropriate to examine the issue which will be instrumental in determining our economic stability in the months to come. That issue is our Nation's productivity.

Over the past 5 years the United States has had the worst average annual rate of productivity increase of the 10 leading industrial nations of the world. The necessity of improving our performance has been stressed repeatedly by all of the Government economic policymakers—including the Secretary of the Treasury, the Chairman of the Federal Reserve Board, and the Chairman of the Price Commission. The importance of productivity to our country's economic well-being is also now being recognized by major business and labor organizations.

Productivity bargaining, the method by which management and labor agree to new working methods in exchange for gains in pay and working conditions, is one means of increasing national productivity. It is a relatively new concept in this country, although it has been used in Europe for several years. A serious look at productivity bargaining—what it can do and what it cannot do—is taken by Mr. E. George Fremont, chairman of Emerson Consultants. Because of the impact that productivity bargaining may have upon America's productivity gains, Mr. President, I submit for the RECORD the views of Mr. Fremont.

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

PRODUCTIVITY—A TALK BEFORE THE KEENE CORP.

Nearly my entire adult life has been spent thinking about, looking into and wrestling with productivity problems in industry. Since 1946, when I joined Emerson, I've been involved in all of the affairs of industry which relate to productivity—which, incidentally, in our free enterprise economy means survival on one end of the scale and growth, job security, promotion and efficiency on the other end.

Many things contribute to industrial productivity—efficient, modern and coordinated facilities; the organization created to operate the facilities; the basic skills and contribution of both management and labor; and well-engineered systems for receiving, storing, handling and shipping or distributing end products.

Major business organizations ordinarily do not make serious mistakes in physical facilities design or facilities location.

Major businesses also have a wealth of technical talent and recorded experience to design the supporting techniques and facilities for receiving, processing, shipping and distributing the output of physical facilities.

That leaves just exactly half of the major contributors to productivity as major improvement targets—the organization design and all the attitudes, contractual arrangements, communicational provisions and the like, which influence how the individual and group contribution of people is shaped and directed.

In recent years my firm has had the opportunity to look at and become involved in productivity problems in other parts of the world—in Great Britain, France, Holland, Middle East and several South American countries. Let me assure you they all have productivity problems.

In England, we were involved in a pioneer effort to turn around the traditional ways in which labor and management dealt with each other. The agreement took a long time to work out, but the results have been, as one British publication said, "remarkable." And to the advantage, I might add, of both labor and management.

What captured the British imagination was the total newness of the approach as well as the success of the effort. What was new about it?

One, the company originated the proposal.

Two, the company did a thorough job of doing its economic homework.

Three, the proposal was in no way related to annual bargaining deadlines.

What this company did—the company was Esso Petroleum—was to face a problem squarely. The problem was the need to overhaul traditional ways of doing business. Problems of this nature almost never appear fully formed; they arise gradually as negotiated conditions and concepts of employment are built up layer by layer over time. Characteristically, each layer of practice, singular situation or temporary solution, once built into the pattern, becomes part of a sacred heritage. Whatever comes to be considered sacred is usually quite safe from later questioning or attack. In our example, two parts of the heritage stood in the way of productivity improvement needs:

1. Guaranteed minimum overtime
2. Rigid job demarkation.

Until recently, we here in the U.S. depended upon our unique position of manufacturing for a mass market (large modern plants, efficient marketing and distribution networks) to offset our higher labor costs. Now Japan, Holland, West Germany, Italy, to name but a few, have equally modern plants and are rapidly gaining the necessary skills in mass marketing.

Let us make no mistake—we are being challenged to produce more efficiently than we ever have. If we fail to meet the challenge we'll become another Britain living on the dole of friendly nations—if we can find any friendly ones!

I started out saying that major enterprises seldom make mistakes in designing facilities, but that they do make mistakes in how they design and run the organizations which operate the facilities. We have in our highly developed industrial society, an impressive capability for forward planning. Capable people are constantly at work researching, analyzing, weighing, recommending and testing so that the enterprise always is fixed upon reasonable targets, and so that each major function within the enterprise has compatible goals and is provided a plan for goal accomplishment.

What is completely mystifying to me is that I cannot find (although I can't believe none exists) a company that has an equally thorough and well-reasoned objective and a supporting plan for how it intends to work with its bargaining agreement employees preparing for the changes to be brought about by all its other plans.

New products will be produced by new and different manufacturing tools and processes. Plants will shrink, and expand. New skills will be required. Other traditional skills will diminish in need. Market factors will alter traditional cost-price relationships forcing employment changes. As plans for products, plants and markets develop and become formalized it is possible to cross-reference the impact of these changes upon the labor force and the management organization to identify where existing contracts, traditions, skills and numbers of people will also undergo change if the enterprise is to survive, and make its proper contribution to our standard of living and to society.

We seem to proceed on the assumption that products, physical facilities and economic factors change of themselves and are also susceptible to deliberate and induced change, but that people and the conventions that have grown up to regulate how groups relate to one another do not or cannot be changed. Or, if change is to occur, it of necessity will be accompanied by conflict. I don't believe any of this.

Given the necessary good will, the necessary hard facts, the necessary social responsibility and the necessary time, labor and management can work more closely together to prepare for the changes the very dynamism of our industrial culture forces upon us. If statesmen of management and of labor plan for the events which we know are coming, we can avoid conflict over change and everyone would be a winner.

Religion and politics are two subjects that can be argued, but seldom to any mutually satisfactory conclusion. It seems we've allowed ourselves to adopt an equally stereotyped attitude about management and labor.

The key to improving productivity in any industrial operation really boils down to a serious and continuing search for opportunities. And having identified the opportunities, then management must assume the

responsibility for formulating a proposal to accomplish the objective. This sounds easy!

What too frequently happens is that we find ourselves trapped in a maze of traditions, rules and inviolate practices that combine to convince us that what needs doing cannot be done. So the real trick is in developing a philosophy that recognizes change is necessary for survival and to then create the mechanisms whereby change can be discussed rationally with all groups affected by it and agreements reached whereby responsible, fair and appropriate action plans are devised to accomplish the requisite end results.

I don't want to create the impression that only bargaining unit employees are susceptible to productivity improvement. Our firm finds opportunity in many other parts of the total industrial scene. We find, for example, that large technical groups tend to develop a "sacred heritage" of work practices and organizational forms that delay output and contribute to redundant efforts. We find that same traditional-bound views existing *between* most major functions in industry. As in a relay race, more time is lost and more races lost in handing the baton from one man to another than in the actual running of the relay legs. Detailed studies have been made of how information within an organization is created, formed, translated, transmitted, stored and used. It is not uncommon to discover that as much as 90% of all the information (usually paper) serves no discernible purpose. This holds true for research and development, for process, or design engineering, for purchasing, manufacturing, distribution and marketing.

So, gentlemen, increasing productivity is management's foremost responsibility. As with most things human, management has tended to follow the path of least resistance. That line has been that of stressing technological improvements to make the application of capital more productive. Rarely can one find a company that attempts equal effort in the non-capital elements of their enterprise.

Productivity improvement is also a responsibility of labor. In our rapidly changing world, failure to accept the necessity for critically examining our attitudes toward change—which is the greatest single deterrent to productivity—is a form of suicide. Labor and management have ingenuity in great measure. If we do not exercise statesmanship, we accept parochical views, superstitions, taboos and a multitude of sacred cows.

There has been in the past months an increasing number of references to Productivity Bargaining in the general and business press. It has been accepted and endorsed by the Administration generally and specifically by the Labor Department as a vehicle for attacking the problem of low productivity.

Productivity Bargaining is a good idea. However, it is more than a mechanism—or a technique! It is a concept which, if fully and responsibly employed, requires that people think in different and usually new dimensions. And thinking objectively is damn hard work.

The most promising avenue toward arriving at a remedy is an examination of the practices, conventions, and sterotyped approaches to collective bargaining. "Free collective bargaining" is such a cherished phrase that we seldom bother to think about it, but if we do, we must conclude that "free" it generally is, except in crisis situations; "collective" it certainly is; but "bargaining" it is only in a distorted sense. For the fact is that, with few exceptions, management has not bargained.

It has quibbled over and complained about labor's demands, and occasionally has felt compelled to take strike action as its only recourse, but none of these reactions deals directly or effectively with retaining the requisite balance between wages and output. Rather, in the end, higher costs are passed along via higher prices because, as bargainers, most industrial relations managers have grown to be professional losers. When they sit down to negotiate, they are determined not so much to win points for management as to spar with labor and settle for an agreement whereby the employer loses the least possible.

Illogical and hackneyed conventions have grown into management's attitudes about the labor negotiation process. Labor is unreasonable; keep labor "happy;" dealing with labor is a disagreeable process; ongoing working relationships with top labor executives would be a waste of time; bargaining in the true sense is not possible; you've heard all these arguments.

In spite of the limited action area that management sees open to it, as unions press their demands, management is forced to look for offsetting economies in the form of advanced processes, more economical layouts, improved production engineering, and the like. But management has now pretty well exhausted what it has considered to be its options.

A brave new world might be opened up if enlightened management worked closely and continuously with labor at both the local and national level, supported and encouraged by government and the general public. Behind such a new approach would be recognition that change is inherent in modern society and that cooperation is called for to identify the specific labor-management changes needed to keep pace with technological and market changes.

Let us hope the government statements about our economy's need for productivity improvement are not empty rhetoric.

Productivity bargaining is an effort to make the transaction a bargain in fact as well as in name. Management is prepared to grant something of value—often, in fact, more than the union asks—but it expects something of value in return. It wants to alter the relations between unions and management in specified ways that will lead to increased productivity. The changes in relations are designed to increase the productivity of the factory or company, not necessarily the productivity of labor only. If soundly designed, the agreements will increase profits too, as well as wages.

To secure maximum benefits from productivity bargaining, for both labor and management, a system approach is undertaken by the designer of the productivity plans. Beginning with marketing, the determinant of volume, one must plan every step to the final selection and maintenance of equipment and tools.

It is said that productivity bargains raise labor productivity by eliminating restrictive practices, but who knows how to define restrictive practices? All one can say is that in any plant there exist certain agreements, explicit or implied, that bar the introduction of more productive methods of operation. Today's agreements may be tomorrow's restrictions.

The use of the "restrictive practices" phrase has worked against the interest of change by suggesting that management is St. George. The unions, not unnaturally, resent being portrayed as dragons, and they have a good point. More often than not, blame is both mutual and irrelevant.

Agreements that now seem restrictive probably were entered into in good faith by both parties as legitimate means of resolving particular problems. They were addressed to questions of safety, health hazards, employment security, income security, arbitrary managerial action or work pace. They became restrictive because, while the original conditions have changed and new solutions have become necessary, the old agreements remain.

Why do they remain? We have heard much about the union's reasons for holding on to them, but what about management? Many practices have become so familiar that management scarcely notices them, or sees them as annoying, rather than antiproductive. Or management believes, without really having examined the facts, that the union regards the practices as sacred. Or it thinks the cost of buying out the agreement will exceed the value. Or it lacks channels of information through which it can discover how workers actually feel about such a change. Or it fears that more productive use of its labor will spawn a host of new problems, such as redeployment or create manpower redundancy, retraining of foremen, or reorganization of management that will dwarf the problems of low productivity.

Actually, the agreements may have been initiated by management; the great majority of payment-by-results schemes now in effect probably fall into this category. Even though quantity of output is more and more determined by process controls, instead of individual efforts, incentive plans retain their mystique for managers and workers alike, and both resist changing them.

In short, the efficacy of a productivity bargain depends on the analytical intelligence management puts into it. To frame its demands, management will have to ask itself and answer a series of very tough questions:

What is the maximum productivity this plant could achieve if the labor force were willing to follow whatever directions (within reason) management gave it?

Is the difference between potential and present productivity great enough to warrant a substantial investment of management time and effort?

In precisely what ways would we want workers to work? How should their jobs be redesigned? In what respects would methods be changed? How many workers and which grades would be assigned to each part of the operation? How would the work of each man be related to the work of others in his area and in other areas?

What specific understandings or agreements, if any, bar us from making the desired changes immediately? How many of these understandings are real, how many imaginery? How many changes could we make right now without having to negotiate them? Of the changes we cannot make now, how much would each one contribute to productivity and what price would the union ask for it? Would the gains exceed the cost?

What changes in management organization and training would be required to realize the desired changes of working practice? What new system, such as planning and scheduling, would be required? Would changes of these kinds enable productivity to be increased significantly even without major changes of working agreements?

To what extent is the productivity of the plant adversely affected by management decisions regarding product mix, marketing, and inventory control? Can these decisions be modified to ameliorate the adverse effects?

The effort to answer these questions calls into play all of management's analytical resources. Much that has seemed obvious about management and labor proves to need further investigation. It becomes clear that union intrasigence is not the sole cause of operational problems, and that the scope for extending management control over operations is wider than had been believed. Even if the ultimate decision is that productivity bargaining should not be attempted, the examination itself will have produced a payoff.

If the decision is to go ahead, another salutary effect will appear: The lower levels of management will necessarily begin to play an increasingly active part in the program. Although the program will have been initiated by higher managers, they will soon realize that supervisors and foremen possess a

vast store of detailed information about operations; that this information is indispensable for formulating workable productivity proposals; that a productivity agreement has little hope of success unless the lower ranks understand and support it; and that management's sole assurance of understanding and support is to involve the lower ranks in the program as early as possible.

From such involvement the lower ranks of management will gain a clearer picture of management aims and of their own duties. They will need to learn in order to make the agreement work, so training will begin to appear as something to be sought rather than submitted to.

Productivity bargaining holds dangers only for those who rush in and depend on good will and high hopes alone to sustain them. Beware of productivity bargaining if:

You haven't carefully reckoned the value of what your company stands to gain and what it will have to pay—including the cost of management time.

The management team, from president through foremen, has not laid out detailed plans for implementing the bargain.

Management hasn't been properly structured to put the bargain into effect.

The company's systems for planning, scheduling and reporting work progress are unable to insure a steady flow of work.

The company does not have continuous access to high-caliber industrial relations counsel.

Management is not prepared to help local union officials and shop stewards sell the bargain to their constituents.

Management is not prepared to bargain with the entire labor force at each plant or division.

The foreman don't really believe in the changes you're bargaining for.

The company does not intend to raise foremen's salaries substantially above the wage levels that may result from the bargain.

You cherish any illusions at all that it is possible to score a lasting "victory" over your employees.

Is productivity bargaining in the national interest? The question may seem incongruous, yet there has been an undertone of opposition in England ever since the idea of productivity bargaining first took hold there. When the opposition has surfaced, it has been in two main arguments—first, that resentment and inflationary pressures are (or may be) the result when workers at one company obtain large wage increases but workers at another company do not; and second, that a productivity agreement may operate as a conspiracy of workers and management against the rest of the economy.

The first point is entirely suppositious. There has been no evidence that genuine productivity wage increases in one company cause distress among workers at other companies. Rather, there is considerable evidence that a productivity wage increase at one company stimulates workers at less-favored companies to press company management to make a similar productivity agreement. If resentment should arise, the management of the resentment-ridden plant need only say, "Cooperate with us in raising productivity and we will be happy to raise wages commensurately."

As for the second argument, one rarely hears it said outright that there is danger of management/union conspiracy through productivity bargaining, but British authorities did urge that some of the benefits from a productivity agreement should "accrue to the community as a whole, in particular in the form of lower prices or improvements in quality."

Assuming that a company does not have a monopoly position in the market and that the government intends to keep its power to restrain wages, suppose that the company makes a productivity bargain and raises wages, but neither increases its prices nor lowers the quality of its products. Doesn't the community as a whole benefit? Don't the wage increases bring in more taxes? And if company profits increase as the result of higher productivity, aren't the profit increments taxable as well? Why doesn't the combination of frozen prices, plus gratuitously increased tax revenues, benefit the community as much as the reduction of prices would?

Recent events and the real possibility of some form of continuing U.S. wage-price controls accent the need to reexamine the roles and relationships of American management and labor. It should be increasingly clear that neither the economy nor any part of society can benefit from "victories" achieved by one party at the expense of the other. Already, the costs of such victories have narrowed or wiped out the margins separating America's industrial complex from that of its competitors. Further victories of this kind make victims of us all.

We have noted that true bargaining (versus haggling over wages) is infrequently encountered. It is also clear that there is no general practice of a continuing, forward-looking, and joint-planning dialogue between executive managers and top union leadership. Dialogue is maintained between active bargaining periods principally via grievance and arbitration procedures and generally does not involve executive management directly. What personal contact there is between top operating managers and top nonlocal union leaders is almost always occasioned by a flaming local issue having reached the point of threatened coerceive action.

Productivity bargaining offers a proved course of action. Adoption of true bargaining principles, under guidelines similar to those recommended in England, could unite management, labor, and government in a meaningful effort to solve our economic problems and achieve all-around general benefits.

TRIBUTE TO SENATOR BROOKE

Mr. PERCY. Mr. President, one of our most distinguished colleagues has recently been profiled in the national magazine Tuesday. I refer to the Senator from Massachusetts (Mr. BROOKE). Even before his election to the Senate in 1966, he had become recognized, as Attorney General for the Commonwealth of Massachusetts, as an outstanding public servant.

Since then, he has continued his outstanding service, not only to his constituency of Massachusetts, but to all those people who look to the Senate for wise and reasoned leadership. We in the Senate are truly honored to count him among us, and it is with great pleasure that I ask unanimous consent for this article, which so clearly and forcefully articulates the philosophy and concern of this most distinguished man, to be printed in the RECORD at this point.

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

EDWARD W. BROOKE—THE SENATOR'S OWN APPROACH

(By Frank Carmier)

Edward W. Brooke, the only Black American yet to be elected to the U.S. Senate by popular vote,* is not exactly happy about the tactics of many fellow Black politicians in this election year.

While Brooke believes it is essential for Blacks to gain offices in predominantly Black communities—just as the Irish, the Poles, the Jews, the Italians and other ethnic groups have done—he sees a need for wider-ranging political ambitions. Brooke, a heavy favorite to win a second six-year term from the voters of Massachusetts in November, is disturbed because more Blacks are not seeking Senate seats or other statewide offices.

Although the tall, ruggedly handsome junior senator from Massachusetts feels he shares the goals of the Black Caucus of House members, he added in an interview:

"How we achieve those goals, of course, is quite different. As I look around the country for another Black senator, so-called, I would expect he would come from Pennsylvania, with its large Black population, New York, or Michigan—some place like that. But it is just not happening. Most of the reasons, as I see it, are because the Black politicians in the House are off on this Blackness thing, which is going to be a real barrier to getting White votes on a statewide basis."

Brooke is fervent in expressing a conviction that Black politicians, to be fully effective, must branch out and seek the larger offices that can be attained only with the help of White voters.

"I would encourage young Blacks to look down the road," he said. "I have rejected separatism for myself. I hope that others will reject it. I am an integrationist. I believe in the Constitution and the Bill of Rights. Some of the militants are very critical of my position because I have not been more militant on Black areas the way *they* see Black. I don't think they have any monopoly on Blackness.

"This is the way I view it: I just look at people as people and I run my campaigns the same way."

Brooke reported that he tells Black politicians who solicit his counsel:

"You never just talk, 'Black, Black, Black.' I would not vote for a White man who said, 'White, White, White,' any more than I would expect him to vote for me if I said, 'Black, Black, Black.'"

The 52-year-old senator—that's rather young by senatorial standards—represents a state where only about two percent of the voting population is Black. Moreover, he is a Republican in predominantly Democratic territory. Yet he has won three successive statewide elections by comfortable, even landslide, margins.

Floyd McKissick, when he was national director of the Congress of Racial Equality, remarked: "If one is a politician in a White state, one relies on White votes. Right? Ed Brooke is one hell of a politician. He has the appearance, the education, the intelligence. He has the middle class standards. . . . If he's going to stay in politics, he'd better stay just what he's been."

Brooke's political career has been so successful that, during the past year, his name cropped up in the early speculation about a possible 1972 replacement for Spiro T. Agnew as running mate to President Nixon. The chief executive himself did nothing to discourage such talk when, last September, he was asked at a news conference about a much-publicized opinion of Sen. Edmund S. Muskie's that American voters were not yet prepared to accept a Black as Vice President. Said Nixon:

"I think the example of Ed Brooke in Massachusetts is eloquent demonstration of the fact that the American people, when confronted with a superior man, will not vote against him because of his race."

Asked about the Vice-Presidential talk, Brooke replied, "I never took it seriously." More significantly, he continued, "If I am going to run for anything I would run for President—not for Vice President."

*U.S. Senators Hiram R. Revels (Miss., Feb. 1870–March 1871) and Blanche K. Bruce (Miss., March 1875–March 1881) were chosen by their State Legislatures. It was not until 1913 that U.S. Senators were elected by popular vote.

As young men still on the lower rungs of the political ladder, Brooke and John F. Kennedy became quite friendly, with the scion of Irish-American wealth insisting that Brooke should be a Democrat and Brooke arguing that Kennedy should be a Republican. They never reached agreement on that score but they did agree that in politics there are only two positions worth striving for—a seat in the U.S. Senate, which Brooke regards as "the only independent place," or the Presidency.

Even had Nixon seriously considered offering Brooke second place on this year's GOP ticket, the senator would have refused. First of all, he feels a Vice President can accomplish very little. "I don't think Agnew has had any real input into this Administration," he said. "I don't think they listen to him at all." Secondly, Brooke does not always agree with Richard Nixon.

"It would be difficult for me, in certain areas, to stand up and say I didn't agree with him," Brooke explained. "I don't say that on everything you have to agree, but once the policy is decided, as Vice President you have to either be with it or resign.

Although he has been a consistent supporter of end-the-war legislation, Brooke does greatly admire many of Nixon's foreign policy initiatives, notably his approaches to Moscow and Peking. He also was pleased by the Administration's devaluation of the dollar and Nixon's efforts to put a damper on inflation through the wage-price freeze and subsequent guidelines.

Where the senator often strongly disagrees with the President is in the areas of civil rights and social policy. Administration stands on busing, voting rights and housing—and some of the Supreme Court nominations—have particularly disturbed him.

Brooke says he was dismayed when a group of politically minded Blacks recently expressed opposition to busing. He argues that conservative elements, as a result, were able to contend, "Look, even the Blacks don't want busing." The senator regards busing as a constitutional tool to achieve *desegregation*—not the *racial balance* the Administration usually refers to. He says racial balance "is what everybody has been shooting at—overlooking what we are really talking about."

Shortly after Nixon was elected, he summoned Brooke and offered him a cabinet post, that of Secretary of Housing and Urban Development. The senator has no regrets that he did not accept. "I would have been very unhappy," he believes. "I would have resigned or been fired."

Still, Brooke, who campaigned for Nixon in 1968, fully expects to support the President's reelection drive. He boycotted Sen. Barry Goldwater's 1964 campaign and it did him no apparent political harm. In fact, Brooke that year won a second term as attorney general of Massachusetts by close to 800,000 votes, the biggest victory margin for any Republican candidate anywhere. Although Democrats enjoyed a two-to-one edge in registered voters, Brooke carried 349 of the state's 351 cities and towns.

Afterwards, as he prepared for his successful 1966 bid for a Senate seat, Brooke wrote a book, *The Challenge of Change*, in which he analyzed what he regarded as the shortcomings of the Republican Party.

"Our principal weakness has not been poor salesmanship, but poor programs," he wrote, "not a poor image so much as poor leadership."

In the treaties, Brooke also raised a point that continues to bother him today, declaring:

"Personally, I would be deeply discouraged were the Republican Party to alter its position in order to accommodate itself to the attitudes of the traditional deep South. For that would mean a realignment of all of our thinking, a rejection of the better part of Republican ideals and tradition. . . . For us, such votes are fool's gold."

After President Nixon had been in office 14 months, Brooke, in a nationwide radio appearance, stated that the Administration had made a "calculated political decision" to follow what Brooke termed "a suburban as well as a Southern strategy" at the expense of Blacks.

Just this summer, the senator was reminded of his 1970 radio remarks and responded:

"I still don't approve of it [the Southern-suburban strategy, as Brooke perceives it], but I don't think it is a matter of Blackness. It is a matter of principle. I think it is a moral wrong but I think it is also politically wrong," Brooke said, stating that "it is not a firm foundation" for the Republican Party to build on.

However, explaining his support of the President, Brooke expressed a belief that "in the second term, I think Nixon will make some moves in the direction which I believe he should be taking. Number two, I think the other issues are so important—the strategic arms limitation talks, Peking, the Soviet trip. There is a lot in Nixon's record that I think I can enthusiastically support. On social issues I have problems and I have said that."

Privately, Brooke was extremely critical at the time of the Administration's strenuous efforts to elect Republican candidates in the 1970 off-year campaign. He went to the White House and expressed his feelings at a meeting with Nixon and Charles Colson, the White House special counsel and political operative. As Brooke recalls it:

"I said it was a negative campaign. I said, 'We have some real positive things in this party. You have done some positive things on which we could run.' The campaign was totally negative." Most of all, Brooke was displeased by the stumping tactics of Spiro Agnew.

In many ways, Brooke is the atypical Black politician. He definitely does not look upon himself as a *Black senator* but rather as a senator who happens to be Black—a logical enough outlook for a man who represents several million Whites.

Recently, Brooke declared, "I'm not by nature, you know, a militant, and I don't think I can change that. This doesn't mean that I am not strong for civil rights. I always have been and I always will be. But I would like to believe that I would feel the same way if I were White and not just Black, because I think it is morally and constitutionally right. And I think I have a record second to none on civil rights, and I think I have worked effectively in my manner of working."

Brooke offers advice to any Black politician who seeks his views. But his office does not attempt to handle the wide range of personal problems that Blacks from all states write about to Brooke. Senate staffs usually are busy enough handling the problems of constituents, and so the Brooke staff channels out-of-state mail to those Members of Congress who represent the letter writers. All this is consistent with a statement Brooke made last year: "I do not intend to be a national leader of the Negro people. I intend to do my job as a senator from Massachusetts," he said.

"I'm not in politics because the Republican Party of Massachusetts wanted a Negro as a candidate for political office," Brooke has also said. "If they had, I would not be their candidate, because that approach is contrary to everything I believe in.

"But I have always thought that great progress could be made if a man who happened to be a Negro could be elected to represent all people, not only the Negro people."

A dozen years ago, when Brooke made his first statewide race—a campaign he lost by some 12,000 votes out of more than two million—he discovered that in some communities many voters had never seen a Black man. "They will have to meet me and be reassured that I'm not an ogre," he remarked.

Elected state attorney general—the number-two public office in Massachusetts—two years later, Brooke immediately adopted a policy of dealing with the problems of people in an even-handed manner, as he saw it. "If I did confine myself to Negro problems alone," he commented, "there would hardly ever be another Negro elected to public office except from a ghetto—and justifiably so." He labored so diligently in behalf of Israel bond campaigns, for example, that a high school in that country has been named in his honor.

When Brooke took his Senate oath in 1967, his GOP elders wanted him to take a seat on the District of Columbia Committee—a body wielding enormous power in a capital city that lacks home rule. Washington is where Brooke was born, in 1919, and he has many relatives there. However, he declined the assignment, suspecting, "I would just lose all my time." As he elaborated later, "I really didn't want to get involved in the lights, lamp posts and the garbage collections in the District." True, the city is predominantly Black, but native son Brooke chose instead to serve on committees more closely involved with the concerns of his adopted state and the voting constituency who sent him to Washington: Appropriations and Banking, Housing and Urban Affairs.

Perhaps Brooke also felt that a seat on the District Columbia Committee would have marked him as *The* Black senator. As he has observed, "I sympathized with Jack Kennedy. I'm sure he got tired of being the first Catholic in his office."

Brooke might like to be President of the United States. But not *The* Black President.

SENATOR GAMBRELL

Mr. TUNNEY. Mr. President, one of the highlights of the 92d Congress has been my personal acquaintance with the distinguished Senator from Georgia, DAVID GAMBRELL. He is a gracious man who has served the Senate in a distinguished manner with deep commitment and moral integrity.

When the 93d Congress begins next January, I know that I will miss DAVE GAMBRELL's friendship and counsel as well as his warmth and charm. I worked closely with DAVE on many issues and I know of his personal dedication to this Nation. I know that this dedication and commitment will continue in whatever field of endeavor that DAVE GAMBRELL pursues. I join his many friends in wishing him great success in the future.

SENATOR ANDERSON

Mr. TUNNEY. Mr. President, Senator CLINTON P. ANDERSON, our very distinguished colleague from New Mexico, is retiring from the Senate after 16 productive and fruitful years of service.

When I first came to the Senate as a freshman 2 years ago, I met with Senator ANDERSON, a member of the Steering Committee. I will always remember his most gracious and kind reception. The advice that he then gave me—which was advice that can only come from an elder and experienced statesman—has truly been invaluable.

Senator ANDERSON's pursuits and accomplishments in the Senate have been as diverse and yet as absolutely thor-

ough as any Member of the Senate. His capable leadership of the Senate Aeronautical and Space Sciences Committee, his exhaustive fight for medicare legslation, and his long and hard work on behalf of American Indians represent the caliber and depth of his efforts.

I join with my colleagues in wishing Senator ANDERSON and his family our fondest and warmest wishes.

TRIBUTE TO SENATOR COOPER

Mr. PELL. Mr. President, I wish to pay tribute to the senior Senator from Kentucky (Mr. COOPER) whom I hugely admire and who has decided not to stay in our body.

Independence, integrity, steadfastness, depth of work, and fairness are each his hallmarks. A civilized and gentle man, he has a spine of steel and a willingness to persevere on the course he considers right. His course of conduct reminds me of Carl Schunz' old adage:

My country right or wrong. When right, to keep it right; when wrong, to make it right.

I wish him and his lovely wife, Loraine, the best of luck. And for the sake of all of us, I trust they will continue to live in Washington, and serve the common weal in whatever way they choose.

SENATOR JORDAN OF NORTH CAROLINA

Mr. TUNNEY. Mr. President, Senator EVERETT JORDAN is departing from the U.S. Senate. His service in the Senate has been distinguished by high purpose and hard work. We shall miss his contributions, and his home State of North Carolina can be proud of his accomplishments.

As a member of the Agriculture Committee, he earned the respect and trust of his colleagues through mastery of the issues and a sympathetic understanding of the problems.

As chairman of the Rules and Administration Committee, he was particularly helpful during this session in recognizing the need for modernizing the rules governing the operation of senatorial offices. In so doing, he has helped me and numerous other new Senators in providing better service to our constituents.

Having served with Senator JORDAN on the Public Works Committee for the past 2 years, I have come to know him as an able legislator, a dedicated public servant, and a friend.

All who know him have been moved by his courage, his kindness, and his integrity, and we would do well in striving to measure up to his example of a distinguished public career.

PROTECTIVE REACTION STRIKES IN VIETNAM

Mr. STENNIS. Mr. President, I have today dispatched a letter to Secretary Laird regarding the committee hearings on the nomination of General Abrams, General Lavelle, and Admiral McCain, and the issues arising out of these hearings with respect to the protective reaction strikes in North Vietnam in 1971 and 1972 and the reporting irregularities.

The substance of this letter, makes a firm request to the Secretary of Defense to advise the committee of the Department's plans for preventing a recurrence of the incidents and problems which our hearings disclosed. I want to emphasize, Mr. President, that the committee hearings should by no means be considered closed. The committee, however, felt compelled to conclude for the time being since the particular issue before it was the nominations of Generals Abrams and Lavelle and Admiral McCain. The committee, therefore, had to conclude at this point in order to take action on the nominations before the end of this Congress.

I think it is highly proper at this point to request the Department of Defense to make known its own plans for dealing with the various issues arising out of these hearings. I might point out that the committee did not request any overall testimony from the Department of Defense during our hearings but limited it to witnesses who were directly involved in the issues arising from the rules of engagement and the so-called false reporting.

As I have already indicated, Mr. President, this letter has been sent to Mr. Laird, and I have advised him that I did intend to make it a matter of public record. I ask unanimous consent that a copy of the letter be inserted in the RECORD at this point.

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

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., October 17, 1972.

Hon. MELVIN R. LAIRD,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: As you know, the Senate has concluded action on the nomination of General Abrams. As I assured the Committee members, indicated to the press, and stated on the Senate floor, however, the issues raised in these hearings are by no means closed. The Committee will continue to pursue the issues arising from the protective reaction strikes and the reporting irregularities until there is clear evidence that the administrative and command systems of the Department of Defense have been strengthened to the point that a recurrence of these incidents is highly unlikely.

At this point in time, with the hearings printed, it is both the duty and responsibility of the Department of Defense to advise the Committee of its present and future plans to prevent a recurrence of the incidents and problems covered by the testimony. I am therefore requesting that you advise me of the remedial action of the Department of Defense.

As a part of your response, it is requested that you comment specifically on the following questions.

1. What internal machinery are you considering to obtain further facts and evidence, if any, on this entire matter and to recommend possible remedial actions. One or more Courts of Inquiry have been suggested although these may be too narrow in their scope of authority to accomplish the job. If these are not used, what other type of administrative inquiry will be established to examine the issues and facts arising from the protective reaction strikes in 1971 and 1972 and the reporting irregularities?

2. What is to be done regarding the need for having the rules of engagement and operating authorities set forth in clear, unambiguous terms; and be in writing and maintained in a single central location in operating commands, with the further requirement that changes in such rules be communicated in writing from the originating authority?

3. Is there not a need for the staffs of the various commanders to be better informed before and after combat operations, in order for the field commanders to be better informed on the facts? I realize that staff coordination and review at the various levels of command should not be pursued to the point that timely and efficient conduct of a war is inhibited.

4. What changes are being considered for revising the operation of the Inspector General systems and the other inspection, monitoring, and intelligence systems within each Service in order to insure the accurate reporting of combat operations?

5. With regard to reporting irregularities generally, what is being done to enable the reporting machinery to rapidly detect false reporting? What has been done to advise all military personnel of the seriousness of such a matter?

I would emphasize that the foregoing questions are not intended to be inclusive of all the issues, nor am I suggesting your response be limited to the issues raised by these specific questions. Please advise me of remedial steps now being taken or planned by the Department of Defense to meet the problems raised by this testimony.

I especially request that your response not only reflect your conclusions but a full statement of the facts on which the conclusions were based.

Sincerely,

JOHN C. STENNIS,
Chairman.

SENATOR JOHN SHERMAN COOPER

Mr. TUNNEY. Mr. President, the hour of the 92d Congress draws to a close, I should like to pay tribute to JOHN SHERMAN COOPER, the energetic, wise, and gentle man who has so ably represented the State of Kentucky for over 19 years.

His concern for his State and the Nation have been consistently translated into hard work, enthusiasm, and a creative energy which all of us aspire to, but few attain.

In the Public Works Committee, where I have had the honor to serve with him, his contributions have been tremendous. He has been a voice of reason in the face of controversy and strength in support of the public interest. Most recently, his stanch fight in support of mass transit and his gracious assistance in the fight to save the noise bill have earned him the great respect of citizens throughout the country.

JOHN SHERMAN COOPER will be sorely missed in the Senate and I am proud to know him as a friend.

TRIBUTE TO SENATOR McCLELLAN

Mr. FULBRIGHT. Mr. President, as the 92d Congress draws to a conclusion. I would like to pay a brief tribute to my senior colleague from Arkansas, JOHN L. MCCLELLAN, for his diligent efforts in assuring that rail passenger service will once again be available in Arkansas.

Because of JOHN MCCLELLAN'S leadership as chairman of the Senate Committee on Appropriations, funds will be available for the first time this year for a new Amtrak route from St. Louis through Little Rock, Ark., to Dallas and

the Mexican border. This once popular route was abandoned in 1971 by the Department of Transportation when it established the basic system for Amtrak, and since that time Arkansas has been one of two States in the Nation without rail passenger service.

The addition of the new service will mean much to the people of Arkansas. An injustice will now be corrected, and the people of Arkansas will soon have rail passenger service. This could not have been accomplished without the industry and perseverance of my senior colleague. I wish to take this opportunity to commend him for his continuing efforts in behalf of the people of Arkansas and the Nation.

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972

Mr. GRIFFIN. Mr. President, the importance of this water pollution bill to Michigan and to the entire Great Lakes region compels me to vote to override the President's veto of this legislation.

The 1972 report of the Council on Environmental Quality indicates that water pollution may be getting worse instead of better. According to the Council's report, nearly a third of the rivers and streams in the United States are polluted. In the Great Lakes region alone there are over 8,000 polluted miles of waterway.

Tough standards and enforcement against polluters are urgently needed. Adequate Federal funding must be forthcoming to assist money-starved communities in building sewage treatment plants. Special emphasis will have to be given to acute pollution problems such as those in the Great Lakes. And financial relief to small businesses may be necessary in meeting environmental objectives while at the same time protecting jobs.

Much can be done to meet these problems if the pending water pollution bill becomes law. The nearly $25 billion in the bill for sewage treatment plant construction is a lot of money. But the problems are also large and the time to correct them is short. Michigan, for instance, will require over a billion dollars in Federal funds under the bill, a cost exceeded only by the States of California and New York.

Over a year ago, I proposed a six-point program for accelerating pollution cleanup programs in the Great Lakes. In response to this call for action, the Environmental Protection Agency requested $140 million in the 1973 budget for a speeded-up program in the Great Lakes. Unfortunately, the budget office refused to go along.

However, further delay cannot be tolerated and the pending water pollution bill will be of great help to the Great Lakes. For one thing, it would authorize, for the first time, Federal funding for projects to control storm sewer runoffs which foul many beaches near cities such as Detroit, Chicago, and Cleveland. For another, the bill would establish a special $300 million clean lakes program. This proposal would assist in the cleanup of many inland lakes as well as the Great Lakes. Furthermore, the bill would authorize a $5 million demonstration program for sewage treatment control along Lake Erie.

In addition to these special programs of interest to the Great Lakes, the bill would fulfill a long-standing Federal commitment to reimburse States and local communities which frequently have had to advance the Federal cost of constructing sewage treatment plants. The failure of the Federal Government in the past to meet its obligations has placed a particularly heavy blurden on local municipalities, further hampering their efforts to construct adequate treatment facilities.

ADDITIONAL INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 4130. A bill for the relief of Mrs. Potenciana Rufo Redaja. Referred to the Committee on the Judiciary.

By Mr. PERCY:

S. 4131. A bill to amend chapter 34 of title 38, United States Code, to increase from 36 to 48 months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from eight to fifteen years the period within which an eligible veteran must complete his program of education under such chapter after his discharge from military service. Referred to the Committee on Veterans' Affairs.

ADDITIONAL STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY:

S. 4131. A bill to amend chapter 34 of title 38, United States Code, to increase from 36 to 48 months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from 8 to 15 years the period within which an eligible veteran must complete his program of education under such chapter after his discharge from military service. Referred to the Committee on Veterans' Affairs.

THE STUDENT-VETERAN ELIGIBILITY ENTITLEMENT EXTENSION ACT OF 1972

Mr. PERCY. Mr. President, I am today introducing a bill that would extend the maximum period of entitlement for eligible veterans to take advantage of the benefits provided by the GI bill. The bill increases both the length of time the veteran can attend school, and the amount of time he has available to expend his full entitlement.

Under present law, veterans' educational benefits terminate after a period of 36 months. The veterans is entitled to 1½ months of school for each month of active duty where such duty extended beyond 180 days. The formula, however, is limited to a maximum duration of 36 months. Exceptions are made in cases where a student-veteran is in the process of completing a term, quarter, or semester. These exceptions are granted at the discretion of the Administrator of the Veterans' Administration. This bill retains the 1½-month formula for computing entitlement, but extends the 36-month limitation to provide a maximum of 48 months. Thus, the draftee who served in the Army or Marine Corps for 2 years would still be entitled to only 36 months of education assistance, while those serving 32 months or longer would receive benefits for a maximum of 48 months.

On August 3, 1972, the Senate unanimously passed the Vietnam Era Veterans Readjustment Assistance Act of 1972. This was a major revamping of the "GI bill of rights," which was intended to place the benefits received by the veterans of the Vietnam era on a par with those received by veterans of World War II and the Korean conflict. The bill is now before the President for his signature. Even with these increases in the new bill, the allowances cannot hope to meet the constantly rising costs of living and of education in this country. Many veterans will still be forced to work more hours than they can successfully balance with their academic studies. Many veterans are forced to reduce their total number of academic hours per session in order to work the additional hours necessary to meet all their expenses. Currently, and under the new bill, a veteran can receive the full allowance if he carries a minimum of 12 credit hours per quarter or semester. If an individual is enrolled under the semester system and takes 12 hours per semester for 4 years, he accumulates 96 credit hours. This is at least 24 hours short, or four-fifths of a year short of the required 120 credit hours needed to graduate. The schools which operate on the quarter system have set 180 hours as the minimum number necessary for graduation. The student who takes 4 years of the minimum requirement for full-time status will accumulate 144 credit hours, or 36 short of the 180 necessary for graduation. In effect, far too many veterans are reluctantly decreasing their total number of hours per term in order to be able to work for additional periods of time.

The present 36-month limitation incurs several other handicaps for the student-veteran. Because of the college deferment, the draft focused on men whose families lacked an education orientation or who could not afford college and a student deferment. Over 17 percent of the Vietnam era veterans have not completed high school; thus the educationally disadvantaged veteran has little hope of completing his higher education within the time requirement of 3 years.

Second, this limitation not only forces the veteran to carry the maximum number of credits, but it prohibits adequate consideration for changes in course studies. Many veterans find that their original selection of a course major was based on inadequate considerations. Any change in a major field will require additional hours to earn the desired degree.

The student-veteran is also severely limited in his career selection and post-graduate study considerations. Most pro-

fessions require more than just the undergraduate degree, and many veterans are not able to maximize their talents because of financial handicaps. In the areas of earning potential and initial job procurement, it is also apparent that a bachelor's degree earned in 1950 is roughly equivalent to a master's degree today.

Finally, a good number of veterans desperately need sufficient time to readjust to civilian society and to the academic environment. College campuses have undergone drastic changes since the unrest which plagued the country in the late 1960's and early 1970's. Familiar modes of study and curriculums are all but vanished from the academic institutions. These problems are multiplied when coupled with grade performance pressures and the necessity of employment which face almost all of our veterans. An increase in the length of entitlement for those who have earned it based on their time in the service can help eliminate a substantial number of these pressures. Congress, and the taxpayer in turn, will only benefit from a better educated and more financially stable veteran. Congress realized this when it passed the original GI bill of rights, which provided that all veterans were able to draw these benefits for 48 months. There are Members of this body who have earned their degrees as a result of this law. It seems only fair to equalize the available opportunities accorded to the two generations.

Present law also provides that the veteran has a period of 8 years from the date of discharge in which to complete his education. Any allowance not used in this 8-year period is forfeited. The bill I am sponsoring today further provides that this period of eligibility for complete use of the 48 months of educational assistance be extended to 15 years.

When Congress initially imposed this 8-year limitation for utilizing GI education benefits, the intent was to encourage the recently discharged veteran to enroll in school promptly and to complete his education as rapidly as possible. The economic problems which face most of today's veterans weakens any modern application of this rationale. Many are financially unable to enroll in schools directly after discharge. Others have experienced academic difficulties in the past; thus college and universities are reluctant to accept them until they have contributed in some manner to the civilian community. Others who do enroll soon after discharge are forced to drop out of school in order to support their families or to earn the money necessary to supplement the GI bill. Others simply do not realize the value of an education until it is too late to take advantage of the benefits.

My bill affords all of these groups the opportunity to take advantage of the benefits Congress has encouraged veterans to use. No greater assistance can be given to the veteran than to enable him to earn a good living. This can best be accomplished by having a good education, whether it be completed at age 25 or age 40.

The increase from 36 to 48 months for those who have earned it and the extension for eligibility from 8 to 15 years will not serve as a catalyst to induce veterans to continue or delay their education simply to consume additional benefits. It is only an equalization of opportunities enjoyed by their predecessors returning to a grateful nation that is proud of the men and women who served it.

I will, of course, reintroduce this bill in the 93d Congress. I submit it now for studying by my colleagues and would welcome cosponsorship.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this morning it reconvene at 12 o'clock noon today.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS TO INSERT ACHIEVEMENTS OF THE COMMITTEE IN THE RECORD

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be authorized to insert the achievements of the committee for the second session of the 92d Congress in the RECORD following the adjournment of Congress.

THE PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 12 o'clock noon today.

The motion was agreed to; and at 1:22 a.m. on Wednesday, October 18, 1972, the Senate adjourned until 12 o'clock noon.

HOUSE OF REPRESENTATIVES—*Tuesday, October 17, 1972*

The House met at 12 o'clock noon.

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

The Lord watch between me and thee, when we are absent one from another.—Genesis 31: 49.

Eternal God and Father of us all, in the closing days of the 92d Congress we pause again in Thy presence to acknowledge our dependence upon Thee and to offer Thee the devotion of our hearts. Through the year Thou hast been our refuge and strength, our present help in time of trouble.

We thank Thee for the opportunities which have been ours working together under the dome of this Capitol of our national life. Here we have endeavored to serve Thee, our Nation and our world. For our labors may we hear the words "Well done, good and faithful servants."

Bless the Members of this body, some of whom will return and some of whom will not return. May the benediction of Thy spirit rest upon them that coming or going Thy peace may abide in all their hearts. And grant safe return of our majority leader and our colleague. May the Lord bless us and keep us always and in all ways. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 3786. An act to provide for the free entry of a four octave carillon for the use of Marquette University, Milwaukee, Wis.;

H.R. 10638. An act for the relief John P. Woodson, his heirs, successors in interest or assigns;

H.R. 11091. An act to provide additional funds for certain wildlife restoration projects, and for other purposes;

H.R. 13895. An act to amend title 5, United States Code, to revise the pay structure for nonsupervisory positions of deputy U.S. marshal, and for other purposes;

H.R. 15597. An act to authorize additional funds for acquisition of interests in land within the area known as Piscataway Park in the State of Maryland;

H.R. 16074. An act to authorize appropriations to carry out jellyfish control programs until the close of fiscal year 1977; and

H.J. Res. 733. Joint resolution granting the consent of Congress to certain boundary agreements between the States of Maryland and Virginia.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2318. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, and for other purposes;

S. 3240. An act to amend the Transportation Act of 1940, as amended, to facilitate the payment of transportation charges;

S. 3483. An act for the relief of Cass County, N. Dak.; and

S. 3671. An act to amend the Administrative Conference Act.

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. 1467) entitled "An act to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans."