

sion of the west central front of the U.S. Capitol; to the Committee on Public Works.

By Mr. SYMINGTON:

H.R. 13893. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. THOMSON of Wisconsin:

H.R. 13894. A bill to amend the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. UDALL (for himself, Mr. CHARLES H. WILSON, Mr. BRASCO, Mr. HOGAN, and Mr. HILLIS):

H.R. 13895. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WYDLER:

H.R. 13896. A bill to amend the Outer Continental Shelf Lands Act, as amended, to require a study of the environmental impact of mineral exploration in the Atlantic Ocean; to the Committee on Merchant Marine and Fisheries.

By Mr. PRICE of Texas (for himself, Mr. COLLINS of Texas, Mr. TEAGUE of California, Mr. ESHLEMAN, Mr. STEIGER of Arizona, Mr. LATTI, Mr. DUNCAN, Mr. CLEVELAND, Mr. KUYKENDALL, Mr. FISHER, Mr. KEMP, Mr. BUCHANAN, Mr. GREEN of Pennsylvania, Mr. DORN, Mr. PIKE, Mr. WHITEHURST, Mr. HECHLER of West Virginia, Mr. McCLOSKEY, Mr. WAMP-

LER, Mr. SCOTT, Mr. FORSYTHE, Mr. BADILLO, Mr. HALPERN, Mr. HOSMER, and Mr. ASPIN):

H.J. Res. 1115. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. PRICE of Texas (for himself, Mr. WARE, Mrs. ABZUG, Mr. SEBELIUS, Mr. ZWACH, and Mr. MCCLURE):

H.J. Res. 1116. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. COLLIER:

H. Con. Res. 564. Concurrent resolution to seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine; to the Committee on Foreign Affairs.

H. Con. Res. 565. Concurrent resolution: Congressional spending limitations; to the Committee on Government Operations.

By Mr. DEVINE:

H. Con. Res. 566. Concurrent resolution expressing the sense of the Congress with respect to the declaration of policy contained in section 101, title I of the Elementary and Secondary Education Act of 1965; to the Committee on Education and Labor.

By Mr. REUSS:

H. Con. Res. 567. Concurrent resolution to revise the formula for distributing special drawing rights; to the Committee on Banking and Currency.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ASPIN presented a bill (H.R. 13897) for the relief of Harvey E. Ward, which was referred to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

199. By the SPEAKER: Petition of the Congress of Micronesia, Capitol Hill, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to making the provisions of the Rural Electrification Act of 1936, as amended, applicable to the Trust Territory of the Pacific Islands; to the Committee on Agriculture.

200. Also, petition of the Congress of Micronesia, Capitol Hill, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to the appointment and retention of Prof. Harrop A. Freeman, to the Committee on Interior and Insular Affairs.

201. Also, petition of the Congress of Micronesia, Capitol Hill, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to allowing the Congress of Micronesia to take part in the process of selecting the High Commissioner, the Deputy High Commissioner, the Chief Justice, and the associate justices of the trust territory; to the Committee on Interior and Insular Affairs.

## EXTENSIONS OF REMARKS

### WHO RIDES THE BUS

#### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. HARRINGTON. Mr. Speaker, Mr. Paul Parks, the author of this eloquent letter on the emotionally charged subject of school busing is a man with unsurpassed credentials in the field of integrated education. For many years he was chairman of the education committee of the Greater Boston Chapter of the NAACP. Since January 19, 1968, he has been the administrator of one of the most successful model cities programs in the Nation located in Boston. And it is important to note in this connection that the area served by the Boston model cities program is genuinely racially integrated with large numbers of whites and blacks and growing numbers of Spanish-speaking Americans making up its population. It is indicative of Mr. Parks' deep commitment to the creation of a just and integrated society in America that he has presided over the program in a manner that has increased racial harmony.

I commend Mr. Parks' letter to every Member of this body and it is my earnest hope that it will be given consideration by the House in our future votes on busing.

The letter follows:

MODEL CITY ADMINISTRATION,  
Boston, Mass., February 22, 1972.

Representative MICHAEL HARRINGTON,  
Longworth Building  
Washington, D.C.

DEAR REPRESENTATIVE HARRINGTON: I would like to take this opportunity to express my

dissatisfaction at the possibility of seeing the Congress support constitutional amendments on the busing of school children. The issue is not now nor has it ever been the question of busing school children; the question happens to be a question of who rides the school bus and what school location does the bus ride end. To talk about quality education without integration is an absolute folly because it was not until white children began to be bused to what was formally all black schools that people began to raise very vociferously the discussion of busing which underscored the fact that the schools were not up to the standards of the schools they had previously attended.

This was an open omission of the fact that they considered the black children whom their children were going to be sitting beside as inferior children or the schools they were attending were inferior. For what other reason would one have at showing such deep concern about the children's involvement in what should be an enlightening educational experience that was created by a bus ride.

I think that there are some very dangerous and serious implications in creating constitutional amendments that would say people have a choice in making the decision as to whether or not their children should be bused to create an integrated system. People could say under most of the amendments that are being proposed that they disapproved or approve of having their children take the bus ride. What they are saying by disapproval is they are opposed (in most cases) to children being in an integrated educational setting.

If we pass a constitutional amendment to prohibit busing of children, we could well be setting a precedent for other constitutional amendments that would allow owners of hotels, restaurants, etc., to decide who they should or should not serve based on the race of the customer. We will be turning back the clock very seriously and once again we will be opening up the possibility of inhumane

treatment being perpetrated on black people in America.

I think we should make it unalterably clear that busing is not the issue, but school integration is the issue and the opponents of bus rides are using the bus as a tactic to keep from carrying out a reasonable integration plan.

Even as I hear the governor of Florida talk about a referendum that eliminates busing, but supports quality education, on the surface these two positions are in direct opposition to each other. I also feel strongly that the President by setting the tenor of opposition to busing is de-watering the mandate of the 1954 Supreme Court decision and probably also unwittingly is setting a climate for people to defy the rulings of the Supreme Court. We are moving into a very, very dangerous period in terms of creating a wholesome climate for the continuing posture of interaction between blacks and whites. There are people within the black community who are interested in developing a constituency that would support the separation of the races who see no answer to the racial question in America other than a violent confrontation between the races. The President is again unwillingly adding fuel to that fire. By supporting these kinds of forces as he speaks to the issue of making the constitutional provision that the busing of school children to obtain integration is in fact unconstitutional.

It is for these reasons that I feel very strongly that these constitutional amendments must be defeated and that we must get on about the job of creating an integrated school system throughout our nation and also an integrated society and thus eliminate the impending threat that we will legally commit ourselves to the support of destructive forces that would create a system of violence in our nation.

I also hope that neither the Congress nor the President is using the threat of constitutional amendments as a tactic to force the

Supreme Court to back away from their efforts to mandate school integration.

It is not my intention to be a merchant of doom, but to look very closely at the facts, I believe that a segregated society in our nation must be seen by all of us as absolutely intolerable.

Very truly yours,

PAUL PARKS,  
Administrator.

#### SICKLE CELL ANEMIA—A DISEASE THAT CRIES FOR A CURE

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. BIAGGI. Mr. Speaker, sickle cell anemia is a hereditary disease which, due to lack of Federal research support, remains incurable. Found primarily among members of the black race, it results in the occurrence of an abnormal hemoglobin in the red blood cells. The victims suffer near unbearable pain, sometimes for years, before they finally die.

The most saddening fact about sickle cell anemia is that its primary victims are children. They enter clinics or doctors' offices suffering from anemia, pallor, weakness, poor physical development, jaundice, enlargement of certain organs, such as the heart, liver, and spleen, skin ulcers, and increased susceptibility to certain infections. Many are paralyzed or nearly blind.

Over the course of the past several years we have spent a great deal of money to conquer such hereditary diseases as cystic fibrosis or phenylketonuria. Practically no Federal funds, however, have been spent to find a cure for sickle cell anemia—the black man's disease.

Surely, we must continue to support medical research on all of the major diseases afflicting mankind. However, the effect upon the black community of this one disease is so sizable that a continued effort to find a cure must be made immediately. The anemic, or active form of the disease occurs in about 1 in 500 black births in the United States. The median age of survival is 20 years. Moreover, the extensive hospitalization required in the treatment of this disease forces the victim to miss school, work and the many other normal functions of their daily lives that contribute to growth and development.

Mr. Speaker, I have cosponsored legislation which would provide funds for research to find a cure for this horrible disease. The bill reported out by the Committee on Interstate and Foreign Commerce should be brought to the floor for final action as soon as possible. The \$75 million for screening and counseling programs and the \$30 million for research provided in the bill is desperately needed if we are to conquer this dreaded killer.

We must continue our struggle to rid the world of all diseases which afflict mankind. This cannot be accomplished, however, without the Federal research funds necessary to carry out this noble

objective. Diseases, like sickle cell anemia, are the scourge of the poor man's existence, and we cannot rest until each and every one of them has been eliminated from the face of the earth.

#### MRS. JAMES LYNCH IS IRISH MOTHER OF THE YEAR

### HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. JAMES V. STANTON. Mr. Speaker, in commemorating St. Patrick's Day, each year the Greater Cleveland United Irish Societies choose one of the outstanding Irish women of the area as Irish Mother of the Year. I would like to express my warmest congratulations to Mrs. James Lynch who will be honored as the Irish Mother of the Year in 1972 St. Patrick's Day Parade in Cleveland. In the words of her citation, Mrs. Lynch is "a woman whose life has reflected credit on the Irish nationality, and whose example has been a source of inspiration to the community."

In tribute to her achievements, I would like to insert the following article concerning Mrs. Lynch into the RECORD. The article follows:

[From the Plain Dealer (Ohio),  
Mar. 10, 1972]

#### IRISH PICK WIDOW OF IMMIGRANT

A native Cleveland, widow of an Irish immigrant, will be honored next Friday—St. Patrick's Day—as Cleveland's 1972 "Irish Mother of the Year."

She is Mrs. James J. Lynch, 2122 W. 105th Street, mother of four and grandmother of 17. Her husband, who died four days after cochairing the city's 1962 St. Patrick's Day Parade, had come to Cleveland from County Mayo, Ireland.

The former Beatrice Gallagher and Lynch were married in 1924. Together they played a key role in establishing the Greater Cleveland United Irish Societies in 1958.

A "James J. Lynch Memorial Trophy" now goes each year to the marching band voted "best" in the St. Patrick's Day Parade.

Mrs. Lynch, as "Irish Mother of the Year," will occupy the place of honor among the United Irish Societies in the 1 p.m. March 17 parade. Her selection came on the basis of her being "a woman whose life has reflected credit on the Irish nationality, and whose example has been a source of inspiration to the community."

Her husband was president of the Ancient Order of Hibernians at the time of his death. For 25 years she has been a leader of that group's ladies auxiliary. Five years ago Mrs. Lynch was Hibernian "Woman of the Year."

#### GIRL SCOUTS AT 60

### HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mrs. GRASSO. Mr. Speaker, Girl Scout Week is a significant event on our national calendar.

A source of stability and guidance for

girls from 7 to 17, the Girl Scout organization has grown from Juliette Low's small troop in 1912 to include some 3,250,000 girls and 670,000 adults.

The first Girl Scout troop in New England, and possibly the second in the Nation, was organized in Litchfield, a town in the Sixth District of Connecticut which I am privileged to represent. Mrs. Baillie Ripley met Juliette Low in the spring of 1912 and obtained a certificate to establish the troop. Since that time, Girl Scouting has become an international organization with programs that run the gamut from camping and conservation to work in the inner city.

My warm congratulations to Girl Scouts past and present on this splendid anniversary. Sixty years of service in so many important causes is a remarkable record indeed.

For the interest of my colleagues, editorials from the March 12 Hartford Courant and the March 12 Hartford Times follow:

[From the Hartford (Conn.) Courant,  
Mar. 12, 1972]

#### HAPPY BIRTHDAY TO 4 MILLION HELPERS

Although the average woman may be a bit reticent about her age, there are 4 million Girl Scouts who today are proud to admit this is their 60th birthday. And they have a right to that pride. Theirs is a heritage whose tapestry is made of the silver floss of self-improvement and the golden threads of service. Its weavers are dedicated leaders whose accumulated contribution of time is beyond numbering since Juliette Low invited 18 girls to tea in her Savannah home in 1912. During the ensuing years girls from seven to 17 have prepared themselves for the world they live in. And that preparation not only enhances their own lives but also fits each Scout with an expertise for a lifetime of helping others.

Indeed, volunteerism, which may well be one of modern day's most vital factors, is synonymous with Girl Scouting. Not mere recipients of a community agency's benefits, each girl, during her lifetime probably will return many times what she got. Patterns of service in hospitals and to the aging are already well-established, for instance.

And it is safe to say there is not a recycling program in the state which fails to include Girl Scouts among the workers. In education, the local council notes a worthy new project in Windsor last year where older Scouts acted as classroom aides during parent days releasing teachers for conferences. Proof of their success: They were asked to come back.

In Hartford plans are in progress to plant 500 trees on April 29, Arbor Day, as well as participate in Keep America Beautiful Day through a variety of clean-up and conservation projects.

But, then, doesn't everyone know about Girl Scouts' contributions to the well-being of all of us? That, indeed, is the real test of their good deeds—we take them for granted. But not this week. Happy 60th. And many happy returns, girls. You'd be hard to replace.

[From the Hartford (Conn.) Times, Mar. 12,  
1972]

#### GIRL SCOUTS AT 60

Sixty years ago, on March 12, 1912, Juliette Gordon Low organized the first Girl Scout troop in Savannah, Ga.

From that small beginning, the organization has grown to encompass 3,250,000 girls and 670,000 adults.

Serving girls from 7 to 17, the organization



has grown in the variety of its programs ranging from conservation and camping to assistance to migrant worker families and extension of its troops in the inner cities.

An example of Girl Scouting at its best exists in the Connecticut Valley Girl Scout Council, with home base in Hartford.

This council, established in 1921, serves approximately 14,000 girls and has some 2,000 adult members. It has four camps in East Hartland, Manchester, Kensington and Glastonbury and is developing a new one in Tolland, Mass.

In recent years, a continuing effort has been made to remake the image of a middle-class, middle-income organization. The effort has brought Girl Scouting to thousands of inner city children, to give them the benefits of year-long programs and summer camping.

In a nation in which older values are being questioned and challenged, Girl Scouting stands like a grove of ancient pines, bending and moving with the winds of change, rooted in a tradition of self reliance, learning of skills, and service to one's fellows.

#### RECYCLING CENTER IN DAYTON, OHIO, BIG SUCCESS

**HON. CHARLES W. WHALEN, JR.**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. WHALEN. Mr. Speaker, last year the Greater Dayton, Ohio, Jaycees provided the seed money to establish a recycling center in conjunction with Dayton's City Beautiful Council. With the cooperation of many local businesses, the center has become one of the most unique environmental action projects in the Nation through which teenage volunteers, staffing a once abandoned service station, have collected 2 percent, by weight, of the solid waste collected by Dayton's Division of Waste Collection.

The center opened on June 5, 1971, after local paper and scrap metal recycling firms offered to provide large open box containers for the collection of paper and metal and agreed to buy the recovered resources. In addition, a local beer distributor offered to donate transportation of glass to the nearest recycling plant 80 miles from Dayton. Other local businesses donated barrels, signs, paint, tools, trees, and a refrigerator for the center.

Between June 1971 and February of this year, 24,000 vehicles delivered to the center 590 tons of paper, 380 tons of glass, 200 tons of metal, and 30 tons of clothing. It is estimated that as a result, 10,000 trees, 300 tons of iron ore, and 200 tons of coke have been saved and one and a half million bottles have been recycled. Recently the center's services have been expanded to accept motor oil for recycling and unused pesticides and high phosphate detergents for controlled incineration.

Special projects have included the collection of more than 22,000 old telephone books during the month of February, and this month an effort is underway to obtain old bicycles and tricycles that will be repaired and repainted by patients of the Dayton Mental Health Center and given to underprivileged children.

Mr. Speaker, a number of other factors indicate further the success which the center has enjoyed.

First, the income realized by the center from the sale of recovered resources has enabled it to repay the seed money and to pay its operating expenses. The center's profits are divided between the high school student volunteers and the Jaycees' handicapped children's program. I should point out here that the center is open only on Tuesday and Thursday afternoons and all day Saturday.

Second, the center's success has led to the development of similar projects in four neighboring communities.

Third, a brochure entitled "Planning and Operating an Environmentally and Economically Successful Recycling Center," written as a result of the project, has been requested and mailed to more than 300 individuals and groups in 30 States.

On March 4, I had an opportunity to visit the center. All of the laudatory comments I have heard were confirmed. These young people truly are doing an outstanding job. They and their patrons, many of whom are forming carpools and taking turns delivering the neighborhood's recoverable resources, deserve our praise and support.

In closing, Mr. Speaker, I would like to list the names of the businesses and agencies which have contributed to the center's efforts:

Backyard Farmers & Ecology Garden Club.  
Becker Electric.  
Behm Glass.  
Bonbright Distributors.  
Borchers Ford.  
Clark Oil Company.  
Cotter Sign Company.  
Dayton's Bureau of Parks & Division of Waste Collection.  
Dayton Outdoor Advertising.  
Delco Moraine.  
Diem & Wing Paper Company.  
Flori Mill Supply Company.  
Franklin Iron and Metal.  
Fryman Display Company.  
Garden Club Federation of Dayton and Vicinity.  
GEL Electric.  
Industrial Waste Disposal.  
Loose Nursery.  
Marathon Oil Company.  
Martin Electric Company.  
Midwest Beer Distributors.  
Montgomery County Beer Distributors.  
Multimedia, Inc.  
Parking Management, Inc.  
Pepsi-Cola Bottling Company.  
Photo-Span, Inc.  
Quality Beer Distributors.  
Siebenthaler Nursery.  
Siegler Bottling Company.

#### NASHVILLE BANNER PRAISES HOUSE ACTION ON BUSING

**HON. JOE L. EVINS**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Banner in a recent editorial commented favorably on the recent ac-

tion of the House in standing fast on strong antibusing amendments to prohibit busing to achieve racial balance in the schools.

Because of the interest of my colleagues and the American people in this matter, I place the editorial in the Record herewith.

The editorial follows:

[From the Nashville Banner, Mar. 9, 1972]

ON BUSING ISSUE, HOUSE SAYS NO!

The U.S. House of Representatives demonstrated yesterday why it is called the legislative instrument closest to the people. By a 272-139 vote—virtually two to one—it instructed members on that House-Senate conference committee to stand fast behind the strongest anti-busing amendments yet introduced in Congress to block busing for achievement of racial balance in the schools.

Critics are weeping on the premise that this stand will paralyze or destroy the present Educational Finance Bill now before Congress. Apparently they regard that as untouchable.

The nation's concern at the grassroots level is that the busing devotees will destroy the school system—by inflicting outrageous hardships on the children, black and white alike, and by removing all local controls in favor of strings in the hands of a centralized bureaucracy.

Senators on the side of the people came within a hair's breadth of adding that corrective rider to the Education Bill in their own chamber. Unquestionably they will be spurred by the decision in the House—the net being progress on a two-fold approach, banning busing specifically by the written law, or by amendment of the Constitution.

Tennessee notes with gratitude that its House delegation yesterday was on the people's side. Eight Tennessee votes there were registered against busing and Rep. William Anderson, out of the city, was paired against it.

That conforms assuredly with the people's sentiment expressed more than inferentially by the state House of Representatives yesterday. It moved to put a busing referendum on the presidential primary ballot.

Hardly could there be any question on how the electorate will vote on that question.

It is one of those states, north, south, east and west, that have instructed—or would instruct—their representative law-makers to vote against this inordinately costly, cumbersome, totally unacceptable busing extravaganza.

The schools still belong to the people. As President Nixon has said, the controls belong there. Let Washington take due note of that, and act accordingly; the will and right of the people demanding it.

#### JAMES W. HOWE ANALYZES SPECIAL DRAWING RIGHTS SYSTEM IN OVERSEAS DEVELOPMENT COUNCIL STUDY

**HON. HENRY S. REUSS**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. REUSS. Mr. Speaker, the Overseas Development Council has just issued a highly informative examination of special drawing rights and of proposed changes in the system, authored by James W. Howe, a former longtime official of the U.S. foreign assistance program.

In the course of his paper, Mr. Howe

cites prospects for a more efficient world economy which could result from revising the present SDR distribution formula. The potential advantages include increased prospects for a U.S. trade surplus and increased pressures for fiscal responsibility by both developed and developing nations, he suggests.

The paper follows:

**DISTRIBUTING THE BENEFITS OF SPECIAL DRAWING RIGHTS AMONG NATIONS RICH AND POOR**

(By James W. Howe)

**SDR RESERVES**

Two years ago the International Monetary Fund (IMF) began creating something akin to international money in large amounts—over \$3 billion per year. It was called Special Drawing Rights (SDR's) and is often popularly referred to as "paper gold." SDR's may be used by governments as official reserves. As world trade expands and governments desire more reserves, it is expected that additional SDR's will be needed. The U.S. New Economic Policy of August 15, 1971, and the recent devaluation of the dollar may make the dollar less desirable as official reserves, and hence may cause the importance of SDR's in the world's monetary system to increase.

Since World War II, most reserves have consisted of gold and dollars. But gold supply is not increasing fast enough or at a reliable enough pace to meet the expanding need for reserves. Insofar as the supply of dollars is concerned, it can only expand if the U.S. runs a deficit, and issues dollar obligations to cover it. These obligations are used by others as reserves. For a time was acceptable but it has a number of drawbacks when done continually. Thus a new reserve was needed, such as SDR's, whose supply could be controlled by deliberate international decisions. Otherwise, nations were apt to create barriers to international trade, devalue their currency or follow internally deflationary policies in order to protect their inadequate reserves.

The basic decision to create SDR's was made by a group of the ten richest trading countries outside the Communist world, called the Group of Ten. Its decision was formalized by the International Monetary Fund which has 118 members and a weighted voting system in which the rich nations control 73% of the vote. That decision, ratified on July 28, 1969, was to create \$9.5 billion of SDR's over a three year period and thereafter to decide at suitable intervals how many additional SDR's to create. On January 1, 1972, allocation of SDR's under the first three year period was completed. Hence during the current year a new decision by the IMF is expected on the duration of the next basic period, the volume of SDR issuances and on any change that may be agreed in the formula for distributing them.

**SPECIAL RULES ON SDR'S**

Many of the rules governing the SDR agreement are designed to assure that members accept SDR's when they can afford to do so and do not try to get rid of them unless they genuinely need to. "Need" is, in the first instance, judged by each country for itself, but the rules generally adhered to are that a country may exchange its SDR's for a currency it desires only when it is running a persistent deficit in its balance of payments, or has problems with its reserves. Similarly, participation in the scheme requires those countries with balance of payments in surplus and which are designated by the IMF as being able to afford to do so, to accept SDR's and give up an acceptable convertible currency. The maximum amount of SDR's that "designated" participants may be required to accept is two times their original SDR allocation.

**DISTRIBUTION OF SDR'S**

SDR's are distributed free of charge to those members of the IMF which elect to participate in the SDR scheme. The distribution is in accordance with the members' "quota" in the IMF. Roughly, this means in accordance with the amount of money such countries originally put up back in 1945 (or under subsequent amendments) to get the IMF started. Thus the members which set up the IMF and subscribed the largest quotas tend to get most SDR's. The 25 so-called "developed countries" receive nearly 73% of the total, the same percentage as their votes in the IMF. The 86 less developed countries (LDC's) that participate in the SDR scheme get the remainder (27%). Seven IMF members do not participate in the SDR scheme. Nonmembers get no SDR's. With the exception of Yugoslavia, no Communists have joined the IMF.

The reason the SDR system was created was to put liquidity where it is needed in order to encourage countries to reduce trade barriers and to follow wise economic policies in order that there might be a more efficient world economy.

A number of monetary experts have criticized the present distribution formula because it provides no incentive for recipients to follow sound internal economic policies and to reduce barriers to international trade. LDC's criticize the system because it does not sufficiently support their development. There are a number of proposals for revising the distribution formula to achieve these objectives and to give more of the benefits of the SDR scheme to the LDC's. Some would give SDR's directly to LDC's, or to the international banks which would lend to them thus making developed countries earn SDR's by exporting. Others would make the developed countries pay for the SDR's with, for example, their own currency, and give or lend those currencies to the LDC's through the international development banks. Some would require the developed countries to "voluntarily" give some of their SDR's or the equivalent in national currency to the international development banks.

In addition to these proposals applying to the annual creations of SDR's, a proposal has been made recently that there be a special issuance of SDR's which would be exchanged for some of the excessive balances of dollars and sterling being held as official reserves by certain countries. Estimates of the size of the "overhang" of unwanted reserve currencies range between \$15 and \$30 billion. The SDR's issued by the IMF currently pay 1½% interest (on amounts held over and above the original allocation) whereas dollar and sterling obligations pay a much higher rate. The difference in interest between what the IMF would receive from the U.S. and the U.K. and the interest the IMF would have to pay to the holders of the special issue of SDR's could be devoted to development.

Most of the rich countries originally opposed the idea of distributing to LDC's more of the benefits of annual SDR creations. They have raised a number of objections which are discussed in the paragraphs that follow.

**WOULD GREATER DISTRIBUTION OF THE BENEFITS TO LDC'S IMPAIR THE SDR SYSTEM?**

The developed countries were convinced that directing more of the benefits of annual SDR creations to development would impair or possibly destroy the SDR system. It would be hard enough, they reasoned, to get participants to accept these untied instruments and retain them as part of their official reserves. If recipients had to pay for them with their own resources, they might simply be unwilling to participate. Thus, the first thing any proponent of a redistribution formula has to prove is that such a formula

will not make members unwilling to accept and hold SDR's. This in turn depends upon whether members consider SDR's to be a valuable reserve asset. If they do, they will presumably be willing to pay resources to get them. If not, they would not be willing and hence adopting one of the redistribution formulas (which would require the rich countries to pay resources to get SDR's) would effectively impair the operation of the SDR system.

The acid test is whether countries want SDR's enough to spend their own currency (and therefore their own goods and services) to get them. Only two years have elapsed, so any conclusions must be tentative. But there is growing evidence that rich countries do consider SDR's to be a real reserve asset, if not as good as gold, then at least good enough to justify holding a substantial amount of them in their reserves. Several countries, when given a choice by the IMF of receiving gold or SDR's (on a special transaction not related to SDR allocations) have chosen SDR's. And the IMF in its most recent Annual Report (page 38) has set down its own summary conclusion of experience to date:

"During the period of January 1, 1970 to June 30, 1971, special drawing rights have become established as usable and acceptable reserve assets in transactions among participants and in transactions and operations between participants and the General Account; participants have been willing to hold and acquire them and have been able to use them readily to obtain needed foreign exchange."

Since that time the decision to devalue the dollar in December has probably enhanced the value of SDR's in the minds of some national monetary authorities. If this preliminary evidence of the acceptability of SDR's is reliable, this means that adopting one of the redistribution formulas would not destroy the SDR system.

**COULD FUNDING UNWANTED RESERVE CURRENCIES BE DONE IN A WAY THAT WOULD DISTRIBUTE SOME OF THE BENEFITS OF THE TRANSACTION TO DEVELOPMENT?**

In order to rid the international monetary system of the destabilizing effects of the large balances of dollars and sterling, proposals have been discussed under which a portion of such balances would be obtained by the IMF in exchange for a special issuance of SDR's. These proposals would devote to development the difference between the relatively high interest rate the IMF receives on the reserve currency obligations and the 1½% paid on SDR's. One problem is that the holders of the reserve currencies might object to losing this interest rate differential even though they gained an asset with an exchange rate guarantee. Thus, it might be necessary to pay more than 1½% on the special issuance of SDR's, and the differential available for development would be correspondingly smaller. Moreover, if reserve currency countries were required to maintain the gold value of IMF holdings of such currencies, they might ask for a reduction in interest rates paid thereon. Conceivably the combined effect of these two positions might kill any interest rate differential available for development.

In addition to (or as an alternative to) the interest rate differential, there might be an agreement between the IMF and the reserve currency countries under which the IMF holdings of excess dollars and sterling would be amortized by the U.S. and the U.K., for example under a flexible schedule which required payments in times of balance of payments surplus but not in times of deficit. The assets received by the IMF as these reserve currency obligations were retired could be devoted to development.



WOULD A REDISTRIBUTION FORMULA ASSOCIATED WITH ANNUAL SDR ALLOCATIONS PUT PRESURE ON THE IMF TO CREATE MORE LIQUIDITY THAN THE WORLD NEEDS FOR TRADING PURPOSES?

Some observers have objected to a formula which gives more of the benefits of annual SDR creations to the LDC's on the grounds that the latter will press for a larger volume of SDR creations than is necessary to meet the world's need for liquidity because a large volume of SDR's would give more resources to the LDC's. Two factors would discourage this from happening.

First, LDC's have only a minority vote in the actual decision-making. Their vote amounts to 23% and it takes a majority of 85% to make the decision to create SDR's. Thus, LDC's could not force through a plan to create SDR's excessively. On the other hand, they could veto an SDR scheme if they thought it was creating too few SDR's. Since that would give them zero resources it is unlikely they would do so, but it is a possibility.

Second, as a condition of accepting the redistribution formula, the rich countries could insist that the IMF adopt an unequivocal statement of principle that volume of SDR issuances is to be governed *only* by considerations of need for liquidity and explicitly not by need for development resources. Thereafter, any pressure by LDC's to create additional SDR's to meet development needs would be weakened by the fact that it would be out of order under the IMF's statement of principle.

Another possibility exactly the opposite of the one discussed above is that the LDC's might strike a deal with Europe in which Europe, which currently wants fewer SDR's than the U.S., would support an SDR distribution formula favorable to the LDC's in return for LDC support for fewer SDR's. Mathematically such a deal could work out to yield more resources for the LDC's than the present system. This might hurt the U.S. which has welcomed a large volume of SDR's. But of course, no such deal could go through without the concurrence of the U.S. which has enough votes to cast a veto.

The above discussion points up a danger perhaps equal to the danger that LDC's will seek to force excessive creations. This danger is that powerful developed countries which expect a deficit in their balance of payments, may press for larger creations. The U.S., with 23% of the vote, the largest "user" to date of SDR's and with a prospect of continued deficit can veto any SDR scheme it considers inadequate. Moreover, it not only has votes, it has great economic and political power. Commentators on the various redistribution formulas have often taken it for granted the LDC's would press irresponsibly for large creations to serve their needs whereas the rich countries would always be responsibly conservative. Such may not be the case at all.

Let us consider the voting lineup in the hypothetical case where 100% of the SDR's annually created was allocated to the World Bank to convert to convertible currencies to be used for development. All of the LDC's would be in favor of a large volume of SDR's. But since no developed country could receive any windfall (as a number of them do at present) all of them would be more likely to favor the volume they objectively believed to be required by world liquidity needs. Under the present system, any country which expected a deficit might vote for excessive creations. Instead of only 27% of the vote (the LDC share) being in favor of excessive creations, it is not hard to imagine situations where a much larger percentage would so vote (e.g., U.S., U.K., and the LDC's together total over half the vote).

This discussion of just a few of the possible interplays of interest illustrates that it

is by no means certain what effect, if any, adoption of a redistribution formula might have on volume of SDR's.

WOULD ALLOCATING MORE SDR'S—OR THEIR EQUIVALENT IN NATIONAL CURRENCIES—TO POOR COUNTRIES BE INFLATIONARY?

Would it create more demand for goods from the developed countries than the present allocation formula? In all probability it would. Indeed, since one major purpose of the redistribution formulas is to move resources from the rich to the poor, total world demand should go up unless offset by a decrease in demand in the rich countries. Such a decrease might occur, for example, as a result of tax increases in the rich countries to raise the revenue to pay for the SDR's.

But let us assume worldwide demand would rise. Would this cause inflation? It would not, if the demand were directed to countries having unused productive capacity, such as the U.S. currently has. But to some extent demand would be directed to countries whose factories, farms and labor force were already fully employed. This would have an inflationary effect on such countries.

Some observers have suggested the way to deal with the problem is to tie (or partially tie) funds generated by the redistribution formula. Then these funds could only be used for procurement in the country that put up such funds to pay for the SDR's, (or under alternate versions of the formula, the country that put up a share of its SDR's). Because of the tying, the inflationary pressure would not concentrate in the full-employment countries. The flaw in the tying suggestion is that the full-employment countries probably would not permit it. For the most part they are not as worried about inflationary pressure as they are about losing potential business to the U.S. and other economies. This in itself is a sign the inflation argument does not currently reflect real political forces in the rich countries.

The inflation argument would be valid only if the world as a whole were experiencing full employment. So long as there is substantial unemployment among the exporting countries, the inflation argument is not very powerful. And even if the whole industrialized world were enjoying full employment, that might be an argument for limiting the creation of SDR's, but not for creating them and then allocating them predominantly to the rich countries.

To argue this way is to say that the rich countries cannot spare resources for the poor. In fact, that is what the whole inflation argument comes down to: can the rich spare resources for the poor? Most of the arguments I have seen against the redistribution formulas are prefaced with declarations of support for more aid for development. Some of these commentators explicitly endorse the idea that the rich should supply one percent of their GNP in aid. Having taken this stand, it is therefore inconsistent for such observers to use the inflation argument against redistribution since (with some variations) the inflation argument is as applicable to an increase in aid appropriations (of comparable size) as it is to development funds generated by a redistribution formula.

Finally, a look at the figures suggests the inflationary impact may be quantitatively insignificant. Let us assume that SDR's were created at an annual average of \$5 billion per year, a \$2 billion increase over present levels; that 100% of the SDR's or their equivalent in currencies were given to the LDC's and that the LDC's were twice as prone to use them as the rich. (Some of these assumptions are deliberately exaggerated.) The extra inflationary impact on the world of such a redistribution system would be \$2.5 billion compared with a system which gave 100% of the SDR's to the developed countries. The total annual demand in developed countries at present is \$1,866 billion (in 1969) exclud-

ing Communist countries. So, assuming that all of the increased demand wound up in the developed countries of the free world, the inflationary impact on them would be a little over one-tenth of one percent. If full-employment countries "suffered" twice as much impact (got twice as much of the additional business) as the average participating country, the pressure on them still would be well under three-tenths of one percent. This suggests the inflation threat may have been exaggerated.

WOULD FUNDS GENERATED BY A REDISTRIBUTION FORMULA MERELY SUBSTITUTE FOR AID FUNDS?

One of the most frequently cited redistribution formulas would allocate SDR's or funds generated by SDR's to the international development banks for lending to the less developed countries. This has stimulated the objection that whatever resources may be transferred to the three international development banks by such a formula may not be additive. Donor countries may simply reduce the funds they would otherwise have made available to the banks through appropriations, by a like amount.

How much appropriated money do the banks receive now? The three banks which receive appropriations are (1) the International Development Association (IDA) which is the soft loan window of the World Bank, (2) the Inter-American Development Bank (IDB) and (3) the Asian Development Bank (ADB). A fourth bank, the African Development Bank, has not yet gotten sufficiently under way to receive major contributions from the donor countries. The donors now have agreed to finance IDA at a rate of \$800 million per year. In the case of the soft loan window of the IDB, the U.S. (the only developed country contributor) has sought an authorization from Congress of about \$350 million per year. There is no basis yet for calculating an annual rate for the soft loan window of the ADB. The original contributions in hand or being sought for ADB come to \$300 million from all countries. For awhile the ADB rate of use will be small.

Thus, the soft loan windows of these three banks together are scheduled to receive about \$1.2 billion in annual contributions of appropriations from donor countries. This would be an expansion over recent levels of actual use which have been about \$1.0 billion per year. If the current rate of \$3 billion of SDR's were created and if 50% of the SDR's or funds generated by SDR's were provided to the banks the annual amount would be \$1.5 billion, a modest increase over the present rate of use. It might be some time before the banks could use more than \$1.5 billion. Meanwhile therefore, it is reasonable to suppose the annual replenishments of the banks with donor country appropriated funds might be discontinued or reduced. This is even more likely to be true if in addition to the above funds, banks are the beneficiaries of funds generated by funding the excess of holdings of dollars and sterling official reserves. Yet even if annual appropriations were entirely discontinued, three important gains would have been achieved by adopting a redistribution formula:

First, obtaining funds through such a formula involves no budgetary burden for donor countries. Thus it is much less painful than annual foreign aid appropriations. Second, adopting the redistribution formula eliminates what appears to the LDC's to be a clear case of unfairness built into the international monetary system, thus alleviating a needless irritant. Third, at least judged from the numbers above (which I believe are conservative) adopting one of the formulas would permit an expansion in the soft loan activities of the international financial institutions. If one of the formulas were also applied to funding the dollar and sterling

"overhang" an even greater expansion could occur.

However, it is not necessarily the case that resources generated by such formulas would be programmed through the banks. Proposals abound for using such resources to help development, other than through the lending programs of the banks. For example, one proposal would use such funds to help LDC's raise money by placing their bonds in the expensive private bond markets of the developed countries. Funds resulting from redistribution formulas could be used to pay part of the interest charges on such bonds. Another proposal would use such funds to subsidize trade among the less developed countries. There are other proposals. Hence it does not automatically follow that adoption of a redistribution formula would even temporarily relieve donor countries of the burden of appropriating funds for the banks.

Some observers argue that adopting such a formula would cause Congress to cut appropriations not only for the banks but also for bilateral development aid as well. No doubt some opponents of aid would use this as a reason to argue for such cuts. But depending on the way funds generated by a redistribution formula are used, such a formula could weaken rather than strengthen their case. For example, if the formula reduced the budgetary burden of aid by removing the banks' appropriations from the budget, that might enable supporters of aid to more easily win approval for the remaining bilateral development aid package since the total volume of appropriations for development would be smaller. On the other hand, if funds generated by such a formula were so used that there was no reduction in appropriations requested for the banks, the existence of the formula might be used by aid opponents to achieve some cuts in bilateral appropriations.

But even if the worst befell and the cuts in bilateral and multilateral appropriations completely offset the flows of benefits from SDR creations, there would still be the first two gains cited above plus one other applicable to bilateral aid. Funds generated by the formula would be of higher quality than bilateral aid funds because they would be untied, more concessional and would not be subject to the many legislative and administrative restrictions that have reduced the flexibility and utility of bilateral aid funds.

And there is the additional factor that—in the case of the U.S.—aid appropriations for development seem to be in profound trouble, condemned in the view of many seasoned observers, to continuing stagnation. For example, the recent aid bill approved by Congress makes clear the sense of Congress that bilateral development loans should drop to \$100 million by 1975. Thus the question may not be "will SDR-generated funds cause appropriations to decline?" but rather, "since appropriations are declining anyway, will SDR's help to meet the need?"

#### WOULD THERE BE HARMFUL FLUCTUATIONS IN THE FUNDS SUPPLIED BY A REDISTRIBUTION FORMULA?

Related to the above, some have objected that during periods when fewer additional SDR's were needed for liquidity the international financial institutions dependent on the SDR creations would suffer. The argument is that once having discontinued appropriations it would be hard to start them again. In the U.S. the reverse may be the case. If we had gone without appropriations for international banks (or managed with reduced appropriations) for a period of years, and if there were a prospect that the need to reactivate appropriations was a one-time need, caused by the failure of the SDR system to generate funds, it might be much easier to get appropriations than if annual appropriations were a regular occurrence. In the case of foreign aid, seeking Congressional appropriations annually, instead of building tolerance for appropriations, seems to have

built cumulatively greater resistance. A system which relied on SDR's, using appropriations only intermittently when it was not necessary to create SDR's, might work much better. Compared with the grim prospects for appropriations—at least in the U.S.—the argument that SDR-generated funds might fluctuate is not very strong. In addition, if annual SDR-generated funds were supplemented by funds from funding the overhang of dollars and sterling the latter would help to cushion any shock resulting from the interruptions in the former.

On the other hand, some observers suggest a future decline in need for liquidity might not be temporary. For example, if the monetary reforms now being negotiated are so successful that necessary adjustments in trade can be made quickly and smoothly through exchange rate realignments, it is possible that, in time, countries may want to accumulate fewer reserves. Future SDR annual creations might drop in volume to a fraction of the current rate and even run at negative levels for short periods. At present, that does not appear likely since the hoarding urge seems to be part of the genetic fiber of Man. But no one can be sure it will not happen. Hence caution is necessary. At this stage it would be premature to count on being able to discontinue appropriations for international banks permanently.

#### ARE THE REDISTRIBUTION FORMULAS AN EVASION OF PARLIAMENTARY CONTROL OVER "AID"?

Another objection sometimes heard to the redistribution formulas is that any flows which help development ought to go through parliaments and be subject to appropriations. Otherwise parliaments lose control over "aid." The 27% of SDR's now allocated to poor countries is not thought of as "aid." Nor is the 73% which goes to the developed countries considered "aid" in spite of the fact that two such countries, the U.S. and U.K. have used more SDR's (exchanged them for foreign currencies) than all of the LDC's taken together. Yet any proposal for increasing the share of the benefits going to LDC's is almost always referred to as "aid" by proponents as well as opponents. Why should this be the case?

The most likely reason is that people regard the present 73% as "belonging" to the developed countries. Anything that belongs to us which we give up to others is "aid." In fact, however, tying the allocation of SDR's to the quotas of participants in the Fund is only one of many possible formulas and by no means uncontroversially superior to others, either from the point of view of efficiency in achieving the monetary and trading purposes of the SDR system or from the point of view of achieving collateral world objectives such as development, (one of the stated purposes of the IMF) or from the point of view of inherent fairness. Thus it does not follow that 73% of the benefits are immutably "ours," and that any sharing of them constitutes "aid."

Therefore, throughout this paper I have avoided using the commonly accepted term "link" which refers to any formula for linking SDR creation to increased "aid" to development. I have avoided the term because it accepts the idea that any increase to LDC's in the benefits of SDR creation is "aid." Thus, instead of "link" I have used the term "redistribution formula" since it seems to me to be more objective and to avoid raising false issues such as the loss of parliamentary control over "aid."

It is true, however, that if such a formula kills the need for regular parliamentary appropriations for the banks, then parliaments will have lost the right to review and debate those sums of money. But parliaments have not in fact been able to use the appropriations process to exercise control over the international banks, so the redistribution for-

mula does not involve a loss of parliamentary control. In the nature of things it would be difficult and destructive if any one parliament attempted to exercise control over the banks since there are many countries which make financial contributions. The redistribution formulas make no change in this basic fact.

#### REVIEW OF OBJECTIONS SUMMARIZED

Thus, summarizing my review of objections to the various formulas for redistribution, it appears that many if not all of the alleged disadvantages are exaggerated. The formulas would not kill the SDR system. There is no evidence they would cause excessive creations of SDR's. It is quite unlikely they would cause inflation. They would not reduce parliamentary control over "aid." Compared with appropriations they would not make less stable the flow of funds for development.

#### POSSIBLE ADVANTAGES OF REVISING THE SDR DISTRIBUTION FORMULA

On the affirmative side, revision of the formula has certain possible advantages which are enumerated below:

More efficient world economy—These proposals to require recipients to earn SDR's rather than receive them free of charge and to distribute more of the SDR's or their equivalent in national currencies to LDC's through the international development banks (under most proposals) would benefit the world's economy in three ways.

First, they would have a beneficial effect on the policies of the developed countries. They would continue an ancient and proven practice that international reserves must be earned. Throughout the history of Man the trader, international reserve assets have always been earned, never given away. Two years ago that tradition was interrupted with the decision to give SDR's free of charge, mostly to the rich countries. The redistribution formulas would, in whole or in part, restore the old tradition broken by the present SDR system. Developed countries at least (and under some proposed formulas LDC's as well) who want more reserves would have to earn them by exporting their own goods and services to LDC's. Requiring recipients to earn SDR's will benefit their policies (a) by encouraging them to devalue when needed in order to get their share of sales to LDC's, thereby earning SDR's; (b) by encouraging them to limit domestic inflation for the same reason; and (c) by denying them free SDR's, thereby encouraging them to resort to the General Account of the IMF when in need which in turn subjects them to the salutary discipline of the IMF's review procedures. The result should be economically much healthier than the present system which allocates benefits according to a rigid historical formula under which there is no effort to reward good policies and penalize bad ones. Indeed, countries with balance of payments deficits get the benefits of using their SDR's and those with surpluses are denied such benefits—a most inefficient world system of incentives. Moreover, there is no recognition that economic needs and relationships of the trading nations change over time. It is a nearly static system.

Second, they would have a favorable impact on the policies of the LDC's. (a) Placing more liquidity at the disposal of the LDC's helps finance the surplus which the developed countries desire to export to them. Developed countries in general do not want to balance their external account. They want to run a surplus if possible and in any event to avoid a deficit. But for every surplus there must be a deficit.

Therefore, it is obviously impossible for them to simultaneously achieve this goal except as LDC's are willing to run and able to finance a deficit. LDC's are normally willing to run a deficit but not able to finance it. Revising the SDR distribution scheme would



help them finance the deficit. In those developed countries with painful unemployment, these extra exports are politically important even though they may be quantitatively marginal.

(b) Countries resort to trade barriers in part because they have limited reserves they wish to protect. LDC's in general have less adequate reserves than developed countries because of disadvantages in the structure of international trade and in the structure of their own economies. Hence, they are in general under greater pressure to take extraordinary measures to protect their reserves. Placing SDR's where they are most needed—with the LDC's—will therefore in general be more effective in preventing additional trade barriers than placing them where they are relatively less needed—with developed countries.

(c) Because, under most proposals, SDR's or their equivalent in national currencies would not be given directly to LDC's, but rather would be programmed through the international development banks and because the latter normally review the economic policies of borrowers and require them to achieve certain performance criteria, the discipline of that international review would apply to the distribution of SDR-created liquidity. Thus instead of SDR distribution weakening the discipline of international review as it does at present by relieving recipients of the need to make use of the General Account of the Fund, it would strengthen that discipline by programming the distribution of such liquidity to LDC's through the international banks.

Third, the revised distribution formula would improve the efficiency and reduce the costs of the international adjustment process. The international adjustment process goes on all the time. When Japan produces lower cost TV's, the U.S. stops producing them and shifts into other—usually higher technology (and therefore higher paying)—lines of activity. If this adjustment is made quickly with not much unemployment during the transition, the world's adjustment costs are low and the world's economy is more efficient as a result.

However, LDC's, having less sophisticated economies, cannot make such efficient adjustments. When they lose a line of exports (or when a line of production for domestic consumption is threatened) they often cannot switch into another line. The people and facilities thrown out of work simply remain unemployed. Rigid protective devices are erected to protect domestic markets. The world's costs of adjustment are high, its economy little more—or in some cases—even less efficient.

By allocating SDR's to those who bear these high costs of adjustment, the world provides resources which, when invested, will reduce the adjustment costs by providing alternative employment to those thrown out of work.

More Development—In addition to improving the world's economy in the three ways discussed above, the proposed revisions in the distribution system would help promote development. They would probably add to the quantity and quality of resources available for loans for international development, an important world objective.

They would help development without any balance of payments or budgetary costs to the donor country. The only "cost" is a resource outflow. In other words, the so-called "cost" is an increase in exports from the rich countries which are paid for just like any other export. Far from being a cost, this is, of course, something actually considered beneficial by most countries, particularly those with unemployment. They will solve a growing problem particularly acute for the U.S.: how to meet our quota in the internationally agreed formulas for supporting international development banks.

Correct an injustice—They will correct what appears to LDC's to be the ranking injustice of giving  $\frac{3}{4}$ ths of the windfall to the developed countries.

#### CONCLUSIONS

The first conclusion of this paper is that the disadvantages of revising the SDR distribution formula are not as great as they have often been portrayed. The ones which may prove to have some substance are that aid appropriations will be cut to offset the SDR flows and that those flows may one day decline as need for reserves declines making it necessary to reactivate appropriations. Only the future can tell. The second conclusion is that there are several possible advantages of revising the SDR distribution formula to give more benefits to LDC's. Not all of these advantages are proven. But they are worth further exploration. The third conclusion is that the issues are so many and so tangled and the negotiating forums so pressed with other major problems that a great deal of debate will be essential before these issues are seen in proper perspective. Thus scholars, interested businessmen and policy-makers would do well to promote dispassionate discussion of the topic. Such is the purpose of this paper.

(NOTE.—James W. Howe, ODC's first Visiting Development Fellow, was with the U.S. foreign assistance program from 1955 to 1971. Mr. Howe was Director of the U.S.A.I.D. Mission to the East Africa Community; Director of the Program Office of the Latin American Bureau of A.I.D.; Deputy Director of the U.S.A.I.D. Mission to Brazil; and Director of the Program Office of the A.I.D. Mission to Vietnam. From 1966 to 1969 he was a member of the Department of State's Policy Planning Council, concerned with the less developed countries.)

#### DESTINY OF MANKIND LIES IN THE SEA

#### HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. KEITH. Mr. Speaker, yesterday, I called the attention of the House to the 8-page special section on the oceans which was published March 8, by the Boston Herald Traveler.

As I noted, then, this excellent bit of public service writing, by the veteran Herald Traveler staff writer, James Mahony, deserves the widest possible circulation and readership—certainly within the Congress.

For that reason, beginning yesterday, I am inserting into the RECORD, each day, for the next several days, sections of that incisive report which makes so clear that, as Mr. Mahony has put it: "The destiny of mankind lies in the sea."

Today's insertion includes the following subjects: The vast amount of gold in the oceans, the slaughter of fish by powerplants, the disastrous effects of the international "fishing war," and the problems that flow from "overfishing."

The insert follows:

#### THERE'S GOLD IN THEM THAR OCEANS

Can you imagine anything like eight billion tons of gold?

According to some estimates that is the amount of gold in the oceans. But the seas

are so vast, it isn't worthwhile in the present state of technology to try to recover any of it.

The sea does yield some of its mineral hordes now—all of the magnesium and 80 per cent of the bromine used in the United States. For the most part, however, the treasures of the sea are spread through 1,000,000,000,000,000 tons of water and are likely to stay there for a long time.

Some day though, the secret of using the vast resources may be found in the study of such things as seaweed, the lobster and sea cucumbers.

Iodine, for instance, can barely be detected by chemists in the sea water. Yet seaweed extracts it efficiently. Lobsters extract cobalt and the sea cucumber picks up vanadium.

How they do it, nobody knows. And so far, with few exceptions, man isn't able to handle the huge quantities of water that must be processed to get at the minerals in the sea.

From tests and studies, researchers have come up with an estimate that a cubic mile of sea water, if boiled away, would yield 120 million tons of salt, and a mixture of other minerals that would include 25 tons of gold and 45 tons of silver.

The big question posed by that cubic mile is how you handle four billion tons of water and make it yield what you want?

Aside from evaporation to get salt, the first large scale effort to extract a commercial product from ocean water was made by the Dow Chemical Co. in 1933 when it built a plant to recover bromine.

The demand for bromine had grown with the development of anti-knock gasolines and modern photographic materials and there just wasn't enough on land. The sea, however, has 750,000 tons of bromine to that mythical cubic mile and it was relatively easy to extract.

The Dow system was to take bromine out of the water by bubbling chlorine through it. The two aren't compatible and when chlorine is introduced, the bromine breaks away from its compounds and is collected.

Dow introduced a similar method for obtaining magnesium which appears in sea water as a chloride. The sea water is mixed with lime in holding tanks. The calcium of the lime replaces the magnesium which settles to the bottom and is filtered off.

The chemical process works for bromine and magnesium because there are large amounts in sea water, there is a demand for them and the chemical extraction process is relatively simple.

Still, enormous quantities of sea water are required and for the scarcer elements, the amount needed would be so huge that present financial and technical limitations make it an impossibility.

But the ocean does provide another source of minerals—manganese, cobalt, nickel and copper found on the sea floor in lumps called "nodules."

The nodules, of course, have the disadvantage of being a couple of thousand feet down and hard to reach. Mineral engineers have put their content as high as 200 billion tons.

The nodules apparently are formed around manganese which can be carried to the sea by rivers, thrown up with volcanic debris or leached out of rocks.

It apparently reacts with oxygen in the water and precipitates out as manganese dioxide, carrying bits of cobalt, nickel and copper along with it.

For some reason the manganese seems to collect around small objects—a shark's tooth, a whale bone or a lump of clay which form the center around which the nodule has grown.

Nodules first were discovered by the famous British Challenger expedition in 1875 and, though they grow slowly, the metal accumulated over millions of years has carpeted the ocean floors with a fortune.

Except in areas of high coastal concentration, the nodules will remain untouched

until simple, more economical underwater mining techniques are developed or until the need for the metal becomes critical.

#### POWERPLANTS SLAUGHTER FISH

The California Fish and Game Dept. says that between four and 25 tons of fish are killed each month in the generator systems of southern California electric power plants.

Pipes suck in millions of gallons of seawater to cool the condensers, the department said, and with the water come fish, plankton and sometimes mammals. Few return to the sea alive, according to officials.

They said the fish are destroyed in grinders and discharged back into the sea.

The electric company said it is conducting research to develop fish pumps and nets that would prevent the fish from being sucked up by the intake pipes.

"Power plants are always going to kill fish, but from a public relations standpoint, no plant any longer can continue to take in large numbers," said a plant consultant.

#### FISHING NATIONS WAGE WAR—SOUTH AMERICA, ALASKA, NEW ENGLAND KEY AREAS

The "tuna boat war" has been renewed off the west coast of South America, Soviet fishing vessels have been seized off Alaska and New England fishermen face a crisis.

Although apparently unrelated, each problem has its basis in the use of the ocean and who controls them.

"If we don't get an international government for the oceans by 1976 or 1977 at the latest, it will be too late," says Dr. Arvid Pardo of Malta, United Nations minister for ocean affairs.

"The old law of the sea has broken down," he said. "Each country is establishing unilaterally how it will rule the oceans. If this continues, the seas and oceans will become one added factor in international tensions, rather than a factor for peace. The effect will be chaos."

Pardo sponsored a U.N. plan for a treaty covering control of the seabed and ocean floor and last year expanded the idea to include all ocean space.

The idea for international control and management of all ocean territory has been discussed at unofficial levels at annual Pacem in Maribus (peace in the oceans) conferences and will come up at the U.N. Law of the Sea conference to be held in Geneva next year.

Mrs. Elizabeth Mann Borgese, senior fellow at the Center for the Study of Democratic Institutions in Santa Barbara, Calif., is chairman of the Pacem in Maribus conferences and believes they have an advantage over government negotiations.

"In an official gathering it is difficult to form new ideas," she said. "But we can think a few years ahead, which we have been doing and will continue to do until an international government is set up."

She said it would take a grouping of ocean communities to end such things as pollution in the Mediterranean.

"The only way to stop it is to have all nations work together," she said.

Even if an international ocean government is not formed immediately, the U.N. Geneva conference undoubtedly will have to act on such things as a nation's offshore limits.

In South America, Ecuador, Chile and Peru claim jurisdiction over a zone extending 200 miles from shore. American fishermen from California have been seized, fined and even fired upon if caught fishing within 200 miles of shore without a \$10,000 license.

The dispute heats up every time the tuna begin to run and no immediate solution is in sight. The U.S. apparently is hoping the South American nations might compromise at the Geneva conference on a 12 mile limit in conjunction with a 188-mile "patrimonial sea."

The "patrimonial sea" would be an area where the ocean resources are regulated—but not as tightly controlled—by the coastal state.

The United States has a 12 mile fishery zone, but this January seized two Russian ships on charges of violating that limit which, in New England, is not considered enough.

Massachusetts wants to extend the 12-mile limit at least temporarily because foreign fishing has cut so heavily into the fish population on the Georges Banks which lie 50 to 100 miles off Nantucket.

Already, the decline of haddock stocks, once the mainstay of the Massachusetts fishing industry, have been declared a resource disaster by the U.S. government.

Herring and yellow tail flounder are on the verge of commercial extinction and other species such as cod, mackerel and lobsters are threatened.

In the early 1960's Russian ships, as well as those of other Communist bloc nations and European countries, moved onto the banks in ever increasing numbers.

A report on fish catches showed that from 1952 through 1960, the U.S. catch from New England waters averaged more than 700 million pounds—99 per cent of the total.

By 1969 the U.S. catch declined to about 418 million pounds, 25 per cent of the total harvest, while the Soviet catch in that year was 836 million pounds, or half the total.

To protect Massachusetts fisheries would require the same type limits the United States is protesting in South America.

#### BETTER MANAGEMENT OF SEA A MUST—OVER-FISHING DEPLETES MAJOR SUPPLY AREAS

One of the major efforts in oceanography is to learn to exploit the sea more efficiently as a source of food.

This means learning more about fish—learning their ecological relationships, their life cycles, their migration routes; developing better fishing techniques, new fish products and new markets.

While the annual fish crop is estimated at a billion tons, only about 30 million tons are taken from the sea each year. Yet the major fishing areas are being depleted by over-fishing.

The reason for a shortage in the midst of abundance is, of course, economic. Fishermen go where they can get the greatest amount of fish in the shortest possible time—as cheaply as possible.

As a result the North Sea and the North Atlantic fishing banks have almost been fished to death, while most of the ocean goes untouched.

More than 90 percent of all fish taken from the sea are caught in the northern hemisphere, close to the major markets.

United States or European fishing south of the equator would require more efficient refrigeration equipment or the construction of southern canning plants.

The fishing industry probably will extend southward, and may have to, as the problem of finding food gets more difficult with the expanding world population.

Already the industry has changed from its "bow and arrow" approach to hunting fish and is using all sorts of technological devices, mainly the echo-sounder which locates schools of fish and indicates the best areas to cast out nets.

The Russians used a vacuum method, lowering a pipe into the sea and pumping up fish into the hold.

This method is effective now only for small fish in tight schools, but efforts are being made to make it useful anywhere. The problem is to get the fish close to the pipe and that has been done experimentally by sound, light and electricity.

Fish make and hear a wide variety of noises. They also respond to vibrations. If

studies show what the fish respond to and answer best, the sounds and vibrations, the "language of the sea" could be used to lure fish to the spot where they are wanted.

The Germans and Japanese were pioneers in electric fishing, sending out currents which head the fish toward the positive side of the electric field. The system has worked well in fresh water, but is not so effective in salt water because it is such a good conductor it needs much more power.

Powerful underwater lights have also been used to attract fish to Russian pump ships while the Japanese use them in a different way. They use long string of lamps to lead the fish to their nets, stringing them from shore out to sea.

Then they turn off the lights one at a time, starting with the one farthest from shore. As the fish move from light to light, they soon find themselves caught in the nets.

The method is said to double the usual catch.

Developments of any or all of the methods is believed to be an answer to the need for more food.

In addition to catching fish, they could be used in setting up ocean "farms" where fish could be herded and kept in place like cattle.

#### FIFTY-THIRD ANNIVERSARY OF THE AMERICAN LEGION

##### HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. ANNUNZIO. Mr. Speaker, 53 years ago, the American Legion pledged:

To promote peace and good will on earth; to safeguard and transmit to posterity the principles of justice, freedom and democracy, and to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

Today, the American Legion perpetuates its founding pledge in its perseverance "For God and Country." On March 15, 1972, legionnaires celebrate the anniversary of their organization which first met in Paris, France, in March 1919, when delegates from the First American Expeditionary Force acknowledged that their responsibility to each other and to their country's citizens did not end with the signing of a treaty of peace.

The continuing dedication of the Legion to the adjustment of the veteran to civilian life, restoring his health and usefulness to society, maintaining his dignity, and assuring the welfare of the veteran's widow and children is celebrated with the commemoration of the Legion's founding. The American Legion admirably served the veterans of our wars with its sponsorship of the GI bill of rights and the Korean GI bill. By thus serving the veteran, the Legion serves America, for our men and women returning to American communities from military service face singular problems and pressures. In addition, financial aid to former servicemen and women increases their opportunities to contribute, in turn, to America.

While caring for veterans the Legion has not forgotten the veteran's children, promoting child welfare legislation which



benefits all children and, therefore, the Nation. Youth programs like American Legion Baseball have produced stars—Musial and Spahn—while encouraging youth in good sportsmanship. The American Legion sponsors over 4,000 Boy Scout units and offers a \$4,000 cash scholarship in the National High School Oratorical Contest. Such training and encouragement in American ideals multiplies the dividends resulting from these investments in our country's youth.

After 53 years of vigorous service in America, it is clear that America still needs the American Legion with its continued and important civic service for those who served their nation in war. Its history is becoming familiar to us, while the Legion's more recent humanitarianism, its heroic efforts in aiding the Alaskan earthquake victims, for example, engage our pride and increase our pleasure in congratulating the American Legion on the occasion of their honored anniversary.

#### PASSENGER TRAIN SERVICE

### HON. JAMES A. McCLURE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. McCLURE. Mr. Speaker, ever since coming to Congress I have been working to preserve passenger train service. However, as far as Idaho is concerned, it has been a losing battle.

Early in the game, when we began to realize that administrative directives alone would not save the overall passenger service schedules, I called for a national study of our needs. I am convinced that such a study would point out that this country desperately needs a strong rail passenger program. Our economy benefits when people are moved quickly and efficiently. Our national security is safeguarded by diversity in available transportation for both goods and people. Our labor force relies on dependable commuter schedules. Our quality of life is bettered by the ability to reach friends, relatives, recreation, and services through a variety of fast, dependable, economic passenger services; and the railroad is an integral part of the system, to my way of thinking.

When the administration first began to talk about Amtrak, I felt that the national study should precede the decision. Even so, I thought that perhaps we had found the answer to our problem in Amtrak. After all, if we are trying to preserve a way of life through rural development, and a way of life through passenger train service, it seemed only logical that the needs of Idahoans were going to be met.

But as we all know, Amtrak was designed in the end to service big urban centers. In Idaho, for instance, the small community of Sandpoint way up in the northern panhandle has become an Amtrak whistle stop by sheer virtue of being located somewhere between Chicago and Seattle. And this is the only rail passenger service in my entire State.

One year ago this week, I joined my colleague from Idaho (Mr. HANSEN) in introducing a bill to expand the system to provide service in each of the contiguous 48 States. I regret very much that the bill before us today does not contain that provision.

And I also bitterly regret that this Congress has failed to make a comprehensive study of this Nation's rail passenger service needs.

Therefore, I am voting against the National Railway Passenger Corporation Review. I see no reason for the taxpayers of Idaho to pay for a system that does absolutely nothing for them in return.

#### FRESH PROOF THAT THE 1968 GUN ACT IS FAULTY

### HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. SIKES. Mr. Speaker, I am pleased to call attention to an editorial, "Fresh Proof That the 1968 Gun Act Is Faulty." It appeared in the American Rifleman for March 1972. It is a clear and well-written document which deserves careful reading by the membership of the Congress.

The editorial follows:

#### FRESH PROOF THAT THE 1968 GUN ACT IS FAULTY

We, the people, now have it on the high authority of the Federal courts that the 1968 Federal Gun Control Act is in some respects a faulty and questionable law.

The courts have in effect made a judicial repeal of portions of the law, something that the Congress might well do next by enactment to tidy up the remaining mess.

The act, a hasty hodgepodge incorporating three previous laws, depends on the interstate commerce clause of the U.S. Constitution (Art. I, Sec. 8) for its authority for the Federal Government to prosecute over guns.

But the U.S. Supreme Court, terming the act "ambiguous" or unclear in that respect, ruled that Federal prosecutors hereafter must prove that convict defendants played some role in transporting the allegedly illegal firearms in interstate commerce. No longer may they assume this and fail to show a connection.

On the strength of that decision, a Federal District Court in California quickly threw out charges that a private citizen there had made illegal sales without a firearms dealer license. And it developed that at least five other Federal courts had already questioned the constitutionality of the act on this or another basis.

Some other provisions of this ill-advised and poorly drawn law are also open to challenge, it appears, and are still unclear after more than three years.

What, for example, constitutes dealing in firearms under the law? The law itself nowhere defines this, although it subjects private citizens to as much as five years and \$5,000 if convicted of violating its requirement that firearms dealers be licensed.

Does an individual who sells five guns a year need a Federal firearms dealers' license under the law? Ten guns? Fifteen guns? \$100 worth of guns, regardless of the number? \$1,000 worth? No guns, but 500 rounds of ammunition? 2,000 rounds of ammunition?

The answer in every instance depends upon what the administrators of the law,

namely the Alcohol, Tobacco and Firearms Division of Internal Revenue Service, say it is. If you doubt this, just sell a few guns and then—perhaps too late—ask the ATF if they think you are a firearms dealer. You can get different answers, too, depending on the region of the country in which you live or the person answering your question.

That, so help us, is the Federal Gun Control Act in all its supposed majesty and justice. And that is not nearly all.

Hand grenades have become a sensitive subject, as if every last one had the pin pulled and was about to explode. Another ambiguity or omission in the 1968 act is responsible for that. It fails to make a clear distinction between a dummy or practice grenade and the combat type.

To observe a law—any law—the public must first understand not only the basic reason for the law but what it says.

When it comes to one of the first fundamentals involved, who may and may not legally own a firearm under Federal law, the provisions of the 1968 act are capable of confusing the average citizen. Let's examine them.

Under something originally called Title VII of the Omnibus Crime Control and Safe Streets Act of 1968, later included in the Gun Control Act of 1968, individuals are forbidden to own, receive or transport firearms for five reasons:

1. If they ever have been convicted in any American court of "felony."
2. If they have been discharged from the U.S. Armed Forces under dishonorable conditions.
3. If any court in the land has ever adjudged them to be "mentally incompetent."
4. If they ever have renounced U.S. citizenship.
5. If they are aliens "illegally or unlawfully" in the United States.

These provisions were approved June 19, 1968. By October of that year, the Johnson Administration in another round of gun control legislation persuaded the Congress to enact the 1968 Gun Control Act. This second piece of legislation set up a different set of definitions to tell the Nation who might or might not have a gun. Under the law passed in October, it became illegal for anyone to transport or receive a firearm through interstate commerce if:

1. A fugitive from justice or under indictment for a crime punishable by more than a year in jail. (Even if later adjudged not guilty of the original crime, a defendant technically could be found guilty of violating this provision if caught carrying a firearm while a fugitive or under indictment.)
2. Convicted of any crime punishable by more than a year in jail. (He need not have served one day in jail himself. The point here is that he was convicted of a crime which could carry a sentence of more than one year.)
3. An addict or "unlawful user" of marijuana, narcotics, "or any depressant or stimulant drug" as defined by Federal law.
4. Adjudged a "mental defective" by any court or ever "committed to any mental institution." (Even if he committed himself, as some do.)

Now note the wide variations between these two sets of definitions, both of which are currently the law of the land as parts of the Federal Criminal Code, Title 18.

The June act disqualifies those dishonorably discharged from the Armed Forces. The October act says nothing of this, but disbars persons under indictment and fugitives as well as convicts.

The June act prohibits guns to persons whom a court has adjudged "mentally incompetent." The October act says "mentally defective"—which is something else again in some psychiatrists' opinions—and goes on to include anyone ever committed to a mental

institution, presumably regardless of whether they later left the institution in good mental health.

The June act ignores drug users. The October act bans them from gun ownership in terms so broad that many of those "advanced" social thinkers who condone the use of marijuana must be ready to shriek. Users of so-called "pep pills", even if used only once unlawfully, presumably come under the October ban.

Although ignoring the whole critical area of drug use and addiction, which many criminologists now appear to regard as a prime cause of crime, the June acts forbids ownership of firearms by any aliens who slipped into the country illegally and anyone who ever renounced U.S. citizenship, the latter category including anti-gun actress Elizabeth Taylor.

We bring out all this confusion principally to show that these measures which were rammed through to enactment hastily by the Johnson Administration and its anti-gun Attorney General, Ramsey Clark, are so muddled that they ought to be repealed and replaced by one clear, simple, comprehensible law.

We do not suggest that the provisions safeguarding the public be abolished. Contrary to the misleading impressions given by critics of the NRA, the NRA has for decades favored laws which would bar convicted criminals, proven drug addicts, adjudged mental cases, alcoholics, and habitual law breakers from owning firearms. That continues to be our position.

The present law, however, could hardly have been more diabolically designed to befuddle and entrap everyday citizens—and that apparently is what it has done in dozens of cases.

Now that the courts have highlighted the weaknesses in the law, Congress should repeal it and replace it with a clear, simple anti-crime act that all law-abiding Americans can understand and support.

## TREASURER'S REPORT TO THE CFR

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RARICK. Mr. Speaker, the U.S. Treasurer's report to the Council on Foreign Relations on the President's new economic policy is, to say the least, rather unique in several instances.

First, it is shocking and insulting to the American people to have the Secretary of the Treasury give an explanation to the Council on Foreign Relations when no such explanation has been provided to the American people or to the Congress as a whole. Secondly, he announces "We have come to the end of the post-war world."

And finally, in his appeal for willingness in building a new world based on international cooperation, his use of the term "we" in addressing the CFR leaves some uncertainty as to who is to be included in the decisionmaking process.

I ask that Secretary Connally's speech follows:

REMARKS BY THE HONORABLE JOHN B. CONNALLY, SECRETARY OF THE TREASURY, BEFORE THE COUNCIL ON FOREIGN RELATIONS, HAROLD PRATT HOUSE, NEW YORK, N.Y., WEDNESDAY, MARCH 15, 1972

On this date, seven months ago, the President of the United States initiated what has

come to be known as the New Economic Policy.

The goals of that policy were three:

First, to curb the insidious inflation imperiling our domestic stability and well-being;

Second, to stimulate responsibly the healthy growth of our domestic economic activity and to provide the necessary jobs for American workmen; and,

Third, to strengthen our Nation's position both for more successful competition within and for more constructive influence upon the world's systems of international trade and finance.

It was recognized at the time that none of these goals would be—or could be—attained simply by their proclamation. Fulfillment of such objectives, separately or together, is a monumental task. Nonetheless, it can be said that implementation of the President's policy has achieved striking progress in all spheres.

In this context, I want to consider with you tonight the progress which has been made—and the opportunities for still greater progress which have been brought into being—in just one of these spheres: that is, in regard to the foreign monetary policy and international economic leadership of the United States.

When the President acted last August, there was implicit in his decision a recognition that the industrial and trading nations of Europe, North America and the Pacific have come to the end of what might be called "The Postwar World."

That world was shaped and faithfully served by agreements, arrangements and attitudes born of another time. At the time of conception, during and just after World War II, it was undeniably the reality that the United States stood apart, strong and unscarred, in a world weakened and disfigured by a generation of tension, conflict and devastation. Under conditions then prevailing, men could—and did—reason that the strength of the United States was strength to which others might cling as they undertook the long and demanding labors of restoring their own societies and their own economies. Furthermore, in that time, Americans themselves could—and did—accept as the basis for their own policies that what was good for the world must be, in the end, best for the United States itself.

Accordingly, out of that time there came into being a world in which the United States willingly assumed responsibilities others could not bear, willingly bore burdens others did not share, and willingly lived with competitive disadvantages so that others could build their strength.

Over a span of a quarter of a century, those arrangements remained unchanged even as the world itself greatly changed. The realities, reason and rationales of the 1940's eroded, yet the underlying structure of world trade and finance stood still.

By the end of the decade of the '60's, it was supported not by a solid foundation but only by a base of custom, convenience, and occasional contrivance. Thus it was, in the months immediately preceding the President's announcement last year, that developments in the world payments system forced upon us all acknowledgment of the unreality of the arrangements by which we were still attempting to abide.

As you recall, one year ago, at the end of the first quarter of 1971, it became apparent that the United States and its principal trading partners were moving toward crisis in the payments system.

Over the full year of 1970, our official reserve transactions balance had run to a record deficit of about \$10 billion. If temporary, that could have been absorbed. In just the first three months of 1971, however, the deficit in those transactions equalled and exceeded the half-yearly rate for 1970.

The storm warnings were hoisted. The dol-

lar flow pouring overseas in 1971 had become the unwanted orphan of its father so eagerly courted by all the world a few years ago.

As speculation took hold, defensive measures were put in place. Germany and the Netherlands floated their currencies. Switzerland and Austria revalued. Other European countries employed a variety of measures trying to cope with the all but indigestible inflow of short-term funds.

Relief was only brief and fleeting.

By mid-year, our trade balance was showing ominously rapid declines, confirming and accelerating the trends of the last part of the 1960's. Projections confronted us with the prospect of the first substantial trade deficits of the century in both 1971 and 1972.

We were forced to consider deeply the full implications of the massive deterioration in our trade balance.

Finally, we also faced the intolerable arithmetic of our international reserve position. The ratio of our reserve assets to our liquid liabilities had still been in our favor at the end of the 1950's, but by 1971, we had more than five dollars of liquid liabilities for each one dollar of reserve assets.

This was the balance sheet confronting the Nation and the President seven months ago. The fact is that we had expended our surplus and extended our credit until both were exhausted.

The post-war world brought some glorious achievements. But the essential underpinnings of that system were gone. By any objective reading, it was entirely obvious that what was not good for the United States certainly was not good for the world.

The developments of 1971—and the longer-term trends projected from them—clearly meant that the industrial nations were hurtling toward a time of tension and paralysis.

Under such an economic climate, it would have been difficult, if not impossible, to carry forward with the great and urgent works of peace and accord between the blocs of East and West.

Under such a climate, it would have been difficult, if not impossible, to sustain and nurture the Twentieth Century's thrust toward liberality in trading relations between industrial nations.

Furthermore, such a climate could only give impetus on both sides of the Atlantic and on both sides of the Pacific to protectionism, parochialism, and the ultimate folly of economic isolationism.

This was a situation demanding initiative and action. Yet it was this very necessity for action which brought home most forcefully the obsolescence and inadequacy of those arrangements, which shaped and served the postwar world.

In a situation indicating a need for devaluing the dollar, we could not act freely without other currencies moving with us.

In a situation obviously requiring that the explosive growth of the economy of Japan be fit into a balanced structure of trade, old arrangements of the postwar world found the United States accepting Japanese exports at a rate five times greater than the countries of the roughly equivalent market of the European Community.

In a situation already inviting concern over restrictive tariffs and quotas, national attitudes emerging—or re-emerging—in recent years facilitated the spread of discriminatory preferences by the strongest trading nations in Europe. At a time when the United States has negotiated limits on further growth of imports of textiles and steel into our market, already heavily penetrated by foreign suppliers, the surplus countries of Europe and Japan have maintained quotas established years ago, virtually to exclude a variety of "sensitive" goods.

But there was—and is—a still greater problem.

When the United States faced the necessity for acting, we were confronted with the



fact that today's world provides no fully adequate machinery for reconciling all the interests involved.

Closely and critically inter-related as our world is in this last one-third of the century, it remains true that there was not last year—and there still is not this year—a forum in which decisive negotiations could be undertaken or lasting results accomplished across the full range of monetary and trade issues involved.

Against this background, for the United States to act effectively and with dispatch seven months ago, it was necessary for us to act in a unilateral manner wholly uncharacteristic of either our traditions or our desires.

This is not a state of affairs we wish to see prolonged.

Yet, in saying this, I must say that this is an area to which we need to give attention at home, as well. The developments of 1971—and, in particular, the events of the past seven months—demonstrate convincingly that our own system is not properly or realistically structured to cope with the making or the implementation of foreign economic policy.

This is a function both of organization and of outlook.

It is, also, a function of what we may hope is now a passing period in our national experience.

With the onset, first, of World War II and, then, of the Cold War tensions, we were thrust suddenly into a position of world leadership for which there were no precedents. By the nature of the challenges which those years presented, our popular attitudes, our political dialogue, and the performance of our National Government were all shaped by the era's priority emphasis upon military strategies and political alignments. Our interest in—and, to some extent, our basic understanding of—the economic relationships between nations remained an area of far lesser priorities.

With good hearts, good intentions, and good feeling, we proceeded into the realms of foreign economic policy, confident that the strength of our economic position must be inexhaustible and convinced that, in any event, the making of economic policy was subordinate to the making and maintenance of policy assuring the mutual security of the Western world.

In this spirit, we gave little thought to the organization of our Government for purposes of making and implementing foreign economic policy. For both the Executive Branch and the Legislative Branch alike, the postwar world was a time of preoccupation with strengthening and streamlining mechanisms designed to respond to armed danger.

That such priorities were proper is beyond debate. But the developments of the past year have emphasized what should have impressed itself upon us more strongly years ago: other priorities have risen in our midst.

As early as the late 1950's, when our international deficits suddenly grew much larger, the first warning clouds were present—only to be brushed away. Then, over the years of the 1960's, we saw the nature of the industrial world had, indeed, changed. The dependency of those nations ravaged by World War II yielded to the industriousness of their peoples, and both the European Community and Japan emerged as vigorous competitors—first reducing their need for the products of U.S. industry and then learning how to sell to us in volumes not dreamed of a decade earlier.

While this was occurring, we, in this country, were preoccupied with a decade of ferment, change, and social upheaval. At home, we faced up to problems without parallel in other industrial nations of racial tension, decaying cities, and population growth and

mobility. Abroad, we became entangled in a prolonged and divisive war. It is only realism to acknowledge that, in both private and public sectors, these priorities distracted attention from other fundamental needs.

We welcomed a domestic boom. But we budgeted loosely and let inflation get out of hand. The erosion in our external economic position was aggravated, and we wishfully coasted on the illusion that confidence in the dollar could be sustained apart from the underlying economic reality.

Now that is clearly changed.

In the public sector, we must give to foreign economic policy that same intensive effort and emphasis which, until now, has been principally reserved for foreign military and political policies.

The conduct of foreign economic policy today is characterized by traits of ponderousness, division of responsibility, rivalry, and, in some sectors, innocence. Too often, in times past, it has been fragmented and immobilized by concern for other sectors of our foreign policy.

New organizations—and new missions for old organizations—are clearly required if the Chief Executive is to have the scope of counsel required for decision and the sensitive apparatus required for securing coherent implementation of decisions.

Similarly, the private sector is no less concerned. Industry, labor, and Government must realize that their traditional adversary roles are not always suited to the new realities of the international environment. They, together, have the obligation of finding ways of becoming far more efficient and imaginative competitors in the far more competitive world we now face beyond our borders.

What I am saying, essentially, is this.

Over the mid-century, we in this country have dwelled upon the growing closeness of the world. In the main, our thoughts about the implications of modern communication, transportation, and other technology have related largely to the impact upon the matter of peace or war. Now, in this era ahead, those thoughts must relate to the impact, which is both far larger and far more intimate, of this closeness upon our daily economic life.

In these times, as much as in all times past, traders are destined to succeed, where soldiers and diplomats could not succeed, at weaving the countries and continents of this planet into one world.

I speak as I do of these things because I feel that our concerns with such matters say more than anything else of the very great distance we have come.

One year ago, certainly, such subjects would not have seemed relevant and urgent.

Today, the realities are apparent because—as I said at the beginning—the President has openly faced the problem, pointed to the new priorities, and successfully launched the process of adjusting to them.

In negotiations with Japan, Canada, and the European Community, and in the Smithsonian Agreement reached by the Group of Ten, significant gains have been made toward evolution of the policies and structures which this new era so clearly requires.

At the same time, I believe it must be said that this is not a period in which final decisions will be—or can be—quickly reached. National positions on complex questions of trade and money well up from the whole of national history, experience, perception, and, very often, prejudice. New imperatives are not readily recognized, new visions are not readily embraced. Having initiated this present period of re-examination, reconsideration, and reformulation of existing agreements and arrangements, the United States readily acknowledges the need of others—as

well as its own need—to contemplate future courses with care and thoughtfulness.

At the outset, we anticipated that there would be misunderstanding and even misrepresentation of our purposes and objectives. Needless to say, we have not been disappointed.

In the heat of last August, the new policy was acclaimed by many abroad—and some at home—as a return to protectionism or even to isolationism. Similarly, after the Smithsonian Agreement was announced, voices again were raised warning that the United States would not act, as agreed, to increase the price of gold to \$38 per ounce.

The intemperateness of these misrepresentations already has been answered. The temporary import surcharge has been removed. Agreements have been reached committing the United States and other major trading nations to begin comprehensive negotiations aimed at expanding trade by reducing both tariff and non-tariff barriers. At the initiative of the Administration, Congress is proceeding promptly on the legislation changing the par value of the dollar.

Certainly the commitment of the United States to a liberal trade and payments system is unchanged and unchangeable. Yet it is the very depth of that commitment which requires us today to speak with new frankness—and to act with new directness in our efforts to move toward arrangements accommodating to today's new realities.

There may be some tempted to seek some profit for their own interests from promoting the instability—or even the wreckage—of the international monetary system. The United States regards such parochialism only as folly.

Our basic point of departure is the Smithsonian understandings. The new exchange rates provide a realistic framework and a fresh opportunity for our own efforts—a framework forged in the crucible of hard bargaining on all sides.

At the same time, the Smithsonian Agreement contemplates that negotiations should proceed on the longer-range issues involved in building a new monetary system. The question of convertibility of the dollar into reserve assets, upon which so much attention has been focused, is certainly one of those issues. But it is just one—inextricably linked to the others. That is the context in which it was put at the Smithsonian, and that is the context in which we intend to proceed.

More than that, we believe premature commitments could only undermine the stability we seek.

I distinguish sharply between premature efforts to restore convertibility and the more technical problem of finding means to facilitate the operations of the International Monetary Fund during this interim period. The Fund has been operating since August 15 without placing special burdens on any member. The future problems seem to me manageable—not simply by looking to the United States to provide whatever reserve assets may be convenient to others, but by truly cooperative efforts in which others participate in accordance with their strength.

These concerns, of course, are all part of broader and longer-term monetary reform.

We have not yet put forward an "American Plan" for the future shape of the international monetary structure. We shall not do so until we have fully wrestled with the complexities of this most complex subject. Nor do we intend to make our decisions until such time as our internal discussions and debates are fully complete and our thinking can be tested against the thinking of others.

Reform of the world's trade and payments structure will not be achieved quickly or easily. Behind the facade of technicalities, basic issues of national policy must be faced and basic differences must be reconciled. We

need to fit the reform in a longer vision of a world economic and trading order.

Does the European Community want to function as a tightly-knit monetary unit, with its members able and willing to renounce independence of action in international monetary affairs? That is a matter for the Europeans to decide. But we cannot escape a close interest in whether monetary unity is a potentially liberalizing and stabilizing force in world financial affairs or will be converted into a vehicle for promoting an inward-looking, defensive bloc.

There are other questions to face.

In future arrangements, how will we overcome philosophical and practical differences between those favoring relatively liberal and unrestricted trade and payments systems and those who regard controls as essential permanent fixtures in any structure?

For our part, we want maximum freedom for international flows of investment capital as well as goods. We realize, however, that others seemingly prefer restricted capital and money markets, whether as counterparts to regional trading blocs or otherwise.

To what extent can differences in national monetary policies be accommodated? In an interdependent world, linkages between markets cannot be ignored. Yet countries have different economic structures, different problems, and different monetary and interest rate traditions.

Other questions could be raised. Not least among them, of course, is the difficult question of the forum—or forums—best serving the ends of such negotiations. Discussions of changes bearing on the interests of all nations must be broadly representative. They should be linked to the relevant institutions, particularly the International Monetary Fund. At the same time, there is a critical point in the size of a group capable of conducting manageable and effective negotiations without becoming merely an academic seminar.

The Group of Ten has, in the past, provided a useful forum. That Group, however, is limited to industrial nations and wealthy nations. It provides no link to trade and other aspects of the problem. Other groups and other voices certainly must be heard. The representational pattern of the IMF Executive Board provides one possible approach. In concept, some new grouping could be devised.

I have no settled answer to this question of the forum. I do feel we should work to resolve the question promptly and then proceed to more substantive issues. To that end, I have asked Under Secretary Paul Volcker to begin conferring with officials of other countries to explore possible solutions to this and other problems. In the light of his discussions, I am prepared to participate in meetings—formal or informal—as may be needed to facilitate progress in these matters.

During these recent months, I have sometimes heard the accusation that I have become a sort of bully boy on the manicured playing fields of international finance. You will not expect me to accept that characterization. But I will plead guilty to speaking in plain words as directly as I can. I do so because nuances and ambiguous phrases can only mislead the American people as to the urgency of the problems we face. Equally, our friends abroad should know of our determination to solve those problems, with good will but with firm resolve.

With that determination and resolve, I am convinced that the dollar will again be a currency sought after throughout the world, fully capable of carrying its share of the burdens of international finance. Indeed, I believe there is a truly unique opportunity for all nations to begin building a durable trade and payments structure based on equity and realism.

Without the actions initiated seven months ago, that opportunity would not exist today. We would have had, at best, a much smaller realignment, no meaningful trade negotiations in sight, and, worse still, no adequate realization here or abroad of the tasks that lie ahead.

As we continue our efforts in the international forums—whatever they may be—I do emphasize my conviction that we also need to act within our own system, public and private, if we are to grasp our opportunities. The structures of our Government in the area of foreign economic policy needs repair. We need to adhere to the discipline of sound fiscal and monetary policies at home.

We have come to the end of the postwar world.

We are willing, I am sure, and we must be able to contribute constructively, effectively, and responsibly, to the building of a new world in which money, trade, and investment serve as instruments of gain and progress for all peoples.

## A BOOST FOR OUR ECONOMY

### HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. KUYKENDALL. Mr. Speaker, last week the Department of Commerce and the Securities and Exchange Commission released their latest survey regarding business plans for spending on new plant and equipment in 1972. According to this survey, businesses are planning to increase capital spending this year by 10.5 percent, or more than \$8.5 billion. This increase in projected spending to almost \$90 billion compares to the 9.1 percent increase projected for 1972 in the November–December 1971 Commerce–SEC survey. At that time, total plant and equipment outlays were expected to total \$88.9 billion in 1972, up from the \$81.47 billion estimated for 1971.

This upward revision in business plans for spending on new plants and equipment in 1972 is one of the best indications of strengthening business confidence in the course of our economy. Harold C. Passer, Assistant Secretary of Commerce for Economic Affairs, has termed the latest projection “highly encouraging for economic prospects.”

This week the Department of Commerce released other favorable information on the economy. According to the Department's quarterly survey of sales and inventory expectations, manufacturers expect sales to increase by 6 percent this quarter to a seasonally adjusted \$186.6 billion. If this 6 percent increase is realized, it would be the second largest increase in 10 years and the sharpest increase since the 6.4 percent growth in the first quarter of 1971, which followed the General Motors strike in the final quarter of 1970. Inventories are expected to rise approximately 1 percent to a seasonally adjusted \$101.5 billion this quarter.

Mr. Speaker, if these business expectations regarding capital spending, sales and inventory investment are realized, our economy will be given a very substantial boost, which will help us to achieve overall growth throughout 1972.

## POLL BY KANSAS UNIVERSITY STUDENT—VOTE SHOWS NIXON TOP CHOICE

### HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. WINN. Mr. Speaker, many of us are constantly being subjected to comment about the lack of popularity of President Nixon among our young people—especially college students.

I, for one, have never accepted such statements. Today I would like to share with you a recent newspaper article that appeared in the Lawrence Daily Journal-World about a student poll taken at the University of Kansas.

I am proud to say that Kansas University is in my district and has the distinction of being the largest university in Kansas. I certainly believe that the opinions expressed by these students are representative of student opinion in other parts of the country.

The article follows:

[From the Lawrence Daily Journal-World, Feb. 22, 1972]

## POLL BY KANSAS UNIVERSITY STUDENT—VOTE SHOWS NIXON TOP CHOICE

(Kansas University students picked the nation's next president from among the announced contenders)

If you picked the only one who's now in China—President Nixon, of course—then you're absolutely correct.

The KU Student-Vote organization Monday released results of a poll it conducted earlier in the month, sampling the opinion of 1,879 dormitory residents on which of many presidential aspirants they favored.

Thirty-nine per cent of the students were undecided, but of those who picked candidates, most picked Nixon.

The president led with 19 per cent of the vote, followed by George McGovern with 13 per cent; Edmund Muskie with 12; Shirley Chisholm, John Lindsay and Eugene McCarthy, 4; Hubert Humphrey, 2; and George Wallace, 1.

Lane Bailey, Lawrence sophomore, emphasized that the poll was not a scientific random sampling of the KU student body but an indication of student thought.

The poll also indicated that 95 per cent of those students are registered or intend to register; 49 per cent are already registered.

The poll is only one of the activities of Student-Vote, which has been working since last fall “to generate interest in the student vote,” says Mark Bedner, an Emporia senior who is its president.

The organization is also sponsoring a registration drive April 3. At the time of the registration drive, the organization will poll students again to determine the interest in candidates.

## HON. JACK EDWARDS TESTIFIES ON FORCED BUSING

### HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. EDWARDS of Alabama. Mr. Speaker, I had the opportunity today to present my position to the House Judi-



ciary Committee in support of a constitutional amendment to prohibit forced assignment and busing to schools, because of race, creed, or color. I want to share my remarks with my colleagues in the House:

**STATEMENT BY CONGRESSMAN JACK EDWARDS  
OF ALABAMA**

Mr. Chairman, I am concerned that the policy of unnecessary busing of children in order to reach a racial balance in our schools is paving the way for a collapse of quality education in this nation.

Last year, when the Supreme Court decreed that busing could be used to accomplish a balanced integration of our nation's schools, there were those among us who acknowledged that forced busing would be a rude awakening to many Americans; that the decisions which were giving us so much trouble in the South would one day be applied in other parts of the country; and that when that day came Congress would take a closer look at the problem. This has all come to pass now and thanks to the help we are now getting from some of our Northern colleagues, we are finally getting a hearing.

Mr. Chairman, busing young people to the nearest school serves a purpose, in fact the only purpose of the nation's schools—to educate. Busing for any other purpose cannot ordinarily be justified and in fact is a complete failure insofar as advancing the cause of education is concerned. With all the misery and frustration busing has created, the Federal Government and, in particular, the Federal Judiciary, has remained adamant in refusing to even compromise the issue.

In the past, objections to hauling children nine, ten or even 20 miles from their homes to school to obtain a racial balance were supposed to be nothing more than the rantings of bigoted, Southern racists. Any other objections, whether on educational grounds, the disruption of neighborhood cohesion, inconvenience to the children or their parents, the great expense involved, or perhaps the most important of all, the destruction of human relationships and the diminution of racial tolerance, were all dismissed as excuses of segregationists. Even blacks who exhibited disfavor over having to bus their children were tagged "Uncle Toms."

Well, the shoe is on the other foot now. Communities in the North, the East, and the West have begun to vehemently protest busing as it has been applied in their areas. In short, busing is now a national issue.

It is ironic and unfortunate that the tragedy of forced busing should become an issue at a time when a majority of the people of the nation (The Wall Street Journal reports at last 80 percent) today accept integration in schools and other aspects of public life. If the public accepts integration, and it has progressed further than at any previous time in the nation's history, then why muddy the waters with a thing as unpopular and unsuccessful as forced busing? The logic escapes me. James Kilpatrick has noted that we are substituting dishonest integration for honest desegregation, and I agree.

Sociologically, forced busing has been a nightmare for children throughout the land. It is taking small children, black as well as white, and making them consume a seven or eight hour day for only six or seven hours of schooling and putting them in a position where school friends are not neighborhood friends or vice-versa.

I challenge anyone here concerned with providing the best education possible for our children to stand up and advise this Committee what tangible value can be gained from busing a child, who lives within walking distance of an elementary school, an extra hour across the city to another school.

Mr. Chairman, I believe we have reached the point of no return. We must resolve the issue of forced busing once and for all.

In 1964, Congress passed very specific legislation prohibiting pupil assignment and forced busing to overcome racial imbalance in the nation's schools. No one, especially the Federal Judiciary, paid any heed. We have passed the so-called Whitten amendments and other similar amendments all to no avail. The courts continue to ignore the expressed intention of Congress. Apparently additional legislation is not the answer.

I am not one of those who believes in numerous amendments to the Constitution. I believe that great document should not be tampered with any more than is absolutely necessary. But, Mr. Chairman, we have tried just about every avenue without success.

The Supreme Court has ruled that busing is an available tool, *not* that it is an absolute must. But the Circuit Courts of Appeals and many District Courts have insisted that there must be busing, past schools, across cities and counties and now even between counties. Legislation has not been able to stem the tide.

And so I have reluctantly come to the conclusion that the Constitutional Amendment is the only answer.

As I see it, there are two basic conflicts that divide us on this issue. But first let me digress and say that I am painfully aware of the fact that we in the South have "cried wolf" too often over the years. When the ultimate "wolf" started coming around in busing clothing, we once again cried out in alarm, but no one could listen to us.

And so we come to the first conflict, namely that those who oppose busing are automatically racists, segregationists, against civil rights, and all the other things you have heard. By the same token those who are for integration, for civil rights somehow feel that they must automatically be for busing. That is until they get hit between the eyes with the problem.

The second conflict arises with those who find reason to oppose mass busing. The basic controversy here is how to fight it. Legislation? In the Courts? Or a Constitutional Amendment? In this group are those who want to be on record but don't really want to get too involved . . . those who still have faith that legislation will be sufficient . . . those who think there is some hope that the Courts will clarify this issue. And those who have seen everything else fail and who turn to the Constitution as a last resort. I fall in the latter group.

Mr. Chairman, "anti-busing" is not synonymous with "racism" or "segregation." And it naturally follows that a "civil rights advocate" or an "integrationist" if you will, is not any less an advocate because he is opposed to busing.

There was even a time not too long ago that a reference to "quality education" was considered a code word for segregation. Now everyone is speaking out for quality education. So in the realm of civil rights it is hard to keep up with the language.

My point is that regardless of what particular connotation someone cares to attach to particular phrases, our principal concern should be quality education for all our children. If busing a child to the nearest available school is required for reasons of distance, health or safety then I'm for that kind of busing. This serves an educational purpose and is therefore desirable. Busing for reasons other than this cannot possibly serve any educational purpose. And, after all, the sole purpose of schools should be to educate and anything that impedes the execution of that purpose should be discontinued.

In conclusion, I urge the Committee to report favorably the Lent Constitutional Amendment proposal, H.J. Res. 620, or my

own proposal, H.J. Res. 564, both of which call for a Constitutional Amendment to prohibit forced assignment to schools because of race, creed or color.

The need for quality education in all schools is apparent. Education is not enhanced by massive busing purely for purposes of racial balance. Let's put a stop to the excessive busing now before we destroy the very educational opportunity which we so desire for all children.

Mr. Chairman, I thank you for the opportunity to appear before you and your Committee today.

**ST. PATRICK AND THE  
IRISH PEOPLE**

**HON. PETER W. RODINO, JR.**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RODINO. Mr. Speaker, a young man of 23 living in the comfortable and peaceful western British village of Bonnavem Taberniae, early in the fifth century, beheld a vision of a man hurrying toward him with a letter bearing the opening words of "the voice of the Irish and the voices of the Irish generations yet to be born." "We beseech thee, holy youth," the plea stated, "to come and walk among us and release us."

A great many legends have been written regarding the actions and accomplishments of St. Patrick. Yet, in each historic account and in all the scholarly research conducted, one cannot dispute the deep and impenetrable place held by him in the growth of this proud nation.

For the man lives in the hearts of the Irish people and it is the man himself and the ideals for which he fought which have been passed on to the "Irish generations yet to be born," strongly influencing the values, traditions and beliefs of Irish society.

From the slender collection remaining of St. Patrick's own writings, one recognizes a human being of humility and simplicity, a man deeply sensitive to the injustices of his time, and an individual of tremendous force of character and conviction. It is believed that the man concentrated his missionary labors within the modern province of Ulster and the northern area of Connaught.

The very qualities of St. Patrick, his deep religious devotion, his refusal to compromise with injustice, his preachings against discrimination are required now more than perhaps any other time in the history of Northern Ireland to reconcile the tragic divisions which separate countryman from countryman. One can easily see the strength of character of the patron saint and his deep feelings and longings for justice in the hopes of each and every citizen of Northern Ireland. I join with a number of my colleagues in sponsoring H.R. 654 in expressing the sentiments of the House regarding the efforts of our Government to help in bringing an end to the tragic situation daily affecting the peace and security of the Irish people.

## PATRIOTISM: THE SELF-EVIDENT TRUTHS

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DEVINE. Mr. Speaker, Ed Mason, public service director of the Columbus, Ohio, Dispatch, is a former FBI executive, and enjoys a great reputation for public and community service. He received an award from the Associated Press for his written series "Builders of America," and the George Foster Peabody Medal for Distinguished Radio Broadcasting for his "Government Under Law" series.

Ed Mason also is an area vice president of the Freedoms Foundation, and just recently published an article in the February 1972 issues of the U.S. Naval Institute magazine, *Proceedings*, entitled, "Patriotism: The Self-Evident Truths," and I commend it to your attention.

PATRIOTISM: THE SELF-EVIDENT TRUTHS  
(By Ed Mason)

(NOTE.—The first American patriots pledged, and many later gave, everything—"Our Lives, our Fortunes and our Sacred Honor"—to defend certain truths. Yet, as the bicentennial of the signing approaches, many of the present generation seem less sure of these truths, and far less convinced that they are worth defending, except on their own terms.)

Not very many months ago, the Navy hired a public relations firm to advise recruiters on approaches to motivate young people.

The question put to the public relations experts was: "Is an appeal to patriotism appropriate and productive in persuading today's youths to enlist in the U. S. Navy? The answer came back resoundingly: 'No! An appeal to patriotism would be generally ineffective.'"

Survey findings also showed that there was little unanimity of thinking concerning "patriotic ideals." Sample: "Patriotism is a very personal, nebulous, and highly complex subject." Surveyors found "a great hesitancy on the part of youth to talk about patriotism because of their suspicions and resentment against authority and government."

One Navy lieutenant volunteered: "Patriotism to me is not the flag-waving, 'my country right or wrong' type of emotionalism that was common when my father was young. It is rather a belief, a confidence and a trust in my country and its leaders. It may be less openly expressed than my father's type of patriotism, yet it is just as deeply believed. I think my enthusiastic response to the Peace Corps, or VISTA, is a type of patriotism that is common to youth today. Joining the Peace Corps does not mean a young man is anti-military but rather that he wants to make a different type of contribution to his country. Sometimes the fight against disease, mistrust, ignorance, poverty and anti-Americanism is just as difficult as the search-and-destroy mission performed by a soldier. Both are motivated by patriotism, that is the love of one's country."

Recruiters constantly encounter an attitude such as that offered by the young lieutenant. It is not at all unusual and may be rather widely accepted by young people. The lieutenant sincerely thinks that his thoughts relate to patriotism whereas, in fact, his outlook pertains to personal preference and has little to do with patriotism.

Note that in his first sentence the lieutenant linked patriotism with emotionalism and has also "assumed" that he understands

the type of patriotism which existed when his father was young. A little study on the topic might rudely awaken him. Even study of our heritage as it existed before and during the American Revolution might be startling.

Observe that he has linked what might be called "personal preference type of activity" with patriotism. Quite the contrary: patriotism and, for example, Peace Corps activities are two entirely different things.

Patriotism, in its most simple definition, relates to "love, support, and defense of country with devotion." Service in the Peace Corps is no more a defense of one's country than is a study of music or veterinary medicine.

The lieutenant's views about disease, mistrust, ignorance, poverty, and similar sentiments are shared by patriots, because patriotism demands love of country. The true patriot wishes to correct those situations and, in fact, goes even farther along this road by loving and defending his country against many things, disease and denigration included.

But, at one critical juncture in this high road, the pacifist and the patriot must part, for only one of them is unalterably committed to love, support, and defend his country.

The lieutenant observes: "The fact that there are different ways to improve society is one of the basic principles as outlined in our Bill of Rights." We applaud his desire to improve society but suggest that he read the Bill of Rights again. It authorizes nothing and guarantees nothing in regard to improving society. The Bill of Rights merely restricts the national government from doing certain things, but it does not purport to offer any avenues for service.

The older generations have contributed to the present confused situation by failing to recycle patriotism and regenerate awareness of the American heritage. Because they, like their forebears, assumed certain truths to be self-evident, they failed to pause now and again to see that the things which "go without saying" are still going.

The occasion, and the means, to regain a heritage nearly lost and gravely imperiled, is now available.

Public Law 89-491, passed by Congress on 4 July 1966, created a bicentennial commission to plan an appropriate celebration for the nation's 200th birthday. Later, governors of all states were urged to set up their individual commissions to plan local observances that would bring the "new spirit of '76" to all citizens.

Within the Federal government itself, the Department of Defense is unique among the participating agencies because its three segments will each observe their own bicentennials just before the national celebration: Army, 14 June; Navy, 13 October; and the Marine Corps, 10 November—all occurring in 1975.

To this end, the Secretary of Defense, in a memorandum, asked the members of his Department "... to reach back to our nation's founding and distill those themes that can illumine its future; and to devise the kinds of activities that can best bring alive for today's generations what that Revolution has meant for America and mankind."

Thomas Jefferson said it nearly 200 years ago: "We act not only for ourselves alone, but for the whole human race." Evidently, his world believed him. Now, as we propose to celebrate the bicentennial of the American Revolution, by re-emphasizing the extraordinary qualities of Americanism, we still act for the whole human race. We should do it so that the world believes us, and that can happen only after we learn, again, to believe in ourselves.

Chief Justice Warren Burger, in observing that the American Revolution Bicentennial celebration scheduled for 1976 is designed to

honor a period in the life of our country rather than a single historical event, concluded that the American Revolution is still youthful, with every day the beginning of a new phase to improve the quality of American life.

"The stakes are much higher for us than they were for the Founding Fathers," declared President Nixon. He pointed out that, at the time of The Revolution, "What America did or did not do could have little effect on the peace of the world. But today we hold the high trust of Free World leadership, and if we fail to meet our trust, the danger of war will be enormously increased."

The stakes are high, the commitment is greater, and our determination to keep faith with the past must be very strong, and for that, our knowledge must be more complete.

It has been pointed out that "an artist can't paint without knowledge... nor can a writer put words on paper from ignorance." No individual can hope to be a successful citizen without a clear understanding of what is expected and why. The rights and privileges of the citizen go hand-in-hand with the obligations and duties. Today, too many people are remembering what they think are their "rights," and forgetting what they should know to be their responsibilities.

One thing is painfully evident: in the absence of sufficient knowledge, an abundance of self-appointed experts will appear. And when, for example, individuals without proven experience become authorities on the defense posture of the United States, a great danger exists. For he who makes judgments, either of art or armaments, on the basis of personal likes and dislikes, rather than upon knowledge and experience, may be the catalyst to disaster.

The men who took the first steps for American liberty made a major commitment. Many of those who voted for independence on 2 July 1776, as well as those who later signed the Declaration, knew well they were pledging, in literal truth, their lives, their fortunes and their sacred honor. William Ellery, of Rhode Island, watched as his associates signed the Declaration because he wanted to see "how they all looked as they signed what might be their death warrant." For many, the penalties were indeed harsh.

Thomas Jefferson, born wealthy, died a pauper on the 50th anniversary of his Declaration of Independence. John Adams, the Father of the American Navy, who had helped edit the document, died the same day as did Jefferson. Neither, however, suffered the extremes encountered by some of the other signers.

At the battle of Yorktown, Thomas Nelson, Jr., of Virginia, directed cannon fire against his own home which was occupied by the British. Nelson died bankrupt.

John Hart, proudest of any to sign the Declaration, was later hunted like an animal, slept with dogs to keep warm, and rarely was able to see his dying wife.

Virginia's Carter Braxton, one of nine farmers who signed the Declaration, saw all of his ships captured or destroyed by the British Navy. His home was sold to pay debts; he died in poverty.

The homes of 12 Signers were burned. The wife of one Signer was seized and subsequently died in a British prison ship. Betrayal and imprisonment broke Richard Stockton's health and caused early death. Five Signers were held as traitors by the British. Nine Signers died from wounds or hardships in the long fight for freedom. Nine Signers never lived to see independence.

Historians properly note, too, that even with such examples of total devotion to the cause of independence, all of the Colonists did not agree. Even after the "shot heard 'round the world," independence was not a universally accepted concept throughout the colonies. Many Americans still hoped for



reconciliation. The 13 American colonies had a population of about three million, of whom only one-third favored independence, another million remained loyal to the Crown, and the remainder stayed uncommitted, awaiting an outcome that might have been decided otherwise had it not been for the deployment of the French fleet from its Caribbean duty station to the Virginia coast to participate in the Yorktown campaign.

Today, as we again encounter disagreement and, sometimes, violent dissent, there are those who proclaim that the United States is so divided that the end is near. Such cynics forget—if they ever knew—that division was much worse during the War for Independence and it was far more serious in the Civil War. The truth is that we, as a nation, are seldom unified on a particular topic.

In any future conflict thrust upon us, we may not be so fortunate as to be able to borrow a friendly fleet, and Speaker of the House Carl Albert's reminder that there can be no "no liberty without union, no independence without strength," has a haunting quality as we learn more about the growing naval strength of the U.S.S.R. The lessons of history concerning weakness suddenly seem to have modern implications, suggesting that a significant source of strength is to be found in the efforts of naval officers, active and retired, to refurbish the American spirit of patriotism itself.

How can this be accomplished?

First, each must make up his or her mind to be a participant in, rather than a witness to, the three important phases of the bicentennial. The first phase is "Heritage '76," a nationwide summons to recall America's heritage and put it in historical perspective. The goal of "Heritage '76" is to point with pride to this country's accomplishments as a nation, to dramatize its most recent developments, and to re-examine the meaning of America.

The second phase in which all can participate is "Open House U.S.A.," which will be a major national effort to draw foreign nationals to our shores in order to study, travel in, and understand this country. One other, but by no means secondary, goal is to stimulate U.S. citizens to travel, see, and thereby gain a new appreciation of their native land.

The third phase of the bicentennial is "Horizons '76," which is a challenge to all Americans to become involved in at least one project related to the pride, the priorities, and the aspirations of his community. Hopefully, groups will be demonstrating to express their concern for human welfare, happiness, and freedom.

For Navy and Marine officers and men—active and retired—and their families, this national exhortation to become concerned should have a special meaning and a special response: to close ranks in the common effort to attain the goals set by the President for 4 July 1976:

Full employment without the cost of war. The restoration of our heritage of clean air and water which our founding fathers enjoyed two centuries ago.

A nation in which we again have respect for law and freedom from fear.

Better education, health, and housing for all Americans.

Reforms to our government which will make it more responsive to the needs of our time.

Unlimited opportunity for every American citizen, whatever his background.

And, as the U.S. Navy celebrates its own bicentennial, the hope of every man jack ought to be the rekindling of the now-faint flame of service pride, closer ties between all components of the naval establishment, and closer harmony with the Navy's sister services and government agencies.

And the Navy's celebrations ought to make crystal clear to friend and foe alike that this country finds nothing shameful in the 196-year winning streak its military arms have compiled. Navy men and Marines can say

this again and again by cooperating with national fraternal organizations, with state and local agencies, to remind their countrymen—and themselves—of their pride in the legacy of victory passed on by generations of brave Americans.

To do this requires the individual to become a new and special kind of recruiter, striving in his own way to reenlist the nation's support for the hard-won ideals that are now threatened by dissent and disbelief.

This all seems to have a familiar ring to it—a Service program complete with drill teams, color guards, bumper stickers—Isn't that what the Navy Recruiting Service does now? Certainly, but in the era of the Navy's centennial, more of these things must be done—and they must be done better.

What, then, are some of the Navy's goals which a "recruiter" can discuss?

The Navy's own personnel goals for its third century ought to be clearly expressed: to attract people with ability, dedication, and capacity for growth; to provide the opportunity for each of them to rise to the highest level of responsibility that his talents and diligence warrant; to provide help to each man as his military career ends and he makes the difficult adjustment to civilian life.

There are other goals, less lofty, but no less important: to transfer technical knowledge, gained through research, to the civilian sector for use by all the people; to increase participation in domestic action programs that will encourage and assist minority business; to use naval equipment, facilities, and services in support of community action programs.

Finally, each can dedicate himself to the task of, first, understanding The American Dream, and secondly, explaining it to the many fine young people who have reached adulthood thinking it was nothing but a cornball catch phrase. Unless one understands and believes in The Dream, it can never be made to work and it can never be improved.

In the last analysis, it is the young people that the Navy and the nation must reach. There are barriers now, erected by a great many of the young who have become disenchanted, mistrustful, and resentful. But, just as the young are not born disillusioned—they must now be given real reason to hope. And there is reason. There are all kinds of reasons. The Navy's recruiters and its "recruiters," by their conduct and conversation, can help to free the young of what has become almost a universal tendency to despair.

Ralph Waldon Emerson observed that there is no history . . . only biography. The accomplishments of the United States are a series of biographies of people whose individual qualities of pride, integrity, knowledge, faith and strength also became the recognized ingredients of our national character. These are the qualities to be recalled and to be shared by every citizen as we go about completing the unfinished business of the American Revolution.

#### HON. ALBERT W. JOHNSON'S LATEST QUESTIONNAIRE

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. JOHNSON of Pennsylvania. Mr. Speaker, the time has now arrived when according to my usual custom I prepare and send to the people of the 23d District of Pennsylvania a questionnaire on many of the complex issues of the day. For the information of the Members, and in order to make the questionnaire a part of the

official RECORD of this session, I am presenting my questionnaire in detail, which will soon be mailed into the district. The questionnaire on its face will have a picture of myself in front of the Capitol. On the back of the questionnaire is a picture of the Capitol building. The inside of the questionnaire has a picture of myself at the telephone, wherein I state that I am calling to ask the people for their views. The remainder of the questionnaire is as follows:

MARCH 1972.

DEAR FRIENDS: The Second Session of the 92nd Congress will be faced with many important decisions, and I am again calling for your views.

Will you please take a minute or two and fill out the attached card and detach and mail it to me? Here is an opportunity for you to express your own opinions on the subjects selected.

I welcome your advice on these key issues in order to represent you more effectively.

As usual, the results will be tabulated and made known to you, the Congress, and the President.

Thank you for your cooperation.

Sincerely yours,

ALBERT W. JOHNSON.

#### CONGRESSIONAL QUESTIONNAIRE

(Answer Yes or No)

1. Would you favor an agreement with North Vietnam to settle the Vietnam War which would provide for the return of U.S. Prisoners of War and our withdrawal of all financial, economic and military support of South Vietnam?
2. Do you feel our national defenses are being adequately maintained?
3. Do you believe that a volunteer army can be raised to ensure an adequate national defense?
4. Do you favor establishing diplomatic relations with Mainland China?
5. Do you favor the gradual withdrawal of all U.S. armed forces from Taiwan (Nationalist China)?
6. Do you favor a nationwide system of federally financed child care centers?
7. Do you favor a federal amnesty law allowing draft evaders to return without prosecution?
8. Do you favor a federal subsidy for U.S. Olympic teams?
9. Do you favor a national health insurance program to be financed by increased Social Security taxes and other federal taxes?
10. Do you favor a procedure for automatic federal intervention in prolonged strikes that endanger the public's interest?
11. Do you favor the legalization of abortion by federal law (now a state matter)?
12. Do you favor the legalization of the possession and use of marihuana by persons over 18 years of age?
13. Should the U.S. continue its generous financial support of the United Nations?
14. Should general education be financed by a national sales tax rather than through present real estate taxes?
15. Should the minimum hourly wage of \$1.60 be raised to \$2.00?
16. Do you favor a federal system of "no-fault" automobile insurance?

#### WORKERS' READJUSTMENT ASSISTANCE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ASPIN. Mr. Speaker, my distinguished colleague from Minnesota (Mr.

FRASER) and I today are introducing the Workers' Readjustment Assistance Amendments of 1972.

The purpose of this legislation is to dramatically increase the assistance provided to workers who lose their jobs because of increased imports.

While free trade is good for the overall American economy, we must insure that individual workers are not unduly harmed by expanding international commerce. For too long the problems of international trade have been cast as a black and white issue. Some free traders have disregarded the effects of expanded international commerce on workers' jobs, while many protectionists have ignored the total impact of restricted trade policies on the whole economy.

This legislation is the middle ground that allows the continued expansion of American trade without imposing hardships on American workers. Free trade results in the real growth in our economy and the production of more goods and services at lower prices for consumers. The introduction of restrictive trade policies would result in higher prices for American consumers. The long-term results of restricted trade policies would be a severe limitation upon the growth of the American economy. Free trade promotes growth and lowers prices. Protectionism results in higher prices and stunted growth.

Free trade, however, also results in the loss of some jobs. While in the long run free trade undoubtedly creates more jobs than it destroys this Nation must assist those individuals who lose their jobs as a result of our free trade policies.

Current law provides eligibility to receive adjustment assistance benefits to workers who lose their jobs as a direct result of a specific trade agreement. Workers who are judged eligible by the Tariff Commission may receive 65 percent of their former salary or the average wage in manufacturing, whichever is lowest.

In the administration of the present program the Tariff Commission has been totally unresponsive to the needs of workers. The legislation that Mr. FRASER and I have introduced today will establish a totally new system to determine the eligibility for benefits. Twelve regional counsels composed of three representatives of labor, three representatives of industry, and three public members will determine eligibility of workers for assistance. This legislation also provides for the liberalization of eligibility criteria. Workers who are unemployed because of increased imports or even a loss of export markets will be eligible.

Eligible workers will receive 100 percent of their old salaries for a year while they participate in retraining programs or seek new employment. All of the cost of relocation for an eligible worker and his family will be paid if he finds employment in a new location.

This legislation is modeled on the United States-Canadian Auto Agreement of 1965 which has provided more than \$4 million worth of benefits to nearly 2,000 auto workers. The United States-Canadian Auto Agreement has been so successful that its principles should be applied to the entire economy.

The enactment of reforms in workers adjustment assistance is urgently needed to stem the growing wave of protectionism that could degenerate into a worldwide trade war threatening America's economic well-being. It is in the spirit of continuing free trade that does not unduly harm individual workers that my distinguished colleague from Minnesota (Mr. FRASER) and I have introduced this legislation today.

#### NORTHERN IRELAND

### HON. LOUISE DAY HICKS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mrs. HICKS of Massachusetts. Mr. Speaker, I would like to take this opportunity to voice my concern over the situation in Northern Ireland. The violence and bloodshed of "Bloody Sunday" has dramatically pointed out the tragedy and horror suffered by Northern Ireland and its people. Its people suffer and its divisions grow greater and deeper daily. The consequences of imposing law and order have been disastrous and repressive. It has become quite clear that the British troops have not only failed but have added to the violence and often caused it. We can no longer tolerate this unjust situation which has brought tragedy and misery into the lives of the people of Northern Ireland.

The Catholic minority in Northern Ireland has over the years been blatantly discriminated against and is denied basic civil rights and equal justice under the law. Abuse, humiliation and frustration have been a stark reality for the Catholics of Northern Ireland. Catholic civil rights groups have agitated for redress of well-justified grievances, such as the denial of the principle of one man, one vote, as well as discrimination in housing and employment.

British actions and policies have been a complete failure. I strongly believe that British troops must leave Northern Ireland now, for we have seen that civilians must now protect themselves from the "protectors." Civil disobedience has clearly spread rapidly and has intensified hatreds and frustrations to the brink of civil war. A political settlement cannot be achieved while a systematic repressive military force exists and while this very force is implementing the shameful policy of internment without trial, directed almost exclusively against the Catholics and is generally harassing, intimidating, and terrorizing the Catholic population.

I firmly believe that the long-standing policy of discrimination against the Catholic minority must be brought under control and that the long-run solution may be a free and united Ireland. Indeed, it would not be an easy task but it is quite evident that continuation along present lines by all parties concerned presents the greatest risk.

The tragedy of "Bloody Sunday" and

the 13 deaths appear to symbolize the end of Northern Ireland in its present political form; almost all Catholics have withdrawn from government positions, lawyers are considering a boycott of the courts, and thousands of families have refused to pay rents and electricity bills. Clearly these conditions represent a radicalization of even the moderate elements within the Catholic community. The outraged Catholic minority which at first was but demanding equality in housing and employment has come to totally disregard the government as a viable force, and has turned to the IRA. The IRA has now become the symbol of liberation. A civil rights leader aptly expressed the sentiments of the Catholic minority shortly following the funerals of the Londonderry victims when he said that faith in the system had been shattered and it would have to be replaced. The anguish felt by the Catholic minority in Ulster must command the sympathy and indignation of all free men.

The following communique received by a nun in Boston from her mother who resides in Londonderry underscores the horrors of the developments taking place in Northern Ireland, particularly those happenings on January 13, 1972. The letter was read by President Mary Concanon to members of the Irish Social Club in Boston at a meeting held to engender support for the victims and their families of that bloody Sunday. The Irish Social Club is made up of more than 7,500 members dedicated to a united Ireland with equality for all, with an orderly withdrawal of British troops.

In order that my colleagues in the House may have a first-hand account of "Bloody Sunday," I would like to read to you the aforementioned letter:

FEBRUARY 6, 1972.

DEAR MAUREEN: We received your parcel during last week. The dressing gowns and night dresses are lovely, just what I wanted, Maureen, and your father got your cards as well also—Rosary and after shave. Thank you very much for them. Well Maureen Derry had their Bloody Sunday last week when the Civil Rights March went to a meeting which was to be held in Guildhall Square. It was a lovely bright sunny day, just like a day in Spring as the marchers set off from the Bishop's field beside Creggan Chapel. It was such a nice day I decided to go to the bottom of the hill beside Jack McDaid's shop, to see them marching as I knew, I never could have walked to the Creggan and then marched. I was talking to Anna McMahon when the marchers came along Marlborough Terrace and turned down Creggan Street, when I saw your father and Anton come along I joined them. Everything was so joyful, it was like a picnic. When the start of the march got to the bottom of William Street, the way was blocked by troops (Paratroopers the toughest soldiers trained like the Storm troopers of Hitler's Germany). They had barricades erected so that the marchers couldn't get through. The boys at the front started to throw some stones at the soldiers and police, but nothing like what I saw thrown at them many's a time before. The Stewarts directed the marchers towards the Free Derry Corner for the meeting, as the finish of the marchers walked across Rossville Street, the Saracens with the Paratroopers roared behind them terrorizing the people. They started running away from the Saracens.

Your father and I were very lucky because when the marchers had reached the bottom



of William Street before they turned into Rossville Street, the soldiers started to shower them with red dye from the water wagon and fire C.S. gas high up William Street. By this time we (your father, Anton and myself) were almost at Rossville Street Corner, the people all started to move back as the gas was terrible, it was a miracle no one was trampled upon as they couldn't see where they were moving with the gas. The gas started to affect me badly so your father pushed me up William Street to where Ritchie factory used to be. It's a vacant spot now. As the wind was blowing across that way your father said, "Get in there and you'll get some fresh air," little known that there were two soldiers lying on the flat roof of the Church in St. James Street (as Ritchie's Factory has been taken away now, the back of the church is facing William Street) two soldiers were on top of the Post Office sorting office and two were in the front room of an empty. I was coughing and sneezing from the gas and after it eased a little I crossed the street to where Mary and Eddie were standing. We had lost Anton in the panic at the Rossville Corner, he had went over Rossville Street and up at the back of William Street to come out at Abby Street. When your father and myself got over to Mary and Eddie, Maureen came out from the opening into William Street, beside the Grand Stand Bar to tell us that a man had been shot in the shoulder and a boy in the leg. They were being attended by the Knights of Malta. They must have been shot by the soldiers on the Church roof or the sorting office roof, as I said to your father after, "little good fresh air would do me, if I had got a bullet through me." Those were the first shots that were fired in Derry last Sunday, although the Paratroopers tried to make out that when they came into Rossville Street they were fired on by snipers firing from the high flats, this is all lies because there wasn't a provo or an official armed I.R.A. man near. They decided to pull all their men out to the outskirts of Creggan and Guard Creggan, as they thought that the soldiers would try to get into the Creggan and start searching the houses when all the people were at the march, if the soldiers would take the trouble to think, why were they aiming at the people running around in terror and why were so many of the people shot, got it in the back. To continue the story we decided to go home, we thought there was only the two wounded whom Maureen saw; it could as easily have been Anton or Tommy McDaid as they were beside the two who were shot. The young boy was shot in the thigh first and he was roaring, the man went to assist him and he got shot in the arm. Antoinette was on duty as a Knight of Malta, I had seen her pass by near the front of the marchers but I hadn't seen Lian, Malachy or Kieren. Shawn was away playing and Eamon was working. It was not until later that night that we heard about the massacre by the British murderers, paid assassins. What happened in the Bogside will never be forgotten by the people of Derry.

What I'm telling you now is what the family saw and heard. When the Saracens with the paratroops behind them came into Rossville Street beside the high flats, they rushed in groups to different places. Then they started shooting. Bernardette had just taken the mike in her hand when she was shot at, she called on everybody to lie flat and not panic (this was at the Free Derry Corner where Ivan Cooper, Bernadette Devlin and the other speakers were standing on the platform everyone thought it was rubber bullets which were being fired until someone was hit, then some youth called "run, they are shooting live bullets at us." There was panic. Everybody was running for cover, the soldiers were just firing at everyone especially young

boys. Some ones' prayers must have saved Antoinette and the boys. Malachy panicked and ran into Glen Fada Park and a man caught him by the shoulder and pulled him into a back yard where they crouched down behind the pilings. They saw a lot of death that night, when he was running three boys also ran into Glen Fadda from the other entrance with soldiers behind them. They were shot and the man who was with Malachy whispered through the slits in the pilings to the boy who was lying nearest to them, if he was badly wounded, where upon the boy said he couldn't move. The boy next to him didn't move and the one furthest away raised his head a little and then let it fall. The soldiers came over to the boy who couldn't move and shot him dead then they went over to a group of women and used terrible language to them. They told them if they moved they would be shot. About this time, the man who was with Malachy said they would be better to give themselves up. So they came out with their hands on their head towards Rossville Street where again they saw a young boy called Young. He was standing with his hands on his head. He panicked and took his hands down to run but the soldiers shot him dead. It was as he was shot that Malachy panicked. He ran up towards what used to be Eglinton place and the man also ran down towards Rossville Street. The soldiers shot after them. The bullet grazed Malachy's hand. He was lucky. It could as easily have gone through his head. The man ran down towards Rossville Street. Malachy heard them shooting after him but didn't look back to see if he was hit or not. As for Liam five of them ran across St. Columb's Court. Three of them were shot dead. Liam and the other boy made it. When we look back now, we just can't believe it happened. It is like a nightmare. When the man and Malachy were running to get into the yard, the man thought they wouldn't get there. He said to Malachy, "I'm afraid we won't make it but thank God they did."

As the Saracens came rushing into Rossville Street they didn't care whether they knocked down anyone or not. A girl called Lanough Burke was crushed against the wall. She was carried into the house where Antoinette attended her. As she thought she needed an ambulance she left the house to cross St. Columb's Court below the High Flats. She didn't know that the soldiers and police were shooting also from the walls. A Knight of Malta pulled Antoinette into a corner below the High Flats. In the corner were about 20 men and two girls. A man we know as Barney McGuigan was lying shot dead. Another man lay about 6 feet away and further up the court Father Bradley was attending a dying man. The troops from the walls were shooting at Father Bradley as he knelt beside the man. Everytime Antoinette and the other Knight of Malta tried to get to Barney McGuigan, they were shot at. Antoinette says that all they could do was say an act of Contrition and two decades of the Rosary kneeling about three foot from him. When Antoinette and another girl Knight of Malta went to get an ambulance for the three men, two soldiers wanted to search them but the girl told them to catch themselves on that they were looking for an ambulance for three bodies lying over the street. On of them said, "so what" and the other said "Ha Ha". Could you believe they could be so callous. A widow woman with thirteen children was shot through the thigh. It was the first time that she had taken part in a march. We just heard last night she is very ill and not expected to live. She had to be removed to Belfast. Her leg was very badly shattered but those fools over in Altnagelvin give her the wrong blood group in a transfusion. Father Daly was running

across the Square. A young boy was running in front of him. Father Daly passed him and then heard him gasp. He thought he was hit by a rubber bullet so he looked back and saw blood flying from him. He rushed back to him and saw he was dying. So he gave him the Last Rites, as he knelt beside. He was shot at. The heel of his shoe was shot off. Father Daly says that a young Knight of Malta crept out to help the dying boy although the bullets were flying around them. He thought it was the bravest thing. He saw the young Knight was crying and so was Father Daly. Ivan Cooper and another man rushed out to help a boy who was shot. Ivan carried a white flag, but even with the white flag the man with Ivan was shot through the cheek.

When one of the priests went to give the Last Rites to a man who was shot, the soldiers keep shooting. One young boy ran out calling "Don't shoot the Priest." "Shoot me." And they shot the boy. One young boy was shot in the stomach. He crawled into a doorway. Barney McGuigan was round the corner in safety but when he heard the boy he said he was going to him, soldiers or no soldiers. Just as he stepped out half his face just disintegrated. Some of the men who saw it happen just couldn't believe what they saw. Some men who were carrying a boy shot dead to an ambulance called Father Daly to go in front of them waving a white pillow case. You should have seen Father Daly on T.V. coming around a corner. Bent down waving the white cloth. Even then a crowd of soldiers came over to the men to examine the body. One boy was arrested and as the soldiers were putting him into a Saracen tank, he started to run away. The soldier shot him through the back. Two other boys were arrested and put into a Saracen. The soldiers then put a C.S. gas canister into the tank with them. The boys jumped out to get air and were then shot dead. Maureen these are only a few of the incidents that happened at a peaceful Civil Rights march on the Bloodiest Sunday Derry has ever seen. I could write a book on the happenings. How our connection got through it, I'll never know. Willie found himself facing one of the Saracens as it roared at him he thought it was the finish for him, so just stood and a big sign of the Cross on himself. At the last moment the Saracen suddenly turned from him. He couldn't believe they were. Seamus was up beside the platform when the shooting started. Everybody got down flat on the ground except Seamus. One of the priests called to him to lie flat but even to save his life Seamus called to him "what with my new suit on." But he got down behind a pillar near him. Margaret and Helen Johnston were near a boy who was shot. They went to help him and found another lying on the ground dead as they got near the boy lying wounded on a barricade. The soldiers came at them hitting Margaret with the butt of the rifle on the head and punching and kicking Helen. The language they used was awful. They then turned the boy over and shot him in the back. When I look back to that Sunday in Derry it is hard to believe that things like these could happen here. You must know John Young. He was the youngest of the family. Just 17 years. Malachy saw him being shot dead.

His sister was at the Rosemount School with you and Eileen. She had dark curly hair. His mother was Lily Hegarty from Cottage Row and the father came from Donegal Street. Lily Young opposite Paddy's shop is a cousin. Willie McKinney lived next door to your Uncle Paddy in the Creggan. He worked in the Journal Office. It was your Uncle Paddy who went with him to get the job. We were very great with the McKinneys. Liam called it with Joseph Willie's brother for a time. He is a machine mechanic in the City

Factory. I was also very great with the Mother of Gerard McKinney who was shot. His wife had a baby son on Sunday last. That makes the family three boys and five girls. Mrs. Gerard McKinney was Ita Kane from Beechwood Avenue. I think she was at school with Eileen and you. Also Gerard's father was Mr. McKinney, manager of the Rosemount Factory. And his mother was an examiner there. You often heard your father talk about his cousin Sally McLaughlin. His Aunt Nellie's daughter young Doherty who was a son of Alice McGuigan who lived up Westway opposite the Basin. She used to be always sitting out in the garden every Sunday when we passed on the way to Holywell or for a walk. Barney was married with 6 or 7 children, one of the best. He was safe himself in a corner when a young boy was shot. The boy crept into a door way of the shops. He was crying and yelling "I don't want to die." Barney couldn't stand it. He said no matter what happened he was going out to help the boy. Some of the others tried to stop him but he went out from the corner and the next thing they saw was half of his head disintegrating before their eyes. He was shot at from behind and you can guess the others were. His eye lid with eye lashes was seen sticking against the wall, also an eye. It was really gruesome. Another boy's brains lay behind a big stone. Eddie Anton, your father saw them. All these things have been impressed so much in our minds that it will take a couple of generations before they ease off. When I think of all those shot dead and 16 supposed wounded. But there were far more than 16. Some of the others got treatment other than Altnageheim. It's a miracle that our clan escaped. Well Maureen, I hope you will be able to make all this letter out.

Love,

MOTHER.

P.S. I started this letter last week and I'm only getting it finished now. I'm getting it posted in Eire as everything here is being censored and you wouldn't get it. We got your letter this morning. Don't forget to write to Mary and Eddie to thank them. The British Army must have had a red face because none of the 13 who were shot or the twenty or so who were wounded had the remotest connection with either the provos or the Official I.R.A.. You see everybody here knew what the plan of the Paratroopers was. One of them deserted the Thursday before Bloody Sunday. After hearing their orders and sought Political Asylum in Dublin. It seems the scheme was that the Paras were to shoot two men then wait twenty minutes until the news got through to the I.R.A. who would come to the defense of the marchers but the scheme misfired. Right enough the soldiers shot the two, one boy and the other a man. The boy was called Doneghy and the man was Johnson and they waited twenty minutes before they roared into the Bogside but they didn't know that the I.R.A. had stayed up in the Creggan to protect the houses if the soldiers tried to search them. While the people were in the march and that the shooting was so bad nobody thought of going up to the Creggan to let them know what happened. Everything was over before the word got through to the I.R.A.

I strongly believe that we in the Congress as responsible and concerned individuals should urge the administration to take appropriate actions to place Northern Ireland on the U.N. Security Council agenda and to persuade the British Government to accept a U.N. peacekeeping force. By these actions I would hope that the result would be a country in which the people of Ireland could live in harmony, peace, dignity, and equal justice.

## REMARKS BY HON. GEORGE E. DANIELSON AT SAN DIEGO VA HOSPITAL DEDICATION

### HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. VAN DEERLIN. Mr. Speaker, yesterday I attended the dedication ceremonies for the opening of the new San Diego veterans hospital. Planning and construction of this modern hospital has been underway for several years. San Diego is proud that a long recognized need has been fulfilled.

My colleague from California, Congressman GEORGE DANIELSON, addressed the assembled group on behalf of the Committee on Veterans' Affairs. His remarks on the VA hospital system are most enlightening and I insert his speech at this point in the RECORD.

#### REMARKS BY HON. GEORGE DANIELSON

It is a high honor and a great privilege for me to be here officially representing the Committee on Veterans' Affairs of the United States House of Representatives at the dedication of this, the most modern, medical edifice in the chain of VA hospitals which stretches across the length and breadth of our great country.

This is a most important occasion, for we are today meeting a part of our continuing responsibility to provide medical care to the American veteran—to him who has borne the battle, and to his widow and his orphan.

It takes a long time to build a hospital like this—longer than it took our Nation to reach the moon, after having committed itself to do so. It was 8 years and 2 months after President Kennedy announced the goal of landing a man on the moon and returning him safely to earth before Neil Armstrong set his foot on the moon.

We dedicate this hospital today—nearly 8 years and 8 months after President Kennedy first authorized it.

This \$38 million medical center was first authorized on July 29, 1963 by President John F. Kennedy to help meet the growing needs of veterans in the state of California—a state which was and still is experiencing the greatest population explosion of any state in America.

The planning of this uniquely designed structure proceeded, and in 1968 President Johnson asked Congress to appropriate the funds to construct this beautiful 800 bed hospital.

What will this hospital mean? First, to the veterans here in California it means better care because I predict this hospital will set the pace for many others to follow in the VA hospital system. A hospital is not just a magnificent building; what really counts in the hospital is its modern, up-to-date life-saving and life preserving equipment—and most important of all is the dedication of the doctors, nurses, and other medical support personnel who treat the sick and disabled veterans who come here for care.

A second thing I think is important to note is that all of the community and all the Nation will benefit because of the work and research which will be done here and in other veterans' hospitals to bring about major medical breakthroughs that benefit all the country.

For example, because of VA medical research, treatment of TB has improved to the point that veterans hospitalized for the disease decreased from 17,000 in 1954 to about 2,000 at the present time.

The first successful pacemaker implant

operation was performed at the Buffalo, N.Y., VA Hospital.

The Denver, Colorado VA Hospital is the site of the world's most advanced liver transplant procedures.

And our great Long Beach VA Hospital has just commenced an imaginative new program of hemodialysis treatment for spinal cord injury patients which promises to be a major breakthrough in the medical care of people so afflicted.

Just recently, Dr. Edward D. Freis, senior medical investigator at the Washington, D.C. VA Hospital was congratulated by President Nixon upon being awarded the Albert Lasker Medical Research Award for clinical research. Dr. Freis initiated and quarterbacked a 5 year study of hypertension under controlled conditions in 17 VA hospitals. In this fashion very important research findings were compressed into a few years that otherwise could not have been accomplished in a lifetime by individual investigations.

His research demonstrated the lifesaving effectiveness of the use of drugs in treatment of moderate hypertension and the consequent dramatic reduction of deaths from stroke and congestive heart failure.

There are more than 6000 on-going research projects underway each year in VA hospitals. The fruits of VA supported research must be counted as an important asset in our national health care delivery system, an asset which must not be overlooked as we attempt to improve the quality of the health care delivery system for our entire population.

I understand that one entire floor of this magnificent building will be devoted to research activities and I feel certain that a number of major breakthroughs will result from the projects which are conducted here.

One of my first assignments after being appointed to the Veterans' Affairs Committee was to serve on a special committee appointed by Chairman Teague to investigate the San Fernando earthquake disaster and to review the efforts of the Veterans Administration to survey existing facilities in an effort to avoid recurrence of what happened at San Fernando where 46 patients and employees lost their lives. Hearings were held in Los Angeles, and we have had several more productive review sessions with VA officials since the initial hearings to evaluate the progress of the study which the VA has been conducting in high seismic areas.

I was indeed gratified to note that the 1973 budget request contained funds to construct two replacement hospitals in California—one at Loma Linda to replace San Fernando and a completely new hospital at Wadsworth in Los Angeles.

But, I have learned since being elected to Congress that this sort of action just doesn't easily happen—it requires a great deal of effort on the part of a great many people and sometimes it takes the horrors of a major earthquake to move our bureaucracy into this sort of decisive action.

#### EXECUTIVE RESISTANCE

Despite all of the great accomplishments of the VA hospital system, there are those within the Federal bureaucracy who for about two decades have tried to seriously curtail the VA medical program. Their efforts have extended through several Administrations and with the advent of national health care insurance you can expect them to redouble their efforts to merge the VA hospital system into whatever national health care system finally evolves.

This problem must be dealt with firmly. The VA hospital system must be preserved as a separate entity. The wisdom of this can be seen from what happened in England after World War II. After a national health care plan was approved over there, the veterans' hospital facilities were either phased out of existence or merged with other health care



facilities. Assurances were given that service-connected veterans would receive priority for admission to hospitals and for other medical treatment. This commitment has not been honored. It has been reported that some veterans in England with service-connected disabilities are subjected to waiting periods of from two to four months. So, all of us who have special responsibilities in the field of veterans' affairs must be alert to this problem and prepared to act swiftly to preserve America's VA hospital system as a separate entity to insure the prompt and proper treatment of our veterans so richly deserve.

I was particularly pleased to be assigned to the Veterans' Affairs Committee when I was elected to Congress. As I began to participate in the business of the committee, I very quickly realized what important responsibilities rests in its jurisdiction and work. It was evident that one of the most important objectives was to maintain a sound and viable medical care program.

Were it not for this Committee's past and continuing vigilance in this area, it is entirely possible that we would not be here today in participating together in this dedication ceremony.

#### VA HOSPITAL CONSTRUCTION DELAYS

Let me just quickly review some of the history of the VA hospital construction program. It is indeed unfortunate that this program has been subjected to many delays and not updated over the years to keep pace with changing times and conditions.

Back in 1944, Congress authorized expansion of the VA hospital system by appropriating \$1.1 billion to add approximately 49,000 new beds to the VA system. In 1958 during the Eisenhower Administration, because of concern that VA hospitals were not keeping pace with those in the private sector, the Administrator of Veterans' Affairs appointed a special task force, including representatives from the Bureau of the Budget, to study and appraise long-range modernization and replacement requirements of the VA hospital system. This two year study resulted in a 12 year plan to spend almost \$1 billion to modernize over 65,000 beds at 72 existing pre-World War II hospitals, and to construct over 11,000 new beds, to completely replace outmoded facilities.

This plan was presented to the House Veterans' Affairs Committee and to the Appropriations Committee. It received the enthusiastic endorsement of the national veterans organizations and funding for the program started in 1961. In 1962, under the Kennedy Administration, the plan was revised upward to \$1.3 billion level over a 15 year period with an annual funding level of \$90 to \$100 million. This new level was reflected in appropriations of \$98 million in fiscal 1965 and \$91 million in 1966. From 1967 through fiscal 1972, more than \$234 million has been appropriated by the Congress for modernization and construction of new hospital facilities.

Unfortunately, we still have many facilities that are badly in need of either replacement or major modernization. However, the Executive Branch has failed to recommend and approve the necessary funding to proceed with this important work.

Of the original 72 hospitals scheduled for modernization, 6 have been closed, one was destroyed by an earthquake here in California, and about 50 remain unfunded to accomplish either modernization or replacement. In fiscal 1973 beginning this July, at least \$155 million will be appropriated by the Congress to continue construction and modernization plans.

#### ATTEMPTED REDUCTION IN HOSPITAL CARE

The VA medical program has also been assaulted in other ways. In 1965, attempts were made by the Executive Branch, on recommendation of the Bureau of the Budget, to close eleven VA hospitals containing almost

3000 beds. However, between the efforts of the Congress and strong support from the veterans' organizations this effort was frustrated. More recently a more oblique approach has been taken by the Office of Management and Budget, the successor organization to the Bureau of the Budget under this Administration. Each year in submitting the budget request to the Congress, reductions have been requested in the number of operating beds and the average number of patients who occupy these beds each day throughout the fiscal year. Over the past five fiscal years, the budget submission each year has called for a reduction in the average daily patient census of more than 16,000. The 1972 average daily patient census recommended to the Congress called for a reduction from an 83,000 target in 1972 to 79,000 for fiscal 1973 at a time when the census was actually in the neighborhood of 84,500.

To put a stop to this gradual weakening of the VA medical system at a time when its workload was at its peak, Chairman TEAGUE, in an unprecedented action, recommended to the House Appropriations Committee that they restore the funds to operate the hospital system at about the actual level of operation for fiscal 1971. Language was incorporated in the appropriation's bill for fiscal 1972 requiring the VA to operate not less than 97,500 operating beds and an average daily inpatient bed occupancy of not less than 84,500.

#### UNDERFUNDING OF MEDICAL PROGRAMS

In fiscal 1971, it became evident from our committee survey that the medical program was seriously underfunded and Congress added \$105 million to the President's budget request for VA medical care. When the fiscal 1972 budget was presented to the Congress, a committee study indicated that the medical program would not be sufficiently funded to keep pace with inflation and rising workloads if funded at the Administration's recommended levels. In a partnership action between the House Veterans' Affairs Committee and the Appropriations Committee, well over 200 million was added to the Administration's medical care budget request by the Congress to preserve the level of care at the prior year's rate and improve and expand the quality of care throughout the VA system.

The 1973 budget for the Veterans Administration will soon be considered by the Congress. While it is a record high budget and contains a medical care employment target higher than last year, nevertheless, there is serious doubt about its adequacy in some areas. The Office of Management and Budget has imposed some rather restrictive personnel policies which inhibits and will continue to inhibit the employment of sufficient personnel in our hospital system. This matter is being closely studied by our committee at the present time and within the near future it is hoped that we will be able to devise some method to relieve this situation.

I can assure you that in the matter of adequate staffing, sufficient operating funds or any other problem affecting the scope and quality of VA hospital care, the House Committee on Veterans' Affairs will continue to discharge—fully and promptly—its legislative oversight responsibilities to America's veterans.

#### SALUTE TO WGST ON 50 YEARS' SERVICE

**HON. JOHN J. FLYNT, JR.**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. FLYNT. Mr. Speaker, March 17, 1972, is the 50th anniversary of WGST radio in Atlanta, Ga. WGST, originally carrying the call letters WGM, was

launched as a broadcast service of the Atlanta Constitution on March 17, 1922, and a year later given to Georgia Tech and now licensed to the Board of Regents of the University System of Georgia, operated for and on behalf of Georgia Tech.

Mr. Speaker, WGST began operations as one of the first radio stations in the South when there were only 3 million radio receivers in the United States. There were no commercials on radio in 1922, but the issue of the Atlanta Constitution which announced the birth of WGM—now WGST—also advertised boy's all wool suits for \$9.95 and hamburger for 10 cents per pound.

The first newscast on the first day of operation of this radio station announced that the semidirigible, the *Roma*, just purchased from Italy, had struck high-tension wires at Hampton Roads Army Airbase and exploded, killing 34 of its crew of 45.

Mr. Speaker, from the first day of operation to the present, WGST has brought the news of the day and entertainment to its listeners with accuracy and good taste and with appreciation of its responsibility to the public.

I join with its host of listeners in congratulating WGST and its entire organization for 50 years of significant service to the people of Georgia and to wish them continued success.

THE LATE HON. JAMES W. TRIMBLE

**HON. JOE D. WAGGONER, JR.**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. WAGGONER. Mr. Speaker, I would like to join those eulogizing our former colleague, James W. Trimble, from my neighboring State of Arkansas. The Land of Opportunity has lost a leader and the Nation, too, feels a personal loss.

Oh, there were times when some of us did not agree with Jim. But we always respected him and his convictions. As a member of the Public Works Committee, and later, the Rules Committee, Jim helped get his beloved State many projects. First and foremost, he championed waterway projects, especially dams on the Buffalo River which he felt were needed for water control in the northern reaches of his State.

Jim's dream, of course, was never realized. In fact, it ultimately led to his defeat. But just as conservationists wanted to keep the Buffalo free flowing, a free flow of viewpoints and ideologies is important in a democratic society such as ours.

Jim was widely known and respected by liberals, moderates, and conservatives alike. He was a man of his word, choosing his words carefully, and holding the man from the low country in high regard.

I join my colleagues in offering heartfelt sympathy to his family in this time of deep grief, when we here, too, feel a sense of personal loss.

**THE FEDERAL GOVERNMENT PERPETUATES SECOND-CLASS CITIZENSHIP FOR SPANISH AMERICANS**

**HON. DON EDWARDS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. EDWARDS of California. Mr. Speaker, I rise today to bring to the attention of the House the utter failure of the Federal Government to bring Spanish-speaking Americans into the mainstream of Federal employment. The efforts of the Federal Government to increase the employment of Mexican-Americans, Puerto Ricans, and other Spanish-speaking Americans are deplorably inadequate.

Testimony received by my Civil Rights Oversight Subcommittee of the Committee on the Judiciary at recent hearings on the Federal employment problems of the Spanish-speaking revealed the following shocking information:

That the much-touted Sixteen-Point-Program announced by President Nixon in November, 1970, to increase the employment of Spanish-surnamed persons in the Federal Government is a failure; it is nothing more than a series of paper promises to the Spanish-speaking community that are not being kept;

That the Civil Service Commission, which has prime responsibility for implementation of the President's Sixteen-Point Program, has only three staff members assigned to the nationwide implementation of the program, a number so woefully inadequate that some field staff have never even been contacted with regard to implementation of the Sixteen-Point Program;

That the Sixteen-Point Program, although in operation for almost a year and a half, has not succeeded in raising the percentage of Spanish-surnamed employment in the Federal Government by even one-tenth of one percent;

That Spanish-surnamed employees in the Federal Government are concentrated at the lowest wage levels with little evidence of an increase in upward mobility;

That 80% of the Spanish-surnamed employees in the Federal Government are concentrated in the Department of Defense or in the U.S. Postal Service and that all of the other Federal agencies combined have only 20%, or less than 15,000 Spanish-surnamed employees in total;

That the Civil Service Commission, the agency which more than any other Federal agency should have its house in order with respect to the employment of minorities, has a lower percentage of Spanish-surnamed employees than the Federal governmentwide average, has no Spanish-surnamed employees between GS levels 16 and 18, and has to date issued no affirmative action plan to increase Spanish-surnamed employment within the Commission;

That the Cabinet Committee on Opportunities for the Spanish Speaking, which was created to encourage and coordinate Federal programs to assist the Spanish speaking, has been relegated to the status of second-class citizenship within the Nixon Administration.

The Chairmanship of the Committee was left vacant by the President for eight months; the new Chairman, Henry Ramirez, has been unable to receive Presidential support for the implementation of the excellent recommendations he has made to the Federal agencies; for example, his recommendation that the evaluation of every supervisor in-

clude his performance in implementing the President's Sixteen-Point Program and Executive Order 11478 has been ignored by the Federal agencies despite its obvious utility in moving supervisors to work seriously towards the goals of the Sixteen-Point Program.

The Federal Government is failing to set an example in the employment of Spanish surnamed and it is hypocritical for the Federal Government to hold private employers to a higher standard of performance than it is willing to follow itself. For example, the Civil Service Commission defends the validity of the Federal service entrance examination against charges from the Spanish-speaking community that it is culturally biased despite the fact that the validation of the test to which the Commission refers did not meet the minimum validation criteria used by the Equal Employment Opportunity Commission and the Office of Federal Contract Compliance in their assessment of employment tests used by private employers. Chairman Ramirez of the Cabinet Committee on Opportunities for the Spanish Speaking has urged a study of the effect of written employment tests on Spanish-speaking applicants, but the Civil Service Commission undercuts his position by stoutly maintaining that there is no evidence of test-taking handicaps on the part of Spanish-speaking persons.

The effect of continuing widespread discrimination against the Spanish surnamed in Federal employment upon the Spanish-speaking community is devastating. Spanish-speaking people represent 6 percent of the Nation's population, and they should hold at least 6 percent of the Federal jobs. Instead, they are only 2.9 percent of the Federal workforce. It has been estimated that this discrepancy of 3.1 percent represents more than 80,000 jobs and a loss in take home pay of over \$13 billion since World War II.

My subcommittee has received many recommendations for improving the deplorable Federal record in hiring the Spanish surnamed and I intend to press for immediate implementation of the best of these. I also urge President Nixon to investigate the failure of his 16-point program and take immediate steps to provide for its implementation. The 16-point program is a good program; the problem is that it is being ignored. The President must act to show the Federal agencies that he is seriously committed to increasing the employment of Spanish-surnamed Americans by the Federal Government.

**PAY BOARD DECISION ON WEST COAST DOCK SETTLEMENT**

**HON. DAN KUYKENDALL**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. KUYKENDALL. Mr. Speaker, when I picked up this morning's Washington Post I was gratified to see on the front page a story by Mr. Peter Milius indicating that the administration's Pay

Board has agreed in private caucus to cut back the wage settlement negotiated by west coast longshoremen. The cut-back is not official, but reportedly it will be made official when the Board meets today.

I know that I and many other Members of this body have seriously questioned some of the actions taken by the Pay Board and the Construction Industry Stabilization Committee in recent weeks. In my judgment some of these decisions have seriously undermined the confidence of nonunionized American workers in the whole operation of phase II. This decision by the Pay Board is the first indication that I have had that the pendulum may be swinging back toward the middle. To my way of thinking, it is high time. In my judgment too many of the decisions of the Pay Board have been weighted in favor of organized labor, and contrary to the interests of the average American. Cowering under pressure from any organized power broker is not good for the Pay Board or for the country.

**MEDICAL EMERGENCY SERVICE AND TRANSPORTATION ACT**

**HON. JAMES W. SYMINGTON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. SYMINGTON. Mr. Speaker, minutes saved on the way to a hospital can save a child's life. For this reason, I co-sponsored with Representative PAUL ROGERS of Florida, H.R. 12563, the Medical Emergency Services and Transportation Act which would direct the Secretaries of Transportation, HEW, and Defense to coordinate a Federal assistance effort to strengthen State and local agencies involved in medical rescue work.

In this regard, I would call to the attention of my colleagues two articles that appeared in the St. Louis Globe-Democrat on March 6 and March 10, 1972 respectively. The latter article was written by Sue Ann Wood.

At this point I insert the articles in the RECORD:

**COUNTY HELICOPTER FLIES ON TWO MERCY MISSIONS**

The St. Louis County police helicopter was used twice during weekend as an air ambulance to take injured children to St. Johns Mercy Hospital.

The injured youngsters, each flown to the hospital in less than four minutes, are:

Robert Newlon, 15, son of Mr. and Mrs. Ernst Newlon Jr., of 8159 Warwick st., Kinloch.

Wendy Grebe, 10 weeks old, daughter of Mr. and Mrs. Howard Grebe, 8326a Minnesota ave.

The Newlon youth was badly burned at about 10:30 a.m. Saturday when a can of gasoline was accidentally flicked into a fire he and a group of friends were building, police said.

When Kinloch Patrolman Guybert Barnes arrived on the scene, he called for emergency help from the County Police Flight Operations center.

The chopper, with Patrolman Roger Melton as pilot and Patrolman Terry Cooper as



observer, flew to the scene where Newlon was strapped into the observer's seat and flown to the hospital.

Newlon was reported in satisfactory condition Sunday.

The helicopter was called into action again at 1:50 p.m. Sunday to take Wendy to the hospital from an accident scene on Interstate 55 at the Mattis road intersection.

Police said the infant was apparently not injured, but the helicopter was called as a precaution because of the child's age.

The child's father, Howard Grebe, 24, was injured when his pickup truck blew a front tire, went out of control and rolled across the median into the path of oncoming vehicles, where it collided with a car driven by Kenneth W. Kraeger, 54, of 4217 Gannett St., police said.

Riding in the pickup truck with Grebe and Wendy were Grebe's wife, Linda, and another daughter, Tricia, 2.

Police said neither Kraeger, Mrs. Grebe nor Tricia was injured in the accident.

Howard Grebe was taken by auto ambulance to St. Joseph Hospital, where there was no immediate report on his condition.

Wendy was whisked away from the accident scene by helicopter pilot Jerry Hawkins, who landed on the highway pavement minutes after the accident.

#### PARAMEDICAL AMBULANCE SAVES CORONARY VICTIM HERE—ON TAPE

(By Sue Ann Wood)

A woman heart attack victim's life was saved before the watching eyes of an enthralled St. Louis audience Thursday, in a dramatic illustration of the way ambulance-emergency medical services can work.

The life-saving episode actually occurred some months ago in Los Angeles and was recreated by tape-recording and electronic equipment at a meeting of the Community Committee for Emergency Medical Services, held at Washington University School of Medicine.

After the demonstration, Dr. Marshall Conrad, co-chairman of the St. Louis area committee, declared the kind of emergency medical program Los Angeles has "is the type of service the people of this area have a right to expect."

Dr. R. Dean Wochner, acting director of the department of health and hospitals for the city, reported St. Louis is preparing plans for a central ambulance dispatching station that could be the basis for an areawide system like the one being proposed by the committee.

The Los Angeles demonstration was given by Harve Hannish, director of engineering for Bio-Com Systems, who set up portable telemetry equipment that can transmit electrocardiograms by ordinary radio or telephone.

To show the St. Louis group how it works, Hannish played a tape of an actual rescue by the team of paramedical technicians who answer all ambulance calls in the Los Angeles area.

The first sound was the voice of a woman dispatcher, sending an ambulance to the home of a woman who had suffered a possible heart attack. Within minutes, the paramedical team was radioing they were at the woman's bedside and setting up the electrocardiogram (EKG) equipment.

Then, on the small television screen that is part of the telemetry console, a series of green blips bounced rapidly up and down. Some of the physicians watching the screen from the audience quickly identified the EKG reading as "ominous."

Next, on the tape recording, came the voice of a physician at Harbor General Hospital in Los Angeles, where the televised EKG had been monitored. By radioing to the paramedics at the woman's bedside, the physician gave immediate orders for intravenous in-

jections and other emergency treatment. There were a few moments of tense silence.

Finally, the blips on the screen relayed the latest EKG information in a series of steady motions. Physicians in the audience smiled and nodded at each other. The woman's condition had stabilized. Now, the paramedical team was ordered to bring the patient to the hospital for further treatment. They had saved her life.

Conrad pointed out in many instances like this, treatment at the scene is essential, "not just throwing the patient into an ambulance and rushing to a hospital." It is the kind of emergency medical service not yet available in this area, he added.

Dr. Allen P. Klippel, co-chairman of the committee, reported prospects appear good for getting federal funding after July 1 to begin a first phase of the emergency medical system that eventually will cover a 4,400-square-mile area in and around St. Louis.

First steps, Klippel said, will be the purchase of about 19 new ambulances to help service the "core" area of the city, St. Louis County and East St. Louis, and the establishment of a central dispatching office with a single telephone number that can be used by persons throughout the area to call an ambulance.

#### FOUNTAIN SUBCOMMITTEE WATCH-DOG ON FOOD AND DRUG ADMINISTRATION

#### HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. PREYER of North Carolina. Mr. Speaker, most of my colleagues are familiar with the service my fellow North Carolinian, Representative L. H. Fountain, has rendered on the House Committee on Government Operations. Some may not know of his good work in recent months in bringing to the attention of the public some of the weaknesses in enforcement of our food and drug laws. Under his leadership hearings have explored the problems of unsafe goods and drugs—a situation which touches the daily lives of almost every American. His work has received the commendation of a number of consumer groups and is the subject of a recent article in *Everybody's Money*, the publication of the Credit Union National Association, Inc. The article follows:

[From *Everybody's Money*, winter of 1971-72]

#### FDA—WHERE ARE YOU?

Most Americans believe the Food and Drug Administration (FDA) protects them against impure or unsafe foods and drugs. Does it?

Dr. Herbert Ley, former FDA Commissioner, who was ousted from that job in late 1969, said, "the thing that bugs me is that the people think the FDA is protecting them—it isn't. What the FDA is doing and what people think it's doing are as different as night and day." According to a study by the agency itself, "the FDA cannot assure the public that all is well with respect to the products it buys."

James Turner, author of *The Chemical Feast*, based primarily on an intensive four-month study of the FDA, with the agency's cooperation, concluded the FDA is unwilling and unable to protect the consumer. Turner asserts the regulations governing food quality and composition "read like a catalogue of favors to special industrial interests." As one example of the alleged bias, Turner uses the FDA's stand on caffeine. Some doctors

question allowing children to drink beverages containing caffeine. Some doctors also say adults with certain ailments should regulate or omit caffeine from their diet. But in spite of these warnings, the FDA refused to make *Coca-Cola* and *Dr. Pepper* put "contains caffeine" on their containers.

The FDA says there are "between 2 million and 10 million cases a year of food-borne illness." One of the sections of the Food, Drug and Cosmetic Act says a food is adulterated "if it consists in whole or in part of any filthy, putrid or decomposed substance." But Thomas Brown, Director, FDA Office of Compliance, said although the law doesn't allow tolerances for filth, the FDA set up guidelines allowing limited amounts of filth. In establishing these guidelines, Brown said the agency acted in accordance with legal cases that indicate it is impossible for food processors to guarantee absolutely pure food. But the one legal case he mentioned did not authorize such guidelines. When *Everybody's Money* asked for all the guidelines, Brown refused.

Much debate has arisen over the use of food additives and medicated animal feeds. Two congressional hearings were held this year regarding these chemicals and whether the FDA was doing its job protecting the consumer. What, if any, hazard do these chemicals pose?

Nitrates and nitrites are two additives challenged by some doctors. These chemicals are used as curing agents, preservatives and color fixatives to make meat look fresh, or, with smoked fish, to stop growth of botulism. The additives are often found in ham, corned beef, hotdogs, luncheon meats, sausage and smoked products. Most companies list these chemicals on the product label.

The FDA says nitrates and nitrites are safe as long as the prescribed limits of 500 ppm (parts per million) of nitrate and 200 ppm of nitrite are followed. However, one doctor, who has tested these additives, testified nitrites "are quite toxic, owing to their high reactivity." He said both additives were problems to infants, who "seem especially prone to this type of nitrite poisoning."

The FDA has tried to minimize the number of poisoning cases. But Representative L. H. Fountain, North Carolina, Chairman of the House hearings on chemicals in food, submitted documents proving the FDA omitted data showing over 50 percent of the firms surveyed by the agency had nitrite content in foods ranging from 1,457 to 3,046 ppm. When asked if these levels could be fatal to a child, harmful to a pregnant woman or her fetus, or harmful to a seriously anemic person, Dr. Charles Edwards, FDA Commissioner, said they could.

Rep. Fountain submitted medical documents and reports showing numerous deaths and severe illness, especially among children, from eating food containing nitrite up to 6,500 ppm. He concluded the FDA did not have "any well-developed surveillance program for the coverage of products" containing these additives. And shortly before the hearings, a man died from eating a meat tenderizer containing 9,700 ppm of nitrite. The congressmen were not told of his death.

Doctors also testified nitrites interact with certain amines, present in many foods and drugs, producing a chemical, nitrosamine (NA). The FDA, as well as other researchers, have found some NAs are carcinogenic (cancer-producing). But the FDA said there is no evidence the production of NA takes place in humans at the present permissible levels of nitrite. Rep. Fountain asked about a research project which found carcinogenic NA in smoked fish when only 200 ppm of nitrite were used. The FDA denied the validity of the test, but did admit their own researchers found a highly carcinogenic NA in smoked fish. When asked why nitrates and nitrites weren't withdrawn until further test results were in, the agency replied they

wouldn't do that until they had conclusive evidence NA was found in food.

During the hearings, congressmen also questioned the use of diethylstilbestrol (DES). This chemical is widely used to stimulate growth in cattle, calves, swine and sheep. Rep. Fountain submitted numerous research projects linking DES to cancer in both animals and man. But the FDA said it had much evidence the chemical wasn't carcinogenic. Rep. Fountain said all growth-promoting hormones, of which DES is one, had been totally banned in 21 countries. Sweden, in fact, refuses to accept imported U.S. meat containing these hormones.

As *Everybody's Money* went to press, the USDA and FDA jointly announced that livestock must be withdrawn from DES seven days prior to slaughter in order to eliminate DES residues in the meat. The previous requirement was two days. Commissioner Edwards said if the tighter controls fail to prevent residues, the FDA will take further action.

But in 1970, the FDA doubled the allowed amount of DES from 10 to 20 milligrams per head per day. Rep. Fountain says the USDA figures on carcasses containing DES are too low. And between 1967 and 1969, when an estimated 40 million cattle were slaughtered, the USDA tested only 500 carcasses. No wonder one FDA official said housewives couldn't be sure there were no traces of chemicals in the meat they bought.

And consider cyclamates. Although the ban on artificial sweeteners containing cyclamates went into effect July 1, 1970, FDA documents show that three producers of this product continued shipping the products after the ban. (Cyclamates are still permitted by prescription.) The documents revealed that Abbott Laboratories told the FDA in November it would sell rather than destroy its *Sucaryl*. The FDA now denies any knowledge of these violations.

Why all these problems with an agency that is supposed to protect our food? The agency says it lacks sufficient staff, money or authority to test chemicals, police users and recall products. There is one thing for sure: Consumers deserve better protection. And they aren't getting it.

JAMES W. TRIMBLE

## HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. PEPPER. Mr. Speaker, it is a privilege for me to join with the able gentleman in the well (Mr. HAMMER-SCHMIDT) in tribute to a former colleague on the Rules Committee and in this House, and a friend, Representative James W. Trimble.

Jim Trimble was a distinguished representative of his district, his State, and his country. He was a man deeply dedicated to the public interest. Always quiet and unassuming, he was, nevertheless, alert and zealous in doing whatever was best for his district, his State, and country.

He was a man of gracious charm and warm heart, whose friendship was cherished by everyone privileged to be his friend.

In his passing, his family, his friends, and his country have suffered a grievous loss. We shall always honor his name and memory. To all of his loved ones, my wife and I send our heartfelt sympathy.

## USES OF AWACS

### HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. HICKS of Washington. Mr. Speaker, the airborne warning and control systems—AWACS—is a highly versatile system. The following two articles, which summarize the weaknesses of our present air defense system, illustrate the necessity of using one of the several capabilities of AWACS for air defense:

#### U.S. AIR DEFENSE IN SOUTH SCORED HOUSE PANEL FINDS "GAPING HOLES" IN RADAR COVERAGE

(By John W. Finney)

WASHINGTON, January 11.—The House Armed Services Investigating Subcommittee charged today that the nation's air defenses were "virtually useless," particularly in protecting the southern flank of the United States against a bomber attack.

In reply, the Defense Department acknowledged that there were gaps in the radar detection network on the southern flank but called the possibility of a bomber attack from the south remote. It contended that the Soviet Union could not launch an undetected bomber attack against the United States.

The House subcommittee's report resulted from an investigation of an incident last October when a Cuban plane carrying 21 Cuban sugar technicians flew undetected across the Gulf of Mexico and landed at New Orleans.

In a similar incident in October, 1969, a Cuban MIG-17 flew undetected to Homestead Air Force Base in Florida and landed at the base while the President's Air Force One was there.

The subcommittee's report said that the two incidents demonstrated that there was "a 1,500-mile opening in our air defense on the southern United States perimeter between Florida and California," and that "any foreign power can, at will, violate the southern United States Air Space without detection or interception."

#### "IMMUNE FROM DETECTION"

"More importantly," the report continued, "they suggest that any enemy having the capability to attack from the south would be immune from detection and interception."

In making public the report, Representative F. Edward Hébert, Democrat of Louisiana, chairman of the full committee and the investigation subcommittee, said in a statement:

"Since our potential enemies know of the gaping holes in our air defenses, I think it is high time that the American people were let in on this open secret.

"For the past 10 years I have been fighting against the emasculation of our continental air defenses in the name of economy. We are now reaching the point where our weakness in this area constitutes a threat to our very survival."

As suggested by Mr. Hébert, the subcommittee's report represents a revival of an argument that has been going on between the House Committee and the Defense Department since 1963, when Defense Secretary Robert S. McNamara ordered a cutback in the air defense system, particularly in the southern United States.

The McNamara rationale was that the Soviet strategic threat was shifting from bombers to ballistic missiles, and that any Soviet bomber attack was likely to come from the north rather than from the south.

The subcommittee's conclusion was that as a result of these "economy moves, begun

by Secretary McNamara in 1963, our detection and intercept capabilities have rapidly deteriorated, despite a steadily increasing threat posed by submarine-launched missiles and newly developed Soviet long-range bombers."

A contrasting view was presented at the Defense Department by the Pentagon press spokesman, Jerry W. Friedheim, who said, "A potential attack on the Southeastern United States is not a great likelihood." Asked whether there was any way the Soviet Union could launch a surprise bomber attack on the United States Mr. Friedheim replied with an emphatic "No."

#### NETWORK RESTRUCTURED

The subcommittee made public closed-door testimony by Gen. Seth J. McKee, commander of the North American Air Defense Command, in which the general said that with the cutbacks, the nation's antibomber "defense in depth is only a concept, not an actuality."

Antibomber defenses are "generally nonexistent" along the southern border, he said, and "our remaining interceptors and radars are currently deployed to counter the most likely threat which is, of course, from the north."

Asserting that the present radars cannot detect low-flying bombers, the general said that even on the northern approaches "I would say that we do not have an antibomber system that cannot be underflown or flown around."

Mr. Friedheim said that one reason for the present gaps in the radar coverage was that the Defense Department was restructuring the air defense network by phasing out older radars and replacing them with a new airborne warning and control system.

One of the subcommittee's principal recommendations was that the Defense Department accelerate the deployment of the new system and also over-the-horizon radars, both of which are capable of detecting low-flying planes. It also proposed that the Pentagon give priority to development and production of a new supersonic interceptor plane.

[From the New York Times, Jan. 14, 1972]

#### GENERALS CALL U.S. AIR DEFENSE INADEQUATE FOR RUSSIAN THREAT

(By Drew Middleton)

COLORADO SPRINGS, January 13.—The Air Defense of the United States, according to its senior commanders, is aging, inadequate and sadly in need of modernization.

The House Armed Services Investigating Subcommittee drew attention to one weakness when it charged Tuesday that the air defenses were useless in protecting the southern flank of the United States against bomber attack.

Gen. Seth J. McKee, commander in chief, North American Air Defense Command, said today that cutbacks in radar detection systems and fighter interceptor squadrons had weakened his command capacity to cope with Soviet bomber attacks anywhere over North America.

"The bomber is as great or a greater threat than ever," he said, "but it is not the total threat."

There is no present defense against the balance of the threat—more than 1,500 intercontinental ballistic missiles and submarine-launched ballistic missiles—nor will there be until the first Safeguard antiballistic missile squadrons become operational at Grand Forks, N.D., in 1974 or later.

Safeguard, however, will protect only American ICBM sites. It will not protect cities or industry.

#### SOVIET DEFENSE EXPANDED

The Soviet capacity to launch a missile and bomber attack is one aspect of General McKee's concern. Another is the steady ex-



pansion of Soviet air defense—radar installations, fighter interceptors and the antiballistic missile systems constructed around Moscow.

The United States, American generals argue, has no intention of attacking the Soviet Union. Why, then, are the Russians devoting so much effort and material to an air defense system. One implication is that the Soviet air defense is intended to provide some measure of security against retaliation in the event of a Soviet first strike.

General McKee and Lieut. Gen. Thomas K. McGehee, commander of the Air Force's Aerospace Defense Command, agree on the necessity of maintaining air defenses at a level that will convince the Russians that any aerial attack on this country would not accomplish its objectives.

"We want to make it clear to them that their bomber force is not going to have a free ride," General McKee said.

Norad is a binational United States and Canada command of about 100,000 men extending from the Pacific wastes across North America to Fylingdales, in the hills of Yorkshire, England. Headquarters are set in deep caverns in Cheyenne Mountain overlooking this city.

The air defense forces of NORAD are provided by three component commands: the United States Army Air Defense Command, which will include the Safeguard Missiles; the United States Air Force Aerospace Defense Command, and the Canadian Forces Air Defense Command. The Navy also makes units available to the North American command, and the American command in Alaska is responsible to the North American command for the air defense of that state.

The North American command's mission is detection, identification and, if necessary, destruction. Today, it is equipped to carry out this mission completely only against the manned bomber.

Detection of bombers rests mainly on the Distance Early Warning System, the DEW line.

#### BALLISTIC PROTECTION

The Ballistic Missile Early Warning System is designed to detect the launching of Soviet missiles, thus enabling the United States to activate its retaliatory forces of the Strategic Air Command.

There are three early warning system sites—at Thule, Greenland, Clear, Alaska, and Fylingdales Moor, England.

These detection systems are supported by search radars and "gap filler" radars. Adm. Thomas H. Moorer, chairman of the Joint Chiefs of Staff, pointed out recently that there had been a drastic reduction in the supplementary detection systems.

Since 1969, he told the House subcommittee, the detection arm of the air defense forces has been reduced by 49 airborne early warning aircraft, 29 search radars and 17 gap filler radars.

"In the last 10 years," Admiral Moorer said, "the air defense of the North American continent has been cut by approximately 60 per cent" and the surveillance and command control system has been reduced from extensive radar coverage of the entire continent to "a thin perimeter of defense along the east and west coasts and the northern approaches."

NORAD officers said that whereas in 1962 there were 27 semi-automatic ground environment systems, there were now only six. These systems, called SAGE, are based on high speed digital computers. These collect, correlate and display information at all levels. The systems also provide intercept data for interceptor planes and Bomarc surface-to-air missiles.

In the early 1960's there were 45 interceptor squadrons of the Air Force and 25 National Guard squadrons available for interceptor duty. The figures today are 11 and 15. The number of Bomarc squadrons has fallen from eight to five. There were 127

long-range radars operational then; there are 57 today.

NORAD commanders are now concerned about a new Soviet swing-wing bomber. Admiral Moorer says that the bomber, called "backfire" here, could be operational by the mid-1970's.

"My belief," he told the House subcommittee, "is that our aging air defense forces are in need of modernization."

#### AMNESTY FOR THE PRISONERS

### HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DANIEL of Virginia. Mr. Speaker, we have all heard a great deal of comment on the subject of amnesty in recent weeks and we will no doubt continue to hear more.

The interest this controversial topic has generated is understandable, but unfortunate in that it overshadows a problem far worthier of our attention at this time, the plight of our prisoners of war held for so long by the enemy.

An editorial in the March 13 Martinsville Bulletin of Martinsville, Va., states clearly what our priorities should be in these matters and where our present concern should properly lie.

I insert the editorial entitled "Amnesty for the Prisoners" in the Extensions of Remarks:

#### AMNESTY FOR THE PRISONERS

The question of amnesty for America's draft dodgers and Army deserters was given an airing in Washington the other day as numerous concerned persons presented both pro and con opinions before a subcommittee headed by Sen. Edward M. Kennedy, D-Mass.

It would be encouraging if somebody, somewhere, opened a forum on the question of amnesty for America's prisoners of war held by North Vietnam, some of whom have been in captivity for as long as six years.

Not one of this country's noble allies has brought the slightest pressure to bear on Hanoi. Not one statesman has spoken a word of criticism about Hanoi's treatment of these men. The voice of so-called world opinion remains mute—except when it comes to condemnation of the United States.

If this country held hundreds of North Vietnamese prisoners virtually incommunicado for years, permitting only sporadic delivery of letters to or from them and their families, denying visits by Geneva Convention representatives and refusing to discuss the possibility of an exchange of prisoners, why, America's outraged students would be impaling themselves on the White House fence, their counterparts would be rioting in London and Paris and Berlin and bombs would be exploding at U.S. embassies and consulates in every capital of the world.

(We do, in fact, hold tens of thousands of North Vietnamese prisoners. Or rather, South Vietnam does, and has made repeated attempts to repatriate some of them to a North Vietnam that does not even acknowledge their existence.)

But then, why should foreigners care about American prisoners of war when Americans themselves don't seem to care?

Just as it is obvious that Hanoi intends to hold these men until the last measure of blackmail value is squeezed out of them, the conclusion becomes inescapable that Americans are perfectly willing to let them do so.

In no other war this country has ever been engaged in has the question of prisoners of war hinged upon capitulation to enemy de-

mands amounting to virtual surrender. In no other war would public opinion have stood for it.

But today we are so guilt-ridden, so full of self-doubt, so war-weary, so disillusioned that we seem ready to write these men off as scapegoats for our national sin of intervening in North Vietnam's conquest of South Vietnam. Each day they remain in captivity is, in effect, one more payment on our bill of atonement.

In the meantime, wives are growing old without husbands, children are growing up without fathers.

The moralist (who applies morality only to the United States) may counter that the prisoners, most of them fliers, are responsible for the creation of uncounted numbers of widows and orphans in Vietnam, who have no hope at all of ever seeing their husbands or fathers again.

Very well. If American servicemen are to be held accountable for carrying out the military policies of their government, then let the soldiers of every country, including North Vietnam, be held similarly accountable.

But until that happens, let American prisoners of war be treated in accordance with international standards which even the Nazis abided by.

This would mean, at the very least, regular inspections of prison camps by neutral-nation observers. It would forbid the exploitation of prisoners of war for political purposes.

There is nothing we can do to force North Vietnam to release or exchange or ameliorate the living conditions of her American prisoners of war.

But we can speak out.

#### MY RESPONSIBILITY TO FREEDOM BY KATHLEEN ORR

### HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. BARING. Mr. Speaker, I am honored to place in the CONGRESSIONAL RECORD the following speech written by Kathleen Orr, an outstanding student at White Pine High School in Ely, Nev. Her reflection on "My Responsibility to Freedom" resulted in her selection as Nevada's winner in the Veterans of Foreign Wars Voice of Democracy Contest. I feel that this is a fine example of our patriotic youth.

The speech follows:

#### MY RESPONSIBILITY TO FREEDOM

(By Kathleen Orr)

Imagine yourself as a small, newly-born lion. When your eyes open, the first thing you see is your cage. The next, your keeper. Soon, you learn that you will receive something to eat twice a day; that if you are friendly and entertain the people who come to see you, they too, will give you something to eat. Soon, you have grown used to these patterns. You become a lazy lion and you accept this life as it is without complaint.

But now imagine something else. You are again a lion. But this time you are big, strong and in the early years of your life. You have your own hunting grounds and a happy, free existence. One day you forget, only for a second, to be careful, cunning. The hunter pays a visit and you return with him to the city and to the younger lion, still in his cage. It is much easier to learn to live with something from the beginning. But to experience freedom and then suddenly, to have none—that is not so easily accepted!

Everybody's responsibility to freedom is to see that our freedoms remain and flourish for succeeding generations. Apathetic attitudes toward freedom cannot be excused. If one can sit back and, thinking of a Communist country, say, "Well, I guess I'm lucky to live where I do" (and be content), that is not enough. If people allow their freedoms to simply exist, soon, they may not exist!

The generation which fought to win the freedoms we enjoy today had no idea these same rights would so soon after be the accepted life style for Americans. Those men, those first patriots, often worried that tomorrow morning they might wake up and learn they were once more under the control of a dictator.

Could Americans survive under the control of a dictator? You would have no personal protection, no courts in which to plead your case, and the word of the dictator would be final.

I have a great fear for this nation. I fear that the people are too complacent with their way of life. They, in their wildest dreams, don't think of ever having to do without their freedoms. Many people are even unaware of the fact that every human being on earth does not enjoy these same rights.

You ask, "what can be done?" I don't know the answer. But I do know of a point of departure. It lies, I believe, in the following:

First: Education. Do you really know what your rights are?

Do you understand fully their meaning and the power which these rights and privileges carry?

Second: Exercise your freedoms. Participate in politics. Voice the pro's and con's of an issue.

Third: Get involved. If there is something that you don't agree with or, if you have a better idea, tell the world about it. That's your right and your obligation.

Fourth: Don't be passive. Make sure that your rights are not infringed upon or in any way violated. If someone violates one of your rights or those of your neighbor's, don't let it go by, but make sure it is corrected.

Let's take another look at the lion. Just as every other animal, he was born free.

You were born free.

But the lion must fight viciously to retain his free existence. We are told that no one can challenge our freedoms. Believing this is not enough. To make sure our children enjoy the same freedoms that we enjoy today, each of us must protect these freedoms.

Be restless like the lion! Don't let the hunter take away what you have but be prepared to protect your hunting grounds!

#### RESPONSIBILITY TO FREEDOM

### HON. ALTON LENNON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. LENNON. Mr. Speaker, the Veterans of Foreign Wars and its Ladies Auxiliary each year conducts a Voice of Democracy contest. This year nearly 500,000 high school students participated in the contest. The theme was "My Responsibility to Freedom."

Mr. Garry Lee Ballance, Route 1, Fayetteville, N.C., a resident of my congressional district, was the winning contestant for North Carolina. He delivered an excellent speech with mature observations on the responsibilities entailed in freedom. I am proud to make his essay available for the readers of the CONGRESSIONAL RECORD.

#### MY RESPONSIBILITY TO FREEDOM

A man is an individual, but also a part of a greater whole. He has a soul that is unique because it thinks, feels, and expresses itself differently from all others. There is a spirit within the soul called Freedom that merits the highest honors of truth, justice, courage, and equality. When individuals who believe in these qualities combine to preserve them, strengthen them, and insure them to all, we have a general state of freedom.

I am a believer in freedom. I live in that society of men which believes that all have the right to stand and be counted. I believe further that members of a free society must be willing to say, in the words of Ross Snyder, "I did that; I hold myself responsible."

Responsibility, that is the key to freedom. As an American it is my duty to insure freedom to the utmost limits of my ability. This does not mean that I must attack and destroy those with ideals different from mine, or be so rigid in my belief that I forget the very basis for its foundation. Instead, if I practice the properties of freedom such as, respect, loyalty, equality, patriotism, and support of government, then I will begin to understand better the importance and support of freedom.

It is not my place to be on top, for glory without meaning is nothing. I am one of the pillars of American democracy in the support of my government and its policies. It is my responsibility to serve the cause of freedom because it is the major element of my life. Being free does not mean much if one cannot understand and appreciate it.

I do not have to prove my loyalty to freedom. The things I do and say are proof enough and usually the greatest influence on others. By paying homage to our flag, singing loud and clear our national anthem and defending what I believe in, I hope it is clear that I am proud to be an American.

As I grow older and look into the future I realize that my responsibility to freedom becomes more acute. As an adult member of this democracy I must stay informed of what my government is doing. Then, I must try to understand and accept those actions. If my country should call on me to defend its freedom then I would be proud to take my place. It is also my duty to instill in my children the principles of freedom and a genuine love for their country. To do this I cannot use words because they are so often misunderstood. Instead, I will act in support of my convictions, for action *does* speak louder than words.

As a citizen of the United States I must mature enough to bear my share of the burden. Maturity, then, is the acceptance of responsibility of all aspects of freedom. Freedom is a privilege, an honor that must be cared for to insure its stability. So often Americans use freedom as a means for personal gain. We abuse our rights, stretching them to the breaking point. We seek riches for the individual. We step on others and use democracy to attain selfish goals which are inconsistent with the basic principles of freedom.

It is also my responsibility to resist those elements within and without our society which seek to destroy it. Freedom is *not* a ticket which enables me to a free ride. When our freedoms are threatened I cannot stand idly by and let a few defend them. I intend to be involved in the democratic process, keep informed of what my government is doing, and vote for those who are dedicated to preserving our freedom.

As an American I am obligated to be loyal to my fellow man, to encourage and avidly support my country, flag, and government. I am a very fortunate individual to be a free citizen in this great land. As my responsibility to freedom, as we know it, I will always support it when it is right, defend it when it is challenged, right it when it is wrong, strengthen it when it is weak, and above all, serve it loyally, because to serve freedom is to serve myself.

#### CONTEST WINNER

### HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ANDREWS. Mr. Speaker, Miss Elizabeth Ferguson, daughter of Mr. and Mrs. Paddock Ferguson of Maida, N. Dak., has won the \$1,500 fifth prize scholarship in the annual Voice of Democracy Contest sponsored by the Veterans of Foreign Wars.

Miss Ferguson is a senior at Langdon Public School, Langdon, N. Dak., where she is secretary-treasurer of the Honor Society and the Drama Club, and president of the Radio Club.

She plans to study for a career in radio broadcasting and journalism at the University of Oklahoma after graduation from high school.

Miss Ferguson is president of the 4-H Club, a member of the National Honor Society, and participated in the 1971 Flickertail Girls' State. She won first place in the 1970-71 Northeast District Speech Festival in broadcasting; a third place in the State Speech Festival and the LHS Award for Drama. She also won the best actress award in the 1970 and 1971 district speech festival. She was a local winner in the American Legion oratorical contest and in 1968 was the North Dakota winner in the Independence Hall essay contest.

I insert Elizabeth's prize-winning speech on Freedom in the RECORD at this time.

The speech follows:

#### OUR RESPONSIBILITY TO FREEDOM

(By Elizabeth S. Ferguson)

I am the dream that birthed America. I am the heartbeat of her people. I have walked her roadways, entered her homes, in some way touched every American. But, more than these things, I am a friend. I am Freedom.

Lately though, it seems I have not been so much a friend. I walk this land, my country, as a stranger. No one really seems to know me, no one really seems to care. In a hundred ways, in a hundred places, I feel it. I am no longer given the honor, the respect, a friend deserves; rather, I am—tolerated. I wave my banner happily at people, but get no hand-on-heart salute in return. My anthem plays in an American town, and I can see in people's faces that the old tingly feeling is missing, has been lost somewhere. And I begin to realize what has gone wrong. The general idea seems to be that, since I have been around for so long, I am here to stay, so why any special consideration for me?

People, you have forgotten that Freedom, like friendship, is a privilege, not a right. You have no license on me. What you do have is a responsibility towards me, a responsibility towards freedom. Yours is the responsibility, mine is the right, the right to demand that you uphold your responsibility. But how? you ask. How do I successfully shoulder this responsibility towards Freedom? It isn't hard, the materials for doing it are at your fingertips.

Begin with the individual. Let him thoroughly educate himself, thoroughly understand my principles and how they function. The individual must understand these things, for they are the safeguards of Freedom. If there is understanding, there can be no twisting of facts so that Freedom becomes more of a liability than a blessing.

Let the individual be responsible. Let him be ready to stand up and be counted. Let



his attitude show that he is ready and willing to work at the business of Freedom, that he desires a government on my principles. In this business, my business, the individual must always be ready to listen, always receptive to new ideas, for then Freedom may be a truly living thing—growing, expanding, always an open door to the future, never a barricade of the past.

I ask of the individual the things which any friend has the right to ask for—respect, trust, love and understanding. I am not infallible; I am people, and people can make mistakes. But only friends have the ability to understand, the ability to set the mistakes right.

Finally, let the individual apply all of those things to his life, to the lives of his family and friends. And through this, my principles, an ever open ear, respect, trust, love and understanding, all of these will reach the nation, and I will not be unknown, for I will be in America, and America will be steeped in Freedom.

I am Freedom, I have shown you your responsibility. Shoulder it readily, with a will, and I shall be happy. For as long as there are people willing to take up this responsibility, I shall walk America always as a Friend, never as a stranger.

## MY RESPONSIBILITY TO FREEDOM

### HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. FRENZEL. Mr. Speaker, a high school student from my district last week won a \$5,000 scholarship prize in the annual Veterans of Foreign Wars Voice of Democracy oratorical contest.

Steven J. Harper, of Bloomington, Minn., a senior at Jefferson High School, was awarded the second prize. Naturally, about 500,000 students entered the competition, all speaking on the subject, "My Responsibility to Freedom."

Steve Harper is a senior at Thomas Jefferson High School in Bloomington. He hopes to use his scholarship to study criminal law.

He is a cochairman of the National Honor Society at Thomas Jefferson and also is president of the debating team, speech team, and the National Forensics League chapter at the school.

Among his awards and achievements are a first place at the club, zone, State, and district levels of the Optimists Oratorical Contest; a second place in the four-State regionals, first place in the school and district American Legion oratorical contest; first place in high school extemporaneous speaking tournaments at St. Olaf College and Gustavus-Adolphus College.

Steve's speech, which follows, is a thoughtful piece of work. Study of it is the next best thing to hearing him deliver it.

The speech follows:

#### MY RESPONSIBILITY TO FREEDOM

(By Steven J. Harper)

"Take care of the land, and the land will take care of you." These are the words of my grandfather, and right now I wish he were here, explaining my responsibilities to freedom. You see, he was a farmer. His calloused, wrinkled hands were a kind of testament to his belief that, "If you take care of the land, it will take care of you." There's a

lesson in that simple parable—a lesson that I'd like to share with you—but I'm not sure that I can. How do I make the words of a man, born in 1903, relevant to the world of the 70's? How do I make the words of a simple farmer relevant to a world of hotpants, Hondas, and horoscopes?

I remember the long days when he would spend sunrise to sunset planting his fields. He would come in dirty and exhausted and sometimes disgusted. At times I think he was reassuring himself when he told me, "You get out of the land only what you put into it—no more—no less." And with every harvest, I could see the truth in his words. There's a lesson for freedom here—a lesson so very clear to me—but how do I express it? If my grandfather were here, I'd ask him to explain, but you know what he would do? He'd look at me, smile, and then tell me another of his parables.

Like the time he promised to take me hunting. That morning I got up, bright and early, only to find my grandfather gone. Confused, and disappointed, I turned to my grandmother. She explained that even though the skies were only cloudy, the weather report had forecast three days of heavy rain, and grandfather had to plow his corn while he could get into the fields. He came in late that evening—looking tired, but contented. He apologized and then explained, "Those weeds in the corn were small today—but, if left untended—and with three days of rain—they could have choked out the new young corn. It had to be done today. If I don't take care of my land today, who else will?"

At this point some of you might be thinking, "But you haven't been specific." Let me take a few minutes to share with you how I attempt to apply my grandfather's philosophy. Even though I'm not a farmer, I can take care of the land so it will take care of me. For me this means voting in the school council elections. For me this means giving a dollar to the United Fund. For me this means working a part-time job and saving for my college education.

Even though I'm not a farmer, this philosophy is still true: "You get out of the land only what you put into it." For me this means studying for my classes, listening, and doing the best that I can. For me this means respecting my father and mother. For me this means attending and contributing to the church of my choice.

Even though I'm not a farmer, I know that if I don't take care of the land, I cannot be assured that someone else will. This means that if I don't register to vote—who else will? If I don't become familiar with the issues—who else will? If I don't work for the candidates of my choice—who else will?

At this point some of you might very well ask, "What became of this man who believed that if he didn't take care of his land, no one else would? What became of this man who maintained that, you get out of something only what you put into it? What became of this man who believed that, if you take care of something, it will take care of you?"

More important than the fact that he is no longer with us, is the fact that the land is still there, the land is still producing, my grandfather's land is feeding our family, and yours, today. There's the lesson for freedom. Therein lies my responsibility to freedom.

## LET US MAKE IT A GREAT DAY FOR THE IRISH

### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ROE. Mr. Speaker, it is with the deepest of regret, I am sure, that all of

us observe the clouds of divisiveness hanging over Ireland today—but on this 17th day of March 1972 I join with many of my colleagues here in the Congress in commemorating the days that were and the tomorrows that will be when Irish eyes are smiling with a return of peace in Northern Ireland.

This is the prayer and resolve of myself (H. Res. 753) and other Members of Congress who have joined in supporting the resolution of Congressman CAREY of New York, as follows:

#### RESOLUTION

Whereas the continuing violence and bloodshed in Northern Ireland is a cause of the deepest concern to Americans of all faiths and political persuasions:

Whereas the causes of the present conflict may be traced to the systematic and deliberate discrimination in housing, employment, political representation and educational opportunities practiced by the governmental authorities of Northern Ireland against the minority there;

Whereas the Governments of the United Kingdom, and of Northern Ireland have failed to end the bloodshed and have failed to establish measures to meet the legitimate grievances of this minority;

Whereas continued repression and lack of fundamental reforms in Northern Ireland threaten to prolong and escalate the conflict and the denial of civil liberties: Now, therefore, be it

Resolved, That the House of Representatives expresses its deepest concern over the present situation in Northern Ireland, and in accord with the fundamental concepts of non-discrimination, fairness, democracy, self-determination, and justice requests the United States Government at the highest level to urge the immediate implementation of the following actions:

(1) Termination of the current internment policy and simultaneous release of all persons detained thereunder.

(2) Full respect for the civil rights of all the people of Northern Ireland and the termination of all political, social, economic, and religious discrimination.

(3) Implementation of the reforms promised by the Government of the United Kingdom since 1968, including those reforms in the fields of law enforcement, housing, employment, and voting rights.

(4) Dissolution of the Parliament of Northern Ireland.

(5) Withdrawals of all British forces from Northern Ireland, and the institution of law enforcement and criminal justice under local control acceptable to all parties.

(6) Convening of all interested parties for the purpose of accomplishing the unification of Ireland.

It is important to note that the recommendations of this resolution suggest a bold dynamic approach for the British Government to consider as an alternative to senseless violence and bloodshed. It calls for the convening of a "summit" meeting of all parties of interest and specifically requests that the British troops be replaced by neutral peace forces under local control that is acceptable to all parties in order to attain an orderly return to peace and unity in the Emerald Isle.

The worsening situation in Northern Ireland defies any nation or freedom-loving peoples to look the other way and not be deeply concerned. Lives are being lost; basic human rights are being violated; and the power of arrest and detention of human beings without charges is an affront to justice and the very

fundamental cornerstone of democratic government.

Regrettably, another most tragic toll in human decency and dignity is the refugee of any war. The crisis in Northern Ireland again sees the specter of the incarceration of several thousand refugees. In the House today we are considering H.R. 9615 which would make additional immigrant visas available to countries of the Eastern Hemisphere. I joined with Congressman RODINO, the dean of our New Jersey delegation and chairman of the Judiciary Subcommittee on Immigration and Nationality, in sponsoring this legislation which would directly correct inequities that had developed in implementing the current law which provided for a transition in the immigration system from a "national origins" basis to a "first-come first-served" basis. This measure will provide special immigrant visas annually for the next 4 years to each country of the Eastern Hemisphere equal to 75 percent of the 1955-65 average less the number of visas issued during the preceding fiscal year. On this basis approximately 33,000 special immigrant visas would be available in the first year for Ireland.

If enacted into law, this legislation will not only help resolve the pending backlog of Eastern Hemisphere immigration cases but will also manifest an expression of our country's sympathy and deep concern for the oppressed victims of the disastrous conflict in Northern Ireland.

#### THE RESURRECTION OF UKRAINE'S CHURCHES

#### HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. COLLIER. Mr. Speaker, as Christians throughout the United States look forward to the day on which many of them commemorate the Resurrection of Jesus Christ, they ought to express their gratitude to the Almighty for the privilege of living in a country where all enjoy freedom of worship. They ought at the same time to extend their sympathies to the peoples in other lands whose right to worship God is severely curtailed or even prohibited.

One such land is the Union of Soviet Socialist Republics, which has for over half a century persecuted the Christian churches, as well as the Jewish congregations. It has engaged in a never-ending campaign to exterminate religion, eliminate religious observances, and destroy religious institutions.

In the Ukraine, which presently has 47,136,000 people, the Kremlin has done its utmost to discourage the continued operation of the two major Christian organizations, the Orthodox and Roman Catholic Churches. The time has come to restore these churches and establish religious freedom throughout the Soviet Union. It is in that spirit that I have introduced a House concurrent

resolution which would, if adopted by this body and the other body, put the Congress of the United States on record as actively seeking the resurrection of the Ukrainian Orthodox and Roman Catholic Churches in Ukraine.

If the resolution which I have introduced this afternoon is approved by both Houses, it would be the sense of Congress that the President should call upon the U.S.S.R. to permit the resurrection of the Orthodox and Catholic Churches in Ukraine. The powers-that-be in the Kremlin would have a dramatic opportunity to demonstrate that they are indeed mellowing by making it possible for the Ukrainians to worship in their own churches.

Mr. Speaker, let us take a giant step forward and help speed the day when the peoples of Ukraine and other Soviet lands will be able to enjoy freedom of worship, be they Christians, Jews, or Moslems. What a great day it will be when the people of Ukraine will be able to attend religious observances without hindrance. What a triumphant occasion it will be when those who are Orthodox or Catholic will be able to commemorate the resurrection of the Savior in their resurrected Christian churches.

The concurrent resolution reads as follows:

#### CONCURRENT RESOLUTION

#### CONCURRENT RESOLUTION TO SEEK THE RESURRECTION OF THE UKRAINIAN ORTHODOX AND CATHOLIC CHURCHES IN UKRAINE

To seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine.

Whereas the Charter of the United Nations, as well as its Declaration of Human Rights, sets forth the objective of international cooperation "in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion . . ."; and

Whereas in the Constitution of the Union of Soviet Socialist Republics article 124 unequivocally provides that "In order to ensure to citizens freedom of conscience, freedom of religious worship and freedom of anti-religious propaganda is recognized for all citizens"; and

Whereas not just religious or civil repression but the genocide—the absolute physical extermination—of both the Ukrainian Orthodox and Catholic Churches in a nation of over 45 million brutally violates the basic civilized rights enunciated above: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President of the United States of America shall take immediate and determined steps to—

(1) call upon the Government of the USSR to permit the concrete resurrection of both the Ukrainian Orthodox and Catholic Churches in the largest non-Russian nation both within the USSR and in Eastern Europe; and

(2) utilize formal and informal contacts with USSR officials in an effort to secure the freedom of religious worship in places of both churches that their own Constitution provides for; and

(3) raise in the General Assembly of the United Nations the issue of Stalin's liquidation of the two churches and its perpetuated effect on the posture of the USSR in the light of the U.N. Charter and the Declaration of Human Rights.

#### U.S. DISTRICT COURT JUDGE BANS DUMPING OF SLUDGE

#### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RODINO. Mr. Speaker, I was extremely pleased to learn of the recent decision of U.S. District Court Judge George H. Barlow to ban sludge dumping along the New Jersey shore.

With the waterways of our country in a state of increasing decay, it is heartening to learn that Judge Barlow has set the wheels in motion toward the abatement of water pollution and the protection of these vital natural resources. I commend to my colleagues the following editorial from the Newark Star-Ledger of March 7, 1972:

#### TURNING THE TIDE

The decision by U.S. District Court Judge George H. Barlow to ban sludge dumping in the Atlantic Ocean along the Jersey Shore represents a significant breakthrough in the federal government's war on pollution.

The first ruling of its kind in the nation, it came at a time when many citizens began to question seriously the government's ability and sincerity in dealing with major environmental problems.

While the sludge decision is not the solution to all the pollution ills besetting our oceans, rivers and lakes, it is an important beginning for this nation.

But to stop the sludge flushing by 15 shore municipalities, U.S. Attorney Herbert J. Stern had to use a 73-year-old law—the only one available—to bring the case to court. The fact that the only legal document the Justice Department could find was the 1899 Refuse Act is in itself a sad commentary on the scope of the existing anti-pollution laws provided by both Congress and the judicial system since the origin of this country.

Written when the western frontier was still being explored and settled, the 1899 Refuse Act permits liquid sewage to be discharged into navigable waterways, but solid matter is prohibited.

In an unprecedented action, Stern used the Refuse Act to halt the dumping of sludge—which he contended was a solid—by the shore communities. After all the evidence was submitted by the experts for the government and the defense, Judge Barlow ruled that sludge was a solid.

Judge Barlow went even further, concluding, in his opinion, that pumping sewage-sludge directly into the surf waters every winter creates a hazard for marine and human life.

Because Stern and Barlow were limited to the sludge issue, neither was able to act on the equally vital question of liquid sewage, which continues to pour into the ocean every hour of every day.

The obsolete primary sewer treatment plants skim the solids off the waste effluent, thus creating sludge, which settles to the bottom of the holding tanks, but the liquid sewage is permitted to flow through the ocean outfall pipes only a few hundred feet from the beaches where millions of bathers swim during the summer months. The Refuse Act does not apply to sewage.

Judge Barlow's decision should serve notice to our elected representatives in Washington that the courts are doing everything within their jurisdictional powers to turn the tide of pollution, but that new laws from Congress are desperately needed if the en-



vironment is to be protected from all sources of harmful effects.

Judge Barlow and U.S. Attorney Stern are to be commended by the public for taking swift and decisive action against the shore polluters, despite the handicap of an archaic law not intended for application under today's complex conditions.

## FACTIONAL DIVISION IN THE NORTH OF IRELAND: A REPORT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. BIAGGI. Mr. Speaker, last week I included in the RECORD the first half of a report written by Mr. Fred O'Brian on the situation in Northern Ireland. In order that my colleagues may be fully aware of the information on the problems besetting the people of that strife torn land, I am including the second half of this most informative report in my remarks today.

The second half of the report follows:

All attempts at keeping the peace fell apart in Ulster after Prime Minister Brian Faulkner ordered 300 suspected members of the IRA interned without trial. From this action the British army claimed that they had virtually defeated the hard core IRA gunmen in Ulster. The British Commandant claimed 20 terrorists had been killed and along with the internment, the IRA was crushed.<sup>11</sup>

Prime Minister Brian Faulkner claimed that he had no choice but to institute internment to bring an end to IRA terrorism. Internment in Northern Ireland had become a necessity if the attempt to preserve some degree of order in the streets of Belfast and Derry was to be sustained. Internment basically can only be justified in time of war. Internment-arrest without trial, the suspension of due process of law and of habeas corpus, the turning of criminal prisons into political concentration camps—is the chosen implement of all totalitarian societies of "left" as of "right."<sup>12</sup>

The governing of Northern Ireland is as much the responsibility of the British government as is the governing of Scotland, Wales and the Counties of England. That responsibility cannot any longer be disregarded. The Stormont regime has failed. The power in Northern Ireland is the power of the British Army. The responsibility in Northern Ireland is the responsibility of the British government. As a matter of good governance, the time for direct rule has now arrived.<sup>13</sup>

The imposition of direct rule from London would be acceptable to the minority Catholics but would be an admission of failure to the ruling Protestants. The imposition of direct rule with equal participation by Catholics would remove one of the chief issues the IRA uses to incite the Catholics, that they have no rights.<sup>14</sup>

The IRA replied in the usual fashion. Joe Cahill, leader of the Provisionals stated that only 30 of the 300 interned were IRA members. To prove his point Cahill, the most wanted man in Ulster, made an audacious appearance at a press conference behind the barricades in Belfast on August 13, 1971. He there told reporters that internment and clashes with British troops did no harm to the IRA, but their biggest problem was lack of ammunition.<sup>15</sup>

Mr. Cahill not deterred by internment went to the United States to raise money for his cause, but he was refused admission to the United States as the U.S. bowed to pressure

from Britain and revoked his visa in mid flight. Upon his return to Dublin Cahill told newsmen that the IRA would step up guerrilla warfare in Ulster. He said it was a tragedy some would get killed—"even British soldiers"—but some responsibility for all deaths rests on the doorstep of Britain which is responsible for the partisan of Ireland.<sup>16</sup> Joe Cahill because of conditions in the North is a necessity and will continue to be unless something concrete is accomplished to correct the conditions in Ulster, not just tokenism as was given in 1969 which led to August 1971.<sup>15A</sup>

Mr. Cahill's counterpart on the Protestant side is the Rev. Ian Paisley. Paisley is the radical right wing conservative minister who has done as much as anyone else to kindle the flames of bigotry. It was he in 1969 who insisted on the Orange Order parades that caused the confrontations of Catholics and Protestants.

Mr. Paisley and his followers desire to remain a part of Britain and retain control of the North of Ireland by keeping control of the government of Stormont. He has suggested that as a counter move against the IRA the Protestants should form an IRA type "third force". The new force has as its nucleus the disbanded B-Specials, the Protestant auxiliary of the Northern Irish police. It is designed to pull together the scattered street level Protestant organizations which have acted independently during times of sectarian strife.

While the IRA has always been well organized, military Protestant action has been represented by the outlawed Ulster Volunteer Force—a loosely knit organization composed mainly of individuals operating at street level. It lacked not only central control, but also the backing of the Protestant community, which regarded it as extremist and dangerous.<sup>16</sup>

If Paisley and his extremists could be stopped, then a great issue that the IRA exploits to gain the support of Catholics would be curtailed. To disarm Joe Cahill it is necessary first to disarm Paisley.

After many verbal blasts over issues in Ulster, Prime Minister Faulkner of the North and Jack Lynch of the South of Ireland have agreed to meet to discuss the problem with Britain and Prime Minister Heath.

After institution of internment, Faulkner and Lynch threw verbal abuse at each other daily. Faulkner claimed it was the only way to prevent IRA-inspired violence. Lynch stated that the only people interned were Catholics and no extremist Protestants were interned.

Mr. Lynch has called for the abolition of the Stormont Government by peaceful means and its replacement by a council or commission representing equally Catholics and Protestants. Mr. Faulkner retaliated by telling Lynch to mind his own business and that he had no right to interfere in the affairs of the United Kingdom. Lynch feels he has a right to speak for the one-third Catholic minority as they are considered citizens of Ireland. Lynch wants re-unification but peacefully, not the IRA way through incessant violence. Faulkner is concerned for his government and has demanded Lynch to crack down on the IRA and their use of the Republic to perpetrate terrorism in the North. Each blames the other for not being able to arrange a meeting to discuss their differences.<sup>17</sup> (They have in fact met.)

Since the inception of the state of Ulster, the Unionist government have had an Act of Parliament known as the Civil Authorities (Special Powers) Act,<sup>18</sup> despised generally by the most mildly liberal under the title "Special Powers Act." The excuse given for the act is the continued existence of an armed threat by the IRA, though members of the government, when it suited their purpose and their audience, have derisively relegated the military prowess of the IRA to the mere ability to chop down a few trees.<sup>19</sup>

A terrifying wave of rioting, shooting, and bombing engulfed Northern Ireland following the reintroduction, after 10 years, of the Special Powers Act regulation allowing for the internment without trial of political subversives. Internment was a policy of repression not accepted by Catholics or Protestants and caused opposition members in the Stormont Parliament to withdraw.

Surveying the situation that exists in the North now is that there are five interested parties with different hopes for a solution. The Catholics favor re-unification, but would accept at least temporarily, an active equal participation in the affairs of government. The Protestants favor remaining with Britain and the radicals under Paisley are for totally repressing Catholics. The government of Ulster wants to stay in power and may make some concessions to Catholics. Great Britain is considering major concessions to Catholics in the area of government. The Republic of Ireland while desiring unity with the North would be appeased if major concessions to the Catholics on a temporary basis with the end goal of reunification were held temporarily in abeyance.

## CONCLUSION

Being realistic about the situation in the North of Ireland; the killing has to stop and I believe it will. The problem is getting one side to take the initial step and hope the other will follow suit in good faith. The question remains who is willing to take the first step. All things considered I think the British should initiate a cease fire with the I.R.A. and try to prevent further killing through negotiation rather than trying to physically crush the organization. By recognizing the I.R.A. as a negotiating force instead of treating them as criminals, the British could stop the bloodshed. After abusing the Irish, Catholic and Protestant for four hundred years, this would be a small retribution.

The leader of the Opposition in the British Parliament, Mr. Harold Wilson recently toured Ireland, North and South, talking with all factions involved in the Irish Problem and concluded that re-unification was the only solution but that it could only be worked out over a fifteen year period. No one in Britain dismissed this possibility as they would have done six months before.

Assuming that in the interim London rather than Belfast would govern Ulster, that is an excellent solution. It is something of a compromise to all interested parties and allows time to iron out various problems confronting the differing factions.

The greatest obstacle to re-unification is that the Protestants fear being governed by a Catholic Government that gives favored status to the Church of Rome. They fear that Catholics especially Northern ones will seek revenge for past discrimination against Catholics. This feeling cannot be lightly cast aside.

The interim period as suggested by Mr. Wilson will hopefully allow Northern Protestants time to determine whether there are undercurrents of discrimination ready to burst. If it is conceded that after the fifteen year period, evidence of the possibility of rampant discrimination exists, then a federal union of the two Irelands might be worked out as a further step until the foundation for discrimination is removed and a United Ireland can be a reality.

In the interim period a United Nations peacekeeping force should be allowed in Ireland to act as an impartial force so that basic human rights are insured for all citizens.

## FOOTNOTES

<sup>11</sup> *The Internment Fiddle*, New Statesmen, 8/13/71, P. 200.

<sup>12</sup> *Id.* P. 2.

<sup>13</sup> *British Failure*, International Herald Tribune, August 12, 1971, P. 3.

<sup>14</sup> *Ulster Steering Toward Civil War*, Time, 9/20/71, P. 29.

<sup>15</sup> London Times, August 13, 1971, P. 1.

<sup>15a</sup> Baltimore Sun, September 26, 1971, P. 1.

<sup>16</sup> London Times, August 15, 1971, P. 1.

<sup>17</sup> Tripartite Talks, Text of agreed statement by the Prime Ministers of the United Kingdom, Northern Ireland and The Irish Republic on 9/28/71, published in British Information Services Bulletin sec 54/71 N.I. 9/28/71.

<sup>18</sup> The Special Powers Act, including internment without trial, was passed originally in 1922 in a situation of unrest verging on civil war, the Acts were sparsely used once the violence had been curbed until the outbreak of war in 1939. After the war all but 7 of the 48 regulations that had been under the Acts were repealed. A fresh campaign of violence opened in 1956 and most of the regulations had to be reintroduced to meet this threat. After it ended in 1962 regulations were again allowed to lapse until the summer of 1969, when a number of people were briefly detained. Finally in August 1971 the regulations were again used against Catholics during the riots and are presently still being employed.

<sup>19</sup> Time 9/20/71, P. 29.

## WHAT COUNTRY GIVES "MOST" TO THE UNITED NATIONS?

**HON. DONALD M. FRASER**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. FRASER. Mr. Speaker, "U.N. We Believe" is an organization that works with industry, business and labor for a stronger United Nations.

In the winter 1972 edition of their quarterly newsletter, U.N. We Believe, published a very useful set of tables entitled "What Country Gives 'Most' to the U.N.?" These tables are printed below:

WHAT COUNTRY GIVES "MOST" TO THE U.N.?

The vote on China in the United Nations raised new interest in what the United States gives—and should give—to support the U.N. "U.N. We Believe" has compiled the following charts which will bring light to the subject.<sup>1</sup>

Table A ranks 126 members of the U.N. according to their contribution in 1970.<sup>2</sup>

Table B shows how much the contribution cost each of its citizens.

Table C indicates each country's contribution in relation to its gross national product (GNP).<sup>3</sup>

A—1970 contribution to U.N. by member states in U.S. dollars<sup>2</sup>

United States	276,332,665
Britain	48,544,890
Soviet Union	41,998,270
Sweden	35,602,924
Canada	34,333,811
France	27,471,830
Denmark	22,296,184
Italy	20,075,798
Japan	18,688,221
Netherlands	15,670,052
India	11,051,855
Norway	10,936,540
China	10,520,569
Australia	8,870,861
Belgium	6,637,269
Poland	6,032,024
Argentina	5,862,066
Ukraine	5,716,829
Spain	5,025,322
Finland	4,270,863
Austria	4,001,192
Czechoslovakia	3,937,201
Mexico	3,755,848
Brazil	2,864,622
Pakistan	2,732,711

Greece	2,718,650	Chad <sup>3</sup>	86,238
Yugoslavia	2,699,660	Yemen <sup>3</sup>	80,602
Iran	2,196,840	Paraguay	79,539
New Zealand	2,138,085	Haiti <sup>3</sup>	78,820
Venezuela	2,115,090	Dominican Republic	78,747
Turkey	2,061,432	Swaziland	63,516
Egypt	1,836,308	Southern Yemen <sup>3</sup>	61,597
Hungary	1,643,542	Mali <sup>3</sup>	56,699
Indonesia	1,600,143	Equatorial Guinea	5,011
Israel	1,580,327		
Byelorussia	1,561,310	B—Per capita contribution <sup>4</sup> in U.S. dollars	
Romania	1,390,089	Denmark	4.53
South Africa	1,326,077	Sweden	4.42
Ireland	1,130,897	Norway	2.81
Colombia	1,054,605	Canada	1.60
Philippines	1,011,082	United States	1.34
Cuba	871,285	Maldives	1.21
Kuwait	854,641	Kuwait	1.20
Chile	848,748	Netherlands	1.20
Morocco	837,367	Iceland	1.13
Saudi Arabia	829,996	Finland	.90
Thailand	826,116	Britain	.87
Bulgaria	702,512	New Zealand	.75
Ghana	601,183	Australia	.70
Ethiopia <sup>3</sup>	597,333	Barbados	.69
Nigeria	580,913	Belgium	.68
Malaysia	580,436	Luxembourg	.67
Peru	488,405	Israel	.54
Ceylon	434,589	Austria	.54
Tunisia	400,441	France	.54
Iraq	391,354	Gabon	.51
Burma	387,812	Malta	.50
Algeria	386,361	Ireland	.38
Jordan	337,745	Italy	.37
Portugal	337,300	Guyana	.33
Sierra Leone	297,961	Greece	.30
Afghanistan <sup>3</sup>	293,062	Cyprus	.29
Ivory Coast	292,535	Gambia	.28
Ecuador	287,585	Czechoslovakia	.27
Trinidad-Tobago	286,217	Trinidad-Tobago	.26
Sudan	282,819	Mauritius	.25
Singapore	275,632	Argentina	.24
Congo Kinsh	268,448	Mauritania	.21
Burundi <sup>3</sup>	267,932	Venezuela	.20
Jamaica	264,508	Poland	.18
Tanzania <sup>3</sup>	261,483	Japan	.18
Gabon	258,381	Soviet Union	.17
Zambia	257,130	Byelorussia	.16
Mauritania	255,818	Liberia	.15
Guyana	251,992	Hungary	.15
Uruguay	243,496	Swaziland	.15
Senegal	237,888	Spain	.15
Costa Rica	230,749	Jordan	.14
Luxembourg	229,854	Botswana	.14
Syria	229,304	Costa Rica	.13
Iceland	226,810	Congo Brazza	.13
Cameroon	221,006	Singapore	.13
Nepal <sup>3</sup>	207,388	Jamaica	.13
Lebanon	207,313	Yugoslavia	.13
Mauritius	206,483	Lesotho	.12
Guatemala	205,322	Panama	.12
Libya	202,776	Ukraine	.12
Madagascar	198,960	Sierra Leone	.11
Kenya	194,501	Libya	.10
Cyprus	188,290	Saudi Arabia	.10
Liberia	186,609	Cuba	.10
Barbados	181,260	Mongolia	.10
Panama	178,663	Togo	.09
Dahomey <sup>3</sup>	175,925	Chile	.08
Upper Volta <sup>3</sup>	172,650	Uruguay	.08
Togo	171,482	Bulgaria	.08
Malta	165,935	Tunisia	.07
Uganda <sup>3</sup>	162,437	Iran	.07
Albania	161,682	Albania	.07
Rwanda <sup>3</sup>	157,446	Burundi	.07
Bolivia	157,374	Lebanon	.07
Honduras	156,229	Mexico	.07
Somalia <sup>3</sup>	155,273	Romania	.06
Malawi <sup>3</sup>	152,490	Ivory Coast	.06
Cambodia	152,358	Central African Republic	.06
Laos <sup>3</sup>	142,442	Ghana	.06
Guinea <sup>3</sup>	139,343	South Africa	.06
Mongolia	133,806	Dahomey	.06
Maldives <sup>3</sup>	133,225	Honduras	.06
Niger <sup>3</sup>	130,181	Senegal	.06
Lesotho <sup>3</sup>	128,421	Zambia	.05
Congo Brazza	127,058	Turkey	.05
El Salvador	104,348	Somalia	.05
Nicaragua	102,283	Egypt	.05
Central African Republic	101,681	Malaysia	.05
Gambia	101,591	Morocco	.05
Botswana <sup>3</sup>	91,791	Nicaragua	.05

Footnotes at end of article.



*B—Per capita contribution<sup>4</sup> in U.S. dollars—Continued*

Southern Yemen	.05	Ireland	.032
Colombia	.04	Israel	.030
Laos	.04	Austria	.030
Ecuador	.04	Greece	.030
Rwanda	.04	Egypt	.030
Iraq	.04	Yugoslavia	.030
Guatemala	.03	Saudi Arabia	.029
Cameroon	.03	United States	.029
Syria	.03	Australia	.028
Peru	.03	Argentina	.027
Guinea	.03	Belgium	.027
Portugal	.03	Costa Rica	.026
Ceylon	.03	Cameroon	.026
Malawi	.03	Ghana	.025
Paraguay	.03	Morocco	.025
Niger	.03	Turkey	.025
Upper Volta	.03	Nepal	.023
Bolivia	.03	Jamaica	.023
Brazil	.03	Ivory Coast	.023
El Salvador	.02	Honduras	.023
Madagascar	.02	Italy	.022
Algeria	.02	Iran	.022
Philippines	.02	India	.022
Pakistan	.02	Venezuela	.022
Ethiopia	.02	Cuba	.021
Chad	.02	Ceylon	.021
Thailand	.02	Afghanistan	.020
Cambodia	.02	Cambodia	.020
India	.02	Tanzania	.020
Tanzania	.02	Yemen	.020
Nepal	.01	France	.019
Dominican Republic	.01	Burma	.019
Sudan	.01	Haiti	.019
Kenya	.01	Panama	.018
Equatorial Guinea	.01	Soviet Union	.017
Afghanistan	.01	Bolivia	.016
Uganda	.01	Ecuador	.016
Haiti	.01	Sudan	.016
Congo Kinsh.	.01	Spain	.016
Yemen	.01	Singapore	.016
Burma	.01	Colombia	.015
China	.01	Pakistan	.015
Indonesia	.01	Zambia	.015
Mali	.01	Congo Kinsh.	.014
Nigeria	.01	Malaysia	.014
		Iraq	.014
		Lebanon	.014
		Syria	.014
		Uganda	.014
		Nicaragua	.013
		Chile	.013
		Paraguay	.013
		Mali	.012
		Kenya	.012
		Indonesia	.012
		Nigeria	.012
		Thailand	.012
		Mexico	.011
		Guatemala	.011
		Philippines	.011
		Uruguay	.011
		El Salvador	.010
		Algeria	.010
		Japan	.010
		Peru	.009
		Brazil	.008
		South Africa	.008
		Hungary	.007
		Libya	.006
		Equ. Guinea	.006
		Dominican Rep.	.005
		Iceland	.005
		Portugal	.005
		Poland	.003
		Luxembourg	.002

*C—Contribution by percent of GNP<sup>3</sup>*

Madagascar	.303
Gambia	.282
China	.220
Gabon	.163
Lesotho	.152
Denmark	.152
Mauritania	.149
Botswana	.148
Burundi	.142
Barbados	.135
Sweden	.121
Mauritius	.114
Norway	.108
Guyana	.107
Czechoslovakia	.096
Dahomey	.089
Bulgaria	.088
Somalia	.088
Swaziland	.088
Malta	.078
Togo	.076
Sierra Leone	.070
Upper Volta	.069
Congo Brazza	.068
Laos	.067
Liberia	.064
Rwanda	.060
Malawi	.053
Netherlands	.052
Central African Republic	.049
Canada	.045
Southern Yemen	.045
Finland	.044
Britain	.043
Niger	.040
New Zealand	.040
Trinidad-Tobago	.036
Kauait	.036
Chad	.035
Cyprus	.035
Ethiopia	.035
Guinea	.035
Tunisia	.033
Senegal	.033

<sup>1</sup> Figures in these tables are unofficial.

<sup>2</sup> Latest payment figures available from the UN.

<sup>3</sup> Gross National Product figures for the non-communist countries come from *Growth Rates and Trend Data*, Agency for International Development, May 15, 1971; page 8.

Communist Countries: *Monthly Bulletin of Statistics*; United Nations; November 1971.

<sup>4</sup> 1970 Population figures used to compute statistics come from *Monthly Bulletin of Statistics*, United Nations; November 1971.

<sup>5</sup> Estimates of GNP have a wide margin of error mainly because of the problems of esti-

imating the GNP and converting the figure into US dollars.

<sup>6</sup> Identified by the UN as one of the hard-core least developed countries.

<sup>7</sup> No figures are available for Albania, Byelorussia, Maldives, Mongolia, Rumania, Ukraine.

**FEDERAL WATER POLLUTION CONTROL ACT OF 1972**

**HON. JOHN D. DINGELL**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DINGELL. Mr. Speaker, I am in receipt of a letter, with enclosures, dated March 16, 1972, dealing with the proposed Federal Water Pollution Control Act of 1972 which was signed by Mrs. Donald E. Clusen, chairman, Environmental Quality Program and Projects, League of Women Voters of the United States. In the interest of assuring the fullest possible availability of the information contained in the letter and enclosures, I include these items at this point in the RECORD:

MARCH 16, 1972.

DEAR CONGRESSMAN: HR 11896, the Federal Water Pollution Control Act of 1972, has been reported out from the House Public Works Committee. It is the companion bill to S 2770, which passed the Senate 86-0 on November 2, 1971. A broad coalition of over twenty national environmental, labor, and consumer organizations feels that if Congress desires to institute a truly serious effort to clean up this nation's waters, grave deficiencies in HR 11896 must be rectified.

Certain amendments, which are outlined in the enclosed information, will be offered on the floor by a coalition of Congressmen led by Representatives Reuss, Dingell, Abzug and Saylor. We sincerely urge your support of these amendments. They are the minimum requirements for a strong water pollution control program.

The indices of trouble in our water resources are growing. Thirty percent of the nation's tap water contains quantities of chemicals exceeding Public Health Service standards, according to a 1970 HEW report. Government estimates show that if we translate the effects of water pollution into economic costs, they would reach almost \$13 billion annually. Beaches that constitute the prime water recreational area for many of our largest urban centers are closed; half the beaches in New York are closed. Enforcement under the past water quality program has not been able to do the job; since 1956 the government has called to account 4000 industries and cities it deemed major polluters and almost all of them had state permits. The 1965 water pollution law required states to write water quality standards by 1967. Only 40 have complied, and not all of them meet minimum federal guidelines.

Time is short. This legislation will direct our national and state efforts in water pollution control for many years. We do not feel that it is enough to pass a water pollution control measure; we must pass a STRONG water quality bill.

Thank you.

CITIZENS FOR CLEAN WATER PACKAGE,  
Mrs. DONALD E. CLUSEN,  
Chairman, Environmental Quality Program and Projects, League of Women Voters of the United States.

CONGRESSMEN AND CITIZENS SUPPORT CLEAN WATER PACKAGE

THE SITUATION

It is expected that H.R. 11896, the Federal Water Pollution Control Act of 1972, will come before the House before Easter recess.

The corresponding Senate bill, S. 2770, passed the Senate in November, 1971 by an 86-0 vote; though far from perfect, it is the most comprehensive piece of federal legislation ever to deal with water pollution problems, which are pervasive and growing worse.

After the Senate bill passed, a massive attack on the bill in the House Public Works Committee was launched by the Administration, industry and several state governments. This attack succeeded in emasculating the stronger Senate provisions. Congressmen John Dingell, John Saylor, and Henry Reuss, with the support of major citizen groups, are leading an effort by concerned members of the House to attach strengthening amendments to the bill on the floor.

Amendments to implement the following proposals will be offered. You are strongly urged to support them. Over 20 national environmental, consumer, and labor organizations have endorsed these proposals, the Clean Water Package.

#### CLEAN WATER PACKAGE

(1) Zero Discharge goals and effluent requirements of the Senate bill for 1981 and 1985 do not take effect in the House version. The House bill merely orders a study (Section 315) by the National Academy of Sciences/National Academy of Engineering to determine the feasibility of implementing these 1981/1985 requirements. Although the study is acceptable; delaying the implementation of national standards is not. These requirements and goals must be established now.

(2) Protection for workers must be instituted by requiring national effluent limitations to prevent industries from "shopping" for less strict state pollution requirements, and by establishing an equitable system of economic assistance to those workers and communities affected by plant closures due to environmental regulations.

(3) Citizen suits against polluters or against the EPA Administrator have been seriously restricted. Any person may sue under the Senate bill; only parties suffering direct damage will be granted standing to sue under the House bill. The precedents set by the Clean Air Act Amendments of 1970 and the recently House passed noise pollution legislation should stand in the matter of citizen suits; any citizen should have the right to sue to enforce the law.

(4) The Federal Permit Program has been weakened by H.R. 11896 in several ways. (a) The power of the Federal EPA to review, and when appropriate, to veto individual permits for industries issued by the states (who may be unduly influenced by local and powerful industry groups or not have adequately trained personnel) was removed from the House bill. EPA must be able to reject individual permits. (b) The permit program must be granted away to the states if they meet certain loose federal guidelines under H.R. 11896. In addition, once the grant of power is complete, EPA is not required to initiate proceedings to take back the state program if the state is not complying with the federal guidelines in administering the program. (c) Under H.R. 11896 all industries that apply for permits under the Refuse Act of 1899 (the basis for the present permit program) or the new water quality legislation will have immunity from prosecution under the Refuse Act or this bill until the permit is accepted, denied, or until 1976, whichever comes sooner. Under the Refuse Act filing for a permit does not preclude prosecution. This legislation would be weaker than existing law and must be corrected.

(5) Under the Fish and Wildlife Coordination Act state fish and game agencies and the Fish and Wildlife Service of the Interior Department may comment on all discharge permits to insure fish and wildlife resources protection. Both the Senate and House bill (Section 511(b)) would eliminate this comment procedure. The Fish and Wildlife Coordination Act must not be weakened.

(6) The National Environmental Policy Act of 1969 would be seriously weakened by the inclusion of Section 511(d) in the Senate and House bill. "The Baker Amendment", introduced by Senator Howard Baker, would seriously limit the public's procedural rights and consideration of water quality problems by agencies granting federal licenses and permits. NEPA should not be amended in the water pollution control legislation.

#### DISCUSSION

(1) *Zero Discharge Requirements and Goals:* The greatest weakness of the House bill is its elimination of any cleanup requirements beyond 1976. The Public Works Committee did accept the Senate bill's requirement that by 1976 industry must apply the "best practicable" control technology as a minimum and comply with water quality standards presently established. The Senate version goes on to require an effluent control strategy that would make industry eliminate their discharges of pollutants by 1981. If it can be done at a reasonable cost ("zero discharge" of pollutants). If the shift cannot be done at a reasonable cost, then industries are to use "best available treatment." The Senate bill also sets a 1985 target date for the achievement of zero discharge for all sources of pollution.

While the House bill states the same goals as those of the Senate version, the 1981 and 1985 requirements do not take effect unless and until Congress enacts them in new legislation after a two-year study by the National Academy of Sciences on the feasibility of these goals. It amounts to a non-law after the 1976 deadlines. The major Administration/industry attack on the 1981 and 1985 goals and requirements is that the cost of eliminating all discharges will cripple industry and bankrupt municipalities. This position is fallacious and misleading for several reasons:

(a) "Zero Discharge" is aimed at stimulating recycling, which will produce net benefits in the long run. Low cost recycling techniques are available now which were ignored by the Administration in making its inflated cost estimates.

(b) The Senate bill requires "zero discharge" and "best available technology" only when it can be done at a "reasonable cost." In addition, the 1985 date is merely a target date for planning purposes—not a rigid legislatively enforceable deadline.

(c) Studying first will cost more later. Polluters will be encouraged to install minimal treatment equipment now which would not be compatible with future recycling systems that will become mandatory sooner or later.

(d) The burden of proof should not be on the public to prove that "zero discharge" of pollutants is feasible; the burden should be on the potential polluter to prove why he should not have to install the most pollution-free system.

The study by the NAS may be necessary; however, we must not wait for the results before we establish goals for clean water and rational planning for industry. Congress can always amend these goals in the future if necessary.

(2) *Worker Protection and (4) Federal Permit Program:* The House bill sets up a weak and state-dominated permit program to regulate discharges into the nation's waters. In so doing, the bill establishes dangerous policies for industrial workers as well. In not allowing the federal EPA an individual veto over permits; in not requiring EPA to take back state programs that are not in compliance; in granting away federal power to the states rather than delegating this power so that federal laws and procedures apply, H.R. 11896 practically assures that industries will "shop" among the states for the least costly plant site. Workers and many small communities will bear the brunt of this inhumane and inefficient policy.

Uniformity of minimum regulations among the states is absolutely essential in order to

prevent the politically intimidating threats by polluters to move their factories to other states to avoid pollution control. A recent study by CEQ, EPA and the Dept. of Commerce revealed a small amount of potential worker dislocation due to environmental controls: from 50,000 to 125,000. It is possible that this projection could be lessened with more adequate federal controls. Workers must be prevented from becoming pawns in the fight to achieve clean water.

In addition to their effect on workers, the House permit program would also penalize those states with small, but growing, permit programs of their own. By its "all or nothing" policy of giving away or withholding the entire permit program of a state, H.R. 11896 would force federal control of state programs where personnel was not adequate, or expertise not yet developed. Instead of having an incentive to develop an adequate permit program, those states being run by the federal permit program in its entirety would have an incentive to retain federal assistance, thus perpetuating more federal control, not less.

(3) *Citizen Suits:* The Senate bill allows any person to commence an action against polluters who are alleged to be violating standards, or against the Administrator or EPA if he fails to enforce standards. Under the House version, such actions will be restricted to citizens who are directly affected in the area where the violation occurred or to groups that have been actively engaged in the administrative proceedings. The existence of the right of citizens to supplement agency enforcement through the courts is an incentive to industry and government to seek better methods of control. Restrictions on the citizen's right to sue should be stricken from the House bill.

#### ENDORSEMENTS, CLEAN WATER PACKAGE

Amalgamated Clothing Workers of America.

Bass Anglers Sportsman Society.  
Clean Air, Clean Water, Unlimited.  
Common Cause.

Environmental Action.  
Environmental Policy Center.  
Friends of the Earth.

Izaak Walton League of America.  
League of Women Voters of the U.S.  
Minnesota Conservation Foundation.  
Minn. Environ. Control Citizens Assoc.  
Minn. Public Interest Research Group.  
National Consumers League.  
National Farmers Union.  
National Wildlife Federation.  
Northern Environmental Council.  
Oil, Chem., and Atomic Workers Intern. Union.

Save Lake Superior Association.  
Sierra Club.  
Sport Fishing Institute.  
Trout Unlimited.  
United Automobile Workers.  
United Steelworkers of America.  
The Wilderness Society.  
Zero Population Growth.

[From Business Week, Feb. 5, 1972]

#### THE STORMY DEBATE OVER "ZERO DISCHARGE"

When Senate bill S. 2770, came to a vote last Nov. 2, it roared through on a rollcall vote of 86-to-0. Such Senatorial unanimity is usually reserved for nonbinding resolutions in support of motherhood, and the casual observer might well have thought that S. 2770 was an innocuous piece of legislation. He would have been dead wrong. S. 2770, the Federal Water Pollution Control Act, now stands as the toughest, most controversial environmental legislation. It states unequivocally that no one has the right to pollute, and establishes a tight timetable to achieve an ambitious goal: the total elimination of all effluent discharges into the nation's waterways by 1985.

This month, as the legislative action shifts



to the House floor, a belated fight has erupted, focusing on the 1985 goal, popularly known as "zero discharge." Arrayed against the bill are the Nixon Administration, some economists, and virtually all business groups. Supporting the bill are the environmentalists and, as the Senate vote indicates, large sectors of the public. And since the bill's principal author happens to be Senator Edmund Muskie, the issue is smack in the middle of election-year politics.

The critical barrage, like a high-powered fusillade, is well under way. New York Governor Nelson Rockefeller calls zero discharge "totally impossible." Allied Chemical Chairman John T. Connor says "the Muskie bill . . . raises hopes on which it can't possibly deliver." Paul McCracken, recently departed head of the Council of Economic Advisers, warns that the benefits of zero discharge are not worth the multibillion-dollar costs. And Willard Rockwell, chairman of North American Rockwell, recently proclaimed that the cost of achieving zero discharge is "enough to shake the economic foundations of this country."

Industry groups, too, have weighed in with dire predictions. The American Paper Institute says that zero discharge would cause plant closings, create unemployment, and drive prices up by 50%. The American Iron & Steel Institute estimates that zero discharge would add \$1-billion to the industry's \$3.5-billion cleanup bill over the next few years. And the chemical industry figures it would cost \$25-billion in capital equipment by 1985, plus \$10-billion a year for operating expenses.

But judging from the language and intent of the Senate bill, much of this gloomy outlook seems unwarranted. Though the legislation is indeed tough, it sets zero discharge as a goal, not a legal requirement. And every step toward achieving that goal is clearly circumscribed by cost considerations.

The bill has two stages. During its first phase ending in 1976, all companies must apply the "best practicable" technology to control water pollution. In its second phase companies must achieve zero discharge by 1981 unless they can show it cannot be done at "reasonable cost." In that case, they must employ the "best available" technology. The aim: to achieve water clean enough for swimming and fish propagation by 1981 and to eliminate all effluents by 1985.

But the language of the bill is careful not to eliminate affluence along with effluents. The phrases "best practicable" and "best available" are defined to consider the ages of the plants, their sizes, their processes, and the cost of controls—thereby ruling out ruinously expensive techniques. Furthermore, the bill requires the Environmental Protection Agency to study the cost and feasibility of zero discharge. If the costs outweigh the benefits, Congress is charged with making a "midcourse correction" by 1976, eliminating zero discharge as a national goal altogether.

#### A PHILOSOPHIC SHIFT

So why the fuss? Why is industry so adamantly opposed to a bill that safeguards its economic interests? With all those constraints, why did the Senate bother postulating the zero discharge goal? The answers lie in the bill's shift away from the philosophy embodied in the last major water pollution law enacted in 1965. Under that law, each state is allowed to determine how it wants its rivers and lakes used. Some waterways might be zoned for industrial use, others for swimming. The states next set water-quality standards consistent with the intended uses, then translate these standards into specific effluent limits for all polluters. The effluent limits would vary from stream to stream depending on its intended use, its assimilative capacity, the nature of the pollutant, and a host of other factors. No company would have to go to zero discharge unless

that were necessary to achieve the desired water-quality standard.

In theory, the water-quality approach is sensible. It focuses not on means but on ends: the cleanliness of a river or lake. And by linking cause (effluent) to effect (water quality), it directly relates abatement costs to benefits. But in practice, as experience with the 1965 act shows, the scheme is hard to implement. It is ecologically difficult to link water-quality standards to scores of discharges, and even more difficult to sustain such tenuous links in court. After six years, many states still have not set water-quality standards, while others are still struggling to establish complex relationships between pollutants and water use.

Faced with these difficulties, the Senate Committee on Public Works decided to shift from water-quality standards to direct effluent limits, with the ultimate goal of zero discharge. That was a radical change, for it ended the long-standing policy assumption that one legitimate use of waterways is to assimilate waste. Thou shalt not pollute became the committee's commandment, constrained only by the availability of suitable control technology. It is this basic shift that both the Administration and industry oppose.

To apply the system of effluent limits, the bill requires all polluters to apply for a discharge permit from the EPA. In the second phase, for example, every company would have to show in its permit application that it could not achieve zero discharge at reasonable cost. Thus, the system shifts the burden of proof from the regulator to the polluter, which will probably ease the enforcement task.

The committee also decided that strict effluent limits were needed to spur the development of recycling technology. With water-quality standards, the traditional approach has been "treat and dump"—treat the wastes partially and dump the rest. In the long run, this is ecologically unsound, for what is dumped eventually causes pollution somewhere. Says a committee staffer: "What we want is 14 years of R&D based on the assumption that closed-cycle systems are the norm, not waste discharge."

#### BALANCING AND COSTS AND BENEFITS

The Administration, however, does not want a complete shift to effluent limits. It argues that pollution legislation should balance costs against benefits and not impose an arbitrary goal of zero discharge on every stream. It is economically wasteful, the Administration believes, to make the Houston Ship Channel clean enough for swimming. Implicit in this reasoning is the very assumption the Senate rejected; that waste disposal is a desirable use of at least some waterways. Conceding that progress under the 1965 act has been slow, the Administration nonetheless believes the water-quality approach has worked on some waterways and can work elsewhere.

Like industry, the Administration fears the high cost of strict effluent limits. Russell Train, head of the Council on Environmental Quality, points out that cleanup costs rise exponentially with the degree of cleanliness sought. "The last 1% of treatment costs as much as the first 99%," he says. Preliminary CEQ data estimate the current water program, aimed at reducing pollution by about 85%, would eventually cost \$60.8-billion. To achieve a 95% to 99% reduction would nearly double the tab to \$118-billion. And to go that last effortful step to zero discharge would escalate the cost incredibly to \$316-billion—or some \$21-billion a year between now and 1985.

Senator Muskie counters that these estimates, admittedly based on scanty data, are meaningless. "To apply a price tag to a 100% elimination of pollution can serve no purpose other than to frighten the people and intimidate the Congress," he said angrily on

the Senate floor. If the costs prove too high, Muskie emphasizes, the goal will be abandoned. But he insists that the nation must move in the direction of zero discharge.

While no one knows precisely what zero discharge would eventually cost, there are signs that the price tag will not be as high as some fear. Several companies, including Dow Chemical and Hercules, are already operating plants that have achieved zero discharge through recycling. And General Motors plans to convert a Chevrolet assembly plant on the Hudson River to complete recycling of waste water. Since no one has compelled these companies to eliminate pollution, the costs are obviously not prohibitive. Indeed, as Dow has found (BW—Jan. 1), it is often cheaper to recycle wastes than to build expensive treatment facilities. With recycling, the waste water need not be purged of all pollutants; it need only be treated to a quality sufficient for the plant's own manufacturing use. The EPA, despite its objections to the Muskie bill, stated that the technology for closed-loop recycling seems within reach for many industries.

The toughest problems of all will confront municipalities. Under the bill's first phase, they are required to have secondary treatment plants under way by 1974. Then they face the same second-phase requirements as industry. But strapped for funds and unable to recoup costs through higher product prices, cities must rely on federal subsidy. The Senate bill authorizes \$14-billion over four years, but even if the entire sum were budgeted, it would still fall far short of the cities' needs.

#### THE LAND DISPOSAL ANSWER

One hope is a land disposal system soon to be built in Muskegon County, Mich. Municipal waste—and some industrial effluent, too—will be routed through relatively simple treatment, stored in holding lagoons, then sprayed on 10,000 acres of nearby farmland. Ecologists have long favored land disposal, for it returns valuable nutrients to the soil, replenishes ground water tables, and minimizes the amount of sludge dumped from treatment plants. Perhaps more important, the costs look reasonable. The Muskegon system is contracted for \$34-million, compared with \$43-million for a conventional system of smaller size now under construction in suburban Chicago.

Can land disposal be applied in large metropolitan areas? Dr. John Sheaffer, who helped design the Muskegon system and is now a consultant to the Corps of Engineers, says yes, based on studies of San Francisco, Chicago, Boston, Detroit, and Cleveland. The EPA is more skeptical, estimating that versions of the Muskegon system adapted nationally to really large cities would require 7.7-million acres, assuming the land could be found. But Sheaffer says that is only 1% of total farmland. "Everywhere we looked for available land, we found it," he says.

As matters now stand, the House will vote on its version of the zero-discharge bill this month. The House bill also includes the shift to effluent limits and the zero discharge goal. But it calls on the National Academy of Sciences to prepare a detailed cost study in 1974, then requires new legislation to implement the second phase. The House bill also gives more enforcement power to the states at the expense of the EPA, but ups the municipal ante to \$20-billion. Environmentalists are hoping to strike the new legislation requirement; the Administration is fighting to preserve some form of water quality standards. The likely outcome: Both effluent limits and the zero-discharge goal will remain, but the new legislation requirement may have to be resolved in a House-Senate conference.

Ultimately zero discharge, or anything close to it, may end up costing more than the nation is willing or able to pay. In that case, both bills provide for a policy shift.

For now, though, the goal will spur both industry and municipalities in the direction they must go if the nation is to purge pollution from its waterways.

#### THE COST OF CLEAN WATER—AN ANALYSIS OF THE ADMINISTRATION'S FIGURES

The goal of zero discharge of pollution into the nation's waters can be achieved at roughly 1/6 the cost originally estimated by the Administration. This conclusion emerges from a special study which was conducted by Friends of the Earth in consultation with several engineers and Jack Faucett Associates, an economic research firm located in Chevy Chase, Maryland. The Administration had estimated in November of last year that the cost of achieving the zero discharge goal set by the Senate would be \$316.5 billion. It now appears that the failure of the Administration to consider other alternatives for achieving zero discharge may have led the Environmental Protection Agency to overstate total costs by as much as \$265 billion. Based on the most recent information available, zero discharge appears attainable at a cost of \$50-55 billion.

The enormous over-estimate by the Administration can only be explained by what appears to be a misunderstanding of the Senate's intentions and a refusal to consider much less expensive alternatives for achieving zero discharge. It is clear from the Administration's report, entitled *Environmental and Economic Benefits and Costs Related to Various Water Pollution Abatement Strategies*, that EPA's \$316 billion estimate for zero discharge was based on the cost of actually distilling waste water—a process nearly twice as expensive as the most advanced forms of territory treatment. In fact, the major reference used to arrive at this incredible figure was a 1965 Interior report on the cost of distilling seawater for drinking purposes.

That the Administration was aware of less costly alternatives is demonstrated by a brief footnote on page 3 of the report just cited which states that "In some cases, total reduction may be achieved more economically through land disposal of liquid effluents." But the analysis stopped with this one sentence. The remainder of the report dealt with the sharply rising marginal costs of advanced mechanical treatment. Faced with several alternatives, the Administration chose to examine only that strategy—distillation—which would lead to the higher costs.

The first alternative which was ignored was increased recycling of industrial wastes. The experience of Dow Chemical Company and a number of other companies suggests that recycling can enable industry to recover from 40 to 100% of their pollution control costs. EPA made no effort to reflect these potential savings in their cost estimates.

Land disposal, as exemplified by the Muskegon experience, was also ignored in computing the Administration figures. The Muskegon system has the advantage of having both very low capital and operating costs. Whereas the operating costs of mechanical advanced waste water treatment systems range from 1½ to 4 times the capital costs, operating costs for the Muskegon system represent only a small fraction of such costs, adding only approximately 2 cents per year per gallon of operating capacity. Figures supplied by the Muskegon Department of Public Works show that the initial capital costs of the Muskegon system amount to only 78¢ per gallon of installed operating capacity. Annual operating costs add another 2¢ per gallon of capacity.

The dramatic difference between the cost of land disposal and advanced mechanical treatment becomes clear when the Muskegon figures are converted to a national scale. Using 1990 waste water estimates, the total capital costs for a national system of land disposal are roughly \$32 billion, or approximately ½ the capital costs incurred for distillation. The difference in operating costs

between the two approaches is even greater. Annual operating costs for a national system of land disposal would be in the \$1 billion range—1/10 the annual operating costs of distillation. And yet, the tremendous economics which can be achieved through land disposal only become apparent when it is compared with the cost of more limited forms of conventional treatment. For example, the cost of achieving 100% removal using land disposal is still \$5 billion cheaper than the cost of achieving merely secondary treatment using conventional means. It is less than half as expensive as tertiary treatment designed to remove 95% of the wastes.

Even these figures, however, do not tell the whole story. Not only are the costs of land disposal much lower than those incurred for conventional treatment, but land disposal makes it possible to realize substantial revenues from productive use of the land used for treatment. Muskegon, for example, expects to receive annual revenues in excess of \$3,000,000 from various fees and agricultural profits which will cover the annual operating expenses and the local share of debt retirement costs.

In short, the Muskegon experience, along with that of other land disposal systems, suggests that zero discharge is not only technically feasible, but more important, that it can be achieved at reasonable cost.

#### APPENDIX—COST ESTIMATING PROCEDURE

EPA has estimated that the quantity of industrial and municipal waste water which will have to be treated each day in 1990 will range from 30 to 60 billion gallons. The most likely figure is 40 billion gallons. The Muskegon Department of Public Works has indicated that capital costs for that city's system are 78¢ per gallon of installed treatment capacity. This figure is probably high for the nation as a whole because Muskegon must store its wastes during the five winter months which necessitates additional storage capacity and the purchase of increased acreage for treatment purposes. Multiplying this figure of 78¢ times 40 billion yields total capital costs for a national system in 1990 of \$31.2 billion. While this is admittedly a rough estimate, it is probably accurate within \$2 billion. Annual operating costs can be estimated by using Muskegon's cost of 2¢ per gallon of capacity. 2¢ times 40 billion gallons yields a figure of \$800 million. If this is rounded to \$1 billion per year to reflect possibly higher national costs and then multiplied by 20 to obtain total operating costs over the period used in the Administration estimate, we arrive at a total cost of \$51.2 billion for the system. Capital replacement costs can be expected to amount to perhaps 3 to 4 billion which gives us a grand total of roughly \$55 billion. Thus, the cost of achieving zero discharge, assuming the Muskegon costs are fairly representative of those for the nation, is approximately ¼ the cost incurred for distillation.

#### SPORTSMAN, CIVIC LEADER, JOURNAL PUBLISHER, SMITH DIES

### HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DUNCAN. Mr. Speaker, my home district mourns the death of an outstanding community leader and newspaperman, Charles H. "Chub" Smith, Jr., of Knoxville, Tenn.

We express deepest sympathy to his widow, Mrs. Ethel Moore Lotspeich; his son, Chub III; and his daughter, Mrs. Charles M. "Trudy" Mason.

Until his illness in 1967, and even

thereafter, Mr. Smith was very active in our community, and he was a great sportsman. As publisher and president of the Knoxville Journal, a leading daily newspaper, Mr. Smith led many civic programs to aid the less fortunate in Knoxville and east Tennessee.

I read some good stories about the life of this man in the Knoxville Journal and in the Knoxville News-Sentinel. I would like to share them with my colleagues, as follows:

[From the Knoxville News-Sentinel, Mar. 13, 1972]

SPORTSMAN, CIVIC LEADER, JOURNAL PUBLISHER, SMITH, DIES

Charles H. "Chub" Smith Jr., 62, publisher and president of the Knoxville Journal and an interesting and popular Knoxville figure for years, died at 5:10 p.m. yesterday at his home.

Mr. Smith, an individual of charm and stamina, who had mixed business, civic, social and outdoor activities engagingly over the years, lived at 3420 Kingston Pike.

His health had been declining slowly for several years, after he had a gall bladder and intestinal operation.

He leaves his wife, the former Ethel Lotspeich of Knoxville, daughter of the late Mr. and Mrs. Roy N. Lotspeich, successively publisher and president of the morning paper; daughter, Mrs. Charles Mason, the former Trudy Smith, son, Charles H. (Chubby) Smith III, vice president and treasurer for the Journal, and five grandchildren.

The wedding of Ethel Lotspeich and Chub Smith brought together two leading Knoxville families. The father, Charles H. Smith, had been a leading Knoxville lawyer and division attorney for the Southern Railway. Before his publishing career, Mr. Lotspeich had been a Knoxville textile industrialist.

The marriage took place in 1936 after the Lotspeich purchase of the morning paper a year earlier. After graduation from UT, young Smith had first joined his father's law firm, Smith, Cate, Tate and Long. Later he went with The Journal, in various executive capacities at first.

The Lotspeiches lived at Bleak House, the Kingston Pike landmark that had been Confederate Gen. James A. Longstreet's headquarters during the Battle of Fort Sanders. The grimly stately structure is now the UDC Confederate Memorial Hall. The Charles H. Smith Jr. home, nearby, has been noted for its grounds and gardens and has been a major stop on historical pilgrimages.

#### WAS AMATEUR GOLF CHAMP

At Roy Lotspeich's passing in 1952, his widow became publisher and board chairman, and the son-in-law was named president. Upon her death in 1962, the son-in-law became chairman of the board.

Mr. Smith was onetime city men's amateur golf champion (in 1932, '35 and '39). He served for four years as chairman of the Knoxville Housing Authority.

He also served on the board of directors of the Knoxville Tourists Bureau, the Downtown Knoxville Association and the Chamber of Commerce.

Mr. Smith and The Journal supported the UT athletic department by putting on an annual all-state high school football banquet, with trophies for the honorees. Chub served as chairman of the selection committee and as emcee of the presentation dinner.

#### WAS EPISCOPALIAN

The Smith family had one other son, the late Keller Smith, five years' Chub's junior, who also graduated in law at UT. Keller, an attorney for the Federal Housing Administration, died in September 1956.

Charles H. Smith Jr. was active in the Episcopal Church of the Ascension at UT, was in the Sigma Alpha Epsilon fraternity, and was a member of the City Club, Chero-



kee Country Club, Men's Cotillion and the Cat 'n Fiddle Club.

Graveside services will be at 11 a.m. tomorrow at Highland Memorial Cemetery. The family was to receive friends after noon today at Mann's, Bearden.

[From the Knoxville Journal, Mar. 13, 1972]

C. H. "CHUB" SMITH, JR., JOURNAL PUBLISHER, DIES

(By Tom Sweeten)

Charles H. "Chub" Smith Jr., publisher and president of The Knoxville Journal, civic and community leader and avid sportsman, died Sunday at 5:10 p.m.

Mr. Smith, 62, had been in gradually failing health since major surgery and a lengthy hospital confinement in March, 1967. He had resumed a full day-time schedule but was confined again to the hospital for short periods several times, undergoing surgery a second time in March, 1971. Since then, he had been confined to his home at 3420 Kingston Pike.

Graveside services will be held at 11 a.m. Tuesday at Highland Memorial Gardens, Rev. Sanford Garner Jr. of the Episcopal Church of the Ascension officiating. Friends may call after noon Monday at Mann's chapel, Bearden.

Survivors are his wife, the former Ethel Moore Lotspeich, whose parents served as publisher and president of The Journal from 1936 until 1962; two children, Charles H. Smith III, vice president and treasurer of The Journal, and Mrs. Charles M. (Trudy) Mason; and five grandchildren.

Mr. Smith succeeded Mrs. Roy N. Lotspeich as publisher of The Journal on Jan. 8, 1963, following her death a month earlier. He had held the position as president of the publishing corporation since Oct. 30, 1961.

His newspaper career began in 1937 at the time of its purchase by the late Roy N. Lotspeich. He had served in an executive capacity continuously since then, with the exception of three years during World War II when he served in the Army Air Corps, being discharged with the rank of major.

Mr. Smith served his community in many ways, in addition to those promoted over the years by The Journal under his leadership. He believed in participating fully in civic affairs and was a tireless worker for some of his favorite projects.

One of his intense interests in recent years was the campaign to finance the construction of the new facility for East Tennessee Children's Hospital, which was promoted actively by The Journal. More than \$2.3 million has been raised.

He served as a member of the board of the Knoxville Housing Authority from 1957 to 1962 and was for four years its chairman. During this time KHA made major strides in urban renewal programs throughout the city, developing deteriorated areas and slum areas into industrial and business complexes.

Knowing the value of tourism to Knoxville and East Tennessee, he was one of the leaders in the Knoxville Tourist Bureau, serving on its board of directors for the last several years.

For many years, too, he had been a member of the board of directors of Downtown Knoxville Association, the organization behind the revitalization of Knoxville's business district.

He was elected by the membership of the Greater Knoxville Chamber of Commerce to the board of directors for a three-year term in 1966.

Sports was an important part of his life, both as a participant and booster of the University of Tennessee. Three times city amateur golf champion, Mr. Smith was vitally interested in the development of Knoxville's golfing facilities. He never lost the zeal for

a game and was a familiar figure on the course at Cherokee Country Club. Over the years, Mr. Smith had played golf with some of the city's most distinguished visitors, including Sammy Kaye the bandleader, and Fred Waring, head of the famed musical group.

He also has been on hand to present trophies at Knoxville golfing matches. The Knoxville Journal for many years presented a trophy to the winner of the Southern Appalachian tournament, and in recent years has sponsored the Dogwood Arts Festival Golf Tournament, one of the sports highlights of that special city observance.

For the past several years, The Journal sponsored during the fall the "Banquet of Champions," in which outstanding high school football players from throughout Tennessee were brought to Knoxville to be honored. He was chairman of the selection committee and was master of ceremonies at the banquets until his health lessened his activities. Many of these athletes have signed to play their university football at the University of Tennessee, and these banquets have been an unmeasurable value to UT's sports programs.

Each year, until recently, at the banquet honoring the UT football team, Mr. Smith presented The Knoxville Journal Scholastic Award to the senior on the squad with the highest scholastic average. At the basketball banquet, he presented the Roy N. Lotspeich Memorial Trophy, awarded to the best team player.

A native of Knoxville, Mr. Smith was graduated from UT and also held a degree from the UT College of Law. For a time, he practiced law with the firm of Cates, Smith & Long, of which his father, the late Charles H. Smith Sr., was a member.

Mr. Smith and Miss Lotspeich were married on Oct. 3, 1936. He left law practice to enter the newspaper field shortly after that time.

Mr. Smith joined the Army, was assigned as an instructor to a base near Miami, Fla., and later was transferred to San Antonio, Tex., in an administrative capacity, then to Mitchell Field, Long Island, N.Y. He was an early member of the Continental Air Force, assigned to Bolling Field in Washington, D.C. He was released from active duty in late August, 1945, and rejoined The Journal.

On April 5, 1954, he was named general manager of The Journal. Earlier, he had been elected vice president of the publishing corporation. On Oct. 30, 1961, he succeeded Mrs. Roy N. Lotspeich as president, when she became chairman of the board. Mrs. Lotspeich had been publisher of The Journal since the death of Mr. Lotspeich in 1951.

He was a communicant of the Episcopal Church of the Ascension, a member of Cherokee Country Club and the City Club.

The beautiful formal garden at the Smith residence on Kingston Pike has been visited by thousands of persons and has been opened for public viewing during the Dogwood Arts Festival. The walled garden has a variety of shrubs and plants within its walled confines, including beautiful yew trees. Cement figurines depict the four seasons, and highlighting the garden is a figurine of Saint Francis, the patron saint of gardens. Mr. Smith especially took pride in the hundreds of tulips planted around the lawn. When dogwoods bloom, joining the flowers already in blossom, the garden is one of the city's most beautiful.

The interest of Mr. Smith in the city's beautification also is witnessed by the newspaper's sponsorship for several years of the Dogwood Arts Festival Flower Show, presented by the Knox County Council of Garden Clubs.

CONGRATULATIONS, DR. HAAS

HON. JOHN S. MONAGAN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. MONAGAN. Mr. Speaker, since the end of World War II, the field of higher education has experienced a period of growth and turmoil unprecedented in our history. During this crucial quarter century, Western Connecticut State College in Danbury, Conn., has been fortunate to have as its head Dr. Ruth A. Haas, one of the ablest and most personable administrators in higher education.

When Dr. Haas was inaugurated 25 years ago, as the first woman president of a State college in Connecticut, Western Connecticut State College had a total population of 265. Today undergraduate enrollment is 2,666 students, and the college offers an exciting curriculum and an excellent faculty. It has been my great pleasure to work with Dr. Haas in encouraging this expansion at the Federal level.

While modernizing and improving the quality of education at Western Connecticut, Dr. Haas has compiled a formidable list of accomplishments. She was the first woman president of the Eastern States Association of Professional Schools for Teachers. She has received numerous civic awards including the Danbury News-Times Civic Achievement Award, the Danbury Bar Association's Liberty Bell Award, and the Student Education Association's first annual award. In 1969, the new library at Western Connecticut State College was named in her honor.

One of the essential ingredients in Dr. Haas' success has been her enthusiasm and enjoyment of her work. Jean Buoy of the Danbury News-Times has captured this spirit in a profile of Dr. Haas on the occasion of her 25th anniversary. This spirit is perhaps best personified in Dr. Haas' own words:

I hope you're not one of these people who say, "If I had my life to live over . . ." I'm not!

I shall offer Jean Buoy's article for the RECORD at this point and ask my colleagues to join me in saying, "Happy anniversary, Dr. Haas":

[From the Danbury (Conn.) News-Times, Mar. 9, 1972]

HAPPY BIRTHDAY, DR. RUTH HAAS

(By Jean Buoy)

"I don't like this one bit, need I tell you that?" The voice over the telephone was more in sorrow than anger.

What Dr. Ruth A. Haas doesn't like is all the "fuss and feathers" being made over the 25th anniversary of her inauguration as president of Western Connecticut State College.

That anniversary is today, but much of the "fuss and feathers" will take place March 25 when the Danbury Chamber of Commerce holds its 34th annual dinner dance in her honor.

Today, however, the Wesconn faculty, staff and emeritus faculty will wish Dr. Haas a happy anniversary at an in-college recep-

tion and tea from 2:30 to 5:30 in the fine arts lounge in Memorial Hall.

You'd think by now that Dr. Haas would be used to honors and hurrahs. For besides being the first woman prexy of a state college in Connecticut, as well as the first woman president of the Eastern States Association of Professional Schools for Teachers, she has had many civic and professional citations bestowed upon her during her years in Danbury.

To name a few: the Exchange Club's first annual recipient of the Book of Golden Deeds award; The News-Times Civic Achievement award; the Danbury Bar Association's Liberty Bell award; the Student Education Association's first annual award and, most important, in 1969, the new library at Wesconn was named in her honor.

But for all her formidable honors and knowledge there is really nothing formidable about Danbury's grande dame of education. Ruth Alice Haas is exactly as she describes herself: "I'm the perfectly plain tweedy-suit type," she declared the other morning, smiling warmly and sitting squarely behind her neat desk in Old Main.

The symbolic apple for the teacher, this one clear, red glass, is one of the few items on display there.

Now a lovely, fluffy white-haired figure of a woman in her 60's Dr. Haas is, on the surface, calm, cool and collected, but inside, still as shy and unsophisticated as the girl described by a friend who attended Dr. Haas' inauguration ceremony on March 9, 1947 and later wrote: "It was a thrilling experience to see all the 'tops' educators, the Governor and last—but definitely not least—you sitting there so outwardly calm—but I'll bet there were butterflies in your tummy."

And this is Dr. Haas' account of her emotions on that day in 1946 when she was told that she was the new president of Danbury State Teachers College.

"I was frightened, truly frightened," she recalled. "I was surprised. I can tell you very vividly. Dr. (Ralph C.) Jenkins died on Danbury Fair Day. He went to Rotary and came back and, in a few minutes, died in his office."

"The commissioner of education (Dr. Alonzo Grace) called me and told me to take over and keep the ship running until the board of education met in November."

"I had not applied for the position. On the day of the board meeting, I was going upstairs to my room and Dr. Grace came up and told me I was president."

"I was frightened, even though the college was then only a single purpose preparatory school and the enrollment was far less than now. But we'd started enrolling men . . ."

Ruth Haas had come in 1931 as dean to what was then Danbury State Normal School after teaching high school in Watertown, N.Y. ("I loved it there") and at Syracuse University, her alma mater. She did then as she does now, hate interviews.

"When Mr. Higgins (Lothrop D.) interviewed me—he came upstate from Danbury and met me halfway at Albany—he told me what my duties would be. I told him the one thing I would not do was make speeches and he said I wouldn't have to. But when Mr. Jenkins came in, he said I had to. And I did. I wouldn't mind it if I was a good speaker, but I'm not."

When Dr. Haas came to DTC the college had two principal buildings on its campus, Old Main, now the administration building, and Fairfield Hall, a women's dormitory.

"There were no lights after 4:30 p.m. in Old Main," Dr. Haas reminisced. "The girls' activities were limited. They made their own or went to a movie. It was run just like a public school."

She was dean for 15 years of Danbury Normal School, where the girls were offered a two-year course that would make them

eligible to teach in elementary schools in the state.

In 1940, the school became a college with a two-year liberal arts course and men "began timidly to enter," a 1946 news-article observed in retrospect, also citing the fact that in 1946 there was a total of 85 veterans of a total school population of 265. Today, the undergraduate total is close to 2,600.

Dr. Haas' early education was in the Syracuse schools, until her father's work took him to Amherstburg, Ontario, Canada. There the young Ruth spent her junior and senior years of high school.

She then returned to Syracuse to attend the university and graduated with a B.S. degree in education and a master's degree in political science. After three years of teaching in Watertown, Dr. Haas went on a fellowship to the Maxwell School of Citizenship and Public Affairs at Syracuse University, where she also taught political science. She stayed there four years, three of which were spent as an assistant to the head of the personnel department.

She earned her doctor's degree in education at Rhode Island College of Education and holds an honorary doctor of laws degree from Syracuse University.

Did Ruth Haas always want to be a teacher? "I came from a family where the father thought the only profession for a young woman was teaching. And so his three daughters taught. I wanted to study law," she remarked a bit wistfully.

"If you are born into the world with a certain feeling about people and your experiences are pleasurable as you go along, that's more than you can ask. To be a teacher you must have an empathy as far as children and people are concerned. People who choose teaching for security have a hard time of it. You have to be fond of young people and be willing to sacrifice your personal life."

This Ruth Haas most certainly has. "But I've always liked what I've done and people have been cooperative and helpful."

The woman who one can easily envision being surrounded by adoring grandchildren gives a similar response to the question of whether she regrets not marrying: "Never. That's because I've always been happy in doing what I've been doing."

Dr. Haas has seen a tremendous growth from the old two-building Danbury Normal School to the present seven-building campus. "But not any more than other colleges in the country grew. After the depression, more people were seeking—had a need for—security. Parents wanted their children to go into teaching. The tuition was \$10 when I came here," she mused. Then there was the growth brought about by the veterans returning from World War II during the early years of her reign.

"The state had scholarships, too—room, board and tuition for young people who wanted to teach, providing they would promise to teach for three years in a rural community after they graduated."

Dr. Haas is pleased with the development of the college during her years as president—but not satisfied. "There is still too far to go. Young people come with different interests. We have to restudy what we're doing and where we're going."

As the curriculum at Wesconn has changed with the times, so have the attitudes of the students. "Attitudes of all people have changed over the years. People are more self-centered, interested in their own personal security, as they should be. But the uncertainty in the world is reflected in the young people."

Dr. Haas admits she has found it difficult, at times, to understand the changing values. "Your own, when you are growing up, you feel were right. I don't think anywhere today people ask what is right or wrong, moral

or amoral. Young people today have no society taboos created for them—no meets or bounds. You can't get definite answers for what is right or what is wrong."

"But I feel young people are trying hard in all phases of life to seek for themselves answers and solutions. Their attitudes and behavior reflect those of society today. Young people want to declare their independence at a very young age."

"Parents have a difficult time because they love their children. And that is the biggest weapon of the young people today."

Her inauguration speech, a quarter of a century ago, Dr. Haas feels was "quite prophetic." She had stated to the 1,200 who attended: "In war, we (Connecticut) led in material production; in peace we must continue to provide opportunities for our youth and adults so that they will be prepared to take their place in a rapidly changing world."

Today, she says, "It would be a sad situation if, with all our ingenuity, we fail to evolve peacetime programs. Can we here have prosperity only in time of war?"

In the area of teacher placement, Dr. Haas noted that jobs for teachers are "very much tighter. There are many applications. Our teacher placement used to be 93 per cent; last year it was 70 or 75 per cent."

And, for the veterans returning from Vietnam: "The least we can do is to offer them a job."

That many of her dreams for Wesconn revealed in that inaugural address have come true, Dr. Ruth Haas credits the town. "Danbury has been a very loyal community. The town has been most supportive and always cooperative at all times. Without the town and the support of the legislators, we wouldn't have grown as well as we have."

Any plans that Ruth Haas might have for retirement "are not for publication. I have plans to retire, but no plans for retirement," she said, smiling mischievously.

What will this busy woman, whose life for 25 years has been "a highly scheduled existence, now definitely more than it used to be," do?

"Travel? I'm a very provincial person. I've done most of my traveling by car. It seems when I could start to travel, I always wanted to get back home for the summer . . . there was a lake there. . . I've just never taken it up," she said, shaking her head.

What she will probably continue to do is what she does now in the small leisure time she allows herself—stay on in the house on Southern Boulevard she once shared with her mother, visit her sister and family, and friends. "I live a simple life. I visit friends. I do a tremendous amount of reading—historical works. I love music and I go to concerts and listen to records."

What she will definitely do is keep out of the public eye and fade into blissful anonymity.

A warm goodbye, a gentle squeeze of hands, a friendly smile and this parting thought: "I hope you're not one of those people who say, 'If I had my life to live over . . . I'm not!'"

THE HONORABLE JAMES W. TRIMBLE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1972

Mr. UDALL. Mr. Speaker, Judge Jim Trimble was one of the finest, most courageous, and decent men I have served with in the House of Represent-



atives. His quiet good sense, his low key humor, and his detailed knowledge of legislation marked him as an exceptional public servant. I deeply regret his death, but I celebrate with his Arkansas friends and my colleagues his outstanding life. He will be missed by all of us.

# VETERANS' EDUCATION AND TRAINING AMENDMENTS BILL OF 1972

## HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. BURKE of Florida. Mr. Speaker, on Monday, March 6, 1972, the House of Representatives passed a measure which was long overdue to aid our veterans with their education.

I refer to H.R. 12828, the Veterans' Education and Training Amendments bill of 1972. This bill is another major piece of legislation to help our veterans return to normal life offering them greater educational benefits.

The current education program for veterans and certain wives, widows, and children of veterans was enacted in 1966 for veterans of the Vietnam era and others who served after January 1, 1955. The educational allowances that have been provided are payable directly to the veteran or his qualified beneficiary. At the outset of the program, the allowance for a single veteran was \$100 per month. This has been increased twice in succeeding years and is now \$175 per month.

The bill just approved by the House calls for a \$200 per month allowance, a 100 percent increase in the educational allowance, approximately 6 years since it began.

Another major provision of the new bill deals with the authorization for the VA to make advance payment for the rehabilitation subsistence and educational assistance. This provision will minimize the initial financial burden facing the veteran during the first months of his training period.

Monthly allowances for veterans pursuing apprentice or job training programs are increased by 48 percent in the new bill. This substantial increase is designed to provide a greater incentive to prospective employers to promote on-the-job training, which should in turn help our unemployment problem with returning veterans.

The bill further provides that the spouse of a female veteran shall be classed as a dependent for veterans' benefits in the same manner as the wife or widow of a male veteran under current law.

Veterans pursuing farm cooperative training programs will have more flexibility in scheduling their classroom work under the terms of H.R. 12828. Presently, a veteran must complete 12 hours of classroom work in each of 44 weeks in a 1-year period, in addition to running his farm, to qualify as a full-time student. Under the new measure, he may elect to

complete 528 hours in a 1-year period, provided not less than 80 hours are pre-scheduled in any 3-month period. Therefore, he is able to schedule a minimum of class instruction during periods of peak farming activity.

In addition, as we move toward the goal of an all-volunteer army, the GI benefits serve as an excellent inducement to encourage service in our Armed Forces. This bill will help many veterans who desire to complete their higher education. In this age when some young people expect a free dole, it is the veterans who want to expand their education.

Let us hope that the Senate will expedite this issue so that this measure will become public law in the very near future.

# DRUG ABUSE, THE BATTLE PLAN TAKES SHAPE

## HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. CLEVELAND. Mr. Speaker, drug abuse is an extremely serious problem which affects more and more Americans, either directly or indirectly, every day.

Drugs threaten the mental and physical health of our children. Drug related crimes are increasing and overwhelming Federal and State law-enforcement agencies. Drug overdose deaths have increased alarmingly. And drug use overseas is undermining the integrity of our Armed Forces. Clearly, drug abuse is one of the most dangerous and urgent threats facing us today and we must fight it with positive action on every front.

One simple miracle-working piece of legislation cannot solve this complicated problem. Only a multipronged offensive can be successful in the battle against drugs.

The first and most important policy that should be adopted is one of prevention. The flow of drugs into this country must be stopped. Accessibility to drugs must be eliminated. Availability of the equipment necessary for drug production and use must be curtailed. These goals can only be achieved through more efficient law enforcement, delicate diplomatic initiatives, and new and improved laws.

The Nixon administration has made impressive progress on the international scene in the prevention of drug trafficking. In June of last year the President announced a voluntary agreement with Turkey to halt opium poppy production in that country. Along the same lines, I have cosponsored legislation which would halt foreign aid to any country which does not act to prevent drugs from unlawfully entering into the United States. I have also cosponsored a bill which would permit the United States to help countries to eliminate opium production by providing funds for crop substitution, law enforcement, treatment and rehabilitation, and education programs which are beyond the resources of the produc-

ing countries. This approach will not intimidate other nations or breed unnecessary hostility toward the United States.

These measures alone cannot be effective in eliminating all sources of illicit drugs. The administration is, therefore, making improvements in the patrol, inspection, and detection techniques used along our borders.

With the above measures aimed at illegal drugs being brought into this country, an effort must also be made to cut unnecessary overproduction or importation of legal drugs. To accomplish this, I have cosponsored a bill that would subject stimulants, such as amphetamines, to production quotas based on legitimate medical needs, strict import/export controls and tighter prescribing regulations. This legislation and other congressional action added strength to administration efforts to get the regulations changed, and resulted in lower quotas than originally proposed.

Along these same lines, I have cosponsored legislation to regulate the interstate trafficking and sale of hypodermic needles and syringes. The purchase of these items is disturbingly easy, even through the mail.

This equipment is essential to the drug pusher and user. Other tools of the trade, such as cutting agents, dilutents, and hashish pipes are also easily obtainable and I have sponsored legislation to subject a trafficker in or possessor of such drug paraphernalia to the same penalties as trafficking in or possessing the drug itself.

However, along with prevention and punishment we must also improve our system of treatment and search for a cure. On this front I have also acted. I have cosponsored legislation to increase grants to States and localities for treatment centers, because experience has shown that the best chance for successful treatment of the addict is close to his home.

On the special problem of drug abuse in our Armed Forces I have cosponsored a legislative package which includes provisions for the care and treatment of former drug dependent servicemen and addicts still in the service. Along with improved rehabilitation programs, I have proposed new penalties for the use and trafficking of narcotics for members of the services.

Finally, in an effort to seek a cure for drug addiction, I have cosponsored a bill to stimulate research by the private sector. With Federal money as a catalyst private drug companies, individuals, and organizations will greatly increase their efforts in the field. If a cure is found the Government would be financially reimbursed for its investment, in addition to the human benefits.

Obviously drug abuse is a complicated and dangerous problem. We must attack it with force and speed. My proposals will not bring instant success, but they form a serious attempt to solve the problem. I urge all my colleagues to seriously consider them, and indeed, all attempts to meet the drug threat.

**EIGHTY MEMBERS OF THE HOUSE  
SEND LETTERS TO SECRETARY OF  
THE INTERIOR**

**HON. JOHN D. DINGELL**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DINGELL, Mr. Speaker, under date of March 14, 1972, some 80 Members of the House joined me in sending a letter to Secretary of the Interior Morton in which we urged that the Department of the Interior hold a public hearing on the environmental impact statement on the trans-Alaska pipeline. So that our colleagues may know of this letter, I insert its text and the names of the co-signers at this point in the CONGRESSIONAL RECORD:

HOUSE OF REPRESENTATIVES,

Washington, D.C., March 14, 1972.

HON. ROGERS C. B. MORTON,

Secretary, Department of the Interior,  
Washington, D.C.

DEAR MR. SECRETARY: It is our understanding that the final environmental impact statement on the proposed Trans-Alaska pipeline project will be ready for release in the near future.

In our view the decision to build or not to build the Trans-Alaska pipeline is a matter of the greatest public importance to all of the people of the United States and to our Canadian friends.

As you know, the National Environmental Policy Act of 1969 (NEPA) requires that the public have an opportunity to involve itself in the assessment of environmental impact in connection with proposed major actions of the Federal Government. Your Department recognized this requirement by holding hearings about a year ago on the draft environmental impact statement during which testimony from public witnesses and others demonstrated major deficiencies in the draft statement.

Since the time of those hearings the Department of the Interior, from all reports, has prepared a substantially more comprehensive impact statement. The new impact statement reportedly will consist of eight volumes and will contain much new information to which the public has not yet had access and, therefore, has not had an opportunity to comment upon. The public clearly deserves the opportunity to digest this voluminous new document and then comment upon it in a proper forum prior to the time that the Federal Government takes any action to permit construction to commence.

The requirements of NEPA for public involvement have not changed and it seems to us that said requirements make it imperative as a matter of law and sound public policy that the Department of the Interior hold another series of hearings on the final environmental impact statement.

We are convinced that you and your Department do not wish to take any action which could massively and irreparably damage the human environment. We are convinced that you and your Department have labored honestly and diligently to prepare a final environmental impact statement which fully complies with NEPA and other pertinent statutes. We do not question the fact that your Department brought to this task a very high degree of competence. However, we also are convinced that there are a great many persons of high competence—engineers, scientists, ecologists, etc.—in the public at large whose views on the environmental impact statement should be made known and we feel that the best method of accomplishing

**EXTENSIONS OF REMARKS**

this objective is for the Department to schedule a new series of hearings on the impact statement.

We, therefore, urge you to direct that such a hearing be held by the Department of the Interior well before any final decision is made on the proposed pipeline.

Sincerely,

NAMES OF MEMBERS OF CONGRESS WHO SIGNED  
THE LETTER

John P. Saylor, John D. Dingell, James Abourezk, Bella S. Abzug, John B. Anderson, Thomas L. Ashley, Les Aspin, Herman Badillo, Mario Biaggi.

Edward G. Blester, Jr., William S. Broomfield, Harold R. Collier, Silvio O. Conte, James C. Corman, William R. Cotter, Lawrence Coughlin, Ronald V. Dellums, Robert F. Drinan, Don Edwards, Joshua Ellberg, Dante B. Fascell, Hamilton Fish, Jr., William D. Ford, Edwin B. Forsythe, Donald M. Fraser.

Bill Frenzel, Ella T. Grasso, William J. Green, Martha W. Griffiths, Seymour Halpern, Michael Harrington, William H. Harsha, William D. Hathaway, Ken Hechler, Floyd V. Hicks, Frank Horton, Henry Helstoski, Joseph E. Karth, Robert W. Kastenmeier.

Edward I. Koch, Robert L. Leggett, Clarence D. Long, Paul N. McCloskey, Jr., Richard W. Mallary, Spark M. Matsunaga, Ralph H. Metcalfe, Abner J. Mikva, Joseph G. Minish, Patsy T. Mink, Parren J. Mitchell, William S. Moorhead, F. Bradford Morse, John E. Moss.

Lucien N. Nedzi, David R. Obey, James G. O'Hara, Claude Pepper, Richardson Preyer, Thomas M. Rees, Ogden R. Reid, Henry S. Reuss, Donald W. Riegle, Jr., Howard W. Robison, Peter W. Rodino, Jr., Robert A. Roe, William R. Roy, William F. Ryan.

Fernand J. St Germain, Paul S. Sarbanes, James H. Scheuer, John F. Seiberling, Jr., Robert H. Steele, Samuel S. Stratton, James W. Symington, Frank Thompson, Jr., Robert O. Tiernan, Morris K. Udall, Guy Vander Jagt, Charles A. Vanik, Jerome R. Waldie, Lester L. Wolff, Sidney R. Yates.

**FREEDOM UNDER ATTACK AS  
FEAR**

**HON. JOHN R. RARICK**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RARICK, Mr. Speaker, as one of the cosigners of discharge petition No. 9 calling for a constitutional amendment to end forced busing to achieve racial balance, I resent the inference that people who care enough about their children to want to prevent their being illegally kidnapped by the bureaucrats of the Federal Government is a reaction to fear.

I feel that the purpose of law is to instill domestic stability and safety rather than to be exploited by encouraging agitation and anarchy. Prohibition against busing is the law of the land today. The law of the land is being violated in efforts to achieve theoretical goals of social justice. I feel that very shortly, we will even witness the President of the United States issue a call for return of law and reason rather than the rule of men and ideas.

Those who would seek to belittle the efforts and aspirations of American parents in wanting to protect their children and see to it that they receive a quality

education should examine their motives to see if there has not been efforts and activities on their part which have, in fact, polarized the country today. Those individuals and organizations which develop long range plans and blue prints to achieve theoretical goals which affect the people but do not include the people in the decisionmaking should never be heard to complain if the democratic process thwarts their full achievement. After all, government exists only for the common good of the people, and it is only right that the people control the government, including the social planners and not vice versa.

How can any responsible individual submitting himself as a potential candidate for the Presidency of the United States make light of those who oppose busing when busing to achieve racial balance is illegal under the law of the land at this time?

**THE HILLEL SCHOOL**

**HON. JOHN W. WYDLER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. WYDLER, Mr. Speaker, I recently had the great pleasure of attending the 15th annual scholarship fund dinner for the Hillel School in Lawrence, N.Y., which provides a yeshiva education for deserving children. It was a most impressive evening and the program, being a tribute to the Jerome Alter family, should be shared with my colleagues in Congress:

**THE HILLEL SCHOOL**

The Hillel School seeks to teach, train and prepare its pupils to understand, appreciate and live in an orthodox Jewish way of life in the manner expounded by Rabbi Kook within the framework of an American secular society. In broad generalities, this involves:

Teaching the children the laws and customs handed down through the generations as finally expressed in the codification of the Halacha in the Shulchan Aruch and in the Responsa of the recognized Rabbinic leaders through the present time;

Preparing the children to participate meaningfully and fully as Orthodox Jews in all aspects of Jewish existence by providing them with the knowledge, background, love and understanding that will make such participation natural and effective;

Inculcating on all levels a recognition of the brotherhood of all men, a respect for the person and ideas of those with whom there is a difference, so long as there is no insurmountable conflict in basic ethical and moral values, and a clear view of how Jewish ideals harmonize with the goals of American democracy;

Instilling a special sense of our brotherhood with Jews all over the world as the bearers of a common heritage and as the children of Abraham, Isaac and Jacob, and a special love for and commitment to the State of Israel and the Holy Land as the inheritance promised to us by G-d through our forefathers and as the source of our inspiration for holiness and peoplehood. The children shall see it as a personal responsibility to involve themselves in furthering the cause of the State of Israel through their own education and through their daily activities.



These goals are achieved through the provision of a course of study in Religious and Jewish subjects as well as a course of secular studies paralleling that offered in comparable public schools and the fusion of the two where it brings added meaning to both aspects of the curriculum.

#### A TRIBUTE TO JEROME AND ESTELLE ALTER

We at The Hillel School are indeed fortunate to be able to dedicate our Fifteenth Annual Dinner to Jerome and Estelle Alter. Both Jerry and Estelle have worked tirelessly for our institution. Each has served us with devotion and dedication beyond the call of duty.

Over the course of the years, Jerry has served the School in the highest capacities—as President, and prior thereto, as Chairman of the Board of Trustees. Presently, he is a member of the Board of Education. Jerry has also served as Dinner and Journal Chairman. In addition, both he and Estelle have played an active role in the creation of Hillel High School, nurturing it from a dream to reality. Jerry, who headed the High School Planning Commission, today serves along with Estelle as a member of the High School Educational Committee.

Estelle has served our PTA with love and devotion since becoming a Hillel parent, presently serving as liaison to National PTA. A former Vice President, she has assumed chairmanship of many PTA events.

They are both active in communal affairs. Estelle serves as a member of the Youth Commission and the Adult Education Committee of Shaaray Tefila and is Vice President of its Sisterhood. She is an active member of the Asara Chapter of Miz-rachi Women and has achieved fame for her enlightening talents as a Book Reviewer and Lecturer. Jerry is a member of the Board of Trustees of Congregation Shaaray Tefila, the Board of Governors of the National Commission of Torah Education sponsored by Yeshiva University, and was recently appointed by the America Association for Jewish Education to serve on a National Study Commission on the Residual Effects of Jewish Education. He is the President of Deluxe Fashions, Inc. of New York City.

The loving parents of three Hillel students; Kenneth, Karen and Stuart, they have shown their children by action and deed, a path of life which is intimately intertwined with a love and respect for Torah and Torah Institutions.

We proudly welcome this opportunity of paying them a well-deserved tribute at our Fifteenth Annual Dinner.

It is with a feeling of deep pleasure that I extend my personal greetings and pay tribute to two dear friends and great leaders in our Yeshiva, Jerome and Estelle Alter.

Jerry is our young elder statesman. Past President of our Yeshiva, member of the Board of Education and Board of Trustees, he declined to retire and rest on his laurels, but pursued the active roll of visionary and planner of Hillel High School. As Chairman of the High School Commission, Jerry Alter made realities of dreams, converted visions into concrete programs and, in spite of the vicissitudes of many educational enterprises, managed to bring forth a High School. Here indeed is leadership. Blessed with the vision to perceive broader and higher horizons, grasping the totality problem of American Jewish education, he is our spokesman in the national councils of education; he is our leader on the domestic scene of Hillel High School.

Estelle, his charming, vivacious helpmate, is truly "the woman of valor." Her effervescence serves as a catalyst in any group. Yet, in the depth of her incisive remarks, one is instantaneously impressed and recognizes the wisdom and knowledge which have earned her admission to the coveted Phi Beta Kappa Society.

May the Almighty bless them both with years of health and happiness. May their traditions be reflected in the lives of their children and may our community continue to be blessed with their leadership, understanding and guidance for many years.

Sincerely yours,  
Rabbi Dr. SIDNEY Z. LIEBERMAN,  
Principal, Rosh Ha-Yeshiva.

#### TRAIN UP A CHILD IN ACCORDANCE WITH HIS NEED AS AN INDIVIDUAL

(By Rabbi Dr. Arthur Laifer, Principal)

Although this century has been marked by the most remarkable technological and scientific advancement known to man, we have witnessed, at the same time, the failure of civilized society to live together peacefully without war or open hostility. In addition our twentieth century society has experienced the horror of an attempted genocide of a people whose culture and heritage has always reflected the hopes and aspirations of world peace and tranquility through the teachings of the Torah. Yet in spite of these apparent contradictory forces we look to the future with the sanguine hope that we shall achieve the goal of the betterment of mankind and ultimate world peace through the education of our children.

The education of our youth has always been a by-word of the Jewish people. Long before current educational know-how, our sages had the insight and knowledge of our most modern behavioral theorists and realized that each child must be educated as an individual. Train up a child in accordance with his needs as an individual. They understood the individual differences of children and were the exponents of this philosophy resulting in a teaching credo which was to leave its indelible mark upon education to this very day.

Yeshiva education is unique in its outlook and philosophy. The mind must be supported by the spirit. Goodness, righteousness, kindness, are mere platitudes if not translated into "mitzvot," into deeds which move the spirit of man and enhance his awareness of the Almighty. Our Jewish ethic, expressed through the Torah and its "mitzvot" is indeed the spiritual expression of life and its purpose in the most profound sense.

We look to our parents to understand the purpose of Yeshiva education and to maintain a total commitment to its continued growth and development. We look to our leaders for guidance and dynamic leadership as the key to the future of our people and the Community of Israel.

Estelle and Jerry Alter have shown this commitment and leadership as parents and officers at Hillel. Theirs has not been an easy task. But in spite of hardships and frustrations they have succeeded in helping our yeshiva grow during its fledgling years. God bless them with health, strength, and the inspiration with which to guide our wonderful school for many years to come.

May we all the privileged to see nachas from all of our children and the generations of the House of Jacob yet unborn.

#### ECONOMIC NATIONALISM: THE REALITIES OF EXPROPRIATION

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. MORSE. Mr. Speaker, the welfare and continued development of our Latin American neighbors is a matter of great concern to all those who live in the Western Hemisphere. Our mutual concern re-

sults from historical, humanitarian, economic, and security considerations. Currently, relations between the United States and Latin America are going through a difficult—but very necessary—period of transition. Responsible individuals both in this country and in the Latin Republics recognize that serious adjustments must be made in the traditional pattern. They realize that Latin Americans can and should assume responsibility for major economic and political decisions that directly affect them.

In the past, the United States has proffered economic aid to the Republics in the hope of promoting economic and political development there. Certainly, such assistance, in adjusted form, should continue. But in addition, international private investment has a necessary and a significant role to play in the ongoing process of promoting development. American business and business from abroad have much to give to Latin America and much to gain from it, if they can learn to understand and accommodate the new surge of Latin American nationalism.

The desire of Latin American leaders to control investment within their borders—at least to the extent of insuring that such investments will have a positive rather than a negative impact on national development programs—is an entirely legitimate and natural one. International corporations that understand and accept this fact can learn to contribute to the development process, establish cordial relations with their host governments, and simultaneously accumulate legitimate profits. It is a balance that is by no means easy to achieve, however.

Mr. Charles W. Robinson, president of the Marcona Corp. and a member of the board of the recently established Inter-American Foundation—formerly the Inter-American Social Development Institute—has recently discussed the difficulties and promise of international corporations operating in Latin America. In a speech before the 35th Mid-American World Trade Conference in Chicago on March 2, 1972. Mr. Robinson suggested that certain overall U.S. policy changes toward Latin America might be in order, and also delineated the problems faced by a multinational corporation attempting to establish or continue operations in Latin America. In addition, Mr. Robinson discussed the activities and experiments in local cooperation of the Marcona Corp. in Peru. I commend these very enlightening and thought-provoking remarks to my colleagues and I am inserting Mr. Robinson's speech, "Economic Nationalism: The Realities of Expropriation," in the RECORD:

#### ECONOMIC NATIONALISM: THE REALITIES OF EXPROPRIATION—PARTNERS IN PROGRESS

When I was first approached and asked to be your speaker today it was on the basis that I would discuss the art of survival in the developing world. I indicated that if there was a magic formula guaranteeing protection against political attack I am not privy to it. A wave is cresting over us all threatening the very existence of private enterprise and no one company can stand alone protected from this force. However, I do feel that there is much we can do to raise the odds for success acting through the U.S. government, with the multinational corpo-

rate community and as individual investors. It is on this basis that I appear before you today.

#### MARCONA CORP.

I suppose it would be appropriate for me to first introduce myself—and confess my biases. As President of Marcona Corporation I am responsible for a global program involving the extraction and processing of mineral resources and the operation of a worldwide shipping operation. However, at one time I was the only employee and was personally responsible for establishing our first venture—an iron ore mining project in Peru. This has grown from an initial investment of \$7 million to a total of almost \$200 million today. That operation continues to grow as we are just completing a \$30 million expansion and are now negotiating terms of a new agreement with the Peruvian government which will allow us to proceed with another \$60 million addition.

Soon after we initiated operations in Peru we commenced development of our own bulk transport operation which in turn has led us into salt mining in Chile, a titano-magnetite operation in New Zealand, and involvement in a major iron ore operation in Western Australia.

We also have underway efforts to bring into production other mining ventures in India, Alaska, Greenland and Brazil.

We have had a full measure of crises in our various activities throughout the developing world; however, to date we have continued successful operations in all areas.

My corporate responsibilities today involve forward planning and overall direction of the enterprise; however, I still maintain direct contact with government leaders in countries in which we operate. This has given me a feeling for their ambitions and their goals, both legitimate and otherwise. From this experience I have gained a firm conviction that there are basic deficiencies in our relationships with the developing world—a conviction which I want to share with you today.

#### PROBLEM DEFINED

I am confident that where there is a will—combined with vision—there will be a way to navigate through the rocks and shoals which certainly lie ahead in the developing countries. However, this requires a clear understanding of our basic problems.

#### Latin America

My comments will be largely directed toward problems in our relations with Latin America because of the magnitude of our involvement. U.S. direct investment in this area totals almost \$14.0 billion, or about 70% of U.S. investment in all of the developing world. However, even though I speak of Latin America it should be understood that the same basic problems exist—or will develop inevitably in Africa, Southeast Asia and other sectors of the developing world.

#### Gaps

Some of you may recall an advertising campaign many years ago with each ad containing a photograph of a person with some item of clothing improperly secured by the use of buttons. There was always the question—"Are you suffering from gaps?" This was accompanied by the suggestion that the affliction could be easily cured with a zipper.

Today we are suffering from a serious case of "gaps" but unfortunately it will take more than a zipper to effect a cure. First, there has been a rapidly growing gap between our perception of the developing world and the reality of that world. This is reflected in our attitudes and in our government policies which have become increasingly anachronistic and therefore counter-productive.

The second gap which we must deal with today is that which continues to widen between the economic level of the developed and the developing nations.

Since World War II accelerating technological growth has greatly extended our capacity to communicate and transport over great distances. The freer exchange of ideas—people and goods across national boundaries has stimulated an irreversible movement towards the interdependence of all peoples. Thus, it is not only the gap which has developed between our levels of development—but also a growing awareness of that gap. This is creating what appears to be almost insurmountable problems in our relationships with the developing world.

We are rapidly becoming one world family with all of the stresses which arise within any family group, especially where unequal opportunities exist.

#### U.S. relations with Latin America

Since the enunciation of the Monroe Doctrine 150 years ago we have viewed Latin America as our special preserve for both strategic and economic reasons. During this period our tactical plan has swung between actual intervention and a paternalistic benevolence. We have viewed with suspicion—if not alarm—European or Asian efforts to move in on the raw material source and markets of this continent.

I suggest that there is no creditable strategy argument supporting a continuation of this policy today—and certainly Japan, Germany, China or any other country has as much right to investment in this area as does the U.S. If we are to avoid more Cubas or Chiles where U.S. investors dominated the economy, we must encourage the flow of investment into Latin America from other nations of the world. This calls for a new perception of our relationship with Latin America and a change in our basic policies.

#### Economic gap

The widening gap between the social and economic standards in the U.S. and the developing world is a real and critical problem. It sounds simplistic to say that the gap can be eliminated by accelerating the development process in Latin America, by reducing our rate of growth, or by a combination of both. However, this forces us to face up to two basic realities.

First, it is simply unrealistic to think that we can raise the standard of living in the developing world to the U.S. level of consumption. The rate at which this would chew up earth resources and contaminate our environment goes beyond imagination.

If we are even to begin to resolve the psychological and political differences between the developed and developing worlds we must recognize the necessity for a drastic reduction in the rate at which we in the U.S. increase consumption of earth resources to satisfy our escalating demands.

Dr. Osborne, Director of the U.S. Bureau of Mines, predicts that by the year 2000 we will be consuming mineral resources at four times the current level. Without development of basic technology which could render domestic reserves economically exploitable we would have to increase the current level of mineral imports by seven times. This just isn't going to be—especially if we continue to count heavily on other Western Hemisphere sources. We must reverse our traditional concept of Latin America as our private storehouse of mineral and energy resources—as well as our market for finished products.

Continued accelerated consumption of earth resources is simply inconsistent with the limitations of a finite planet. Our world is on a collision course with disaster unless there are basic changes in social values and government policies, especially in the U.S. and other developed nations.

In summary—we must not continue to deceive ourselves, or others, by pretending that we are going to eliminate the gap between developed and developing worlds. However, it is essential that we make every ef-

fort to narrow this gap through a reassessment and scaling down of our own development goals combined with positive support for accelerated development abroad. There is no alternative solution.

#### U.S. emotionalism

We must recognize another problem in Latin American relations which stems from the emotionalism influencing our views of each other. We are quick to point out the volatility of the Latin temperament but do we appreciate the extent to which we respond emotionally to issues between us?

Let me give you an example—How many of you react with anger when you read about the Peruvians or Ecuadorians capturing another U.S. fishing boat? How many respond favorably to the suggestion frequently expressed in Congress, that we send a destroyer down to protect our boys? But I ask—have you ever studied this issue objectively? Do you know the nationality of the captains and crews of these boats? Do you understand the need to preserve the important but expendable reserve of marine life that exists in the Humboldt current which extends about 200 miles off the West Coast of South America? Are you aware of the U.S. law which provides compensation for fines but not for purchase of reasonably priced fishing licenses, the revenue from which is used to study and protect this marine resource?

I recognize that after a careful review of the facts you may not agree with my conclusion that our concern over the effect of a change in territorial limits on the surface of the seas has led us to an absurd and indefensible position on this fishing issue. However, I do suggest you defer any future emotional response until after you have carefully reviewed the facts.

As a further illustration of the element of emotionalism in our reaction to Latin America—several days ago Canada's Minister of External Affairs—Mitchell Sharp—stated that many U.S. multinational corporations were continuing to be imperialistic. He goes on to say—and I quote "Canadians are determined that foreign corporations will serve Canadian interests, buttress Canadian priorities and respond to Canadian aspirations." This generated some concern in the U.S. but because of our association with Canada we know that we will find a way to reconcile any differences that might arise from application of this policy. But let's think for a moment—about the reaction which would have been prompted by this statement if made by a high government official of say Brazil. We would be in a state of panic and convinced that we faced dire—even though unclearly defined perils.

The difference is in our ability to communicate. It was Francis Bacon who said—"It is by discourse that men associate." Somehow we have failed to establish a meaningful discourse with Latin America which has greatly limited our true association.

We are painfully aware of the iron and bamboo curtains and the limitation on discourse they impose—or perhaps I should say have imposed in the past—but somehow geographical proximity which inspired the myth of "Pan-Americanism", has concealed the existence of a cultural and language curtain which separates us from Latin America. We must make a positive effort to pierce this veil.

#### Growing nationalism

Nationalism—a growing phenomenon in Latin America again engenders emotional response in both developed and developing worlds. However, we shouldn't fear nationalism in itself. We have expended billions of dollars and thousands of American lives to create a sense of nationalism in South Vietnam. Furthermore, we will never see any real economic and social progress unless individuals do identify with national goals and aspirations—or gain a sense of nationalism.



Somehow we must learn to reconcile our corporate policies and activities to the legitimate objectives of nationalism and accept it for what it is—an essential condition for development.

However, the growth of nationalism does bring an emotional and political sensitivity to what the host country often views as imperialism on the part of the foreign investor. To counter this we must find ways to depoliticize or denationalize our foreign investments. The mere presence of investors from nations other than the U.S. will go a long way to moderate this problem. The developing nation soon learns that all foreign investment behaves in substantially the same way.

The development of consortia for major investments formed with participants from two or more countries can at least reduce the risk of political attack based on the "invasion of sovereignty" argument. Perhaps the ultimate solution is the "World Corporation" without nationality—incorporated by and responsive to a truly international institution.

#### "Fade out" formula

One of the by-products of excessive nationalism is the pressure to limit the period of foreign control over an investment. The Andean Group formed as a regional economic bloc by the five Latin American countries of Chile, Bolivia, Peru, Ecuador and Colombia, has issued an investment code—which includes what is referred to as the "fade out" formula. After 10 to 15 years the foreign investor is expected to "fade away into the sunset" with local investors acquiring a controlling interest in the enterprise. It is ironical that this scheme was conceived in U.S. academic circles reflecting the view that every foreign investment contains an incipient cancer which must be removed at an early stage before it contaminates the country's socio-economic body.

This simply ignores the need for a continuing flow of capital, technology and managerial know-how which is vital to the success of any venture. Application of the "fade out" formula would discourage all but those investors interested in a quick profit who do not identify with the long range interest of the developing nation. I believe that sound and constructive overseas investments serve as "engines" for development not merely the "ignition spark."

Furthermore, capital is increasingly without nationality—only management tends to retain its overseas national ties. Through developing truly international management sensitive to and willing to harmonize with host country long range interests, I am convinced that this "fade out" principle will itself fade away over time.

The excesses of nationalism have posed a growing threat to foreign investment during the past few years with a rising hostility leading in some cases to expropriation. In almost all areas we have witnessed an unpredictable changing of the rules—increasing taxes and other burdens on corporate enterprise—both foreign and domestic. This is a problem which must be resolved if foreign investment is to continue contributing to the development process.

I am totally committed to the principle that we can and will resolve this problem. However, we must recognize that the ambient—or atmosphere within which we can influence the future of our individual investments is determined to a great extent by the behavior of our government and that of other investors in the same area. Accordingly, we must find ways to encourage the establishment of new government policies and actions of other investors which will enhance our chances of success in this important—in fact essential—effort.

#### U.S. GOVERNMENT POLICIES

Let's first consider the question of U.S. government policies.

#### Foreign assistance

Our foreign aid efforts in Latin America have suffered from the Marshall Plan syndrome. We have simply failed to distinguish between the requirements for reconstruction as opposed to development.

The Alliance for Progress was conceived in the early 60's in an atmosphere of political euphoria. This was a completely unrealistic scheme to satisfy the development goals of Latin America over a short period of time. We poured massive amounts of financial aid through government-to-government channels. This only assured preservation of the status quo in spite of certain development criteria we attempted to impose on the recipient nations. Real development—calls for change—both social and economic—and this is a painful process, naturally resisted by the established and controlling forces. The dramatized presentation generated wild unrealistic dreams on the part of the Latin American people. This effort has failed and they are now suffering from a painful hangover from their emotional binge. But where do we go from here?

I feel that there is a breath of fresh air coming into our foreign assistance philosophy which holds great promise for the future. In 1969 Congress passed foreign assistance legislation which recognized the difference between the objectives of military aid, large government-to-government loans for infrastructure and support of social development or the change process.

To deal with the latter, a new government corporation was established by Congressional action. It was designated the Inter-American Social Development Institute—later changed to the Inter-American Foundation. This is a relatively small scale program—with initial multi-year funding of \$50 million to be employed through Latin American non-government institutions dedicated to social change. It is administered by a 7-man Board appointed by President Nixon, of which 4 are from outside of government. I am pleased to be serving as a member of this Board and terribly excited by the potential in this new approach. We do not dictate programs—but respond to Latin American needs—not as we see them but as they perceive them, and evidence this by their own initiatives.

There are many ripples on the sea, most of which soon disappear back into the surface; however, every now and then one appears whose time has come and it continues to build into a giant swell to crash eventually on a distant shore. I believe that this new approach is a ripple whose time is overdue and the Inter-American Foundation will lead us into a new concept of foreign assistance—not only in Latin America but throughout the developing world.

#### Credit diplomacy

Let's look at our "credit diplomacy" of the 1960's as reflected in the Hickenlooper Amendment. This was designed to prevent illegal expropriation of U.S. property—by threatening withdrawal of all financial aid unless there is prompt adequate and effective compensation. This is our 20th Century version of the British gunboat diplomacy of the past century.

No one can argue very effectively against the principle that you shouldn't continue to provide financial aid to governments who kick us in the teeth in clear violation of accepted international standards. However, in my opinion, the Hickenlooper Amendment fails in that:

It not only tells the President, but also the opposition how he is to play his poker hand.

It generates an international emotional issue strengthening political support for the government leaders who have taken the expropriation step, and who for that reason can't afford to succumb to U.S. pressure.

It provides support for big business with sufficient clout in Washington to induce the government to jeopardize our international relations on their behalf. (You can be certain that your Uncle Joe's hamburger stand on a street corner in Lima doesn't operate under this same umbrella.)

And finally, it encourages an inflexibility and intransigence on the part of the threatened company, further compounding the problem.

We must find ways to bring appropriate economic pressure on governments to encourage fair treatment for all U.S. investors—large or small. Perhaps this can be better accomplished through an international institution such as the World Bank. In any event, calls for the flexible-non-publicized and thus noninflammatory approach, which can be adapted to the special circumstances which surround each expropriation case.

#### Investment insurance

Another area of our foreign policy which I believe requires review and change relates to our overseas private investment insurance.

In the first place, insurance against expropriation of property does not cover the most common risk in the developing world—which is the creeping expropriation of profit. This reduces the value of the investment but leaves the ownership intact, thereby avoiding the messy problem of compensation; secondly, I question whether we have ever really established the true objectives of this program now administered by OPIC. Are we encouraging U.S. overseas investment in developing countries because we want to support their economic growth? If so, wouldn't it be logical to extend this insurance program to investors from other countries?

Are we interested in protecting existing U.S. investments? If so, I am convinced that U.S. interests now in Latin America are better protected by new investment from Japan, Europe and elsewhere than by additional U.S. investment. On this basis perhaps we should only make the insurance available to investors from other countries.

On the other hand, our true objective may be to preserve Latin America as a reserve of raw materials and as a market for the future of U.S. industry. If that is the case, I submit that we are acting out of harmony with our stated objectives and contrary to the interests of the developing world.

It is difficult for me to see any valid argument for this insurance program which tends to encourage inflexibility on the part of the insured company, greatly increasing the likelihood of expropriation, very possibly at the expense of the U.S. taxpayer.

Our present bilateral approach also results in escalating what is a company-to-government argument into a major international issue involving both governments. This could be avoided by establishing an insurance program on an international basis to be administered by the World Bank. In any event, with current U.S. copper company insurance claims in Chile alone exceeding present OPIC reserves, and the growing reluctance of Congress to vote increased funds for this kind of program, one problem may solve itself. Events may conspire to provide an answer.

#### Preferential import treatment

On another issue—we have talked for years about our desire to support the advancement of export industries in Latin America. We have offered assurance that we will establish preferential import duties as an important step in this effort. However, our actions have never matched our rhetoric. We must fulfill this promise and also endeavor to gain similar treatment for Latin American products from the European Economic Community and Japan.

*Underemployment crisis*

Another emerging issue in our relations with the developing countries results from our failure to create more employment in the developing world through our foreign investments. The "marginal man"—or underemployed individual—continues to grow in numbers at an alarming rate, promising social stress and political instability in the years ahead.

The U.S. was developed in an atmosphere of labor scarcity—which encouraged the capital intensive approach. Unfortunately, we continue this same approach in our investments in the developing nations and thus fail to generate new jobs at anywhere near the rate required to avoid a major crisis. U.S. credit policies combined with import duty concessions and accelerated depreciation offered by the developing nations, entice investors to go the capital intensive route. We should take the lead in developing new formulas for overseas financing to accelerate the creation of jobs. We must also encourage the developing nations to follow a similar course in their efforts to stimulate new investment. This rapidly emerging problem could well prove to be the single key issue of the 70's.

*Territorial limits*

I have already mentioned the question of fishing rights, but this is only a part of the larger issue of international codes. If we were to be completely honest we would have to admit that historically these are designed to protect the strong against the weak. The fact that might begets right was clearly the case when Britannia ruled the waves. Territorial limits were established at 3 miles from the coast which was the distance that a round iron ball could be fired from a shore gun. Technological "might" now replaces military "might" as the controlling factor, at least in all subsurface considerations. This is evidenced by the U.S. claim to the continental shelf for exploitation of the subsoil oil resources which became imperative when offshore oil drilling capability had been developed to exploit these resources. In the case of the fishing boat controversy—we seem to be saying that the Peruvians and Ecuadorians must restrict their offshore claims to 12 miles because we have the technological capability to send large self-sustaining, electronically equipped fishing vessels to exploit the subsurface resources beyond this limit.

To improve our relations with the developing world we must find a way to preserve the essential freedom of passage over international waters—but still deal with the subsurface and subsoil resources in ways that fully protect the weak as well as the strong.

*Department of Commerce study*

I have reviewed with you a few examples of current U.S. policies toward developing nations which I am convinced must be changed to reflect the realities of our world today. I am pleased to learn that our new Secretary of Commerce—Chicago's own Pete Peterson—is studying the broad question of U.S. international economic policies with a view to bringing them into line with our rapidly changing world. I have great confidence in his capacity to effect the policy changes which are absolutely essential if the U.S. is to play its proper role in the international economy.

*MULTINATIONAL BUSINESS ASSOCIATIONS*

As individuals we can also influence our relations with the developing world through association with other companies. Multinational business leaders will become an increasingly important influence in U.S. international relations. Inevitably this will lead to the development of action oriented organizations through which international businessmen will join forces. The Pacific Basin Economic Council is an example of this trend as it brings together business leaders of the U.S., Canada, Japan, Australia and New

Zealand to cooperate in the economic development of the entire Pacific area—including the West Coast of Latin America. There will be many other such organizations through which we can exercise a positive influence in our relations with the developing world.

*INDIVIDUAL BUSINESS POLICIES*

Now I come to what I consider the most important area for individual effort—the operation of one's own overseas business. You'll have to forgive me if this appears to be an overly personalized review—because I have been involved directly and would like to share this experience with you.

There are many international business executives who have convinced themselves that they are following proper management policies in the developing world. Frequently you will hear them say that it is true that 30 or 40 years ago U.S. companies took advantage of the host country with their activities subject to criticism as imperialistic; but we have come a long way since then and complaints today are really "beating a dead horse."

However, the world is changing at an accelerating rate and there is a danger in steering our course by looking at the path behind as we are very likely to miss the bend ahead. I feel that we must continually reassess our policies to insure that we stay in harmony with the world as it exists today.

*Continued building*

While I was initiating our operation in Peru 20 years ago—I saw a cartoon from the New Yorker—which has greatly influenced my thinking and our policies in Latin America ever since. There was a picture of two Arabs sitting on a desert rock looking at a petroleum refinery under construction on the horizon. One was asking the other—"Shall we take it over now or wait until it's finished." I decided that the answer was—let's wait until it's finished and concluded that our policy should be one of never finishing. Twenty years later I am more than ever convinced that this is an important key to survival in Latin America; however, I now recognize that this calls for a good deal more than a continuation of physical construction through reinvestment of earnings—as important as this is. It is more than just expanding the role of local employees in overall company management, or building community relations as a good corporate citizen.

*Partners in progress*

I refer to a building process which calls for sensitivity to the country's development needs and a positive effort as a true "Partner in Progress."

I would like to describe three specific examples of our efforts in Peru which illustrate what I mean by a partnership in progress. In doing this—let me assure you I am not seeking accolades for our charity. On the contrary, I confess to having been motivated by a high level of long range self-interest. Furthermore, there are other companies playing a similar role in their operations in Latin America. However, I am convinced that the future for all foreign enterprise would be considerably brighter if all would adopt this approach. It's in the hopes that I might gain a few converts that I discuss it with you here today.

*IPFE*

The first example deals with the problem of education. Over 10 years ago we concluded that the most important factor in development was the cultivation of the human resource through education and training.

However, it was clear that this wasn't just a matter of building more facilities, or providing more scholarships for study in the U.S. It called for a change in the public attitude towards education—which was then viewed as the exclusive responsibility of the state. For that reason education had become a political issue and as a result both the

quantity and quality of education failed to meet even minimum requirements.

We concluded that what was needed was a new perception of responsibility for education on the part of the advantaged sectors of the Peruvian society. Accordingly, we encouraged a group of leading citizens to form a foundation known as the Instituto Peruano de Fomento Educativo—the Peruvian Institute for Educational Development. We supplied the necessary funds for initiation of this effort and also arranged for continuing financial support from the U.S. government. This organization has grown every year with increasing involvement in the entire spectrum of Peruvian educational life including scholarship programs from the secondary school level through overseas graduate schools, in construction of educational facilities, in text book publishing, teacher training courses, and educational credit. The foundation functions today under a multimillion dollar budget with broad local support. It is one of the most important factors in the development of human resources outside of the government itself.

This is the father of private educational foundations in Latin America and is now being studied by interested citizens in other countries of Latin America as a model for similar development elsewhere.

This was not a public relations effort—as we carefully concealed from the public our identification with the project. It was a step taken as a "partner in progress" which we felt would produce a return down the road as Peru finds her true international identity.

*Local sourcing*

A second example relates to the development of local manufacturing capability. Until about 5 years ago we, like other foreign operations in Peru, resisted the pressures to buy locally produced supplies and equipment. We were geared up to use fully proven products from abroad and we were concerned with the quality and reliability problems involved with local manufacturers. However, we finally concluded that we had a responsibility for and—more than that—a real stake in the future of Peru which demanded accelerated economic development.

Having made the decision, we invited top representatives from 20 of the leading manufacturing companies in Peru to spend a weekend as guests at our mining center. We reviewed with them the list of over 50,000 items in our inventory broken down into product groups which were of interest to each company. These representatives returned to Lima to work on this challenge and soon had selected literally hundreds of products they would like to produce.

To assist them in this effort we organized a company task force made up of technicians, accountants, and quality control personnel, to spend full time with potential suppliers on this project. This program was highly successful and today we are operating with substantially higher dependence on local supplies—greatly reducing our inventory investment and overall costs. A large group of local manufacturers—which have expanded far beyond the initial 20 invitees—are producing new products and increased total volume supported not only by Marcona but by the other foreign and locally owned enterprises now taking advantage of this development.

It was not an easy battle and there were many failures along the road; however, the overall gain for local industry has been truly amazing. Needless to say, we have also generated a large new constituency sharing our interest in Marcona's survival. Again we have acted as a partner in real self-sustaining progress.

*CUSTOMS ADMINISTRATION*

One final and most recent example of our partnership philosophy: The new military government in Peru brought significant



changes in the administration of customs duties and in the personnel responsible for this program. Delays in clearing customs were stretching into weeks and months, seriously jeopardizing both operations and construction programs. The government explained that they simply couldn't overcome the growing backlog of paper work.

We had several alternatives for improving this situation, but we finally decided to offer the government assistance in studying the problem and in developing a solution. We assigned a team of data processing specialists who in cooperation with government officials developed a computerized system with new forms and the necessary organizational changes. This system is now going into operation with important savings for Marcona—but also for Peru and for all other companies operating in that country.

I have reviewed these three examples of cooperation—to illustrate our philosophy of "partnership in progress." It is our hope that more foreign-owned companies will share increasingly in this responsibility and opportunity.

#### SUMMARY

In conclusion, I sense that the rising tide of nationalism and anti-foreign-capital attitude could be approaching its high-water mark. If we will recognize the legitimate needs of the developing world and adjust our government and corporate sails to the violent and shifting winds of the developing world we will survive.

I do not predict peace and tranquility—this is no place for the timid nor the weak. Certainly we must continue to adjust our relationships at an accelerating rate reflecting the realities of the world today. However, if we proceed with vision, foreign investment can become an even more dynamic and positive force in the absolutely essential development process.

"Without vision" said the Prophet Isaiah, "the people perish"—and I submit that the same fate awaits the foreign investor in the developing world. We must evidence more vision as "Partners in Progress" if we are to survive. This demands a sensitivity to trends, the imagination to project their consequences, the courage to proceed in the face of mounting risks, and the patience to support our convictions.

This is both our grave responsibility—and our hope for the future.

#### TAX INFORMATION NEWSLETTER

**HON. DONALD W. RIEGLE, JR.**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RIEGLE. Mr. Speaker, after talking with many of my constituents, it was evident to me that a summary of Federal income tax laws was needed to clarify the important aspects of the Tax Reform Acts of 1969 and 1971. Much confusion exists as an outgrowth of the changes in law and the increased withholding rates.

The pamphlet I prepared for my constituents' use describes the most significant areas of the tax laws which affect an individual's income tax payments for 1971. It was designed to help my constituents prepare their tax return and to inform them of all the changes in deductions, allowances, and exemptions to which they are now entitled. I am inserting my newsletter into the CONGRESSIONAL RECORD so that the information

we gathered together may be of assistance to all Americans:

#### TAX INFORMATION NEWSLETTER

##### FILING REQUIREMENTS

You do not have to file a return if:  
You are single and your income was less than \$1700 (\$2300 if you are 65 or over)  
You are a married person both entitled to file jointly and living with your spouse, and your combined gross income was less than \$2300 (\$2900 if one of you is 65 or over and \$3500 if both of you are 65 or over)  
You are married, but either filing separately or not living with your spouse, and your income was less than \$600.

##### EXTENSION REQUEST

If you cannot file your return by April 15th, you may request an automatic extension of time to file and receive a two month extension of the due date. To do this, you must make a tentative tax estimate and pay any tax due by the regular due date. IRS offices have Form 4868 available for this purpose.

##### GROSS INCOME

This is the income you must report and includes wages, salaries, tips, bonuses, commissions, dividends, interest, rental income, non-contributory pension income, and capital gains. Capital losses may be used to offset your capital gains.

Losses exceeding your capital gains may be used to offset additional gross income up to \$1000 annually subject to the following limitations:

If you have a long-term loss (your asset was held more than six months), you may use up to \$2000 to offset \$1000 of income.

If your loss is short-term (asset was held six months or less), you may use \$1000 to offset \$1000 of income.

Capital losses exceeding these limitations may be carried over to future years to offset your capital gains and/or additional gross income.

##### TAX FREE INCOME

Life Insurance Proceeds upon death of the insured.

Federal Social Security Benefits.

Workmen's Compensation Benefits.

Health Insurance Benefits.

Interest from investment in certain state and municipal bonds.

Federal and State Unemployment Benefits.

Pension Income.

If you receive benefits from an employee pension plan, you may be entitled to exclude part or all of your benefits from your income if you have contributed to the plan and have not recovered your cost.

Subject to certain limitations, pension income received as a lump-sum payment may be subject to special tax treatment which may decrease your tax liability.

##### Gain from sale of your residence

Your tax on your gain may be postponed if within one year before or one year after the sale you buy and occupy another residence, the cost of which equals or exceeds the sale price of your old residence. Additional time is allowed if you construct your new residence or you were on active duty in the Armed Forces.

##### ADJUSTMENTS TO INCOME

###### Sick pay

You may exclude, subject to limitations, certain payments which you receive from your employer while absent from work if you are sick or disabled.

###### Moving expenses

These include transportation of household goods, personal effects, as well as meals and lodging in transit to your new job location. To a limited extent, you may also deduct certain expenses for a pre-move house-hunting trip, meals, and lodging while in temporary quarters at the new job location up to 30 days after obtaining employment, and expenses incurred in selling, purchasing or leasing your residence.

porary quarters at the new job location up to 30 days after obtaining employment, and expenses incurred in selling, purchasing or leasing your residence.

###### Employee business expenses

Includes bus, taxi, train and plane fares or the cost of operating an automobile in connection with your business responsibilities. If you haven't kept accurate records for automobile expenses, you may deduct a flat Treasury allowance based on 12¢ per mile for the first 15,000 miles and 9¢ per mile for all additional miles of business use.

Meals and lodging expenses if you are temporarily away on business at least overnight from the general area where your business is located.

##### EXEMPTIONS

You are entitled to claim a personal exemption of \$675 for 1971. In addition, you may claim \$675 for each of your qualified dependents. Remember that you and your spouse are entitled to extra exemptions if you are blind and/or 65 or over.

##### ITEMIZED DEDUCTIONS

These are some of the major itemized deductions you may claim if you do not elect to use the percentage standard deduction:

###### Medical and dental expenses

You may deduct medical expenses in excess of 3% of your adjusted gross income. Expenses for certain medicines and drugs may be included in medical expenses to the extent that they exceed 1% of adjusted gross income.

One-half of the cost of your premiums for medical insurance, up to \$150, may be deducted without regard to the 3% limitation. The remaining portion is included in medical expenses subject to the 3% limitation.

###### Specific expenses you may deduct

Transportation expenses necessary to get medical care. This includes car, bus, taxi, train or plane fare, or ambulance hire. In lieu of actual automobile expenses, you may deduct a standard mileage rate of 6¢ per mile plus parking fees and tolls.

Expenses for staying in a sanitarium or rest home.

Cost of such items as eyeglasses, hearing aid, dentures, braces, arches, crutches, etc.

###### General State or local sales taxes

You may use the sales tax tables in your Instructions for Form 1040. In addition to the figure shown in the table, you may deduct the sales tax paid on the purchase of a car, boat, airplane, mobile home or materials used to build a new home if you were your own contractor.

###### Real estate taxes

If you maintain an escrow account at a bank for the payment of taxes, your deduction is the amount the bank pays from your account, not the amount you pay into the escrow account.

###### State income taxes

This includes amounts withheld from your pay during the year plus any estimated tax or other payments made during the year.

###### State gasoline taxes

You may use the gasoline tax table shown in your Instructions for Form 1040.

###### Interest payments

On your mortgage, bank loans, bank charge cards, installment purchases, and interest on life insurance loans if paid in cash.

###### Care of children and other disabled dependents

Subject to certain limitations, expenses are deductible which are paid for the care of dependent children (under age 13) and/or other dependent persons who are physically or mentally disabled if the purpose of the care is to enable you to be employed or

to seek employment. You can claim up to \$600 for one dependent and up to \$900 for two or more dependents.

#### Casualty losses

You may deduct a net loss (to the extent that it exceeds \$100) resulting from sudden, unexpected, and unusual occurrences such as fire, storms, floods, sonic booms, auto accidents or theft which result in destruction or loss of your property.

#### Labor union dues Education expenses

If they are required by your employer or are necessary for the purpose of maintaining or improving skills required in your present employment.

#### Cost of safety equipment

Tools and supplies, uniforms and special clothing (not adaptable to general wear) which are not paid for by your employer.

#### Charitable contributions

Contributions made to certain religious, charitable, educational, scientific or literary organizations may be deducted. This includes amounts paid in cash or property. However, if the property had appreciated in value, there are special limitations that apply.

#### TAXABLE INCOME

This is your remaining income after your adjusted gross income has been reduced by all allowable adjustments, deductions and exemptions. You will compute your income tax by computing your taxable income and using the appropriate Tax Rate Schedule in your *Instructions for Form 1040*.

#### INCOME AVERAGING

This may be advantageous to you if your taxable income has increased substantially this year: \$3000 greater than 30% of the total taxable income for the previous four years.

#### COMPUTING YOUR TAX

If you did not itemize your deductions, you have three choices for computing your tax:

1. The IRS will compute your tax if your adjusted gross income is \$20,000 or less, and your salary consists only of wages, salary and tips, dividends, interest, pensions, and annuities.
2. You may use the 1971 Tax Tables in your *Instructions for Form 1040* if your adjusted income is under \$10,000 and you have not selected to have IRS compute your tax.
3. If your income is over \$10,000, you may take the percentage standard deduction (13% of your adjusted gross income up to \$1500) and compute your tax from the appropriate Tax Rate Schedule in your *Instructions for Form 1040*.

#### INCOME TAX CREDITS

##### Retirement income credit

If you are of retirement age, you may qualify for this special credit which is generally 15% of retirement income if you received earned income in excess of \$600 in each of any 10 calendar years before the beginning of your taxable year.

##### Excess social security payments

If you have worked for more than one employer in 1971 and you received wages totaling more than \$7800, you are entitled to claim the excess social security tax withheld as a credit.

#### WITHHOLDING

You may decrease (increase) the amount of taxes withheld from your paycheck with the Form W-4 which employers are required to provide their employees. You can now claim an extra exemption (\$750) in addition to the personal exemptions you usually claim for yourself and your dependents. You qualify to claim this exemption if you are single and hold no more than one job, or if you are married and your spouse does not work.

Additional exemptions may be claimed depending on whether or not you itemize your personal deductions. Recent cuts in take-home pay are the result of increased tax withholding rates. It may be in some cases that too much tax is being withheld.

#### NEW TAX COURT

Although it is not likely that you will have any problems with the IRS, you should know that the Tax Reform Act of 1969 created the new Small Tax Case Division of the U.S. Tax Court. This now permits you to appeal any disputes you may have with the IRS concerning your income taxes (involving not more than \$1000) without excessive red tape and the expense of hiring a lawyer.

#### ASSISTING IN FILING YOUR FEDERAL INCOME TAX RETURN

The Flint IRS is sponsoring this year the *Volunteer Income Tax Assistance Program* which is intended to aid the average taxpayer in the preparation of his or her federal income tax return. The service is being offered at:

St. Michael's Catholic Church, 609 East Fifth Avenue, Flint, Mich.—12:00-5:00 p.m.—Tuesday, Wednesday, Thursday; 7:30-9:30 p.m.—Tuesday, Wednesday.

For regular taxpayer service contact: Internal Revenue Service, 600 Church Street, Flint, Mich. Telephone: 239-9432.

#### MAINTAINING RECORDS

It is important that you keep copies of all records documenting your earnings and any expenditures which may be considered as deductions or tax credits reducing your tax liability. The Internal Revenue Service may go back three years in auditing your tax liability.

## MOSCOW AND THE MISSILE RACE

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. HAMILTON. Mr. Speaker, the seventh round of the SALT talks is scheduled to begin in Helsinki, Finland, on March 28. The United States and the Soviet Union are engaged in these talks for numerous reasons, some more obvious than others. One of the reasons is that a mutually acceptable arms limitation agreement would release economic resources for use elsewhere in the Soviet and American domestic economies.

Benjamin Lambeth, on leave from the Institute for Defense Analyses to teach at Harvard University, discusses this reason, among others, in an article that appeared in the October 1971 issue of *Current History*.

I recommend this article, which follows, to my colleagues:

#### MOSCOW AND THE MISSILE RACE

(By Benjamin S. Lambeth)

"... a fair argument can be made (a) that the Soviet Union is genuinely interested in a strategic arms limitation accord; (b) that this interest stems neither from altruism nor from any abandonment of traditional Soviet national interests but from a pragmatic belief that such an accord would advance Soviet economic and strategic objectives; and (c) that the recent Soviet ICBM buildup can be reasonably explained as a logical response to past and present United States strategic policies."

In his address to the Supreme Soviet in June, 1968, Soviet Foreign Minister Andrei Gromyko imparted new momentum to the long-deadlocked East-West arms control dia-

logue when he officially announced that the Soviet Union was finally "ready for an exchange of opinion" with the United States on the question of limiting the further deployment of strategic offensive and defensive weapons.<sup>1</sup> This disclosure marked a significant turning point in the traditional course of United States-Soviet strategic relations, for it suggested that Moscow had at long last come to recognize the permanence of mutual deterrence between the two superpowers and the futility of continuing the nuclear arms race.\*

In Washington, the Gromyko proposal brought forth an immediate wave of optimism. Leading newspapers heralded the move as a triumph of rationality in Soviet affairs and a major step toward stabilizing the nuclear balance of terror. State Department spokesmen were said to be "vastly encouraged" by the Gromyko statement.<sup>2</sup> And President Lyndon Johnson, while laboring under no illusions that the talks would be easy or that tangible results would be immediately forthcoming, promptly welcomed the Soviet gesture as a significant breakthrough in the quest for an end to the arms race.

This new spirit of hope was rudely shattered scarcely two months later, however, by the abrupt and unexpected Soviet invasion of Czechoslovakia. The Soviet move triggered an almost reflexive outpouring of moral indignation in the West, and raised new doubts about the prospects of accommodation with the Soviet Union. Although Soviet spokesmen hastened to label the intervention an internal bloc affair and privately urged that their nascent arms dialogue with the United States continue unimpaired, the incipient atmosphere of detente and cooperation which had begun to emerge after the Gromyko speech sustained a major setback. Plans for a meeting between President Johnson and Premier Aleksei Kosygin on the arms control issue were summarily cancelled by the United States as a result of the Czech crisis, and the opening of concrete negotiations at the diplomatic level was then postponed indefinitely.<sup>3</sup>

In the intervening years since that eventful summer of 1968, a great deal has occurred in the realm of United States-Soviet strategic relations. On the American side of the equation, the Nixon administration has systematically recast both the parameters of the East-West arms dialogue which prevailed during the Johnson incumbency and the entire thrust of United States nuclear strategy and defense policy. In particular, the administration's insistence on continuing the United States multiple warhead (MIRV) deployment program despite the Soviet Union's manifest interest in arms limitation talks has fundamentally altered the original terms on which the United States-Soviet arms control discussions were to have been based and, many would argue, has substantially diminished the prospects for any future offensive weapons limitation agreement.<sup>4</sup>

On the Soviet side, the curious inconsistency between Moscow's professions of arms control interest and its continued deployment of strategic offensive missiles well beyond the static level of current United States ICBM strength has greatly galvanized United States fears of an incipient Soviet "first-strike" capability and has provoked a categorical American unwillingness to curtail projected United States weapons programs in the absence of any demonstrated Soviet disposition to do likewise. In the process, of course, after a series of frustrating setbacks and false starts, both superpowers have finally succeeded in getting their formal strategic arms limitation talks (SALT) underway. Yet the spirit of exuberant optimism which marked the initial exchanges on the subject in July, 1968, has now clearly been replaced by a sense of mutual caution and distrust as

Footnotes at end of article.



the Soviets and Americans focus with growing apprehension on each others expanding strategic arsenals.

Under the circumstances, it is perhaps not surprising that the Nixon administration should feel distrustful of Soviet declarations and should suspect, as it deeply does, that Moscow may be using the arms control issue merely as a ruse to cover what many perceive to be a quest for "strategic superiority" over the United States. Nonetheless, as we shall attempt to show in the following discussion, a fair argument can be made (a) that the Soviet Union is genuinely interested in a strategic arms limitation accord; (b) that this interest stems neither from altruism nor from any abandonment of traditional Soviet national interests but from a pragmatic belief that such an accord would advance Soviet economic and strategic objectives; and (c) that the recent Soviet ICBM buildup can be reasonably explained as a logical response to past and present United States strategic policies. Since this last point is clearly the most vital to any balanced understanding of recent Soviet strategic behavior, we may perhaps best begin our analysis by turning to it first.

#### BACKGROUND OF CURRENT ISSUES

If any single characteristic could be ascribed to American perceptions of the United States-Soviet strategic balance during the first half of the 1960's, it would almost have to be expressed as an overarching sense of sublime self-confidence. The specter of the much-feared "missile gap" quietly evaporated shortly after President John F. Kennedy's assumption of office, and the subsequent expansion and diversification of the United States nuclear arsenal quickly erased any remaining doubts as to where the strategic balance lay.<sup>5</sup> The United States had achieved an overwhelming numerical preponderance over the Soviet Union in nuclear missile strength, and there seemed no apparent Soviet interest in contesting that superiority.

Then came the Cuban crisis of October, 1962, an event which the conventional wisdom interpreted as a daring Soviet gamble to narrow the strategic asymmetry "on the cheap" by deploying medium-range ballistic missiles at the very doorstep of the United States.<sup>6</sup> The resounding failure of the Soviets to achieve this presumed objective was almost universally attributed to Soviet Premier Nikita Khrushchev's intimidation by the threat posed by our nuclear superiority; thus the Cuban missile crisis quickly entered the idiom of American strategic thinking as an epochal watershed in the evolution of the nuclear age. Students of Soviet affairs and professional strategic analysts alike widely heralded that event both as proof of our incontrovertible strategic supremacy and, more significantly, as Moscow's last gasp in the nuclear arms race.

On the first count, the dominant belief was concisely reflected in Raymond Gathoff's assertion that as a result of Khrushchev's forced removal of the missiles from Cuba, "the American strategic superiority was doubly confirmed: his ploy proved his need for such . . . missiles, and its failure not only denied them but bore impressive witness to the American superiority that compelled him to capitulate."<sup>7</sup> On the second count, numerous commentators thought that because of the Soviet Union's mounting domestic economic pressures and its presumed lack of the resources necessary to underwrite a sustained ICBM competition, Moscow had to consign itself to a permanent state of inferiority in the superpower relationship and accept the political strictures which that inferiority imposed.

In a representative expression of this widely prevalent thesis, a noted United States expert on Soviet military affairs remarked that while "the Soviet Union would like to be the military equal or even the superior" of the United States, "the important question

is not what the Soviet Union would like but what it can get." Because of the towering obstacles which supposedly lay in the path of Moscow's strategic ambitions, he went on to assert, "it seems likely that . . . the Soviet Union will continue to be second in military power to the United States."<sup>8</sup> The official euphoria which such perceptions engendered eventually found its ultimate enshrinement in Secretary of Defense Robert McNamara's confident proclamation in 1965 that the Soviet leaders "have decided that they have lost the quantitative race, and they are not seeking to engage us in that contest. There is no indication that the Soviets are seeking to develop a strategic nuclear force as large as ours."<sup>9</sup>

By the middle of 1966, there began to appear increasing signs that these sanguine conclusions regarding the "permanence" of Soviet inferiority were considerably premature. To be sure, in the aftermath of Moscow's retreat in the Cuban missile crisis, Khrushchev did abandon—at least for the moment—the pursuit of nuclear arms competition in favor of a policy of limited detente with the West. Yet the Leonid Brezhnev-Aleksel Kosygin coalition which overthrew him in 1964 seemed progressively to hold a different vision of the course which Soviet strategic policies should follow. The first indication of this evident departure was manifested in the Soviet Union's deployment of a prototype ABM defense around Moscow. In short order, this ABM initiative was followed by renewed signs of activity in the realm of offensive missile deployment. Whether or not these developments suggested that Moscow was now aiming—contrary to McNamara's earlier disclaimer—"to develop a strategic nuclear force as large as ours," they clearly indicated that the Soviet Union had embarked on a major campaign to improve its strategic position.

Today, largely as a result of the dramatic achievements of that Soviet campaign, the pendulum of United States defense policy has swung full cycle from its former blithe complacency to a new extreme of hyper-vigilance and almost obsessive concern. The contemporary view of the official United States defense policy community holds that the Soviet Union is steadily advancing toward clear strategic supremacy over the United States and that this presumed effort threatens soon to leave us in a "second-rate strategic position" if we fail to offset it quickly with new force deployments of our own.<sup>10</sup> Without minimizing the admitted impressiveness of current Soviet strategic power, there are good reasons for severely questioning the validity of this notion. Perhaps the best way to begin presenting them is by examining the external pressures which have largely motivated and directed the recent trends in Soviet military policy.

The overall thrust of the Soviet Union's recent force expansion cannot meaningfully be understood apart from the larger United States-Soviet strategic relationship within which it has unfolded. Like most other large powers, the Soviet Union conceives its military needs as direct consequences of its underlying perceptions of threat and opportunity. Naturally, therefore, its leaders formulate their security policies with a careful eye on the activities and policies of their American adversary.

For years following its defeat in the Cuban missile episode of 1962, the Soviet Union was confronted with an almost relentless barrage of United States public rhetoric basking in the glow of our presumption to strategic superiority. The hubris reflected in these self-confident proclamations could hardly have set well with a Soviet leadership which had long since come to expect for itself the special prerogatives and respect due a great power. Prior to the Cuban confrontation and before the strategic balance had become fully revealed to lie in the United States favor, the Soviets could

easily enough invoke Western uncertainties about Soviet strength in support of their demands for deference from Washington.<sup>11</sup> "U.S. President John Kennedy once admitted," Marshal Malinovsky could then remind the West, "that our strength is equal. This was a more or less correct acknowledgment, and it is high time that the American military leaders drew the appropriate conclusions."<sup>12</sup>

When the unyielding American firmness during the 1962 missile crisis suggested a profound United States indifference to that putative Soviet equality, however, Moscow could do little more than voice melancholy wonderment at "how the admission of our equal military capabilities tallies with such unequal relations between our great states."<sup>13</sup> And once the East-West strategic asymmetry had become unmistakably apparent, the inferior Soviets had to fall back on the bare alternative of asserting plaintive claims to "sufficiency," claims which both they and their adversary knew to be devoid of tangible substance.<sup>14</sup>

Beyond this severely damaged national *amour-propre* which the Soviet Union sustained as a result of its Cuban failure and of subsequent United States braggadocio about its nuclear superiority, other developments were making it increasingly imperative that Moscow take a second look at the adequacy of its strategic capabilities. For one thing, Communist China's accession to nuclear status in late 1964 added a new potential threat to Soviet interests, and this breakthrough—especially within the context of the marked erosion which had come to beset the Sino-Soviet relationship—could only increase the long-term political strains in Moscow's already creaky deterrent. For another thing, the United States had embarked on a full-scale bombing campaign against North Vietnam, thereby directly affronting the Soviet Union's avowed commitment to defend its socialist allies in Hanoi.

Most irritating of all, however, in the eyes of Soviet planners, the whole thrust of United States foreign and strategic policy projected an image of consummate militancy which could not be allowed to go on unchallenged. In the face of these perceived threats—not so much to the physical security of the Soviet Union itself as to what one observer recently term Moscow's "virile self-image"<sup>15</sup>—soothing self-reassurances that all remained well quickly lost their ability to console the Soviet leadership. The military professionals began to exert sustained pressures on their party superiors to replace rhetoric with actions,<sup>16</sup> and the stage was gradually set for a sweeping departure from the preestablished mold of Soviet strategic policy.

As best as we can reconstruct events, it seems that sometime shortly after the Brezhnev-Kosygin regime consolidated its domestic political power base following its ouster of Khrushchev, a decision was made by the Communist party to undertake an across-the-board revamping of Soviet military policy—in hardware, doctrine and objectives. In material terms, this policy shift entailed a combined program of (a) carrying through to initial operational status the ABM system which had been inaugurated during Khrushchev's tenure in office; (b) closing the gap in number of Soviet ICBM's relative to the United States; and (c) shoring up the credibility of the Soviet retaliatory capacity through missile "hardening" and dispersal measures.

Conceptually, it also included a basic change in the Soviet strategic doctrinal orientation from a relatively rigid and static "minimum deterrence" mold to a more flexible and dynamic global thrust.<sup>17</sup> Its basic inspiration seemed to be a desire to impress on the United States once and for all that Soviet power and interest were to be taken seriously.

While there is no doubt that even the "inferior" Soviet nuclear capabilities which

Footnotes at end of article.

existed throughout the first half of the past decade were more than adequate to deter a calculated United States attack, those capabilities had to remain substantially devoid of any significant psychopolitical utility as long as the United States could talk as though it believed its own superiority provided the license for an interventionist foreign policy. If, on the other hand, the Soviets could somehow move to deny Washington the convenient prop afforded by the assumption of meaningful superiority, then they could perhaps manage to acquire a more comfortable basis on which to demand a measure of equity from the West. Accordingly, it seems most likely that the principal purposes of the Soviet Union's post-Khrushchev strategic arms buildup were (a) to erase the embarrassing image of "inferiority" which had been conferred on it by American strategic oratory and by the inescapable reality of the nuclear balance, and (b) to acquire the necessary additional military capabilities to present itself as an undeniable equal to the United States in all significant aspects of combat power. At the present time, it appears that the Soviet leadership has met with considerable success on both counts.<sup>18</sup>

Yet having attained "equality" with the United States, the Soviet Union continues to upgrade its strategic capabilities. Both its MIRV development program and its missile deployment rate seem to be going ahead without significant interruption.<sup>19</sup> Does it follow then from this that Moscow seeks even more ambitious strategic goals, above and beyond nuclear parity? Many authoritative observers in this country have suggested that it indeed does. There is a fair presumptive argument to be made to the contrary, however, and to do so we must consider the Soviet Union's attitudes toward the role of the SALT talks in its current national security scheme.

#### SALT IN SOVIET POLICY

Appeals for "disarmament" have, of course, been a standard refrain in the litany of Soviet foreign policy and diplomacy ever since the earliest years of the Soviet state. Yet despite this persistent verbal advocacy, throughout most of their history the Soviets have rarely been disposed to consider measures which would actually require them to limit or reduce the size of their arsenal. Soviet disarmament policy traditionally has been merely part and parcel of a larger political propaganda effort to bolster the "peace-loving" image of the Soviet Union and to undermine the military challenge posed by its American adversary. Moscow's repeated calls for "general and complete disarmament," for example, safely voiced with the prior knowledge that they would be categorically rejected by the United States, have long sought to embarrass the West by enabling the Soviets to pose a contrast between the avowed "reasonableness" of the socialist camp and what the Soviets have maintained to be the militaristic character of United States imperialism.

Similarly, when they have been offered, such Soviet gestures as proposals for abolishing nuclear weapons, withdrawing troops from Europe, dismantling military bases on foreign soil, halting nuclear-armed manned bomber patrols and the like have all been directed toward the largely self-serving goal of eliminating certain perceived external threats to Soviet policy and security interests. They have shared the common feature of demanding, in effect, unilateral concessions from the United States with little or no significant Soviet reciprocity.<sup>20</sup>

Throughout the SALT negotiations, however, the Soviets have espoused interest in arms control measures which, if implemented, would require tangible concessions on their own part as well as concessions from their American adversary. Moreover, this interest has been articulated in a declaratory tone, suggesting unprecedented seriousness of purpose on the part of those Soviet lead-

ers responsible for it. Finally, both the businesslike negotiating approach displayed by the Soviet SALT delegation and the extreme caution that delegation has taken to avoid the sort of propagandistic harangues characteristic of most previous Soviet disarmament rhetoric have seemed directly intended to underscore Moscow's profession that it is honestly seeking a nuclear *modus vivendi* with the United States.

That this unprecedented Soviet arms control seriousness should have emerged precisely when the Soviet Union has reached a position of approximate military-strategic parity with the United States would seem even to the most casual observer to be anything but coincidence. Indeed, it is most probable that Moscow's achievement of this position has sufficiently satisfied the Soviet leaders so that they have a new perspective on the potential opportunities to be exploited through arms control negotiations. A long standing assumption of Western analyses of Soviet disarmament policy has been that the Soviet Union would oppose entering proposals for arms "freezes" under conditions of manifest inferiority to the United States, since to do otherwise would be tantamount to conceding Soviet weakness before the enemy.<sup>21</sup>

Having finally attained nuclear parity with the United States, however, Moscow no longer remains constrained by this consideration and can now afford to contemplate the likely utility of some arms limitation accord which (a) stabilizes United States and Soviet strategic capabilities more or less at their present levels; (b) formally ratifies Soviet equality to the United States and, more important, explicit American acknowledgment of that equality before the rest of the world; (c) adequately provides for the continued security needs of the Soviet state; and (d) reduces the likelihood of a costly new round of arms competition with the West whose ultimate outcome might simply be to leave the Soviets worse off in the strategic balance than they ever were before.

A *Pravda* correspondent writing shortly after Foreign Minister Gromyko's 1968 Supreme Soviet speech all but directly admitted that such reasoning underlies Moscow's SALT policy when he approvingly quoted a *Washington Post* editorial to the effect that "it is possible to maintain that one of those rare moments of history has come when both sides are ready to admit equality in the broadest sense and to view this as an initial position for reaching agreement concerning the freezing and subsequent reduction of arms. . . . It is the politicians' task not to let this chance slip away."<sup>22</sup>

#### THE BALANCE SHEET

In the overview, the mere fact that the Soviet Union is engaging in SALT—something it would never have done prior to having achieved its hard-won nuclear equality to the United States—seems in itself to be evidence that the Kremlin sees more than simple propaganda benefits to be gained from an East-West arms control dialogue. The Soviet leaders (at least for the moment) appear reasonably persuaded that mutual deterrence is here to stay and that the returns to be reaped from a stabilized nuclear balance promise to outweigh any advantages that might accrue from an unrestricted continuation of the arms race. To say that their interest in SALT is self-serving is hardly to deny that it remains genuine. They are well aware that strategic arms production is an expensive proposition, and, like decision-makers everywhere, they face constantly competing internal claims on the allocation of their scarce economic resources.

Among other things, a SALT agreement—whether comprehensive or merely limited—would release substantial amounts of those resources from military procurement programs which could then possibly be channeled toward important domestic needs. Moreover, and perhaps even more important,

the Soviet leadership might well find that a "super-stable" nuclear equilibrium growing out of SALT would open up new foreign policy prospects at lower conflict thresholds which formerly were, and to a degree still remain, foreclosed by the threat of nuclear escalation.

There is a strong probability that the bitter memory of Vietnam and the growing pressure of domestic social priorities will increasingly circumscribe the United States' future willingness (or ability) to maintain encumbering international commitments. Thus it is altogether possible that the combination of American preoccupation with problems at home and a world free of any imminent danger of nuclear war will offer the Soviets significant new inroads through which to expand their influence and presence. Indeed, post-Khrushchev improvements in Soviet naval and conventional theater-force capabilities and Moscow's increasing political-military involvement in the Middle East both suggest that the Soviet Union has already come to discover many of the advantages to be gained from its recent accession to full-fledged superpower status.<sup>23</sup>

#### FOOTNOTES

\*The author is a Research Staff Member on leave of absence from the Institute for Defense Analyses, Arlington, Virginia. Any views expressed in this article are solely those of the author and should not be interpreted as necessarily reflecting the official views of the Institute for Defense Analyses or any of its governmental or private research sponsors.

<sup>1</sup> Report by Soviet Foreign Minister A. A. Gromyko, "On the International Situation and the Foreign Policy of the Soviet Union," *Pravda*, June 28, 1968.

<sup>2</sup> Peter Grose, "U.S. Encouraged by Soviet Stand," *The New York Times*, June 28, 1968.

<sup>3</sup> See Benjamin Welles, "U.S. Cool to New Soviet Bid on Nuclear Talks," *The New York Times*, September 16, 1968.

<sup>4</sup> MIRV is an acronym for "multiple individually-targetable re-entry vehicle," a system which has the effect of multiplying the number of warheads deliverable by a single booster to separate aiming points. The difficulty with this system is that once it is installed aboard operational ICBMs, neither side will be able to verify the numerical warhead strength of the other by any means short of actual on-site inspection arrangements. Both the United States and the Soviet Union have been reluctant to submit to such arrangements.

<sup>5</sup> For detailed discussions of this strategic force expansion, see William W. Kaufmann, *The McNamara Strategy* (New York: Harper and Row, 1964), pp. 47-101, and Alain G. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961-1969* (New York: Harper and Row, 1971), pp. 165-196.

<sup>6</sup> The most detailed and widely-cited presentation of this interpretation is Arnold L. Horelick, "The Cuban Missile Crisis: An Analysis of Soviet Calculations and Behavior," *World Politics*, Vol. XVI, No. 3 (April 1964), pp. 363-389.

<sup>7</sup> Raymond L. Garthoff, "Military Power in Soviet Policy," in John Erickson, ed., *The Military-Technical Revolution: Its Impact on Strategy and Foreign Policy* (New York: Frederick A. Praeger, 1966), p. 255. For a critique of this viewpoint, see Benjamin S. Lambeth, "Deterrence in the MIRV Era," *World Politics*, Vol. XXIV, No. 2 (January, 1972), forthcoming.

<sup>8</sup> Herbert S. Dinerstein, *The United States and the Soviet Union: Standoff or Confrontation?* (The RAND Corporation, P-3046, January, 1965), pp. 7, 10.

<sup>9</sup> Interview with Secretary of Defense Robert S. McNamara, *U.S. News and World Report*, April 12, 1965.

<sup>10</sup> See William Beecher, "Laird Cites Peril If Soviet Presses Missile Buildup," *The New York Times*, February 21, 1970.

<sup>11</sup> See Arnold L. Horelick and Myron Rush,



*Strategic Power and Soviet Foreign Policy* (Chicago: University of Chicago Press, 1966).

<sup>12</sup> Interview with Marshal R. Ya. Malinovsky, Minister of Defense of the U.S.S.R., *Pravda*, January 25, 1962.

<sup>13</sup> N. S. Khrushchev, Letter to President Kennedy, October 28, 1962, in Henry M. Pachter, *Collision Course: The Cuban Missile Crisis and Coexistence* (New York: Frederick A. Praeger, 1963), p. 218.

<sup>14</sup> In a 1964 interview, the commander of the Soviet strategic missile forces, Marshal N. I. Krylov, advanced the "sufficiency" formulation this way: "... our forces have such a quantity of nuclear warheads and such a quantity of missiles as to permit us ... to destroy any aggressor. ..." "Always on the Alert," *Izvestia*, February 23, 1964 (captured in the original). In his excellent analysis of Soviet strategic policy during the late Khrushchev era, Thomas W. Wolfe has perceptively noted how Krylov's "resort to capital letters illustrates the hand-dicap under which Soviet marshals labor ... when trying to hold up their end of the strategic dialogue." *Soviet Strategy at the Crossroads* (Cambridge: Harvard University Press, 1964), p. 163.

<sup>15</sup> Ralph K. White, *Nobody Wanted War: Misperception in Vietnam and Other Wars* (New York: Doubleday and Company, 1970), p. 335.

<sup>16</sup> A detailed case study of this military campaign may be found in Benjamin S. Lambeth, *The Politics of the Soviet Military Under Brezhnev and Kosygin* (unpublished M.A. thesis, Georgetown University, June, 1963). See also Roman Kolkowicz, *The Dilemma of Superpower: Soviet Policy and Strategy in Transition* (Institute for Defense Analyses, P-383, October, 1967).

<sup>17</sup> For a knowledgeable and comprehensive account of this policy shift, see Thomas W. Wolfe, *Soviet Power and Europe, 1945-1970* (Baltimore: The Johns Hopkins Press, 1970), pp. 427-458.

<sup>18</sup> For a detailed comparative breakdown of United States and Soviet military forces, see *The Military Balance, 1971-1972* (London: Institute for Strategic Studies, 1971).

<sup>19</sup> Deployment of the large and worrisome Soviet SS-9 booster, however, seems to have stabilized at around the 300 mark, far below the level needed to provide anything approaching an effective first-strike capability against U.S. land-based ICBM's. See William Beecher, "Data Indicate Moscow is Slowing ICBM Deployment," *The New York Times*, December 17, 1970.

<sup>20</sup> For an excellent survey of these Soviet disarmament proposals, see Malcolm Mackintosh and Harry T. Willets, "Arms Control and the Soviet National Interest," in Louis Henkin, ed., *Arms Control: Issues for the Public* (Englewood Cliffs, N.J.: Prentice-Hall, 1961), pp. 141-173.

<sup>21</sup> See, for example, Alexander Dallin et al., *The Soviet Union, Arms Control, and Disarmament* (Columbia University: School of International Affairs, 1964), p. 162.

<sup>22</sup> G. Ratiani, "The Half-Year Mark," *Pravda*, July 7, 1968. For a more recent example, see also Bernard Gwertzman "Brezhnev Bids U.S. Accept Principle of Parity in Arms," *The New York Times*, June 12, 1971.

<sup>23</sup> For further commentary, see Thomas W. Wolfe, *The Soviet Quest for More Globally Mobile Military Power* (The Rand Corporation, RM-5554-PR, December 1967).

#### ST. PATRICK'S DAY

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mrs. GRASSO. Mr. Speaker, the United States boasts a long and hearty Irish

heritage. Among many other attributes, the people of Eire brought to our Nation the very special qualities of wit and warmth and laughter, and a myriad of special talents.

Tomorrow is St. Patrick's Day. Through the years it has been a day of good cheer, a day to parade and celebrate and wear the green. For on this day, the Irish have remembered St. Patrick, the symbol of the spirit of the Emerald Isle. Traditionally, they have been joined in the festivities by friends and neighbors who, for 1 day, feel at least a little bit Irish.

This year, however, St. Patrick's Day will be void of the joy of old Irishmen and their friends throughout the world grieve for events in Northern Ireland which have resulted in nearly 300 deaths in the past 3 years.

The present circumstances in Northern Ireland defy quick and easy solutions, for they are grounded in some 600 years of history. However, it is clear that the most important source of the present civil strife is the lack of civil and political rights for the Catholic minority in Ulster.

Backed by repressive legislation, blatant discrimination in social and political matters in the past have created an atmosphere of frustration for the Catholic minority of half a million. Economic discrimination and religious intolerance have systematically excluded them from virtually all worthwhile ventures in Ulster. The minority realized that, under the present system, they would never be allowed any political power, and they attempted to gain concessions—including the civil right of equal treatment under the law. That this attempt evolved into bitterness and violence can be traced to the persistent refusal of the Ulster government to provide basic human rights to all its citizens.

Clearly, the continuing violence on both sides in Ulster must be ended and a spirit of conciliation engendered and nurtured. The United States can, and should, offer to provide its good offices toward this end. As a nation, we have strong ties with both Ireland and Britain. As a friend of both parties, we should offer our assistance to achieving an acceptable and peaceful solution to the present crisis without becoming involved with the present difficulties.

In the long run, the violence will end only when the injustices of long years have ended. Three immediate steps and two long range steps could both initiate the spirit of conciliation so desperately needed and also prevent any return to the violence which engulfs Ulster today.

First, the British Government should dissolve the Stormont Parliament and rule directly from London. London has always considered itself the sovereign of Ulster, and as a result, has claimed ultimate responsibility for the protection of all the people there. But it has actually abdicated this responsibility to the provincial government. In fact the repressive legislation of the past 50 years has been enacted and enforced in the name of the British Government.

Second, the British Government should terminate the current internment policy which permits a person to be imprisoned on the mere possibility that he might commit a crime. Violence has been com-

mitted by extremists on both sides; yet, well over 90 percent of the people interned have been Catholics. Anyone with even a scant knowledge of Anglo-American law finds it difficult to comprehend how such a blatant disregard for civil rights could be supported. Surely all men have the right to a trial under the law.

Third, London should immediately terminate all political, social, economic, and religious laws which discriminate against the minority. At the same time, the British Government should initiate long overdue promises relating to housing, employment, and the political process. Extensive reforms were promised in the past, but neither Stormont nor London have translated words into concrete actions.

It would appear that, from the viewpoint of a neutral observer, such action would provide equal protection and equal rights under the law. In an atmosphere of trust brought about by these initial steps, two important, far-reaching decisions could hopefully be made.

The first would provide for the gradual reduction in the presence of British troops as the violence subsides. Consideration should be given to some type of peacekeeping force which could prevent further outbreaks of terrorism from any quarter. The British troops were originally sent to Ulster to protect the Catholic minority. However, as the situation deteriorated, the Catholics saw as the purpose of the troops' presence the perpetuation of existing injustices. To continue the presence of the troops after the level of violence has subsided would offer an incentive for extremists.

Finally, serious consideration must be given to the eventual reunification of Ireland. When the spirit of conciliation becomes widespread, negotiations should begin to determine what action for a unified Ireland is feasible at this time.

The injustices, violence, intransigence, and discrimination in Northern Ireland cast a pall over this normally joyous time for the Irish as well as concerned people throughout the world. A peaceful solution, guaranteeing the civil and political rights of all in Northern Ireland, must be reached. The fighting has continued far too long. All men are brothers and all men are created equal. The sooner this realization is abroad in Northern Ireland, the sooner peace will come to that troubled land.

HEARINGS NEXT WEEK ON BILL TO ESTABLISH SHORESIDE FACILITIES AT U.S.S. "ARIZONA" MEMORIAL IN PEARL HARBOR, AS EDITORIAL SUPPORT FOR PROPOSAL BUILDS

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. MATSUNAGA. Mr. Speaker, as most of my colleagues know, I am the principal sponsor of legislation which would establish a theater and museum for use of visitors to the U.S.S. *Arizona* Memorial at Pearl Harbor. A full 30 percent of the entire membership of the

House has joined me in sponsoring this badly needed measure.

Today, Armed Services Subcommittee No. 4, chaired by the distinguished gentleman from Pennsylvania (Mr. BYRNE) announced that hearings on my proposal would be held next Monday, March 20. I would urge that any of my colleagues wishing to testify or submit statements for the hearing record contact the subcommittee on extension 5-7560.

In the meantime, support continues to build for my proposal. The latest example of this support is the strong and favorable response my bill has evoked from newspapers across the country.

In the words of a recent editorial from the Lexington, Ky., Herald-Leader:

The proposed facilities would add a dimension to this experience (visiting the USS Arizona Memorial) that does not now exist.

The San Diego, Calif. Evening Tribune told its readers that—

The museum of Pearl Harbor (would) serve as a reminder of the need to preserve peace.

Mr. Speaker, at this point I offer for inclusion in the RECORD the text of these two editorials:

#### A NEW MEMORIAL

For better or worse, Pearl Harbor and Hiroshima stand out as the two most significant names recalling the gigantic Pacific War that started nearly 30 years ago, on Dec. 7, 1941.

The Japanese have rebuilt their destroyed city and made its center a national shrine, dedicated to peace by recalling the horror of war. Hiroshima and Honolulu, incidentally, have a sister city relationship.

Under the point of explosion of the first nuclear weapon used in war is a cenotaph with the names of Hiroshima's dead. Many acres of open area surrounding the bomb center are designated as Peace Park.

Within the park are the unrestored skeleton of a building that survived the bomb, an eternal flame, many memorials including memorial bridges, and a museum. In the museum the story of the bombing and its aftermath are shown and told with a grimly factual understatement.

Memorial efforts at Pearl Harbor so far have been limited to the shrine erected over the hull of the sunken battleship, U.S.S. Arizona, where more than 1,000 dead still remain.

Though it can be reached only by boat, the Arizona Memorial is visited by about 700,000 people each year, most of them visitors to Hawaii, American and foreign, including Japanese.

As the 30th anniversary of Pearl Harbor nears, a move is afoot, with U.S. Navy support, to expand the Pearl Harbor memorial by constructing a museum and theater at the boat landing from which visitors are taken out to the Arizona.

The National Park Service is cooperating informally on planning for the project.

A 9.5 acre site is available just west of the present Ford Island ferry landing, and the adjoining sketch offers a Navy artist's conception of what might be developed. The Memorial is in the background, under the flag.

Rear Adm. Thomas B. Hayward, commandant of the 14th Naval District, supports the project.

It will mesh well with other plans to clean up the waters of Pearl Harbor and eventually to open some of its shore areas to park and recreational use.

In Congress, Rep. Spark Matsunaga, D-Hawaii, plans to offer a new bill on Dec. 7 to support the Navy's plan.

He expects most of the Arizona delegation to co-sponsor it and expects many other mem-

bers of Congress to join in backing the project estimated to cost \$4 million.

Though Hawaii will welcome this important facility, its real value will be national.

After they have seen Hawaii's beaches and recreation spots, visitors to the Islands make the Arizona Memorial their No. 1 destination.

The proposed facilities will add an educational dimension to this experience that does not now exist.

This opportunity to learn can be found at places like Valley Forge, Fort McHenry, the Alamo, Fort Sumter and Gettysburg, other names that stand out in history. It ought to be offered at Pearl Harbor, too.

Those who support this plan can help it along by expressing their endorsement to friends across the nation and to members of the U.S. Congress who will be asked to pass on the Pearl Harbor memorial bill.

#### NEW PEARL HARBOR MEMORIAL

On Dec. 7, 30 years after the attack on Pearl Harbor, Rep. Spark Matsunaga, D-Hawaii, plans to offer a bill to the Congress. The Arizona delegation is expected to co-sponsor.

The bond between ocean-oriented and desert states lies on the bottom of Pearl Harbor where more than 1,000 dead of the sunken battleship U.S.S. Arizona still remain.

If the bill gains the support it merits, a new memorial consisting of a theater and museum will be erected at the boat landing where some 700,000 visitors annually are taken out to the shrine constructed over the Arizona.

The proposed expansion of the memorial will add an educational dimension. Visitors will have the opportunity to learn the story of Pearl Harbor as they do at historical places like Valley Forge, Fort McHenry, the Alamo, Fort Sumter and Gettysburg.

Just as the Japanese have erected a national shrine at Hiroshima, dedicated to peace by recalling the horror of war, so would the museum of Pearl Harbor serve as a reminder of the need to preserve peace.

The project, at an estimated cost of \$4 million, coincides with plans to clean up the waters of Pearl Harbor and extend its shoreline park and recreational areas.

The 30th anniversary of the great war in the Pacific is an appropriate time to launch the drive for congressional backing which we hope will make the new memorial a reality.

#### BATTLE FOR NONSMOKERS' RIGHTS CATCHES FIRE

### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. YOUNG of Florida. Mr. Speaker, the State of California has recently passed a law which requires all land and air passenger carriers with trips originating in the State to provide designated space for their nonsmoking passengers. How fortunate the travelers in the State of California are that they should be given this protection while the majority of American travelers are still forced to travel in small, closed quarters being continuously exposed to the potentially dangerous smoke fumes of others.

Mr. Speaker, action on my nonsmokers relief bill, H.R. 4776, which I introduced early last year, would guarantee the same rights that the California travelers have received to passengers throughout the country. This bill, which requires the Secretary of Transportation to establish regulations for a protected area to be set

aside on airliners, trains, and buses for nonsmoking passengers, has received tremendously favorable responses from many of the industries involved as well as from thousands of Americans who voiced their strong support of legislation of this type.

I am enclosing a newspaper article which states that Amtrak is the latest organization to join this nationwide battle for nonsmokers' rights by pledging to institute smoking segregation as a courtesy to their passengers. Surely we Members of Congress, as the elected representatives of the nonsmoking majority of Americans, could join this battle, too, by seeing that this legislation is expeditiously acted upon—as a courtesy to our constituents.

The article follows:

[From the St. Petersburg (Fla.) Times, Mar. 5, 1972]

#### BATTLE FOR NONSMOKERS' RIGHTS CATCHES FIRE

LOS ANGELES.—Back when men did their smoking on the porch or in cloudy rooms segregated from nonsmoking society, nobody questioned the right of the majority not to have to breathe second-hand tobacco fumes.

Today there is hardly anyplace the nonsmoker can go and not inhale along with smokers—at work, in elevators and restaurants, at choir rehearsals, in his own home.

Despite evidence that tobacco fumes can be harmful to bystanders as well as the smokers—the latest U.S. surgeon general's report says so—the cause of nonsmokers' rights has had few champions.

But clearer days may be ahead.

On Saturday a law went into effect in California requiring that land and air passenger carriers with trips originating in the state "provide designated space for their nonsmoking passengers."

Amtrak, a federal corporation and not considered under the jurisdiction of the California law, is instituting smoking segregation, "as a courtesy to the passengers."

Henceforth, smokers can light up in the diner but not on the dome cars or overnight sleeping coaches or in any cars posted as off limits, an official said.

In the past year a number of airlines have bowed to pressures from anti-smoking advocates and provided non-smoking sections on flights. The holdouts are falling into line this week, at least on their California runs, to comply with the new state law.

Smokers already had been ordered to the back of the bus on long distance runs of non-municipal lines by the California Public Utilities Commission.

A similar ruling was handed down to interstate buses last November by the Interstate Commerce Commission, which noted that "secondhand smoke is an extreme irritant to humans within its range." The order has been held up, however, by appeal of the National Association of Motorbus Owners.

In a land where nonsmokers outnumber smokers 164-million to 44-million, it is curious that the majority is so meek when it comes to smoking manners. They would rather choke on another man's smoke than ask him to abstain.

Even in the presence of a no-smoking sign, the typical non-smoker is not likely to infringe on the other person's right to violate it.

Surgeon Gen. Jesse L. Steinfeld's 1972 report singled out carbon monoxide, nicotine and tobacco tar as the most likely contributors to health hazards in cigarette smoke. Six other probable contributors included nitric oxide and nitrogen dioxide and 23 suspected contributors included ammonia, benzene, carbon dioxide, DDT, formaldehyde and methyl alcohol, according to the report.



PEOPLE UNITED TO SAVE HUMANITY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. STOKES. Mr. Speaker, on March 10, 1972, 10,000 people from all walks of American life drew together in McCormick Place in Chicago to honor the Reverend Jesse Jackson and his new organization, People United to Save Humanity (PUSH). PUSH is a young organization, having been born only last year on Christmas Day. However, despite its youth, its first public gathering was able to fill McCormick Place to the brim with enthusiastic supporters.

The evening was called "A Family Affair," and was entirely devoted to providing that the ties that bind us are stronger than the lines which divide us. In his welcoming remarks in the program, Reverend Jackson stated:

We spend too much of our time and energy being estranged from one another by differences which seem very important. But the differences that divide us from one another—race, religion, social class, political loyalties—are so unimportant compared with the one supreme quality which unites us: our common humanity.

PUSH is a vibrant embodiment of the humanist principles espoused by Reverend Jackson. But it becomes more than that when one realizes that, within PUSH, humanist principles and sound economic theory are blended. The idealism of the sixties is giving way to the practicality of the seventies. And PUSH, with its practical approach, is going to provide important answers to the problems that confront us.

PUSH has a 15-point platform which enunciates the goals of the organization. The 15 points are:

- (1) PUSH for a comprehensive economic plan for the development of Black and poor people. This plan will include status as underdeveloped enclaves entitled to consideration by the World Bank and the International Monetary Fund.
- (2) PUSH for humane alternatives to the welfare system.
- (3) PUSH for the revival of the labor movement to protect organized workers and to organize unorganized workers.
- (4) PUSH for a survival Bill of Rights for all children up to the age of 18 guaranteeing their food, clothing, shelter, medical care and education.
- (5) PUSH for a survival Bill of Rights for the aging guaranteeing adequate food, clothing, shelter, medical care and meaningful programs.
- (6) PUSH for a full political participation including an automatic voter registration as a right of citizenship.
- (7) PUSH to elect to local, state and federal offices persons committed to humane economic and social programs.
- (8) PUSH for humane conditions in prisons and sound rehabilitation programs.
- (9) PUSH for a Bill of Rights for veterans whose needs are ignored.
- (10) PUSH for adequate health care for all people based on need.
- (11) PUSH for quality education regardless of race, religion, or creed.
- (12) PUSH for economic and social relationships with the nations of Africa in order to build African/Afro-American unity.
- (13) PUSH for national unity among all

organizations working for the humane economic, political and social development of people.

(14) PUSH for a relevant theology geared to regenerating depressed and oppressed peoples.

(15) PUSH for Black excellence.

I recommend this platform to my colleagues for their very serious consideration.

Rev. Jesse Jackson has written an eloquent statement in which he presents his own assessment of the potentiality of PUSH. This statement appeared in the program for "A Family Affair" and, because of its significance, I include it below:

PEOPLE UNITED TO SAVE HUMANITY: AN IDEA WHOSE TIME HAS COME

*Greater than the tread of mighty armies is an idea whose time has come.*—Victor Hugo.

PUSH, People United to Save Humanity, is not merely a name. It is a theme, a focus of activity and a purpose. The "S" in PUSH actually has two meanings, for we are in reality People United to Serve—and to Save—Humanity. For without serving humanity, we can have no hope of saving it. Without serving humanity, our organization would be in conflict with the meaning of its birth on Christmas Day, December 25, 1971.

We are dedicated to reaching these goals through research, education and the execution of direct action programs. Our times call for unprecedented and unparalleled thrusts against those forces which seek to perpetuate human exploitation. At this point in time, we know we must march on the Treasury Department, not the Department of Health, Education and Welfare or the Department of Agriculture.

Our perspective informs us that we are now in the third phase of the struggle for independence for Black and other minority peoples in this nation. Though they are still unfinished business, the first two phases—civil rights and civil power—have been etched into the American destiny by our increasing consciousness and determination to participate with justice and dignity in the making of this nation. From the exercise of our full civil rights and the execution of our civil power in the political arena, we have become increasingly conscious of our need for economic power, and participation in the ownership and the production of goods and services in America.

Vigilance must be maintained whether it is strengthening the Equal Employment Opportunities Commission or fulfilling the Civil Rights Commission's agenda.

Across the nation, in our quest for quality education, we are still following up the Supreme Court's overruling of segregation in the public schools. We do have a public accommodations bill guaranteeing our right to eat, sleep or use public conveniences anywhere in the nation. We also have a voting rights bill which guarantees us the right to pursue civil power, and an open occupancy statute, reinforced by a court decision, to assure us the right to live wherever our money affords us.

But now the vanguard pushes on to demand and to build the resources to deal with these areas of law and right. Though our political growth has been phenomenal, Black Americans still comprise less than one percent of the public officials in this nation. In other words, with rights and political opportunity, our problem now is the lack of economic resources. Any solution to that problem needs to be premised upon an economic analysis and an economic solution to our quandary.

At a time when increasing Black consciousness is leading to definitive Black unity, PUSH takes its place within the historical

spectrum to fight for economic justice, for decent housing, for adequate health care for all people and for our economic, political and cultural independence. Black doctors, educators, politicians, businessmen and students are all coming together to cement the unity that we need to push for the economic well-being that is necessary for our people.

Black people, despite a relatively wide range of incomes made possible by the growth of the Black middle class, are still concentrated by-and-large in the lower economic brackets. Nearly 25% of the Black families have incomes below \$3,000 per year. The median income for whites is at least 40% higher than Blacks. The 40% gap represents generations of destitution and exclusion from economic and educational opportunities.

It is estimated that Blacks share little more than two percent of the over-all family and corporate wealth of this nation. The picture is similar for other nonwhites. Yet, there are more poor whites (28.5 million), than poor nonwhites.

Public welfare has been inadequate for meeting needs fostered by these disparities. This is largely because it was meant as a temporary expedient standardized at subsistence levels. It has fed stomachs, but not fostered opportunities. It has allowed people to survive at a minimum income, but not to thrive on a liveable and decent income. Its costs have spiraled, but the returns have been minimal.

Now, PUSH challenges the nation to invest in human growth, dignity and potential. We call for priorities directing the nations to rebuild its cities and rural slums. We call for a human investment program spelled out in an economic bill of rights, now being expanded by eight outstanding Black economists who are working with its author, Dr. Marcus Alexis.

We must question the nation's priorities when Defense Department budgets constitute a more than \$80 billion rip off, which cancels out the probabilities of serious economic rehabilitation at home and institutes havoc abroad.

The 15-point platform of PUSH addresses itself to issues of development and issues of human rights. A substantial portion of the program calls for a bill of rights for those segments of our population often ignored or undervalued: the aged, children and veterans.

Our board brings multiple talent and service in a commitment to meaningful reconstruction of Black hopes and Black dreams for a new Black nation.

Finally, we declare each man to be somebody whose claim to "life, liberty and the pursuit of happiness" takes precedence over any clamor to limit his dreams or blur his horizons.

To the end of affirming these goals, we will keep pushing.

WHERE MEAT PRICE RISES ARE WELCOME

HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. PURCELL. Mr. Speaker, while serving on the National Commission on Food Marketing in 1964, I gained a firsthand insight into the components of steadily rising food prices. There are several of them and all but one are directly responsible for at least some portion of every penny increase in the grocery store price of food. The one component left out is—yes, for the thousandth time—

the actual producer. This article explains the absurdity of trying to attack the "problem" of high beef prices by squelching the producer. For example, a Philadelphia grocery chain orders hotdogs with only two weiners per package. As this article points out, the package itself costs more than the meat.

It is a refreshing and encouraging signal that a national business magazine has taken up for the beef producer in the midst of rising cries for more cheap imported meat. I request permission to include an article, printed in the February 26 issue of *Business Week* in the *Record* at this time, and I commend it to the attention of every Member.

Political expediency has for too long thrown the farmer into the mudhole for the rest of the economy to walk over. The information in this article insists that we find another alternative, and I cannot be in any more complete agreement. The article follows:

#### WHERE MEAT PRICE RISES ARE WELCOME

In the year ended Jan. 31, the price of beef rose more than 12 points on the Consumer Price Index, and the nation's housewives are angry.

But cattlemen are not. They have just finished what they say is their first really good year in almost two decades, and as they meet in Houston this week for the nation's largest livestock show, they are not especially receptive to consumer complaints. "The last six months is the first time we have had reasonable prices and profits in the last 20 years, and yet we get all this static from Mrs. Housewife," snaps John Trotman, an Alabama rancher and president of the American National Cattlemen's Assn. Adds J. D. Sartwell, Sr., president of Houston's Port City Stockyards: "The livestock producer and feeder has been subsidizing the American consumer for damn near two decades."

This is only one side of the story, of course, but it is a side that is seldom heard outside cattle country. If housewives feel put upon, cattlemen say they do, too. There is little question, however, that the housewife's bane of recent months is the cattleman's boon. The sudden spurt in meat prices is directly attributable to an increase in the price producers got for their fattened cattle, up over the past six months to 35 cents from 30 cents a pound for choice steers.

To hear ranchers tell it, these prices mean their business makes economic sense for the first time in 20 years. Depressed prices have meant a string of losses or break-even years for cattlemen, while their own costs have risen. Only now, they say, are prices coming back to the level of 1950-51, and though they were abnormally high then, costs have come up a long way since.

#### FAT CALVES

Mostly, they say, efficiencies in feeding cattle have kept production just far enough ahead of demand to keep prices relatively stable. In 1950, for example, only about a third of the nation's cattle were sold to feeders. The rest were raised on grass alone. Now, three-fourths come from feedlots where calves are fattened on grain. One result is that most calves now reach slaughter weight in 18 months, about one-half the time it takes to fatten a calf on grass.

But at the same time, the business was becoming much more capital-intensive. This is true "not so much because of the cost of labor, but simply because the lack of availability of labor has forced us to turn to machines," according to B. Kleberg Johnson, director and heir of the huge King Ranch. Capital costs have at least trebled since 1950, Johnson estimates, and low cat-

tle prices occurring at the same time have meant a doubling of ranchers' debt. "To subsidize our operations, we all have had to go into hock on our land," Johnson says, "and most of the money we have made in the business since the early 1950s is from appreciation of the land asset and not from operations."

Ironically for the big producers, these rising land values helped encourage marginal operators to stay in the business. "Many ranchers stuck it out for years hoping for prices to improve because they figured they were ahead so long as they made money above their out-of-pocket costs," says Edward Uvacek, an agricultural economist at Texas A. & M. University. Their production helped keep prices low.

#### TURNING POINT

The recent turnaround in prices was caused by a combination of circumstances. The Southwest had one of the worst droughts in history last year, and this helped to create the first cattle shortage in a decade. As the drought worsened, many producers, especially in Texas, did not have enough pasture to support brood cows, and thousands were sold for slaughter. Calves were sold early to feedlots for the same reason. The result was a shortage of calves for fattening. By the end of last summer, commercial feedlots began bidding up prices for calves to fatten.

The price rise on live cattle has continued through this year. The average price farmers received for their cattle in January was \$31.40 a hundredweight, up from the 1971 average of \$28.80. But consumer prices rose even faster, and, in general, the cattlemen blame this on bad buying habits of consumers.

#### FANCY PACKAGES

Indeed, they say, most of the retail meat price increases in the past 20 years result from consumers demanding individual, well-trimmed meats wrapped in fancy packages and ready for the broiler. "We are quickly reaching the point of absurdity in meat merchandising," says Sartwell. He cites a Philadelphia chain that ordered hot dogs with only two weiners per package. The package, he says, costs more than the meat.

Cattlemen also complain that they are an easy target for consumer complaints because few people understand the complexities of their business. "The only contact most consumers have with our industry is through 'Bonanza,'" cracks Johnson, "and throughout all those years of depressed prices, everyone thought everything was running smoothly and profitably on the Ponderosa."

The cattlemen's joy could be shortlived, however, because there are now 10% more cattle on feed compared with a year ago, and feeders are getting nervous that they will be caught with a lotful of high-priced fattened steers in a declining market. Meanwhile, what seems to worry them most is that the surge of bad feeling about rising food prices will bring them under Washington's price controls. "Beef prices didn't hit the headlines, and we didn't scream for government subsidies when prices hit the skids in the 1950s," says Trotman. "Why should we have to face political heat and government interference now?"

#### LEGISLATION TO CURB CHILD ABUSE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. BIAGGI. Mr. Speaker, today I introduced legislation along with 26 other Members which would help the States

establish strong child abuse control measures in their jurisdiction and to coordinate efforts to combat this crime.

The insidious crime of child abuse and neglect by persons responsible for a child's care is the No. 1 cause of death among children under the age of 5. The methods used to carry out these murders vary from smothering or drowning, to clubbing the child to death with anything at hand. In addition, the neglect of many of these children results in their simply starving to death.

My bill is a strong measure which would require the States to develop a plan for effectively dealing with child abuse and neglect. Moreover, the bill would establish an \$8 million grant program to enable the States to improve their child abuse laws and to develop child abuse prevention programs. It also establishes certain guidelines that the States must meet in order to qualify for funds.

In New York City alone, which has a task force on the subject, the incidence of child abuse rose 549 percent from 1966 to 1970. This is only a fraction of the total, however, since the majority of these abuses go unreported. Furthermore, this type of behavior causes the death of at least 50 children annually in New York City. For the Nation as a whole the reported incidence of child abuse range from 25 thousand to 35 thousand cases annually. Once again, however, these statistics are only the tip of the iceberg since the reporting techniques are totally inadequate.

My proposal will correct this inequity since the States must forward child abuse reports to a national child abuse data bank at the Department of Health, Education, and Welfare. We would thus be able to compile more accurate figures on the subject.

In my conversations with Dr. Vincent Fontana, he pointed out that there is a definite correlation between parents who are drug addicts and alcoholics and the incidence of child abuse and neglect. Many of these individuals responsible for the child's care are barely capable of helping themselves let alone a small child. The result is that these people either take out their frustrations on the child with a serious beating or simply neglect him.

This legislation would enable the authorities to prosecute the perpetrators of these crimes and allow the Federal authorities to take action in the absence of effective State prosecution of a child abuser.

We must not allow the hideous crime of child abuse to continue. This measure is the first step toward protecting our children from this type of treatment. I urge the Ways and Means Committee to take up this matter at an early date.

#### MYTH OF "FREE MONEY"

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. GROSS. Mr. Speaker, there are some citizens of this country—although



far too few—who believe in fiscal responsibility even though the Federal Government, including Congress, seems bent on continuing down the road to bankruptcy.

A case in point is the proposed World Food Fair for Iowa in 1976 in connection with the 200th anniversary of the American Revolution.

Dealing with this subject is an excellent editorial in the March 10 issue of the *Waterloo, Iowa, Daily Courier* which I am pleased to insert in the *RECORD* at this point in the hope that it will reach the eyes of some of my colleagues who are free-wheeling spenders of public funds.

The editorial follows:

**FEDERAL HELP NO REASON TO PUSH IOWA FOOD FAIR**

Availability of Federal matching funds for state and local projects often has some rather insidious side-effects.

Among these are:

1. Creating the myth of "free money" from Washington. There is no such thing—all governmental funds come from taxpayers.

2. Encouraging a "let's get our share" attitude among state and local governmental agencies. This attitude can result in something less than an adequately critical evaluation of proposed projects.

Both of these side-effects seem to be at work in the Iowa Legislature's debate over a proposed World Food Fair for Iowa in 1976 to coincide with the 200th anniversary of the American Revolution.

The House Appropriations committee this week approved a \$200,000 allotment to finance plans for the exposition. The money will be used by a special committee with broad authority to deal for federal matching money.

Concern was voiced in debate over the measure that the special committee might commit the state to a huge expenditure in order to get federal funds.

Rep. Richard Welden, R-Iowa Falls, feared that letting the special committee get started was a "cruel trick" to play on the next Iowa Legislature which would have to raise the millions of dollars to implement the committee's plans.

Appropriations Committee Chairman John Camp, R-Bryant, declared there was no way to explore availability of federal funds as well as possible sites for the exposition unless the state offered some earnest money for studies.

Rep. Elizabeth Shaw, R-Davenport, put her finger on a basic flaw when she expressed concern that once the state invests \$200,000 there won't be any way to head off huge additional outlays. She's right. Once started, appropriations have a way of growing.

It is logical to expect that proponents of the controversial World Food Fair will later argue that "since state and federal money already has been spent, there's no point in wasting it—so let's continue" with a flow of ever-larger appropriations.

And even the most optimistic backers of the exposition acknowledge that it will take more than \$12 million from Iowa taxpayers to support the \$98 million fair. The remainder, according to planners, is to come from the federal government, foreign governments and private contributors.

But it can be assumed that if any of these non-Iowa sources fail, Iowa taxpayers would be forced to help make up the difference.

A \$98 million food fair gamble is a mighty expensive way to promote Iowa agriculture which already has an outstanding national and international reputation.

The exposition offers little hope of benefiting anyone except a few businessmen around Des Moines, where planners envision staging the food fair.

(The Iowa Senate this week adopted an

amendment which would require the food fair authority to consider sites from all sections of the state before making a final decision. However, Des Moines interests, including Kenneth Fulk, secretary of the Iowa State Fair, have provided major impetus for exposition planning and Des Moines still has the inside track.)

Since most Iowans can expect little gain from the costly food fair, availability of federal funds is a poor substitute for sound thinking about the cost-benefit ratio.

After all, Iowans pay both state and federal taxes.

**LEGISLATION ON SPINAL CORD INJURY**

**HON. STEWART B. MCKINNEY**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. MCKINNEY. Mr. Speaker, under the leave to extend my remarks in the *RECORD*, I include the following: Webster defines "hope" as a desire accompanied by an expectation of or belief in fulfillment. For those who have worked so long and hard in the field of paraplegia, this "hope" has been the only difference between success and failure. In a few days, this body will consider the Rehabilitation Act of 1972 and with it, the "hope" for the establishment of national spinal cord centers.

It is impossible for me at this time to fully detail the scope of this legislation, but I would like to share with you my feelings and those of so many who are dedicated to this concept in the treatment of the spinal cord injured.

One of the greatest calamities which can befall a man or woman is the fracture or dislocation of the spinal column, with the most essential functions of life paralyzed below the injury. It was a minor medical problem before World War II because in almost all cases, the stricken usually died within a year. But in the last 25 years, we have developed techniques to keep paraplegics alive.

As a result of the Vietnam war, there are more than 2,200 para and quadriplegics. These men have given half, and for some almost all, their bodies to their country and yet, upon their return, they find themselves with little hope for the future. As a result of auto, sporting, and other accidents, more than 5,000 Americans will become paraplegics this year. And for every paraplegic we see active in a wheelchair, somewhere there is another who will never emerge from a local hospital because he has developed complications, internal infections, bed sores, and just plain despair.

What does the establishment of national spinal cord centers mean? It means that for the first time data will be collected and information available for all those who seek advice. It means that for the first time doctors, nurses, and related health personnel will be able to share in the knowledge of the few specialists who have worked tirelessly in this field, but who have not, to this time, had the wherewithal to publish their findings to a general audience.

And finally, it means that the injured will have a better chance of rehabilita-

tion and to share once again in what is rightfully his and what has been denied him in the past.

What is the significance of a data and information center? For the first time, we will not have to settle for approximations when we try to estimate the number of paraplegics in the United States, who they are, and where they are living. In my own New England, there are more than 100 general hospitals that treat spinal cord injuries and some 40 rehabilitation centers that will accept the injured for postacute care. Given the relative small incidence of this injury, these facilities are hardly equipped to care for this most complex injury, or even to advise any family as to where to seek help. What an information and data center means is that we can begin to recognize what exists today so that the injured can get the best care possible.

Finally, spinal cord injury costs the government and private sector more than \$1 billion a year. The cost to the individual paraplegic over a lifetime is estimated at \$300,000. Properly treated, trained in self-care, and familiar with the causes of expensive posthospital sequelae, the difference between a well treated and trained paraplegic and a poorly treated and trained one can run to thousands of dollars. It is literally impossible to make a case against the rehabilitation of spinal cord injured people.

In closing, I would like to commend my colleague, ORVAL HANSEN, for his cooperation in this area and Chairman CARL PERKINS and the Committee on Education and Labor who included the spinal cord centers in the Rehabilitation Act of 1972 and all those who have worked so long for this action.

I would like to include, in my remarks, an article by a close associate, Dr. Herbert Talbot, director of the Spinal Cord Injury Center at West Roxbury Veterans Hospital, West Roxbury, Mass.:

**SPINAL CORD INJURY**

The incidence of civilian spinal cord injuries in the United States has been estimated at 5,000 per year.<sup>1</sup> That this figure is an estimate instead of a documented fact suggests the lack of organization in the approach to this problem. It is even more difficult to establish the number of living spinal cord injury patients in the country: guesses—and they are no more than that, however well-informed—put this at between 75,000 and 125,000 and the truth very probably lies within these limits. In any event it is a formidable figure when interpreted in terms of human needs, the more so since it must be acknowledged that a majority of these people are not being cared for as they should be. The fact is that knowledge of how this is to be done has now run ahead of the means for doing it. With the best treatment now available, instituted at once and continued for life, almost all these patients could enjoy lives of dignity and satisfaction, in reasonable comfort and approaching normal spans.

This is a new development in medical history. The first written description of a spinal cord injury patient appears in the Edwin Smith Surgical Papyrus. Considered by Breasted to have been written during the first half of the third millennium BC, the passage ends tersely, "... an ailment not to be treated." Similar opinions were still extant in the 1930's and, sadly enough, may be

Footnotes at end of article.

heard even today. Dick quotes from a medical research council report in 1924, "The paraplegic patient may live for a few years in a state of more or less ill-health."<sup>2</sup> Not long after this, however, the modern concept of treatment began to take shape. In 1943, Munro wrote "Nothing less than an active self-supporting wheelchair life is to be considered for a moment as an end result."<sup>3</sup> Nearly ten years earlier he had begun publication of the noteworthy series of papers in which this principle was enunciated and developed. He was largely responsible for the establishment of special paraplegic centers in selected Army hospitals during World War II. These were taken over by the Veterans Administration after the war and formed the basis of that agency's deserved preeminence in the field. At about the same time Guttman became director of the now-famous Spinal Injuries Center at Stoke Mandeville, England, dedicated to the same principles.

There are enough of these patients to make their coordinated treatment from beginning to end in specialized centers medically essential and economically sound. This has been demonstrated in the United States and abroad and represents the conclusion of those who have had the longest and most extensive experience with this problem. But the fact that spinal cord injury patients require the attention of a variety of specialists must not lead to the misconception that a center can de facto be brought into being wherever such a group of specialists may be found. The actual availability of these particular skills as such is less important than they should be welded into a designed and integrated whole, capable of articulating at many points with the particular needs of the patient, and so directed that their several contributions are precisely related to each other in the general strategy of his care. The great danger is fragmentation in any form—the tendency to break up the management of the patient into parts: the acute treatment and the chronic treatment, neurosurgical care, orthopedic care, urological care, and all sorts of other care;—or even a distinction between "treatment" and "rehabilitation." It is too easily forgotten that all this is happening to one patient. Unless it be carefully coordinated from the beginning, its impact upon his course will be erratic and the result unsatisfactory.

Woven into the pattern of this holistic approach to treatment there must be the golden thread of a sound, compassionate, and continuing physician-patient relationship. This has been lacking in the past experience of many patients now admitted to existing centers weeks or months after injury, if for no other reason than that no one has ever accepted or had thrust upon him the obligation of continuing concern for the patient's total well-being. These people desperately need just that. No less than having spinal cords explored, stones removed, spasms relieved, and ulcers healed, they must have information, education, and understanding. They need to know that there is someone who is always interested and available.

Such centers are expensive, true enough, but experience has shown that they cost less than haphazard treatment of individual patients. Spinal cord injury is so catastrophic, in terms of both immediate and long-term expense, that scarcely any can afford it on a private practice basis. Yet somehow the bills must be paid from whatever source the funds may come, in the public or private sector or through third-party arrangements. Such figures as are now available are impressive. David Barrie, vice-president in charge of rehabilitation of the Liberty Mutual Insurance Co., estimated in 1970 the medical cost per patient to be \$65,000 for a paraplegic and three times that figure for a quadriplegic. In addition, the loss of wages must be calculated as part of the total cost. This is estimated to average \$228,000 per patient. First

class treatment in properly staffed and organized centers would not only reduce the enormous medical costs but, because of improved health and rehabilitation, appreciably reduce the loss of earnings.

Transcending cost alone is the sparing of misery, the salvage of wasted lives, the restoration to human beings of their dignity and integrity as individuals, and the satisfaction of resuming their rightful places in society. Neither the general community nor the medical profession can rest content until our resources in this endeavor have caught up with our knowledge.

HERBERT S. TALBOT, M.D.,  
West Roxbury, Mass.

#### FOOTNOTES

<sup>1</sup> Southwestern Regional System for Treatment of Spinal Injury. Input Conference. Phoenix, Good Samaritan Hospital, 1970, pp 4-5.

<sup>2</sup> Dick TBS: Traumatic paraplegia pre-Guttman. *Paraplegia* 7:173-178, 1969.

<sup>3</sup> Munro D: Thoracic and lumbosacral cord injuries. *JAMA* 122:1055-1063, 1943.

### CORNING LEADER GETS COMMUNITY SERVICE AWARD

#### HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. HASTINGS. Mr. Speaker, the New York State Publishers Association recently named the Corning, N.Y., Leader as its recipient of the Distinguished Community Service Award.

This award is presented annually to the newspaper in New York State which has best fulfilled its responsibility to the community. This, the Corning Leader did admirably in the best traditions of journalism, presenting a series of in-depth news stories and editorials dealing with a serious economic problem affecting the entire area.

As the citation reads in part:

By timely, fair and full exposure of the various factors involved and an objective analysis of them, the series undoubtedly contributed to community, union and management cooperation in making adjustments which hopefully will insure the long-term viability of an important asset to the community.

The Leader has long been as its name suggests—a leader. It is one of the most reputable newspapers in New York State and its selection for the Distinguished Community Service Award is a continuation of a long history of bringing to its readers the best in journalism.

Four times in recent years, it has been singled out for special honors. In 1969, the newspaper won the Distinguished Local Reporting Award for a series on poverty. In 1968, it won the Distinguished Editorial Award and in 1964 was honored with a citation for its Distinguished Editorial Page.

With customary modesty, Mr. George H. Bevan, editor of the Corning Leader, has made a brief editorial comment on the award. To him and his staff, I offer my congratulations and commendation and should like at this time to include the editorial and news article announcing the award in the Record:

[From the Corning (N.Y.) Leader]

#### THE LEADER'S AWARD

While good manners suggest that we should be silent about receiving on Monday the New York State Publishers Association 1971 award for community service in the 10,000 to 25,000 circulation category, we are resisting strongly.

The award was given for The Leader's combination of news reporting and editorials about the Ingersoll-Rand employment situation. The gratification we feel is twofold: first, from having had an opportunity to contribute to the labor-management statesmanship which has so far resulted from the problems reported; second, from pride in The Leader's capable staff which won it.

[From the Corning (N.Y.) Leader]

#### LEADER'S CITATION LAUDS "FAIR, FULL EXPOSURE"

The New York State Publishers Association, praising the "timely, fair and full exposure" of the economic problems of Ingersoll-Rand Co. at Painted Post, has awarded The Leader first prize in its circulation category for "distinguished Community Service."

In a citation accompanying the award, the Association said: "The Leader of Corning, in an outstanding series of articles and editorials set forth the complex issues associated with a decision to cut-back or phase out a manufacturing plant of considerable economic importance to the community."

"By a timely, fair and full exposure of the various factors involved and an objective analysis of them, the series undoubtedly contributed to community, union and management cooperation in making adjustments which hopefully will insure the long-term viability of an important asset in the community."

The award, in the Association's 10th annual contest for newspaper excellence, was presented Monday at the Hotel Syracuse Country House in Syracuse by Charles J. Wellner, editor of the Lockport Union-Sun and Journal and chairman of the Association's award committee. It was accepted by Robert C. McCormick, Leader business manager.

The award represents first prize in the 10,000-25,000 circulation category for distinguished community service.

Other winners in the category were: Newsday, Garden City, L.I., over 50,000, for a series on the Suffolk State School; the Yonkers Herald Statesman, 25,000-50,000, for a series on the underworld connections of Yonkers Councilman Frank Adamo; and The Leader.

All contest entries were evaluated by a panel of independent judges, chosen for newspaper field and public life. Judges were: John G. McCullough, editor of the editorial page of The Philadelphia (Pa.) Evening and Sunday Bulletin; Hugh N. Boyd, president of the New Brunswick (N.J.) Home News and Ralph A. Dungan, chancellor of the New Jersey State Department of Higher Education.

The Leader's award was based on a series of editorials, dating back to Sept. 21, which called for both sides to work to stabilize the Painted Post I-R plant; the Oct. 1 reprinting of a Forbes Magazine interview with I-R Board Chairman William L. Wearly in which he cited the local plant as a major problem area; and on Oct. 6 in-depth series of interviews with I-R workers conducted by a three-man Leader reporting team.

The latter led to the assignment of an I-R corporate vice president, Robert H. Popejoy, to try to iron out matters here. His address to all I-R employees on Oct. 25 was covered in detail by The Leader as were subsequent developments leading to a Jan. 18 union decision to accept changes in work



rules and seniority provisions and the subsequent opening of new contract negotiations, which are still under way. News stories were several times augmented with editorial comment.

The award is the fourth major citation won by The Leader in State Publishers Association competition in recent years. In 1969, this newspaper won "Distinguished Local Reporting" honors for a series on poverty in Steuben County; in 1968, won the "distinguished Editorial Writing" award and in 1964 was cited for "Distinguished Editorial Page."

Other winners this year were:

Distinguished Local Reporting: under 1,000 circulation, The Union-Gazette, Port Jervis; 10,000-25,000, The Daily Item, Port Chester; 25,000-50,000, The Reporter Dispatch, White Plains and over 50,000, The Knickerbocker News and Union Star, Albany.

Distinguished Editorial Writing: Under 10,000 circulation, The Daily Messenger, Canandaigua; 10,000-25,000, The Daily Argus, Mount Vernon; 25,000-50,000, The Reporter Dispatch, White Plains; over 50,000, The New York Times.

## SPECIAL SECTION ON THE OCEANS

### HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. KEITH. Mr. Speaker, I offer, today, for the RECORD, the third of my series of insertions of installments of the Boston Herald Traveler's March 8 special section on the oceans, their importance to man, and the need for man to rectify the damage he has done them if man, himself, is to survive.

Today's installment of this outstanding report by Herald Traveler staff writer James Mahony includes the following: "Oceans a Vast Food Reservoir," "Atlantic Ridge 10,000 Miles Long," "Oil a Veritable Black Death," and "Scientists Verify Movement on Ocean Floor."

As with my Tuesday's and Wednesday's insertions of installments of this excellent example of Herald Traveler public service reporting, I earnestly commend this as highly informative reading matter to all of my colleagues in the Congress.

The insert follows:

#### ANNUAL FISH CROP ABOUT 1 BILLION TONS—OCEANS A VAST FOOD RESERVOIR

The world's greatest untapped source of food is in the oceans.

Though some areas are close to being exhausted because of saturation fishing, there are other areas that have been virtually untouched.

It has been estimated that the annual fish crop is somewhere around one billion tons. The annual catch is about 30 million tons, or about three per cent.

Besides fish, the ocean contains an estimated nine tenths of all the vegetation in the world. Most of this is in the form of plankton, the "grass" of the sea, which is the primary food source for all ocean dwellers.

Plankton are divided into plants (Phytoplankton) and little animals (Zooplankton). Like ground vegetation, the plant plankton gets its energy from minerals and sunlight, growing on or near the surface where the sun can reach it.

The animal plankton feeds on the plants

and together they form sustenance for the other classes of living things, either directly or as the primary part of a food chain.

While plankton is not evenly distributed and the total production is unknown—though it has been estimated at 100 billion tons—tests have shown that some areas of the ocean may produce 4,000 tons per square mile in a year.

The growth of all plankton and thus all life in the sea depends on the availability of the necessary minerals. When the basic chemicals are used, the plankton stops growing and the fish have nothing to eat.

Nature provides the minerals for plankton through currents. The cold water coming from the Arctic and Antarctic ice fields sinks below the warmer water and stirs up the minerals on the bottom. They rise with the warm water to the area of sunlight where plankton can grow.

There is never any lack of water, but the right combination of sunlight and minerals is necessary. If oceanographers could seed certain areas with the missing ingredients, the growth of plankton could be increased and the fish population would grow.

It also has been suggested that artificial currents could be created to bring minerals to the surface—something like an atomic reactor that would heat the bottom water and start an upward current that would carry minerals to the surface.

While the resulting plankton would primarily be a source of food for fish, the "grass" of the sea also has been considered as a possible food for man.

A typical ocean food chain is built roughly on a ten to one ratio. Thus to gain one pound, a man eats 10 pounds of tuna, which ate 100 pounds of sardines, which ate 1000 pounds of plankton animals which ate 10,000 pounds of plankton plants.

Broken down another way, this chain means that the ocean produces 10,000 pounds of plankton plants to produce 10 pounds of food for man. Elimination of some links in the chain, or making plankton edible, would vastly increase man's food supply.

Collection of plankton probably would not be worthwhile except in areas of extremely dense growth, but any shortening of the food chain would mean an increase in food supplies.

At present the fish may be considered unpaid workers who harvest plankton for us and turn it into a convenient form for us. However, oceanographers are toying with the idea of farming the sea themselves of producing bountiful ocean crops to feed the world's expanding population.

#### BIGGEST MOUNTAIN CHAIN IS UNDERWATER—ATLANTIC RIDGE 10,000 MILES LONG

The longest mountain chain in the world is the underwater Atlantic Ridge which extends 10,000 miles from Iceland to a mid-ocean point at about the latitude of the tip of South America.

There it turns eastward and goes under South Africa toward the Indian Ocean.

The existence of the ridge, which splits the Atlantic neatly, first was discovered with the laying of the Atlantic cable. Since then it has been mapped fairly thoroughly.

The ridge is as rugged and as complex as the Rocky Mountains, cut with deep gorges, valleys and chasms.

The average height is about 5,000 feet and the highest known peak is Pico Island in the Azores which rises 27,000 feet from the ocean floor, the last 7,000 being above water.

Ascension Island and Tristan da Cunha are other peaks in the ridge. So are the Rocks of St. Paul near the equator which rise so steeply that only a few feet off shore the water drops to a depth of a half mile.

The shape of the ridge has been determined by echo-sounding and some of its details have been photographed with deep-sea cameras.

Near the equator, the mountain range is cut by a deep gash, the Romanche Trench, which goes from east to west and provides the only place where the deep waters of the eastern and western Atlantic meet.

In most places the mountain ridge rises a mile or two above the ocean floor, with another mile of water above.

The Pacific, not as well mapped as the Atlantic, has several major mountain ranges, but nothing that compares with the Atlantic Ridge in length.

It does, however, have numerous deeps or "trenches" where the greatest depths of the ocean have been recorded.

To an oceanographer, a basin is a broad depression in the ocean floor, while trenches are long, narrow depressions, with steep sides.

Soundings of 36,056 and 36,173 feet have been reported from the Marianas Trench. Other trenches also have depths of 35,000 feet.

Two scientists, who studied the area extensively, described the Tonga Trench as one so deep that seven Grand Canyons could be piled on top of each other in it—and so long that it would stretch from New York to Kansas City.

An interesting thing about the trenches is that they run parallel to island chains or nearby continental mountain ranges which make up the Pacific's "ring of fire"—the earthquake and volcanic zones surrounding the ocean.

The reason, or the connection is not known.

#### BIRDS, SHELLFISH, COASTLINES THE VICTIMS—OIL A VERITABLE BLACK DEATH

The Audubon Society in a "black paper" on worldwide oil pollution estimated that five million tons of petroleum products were spilled on the waters of the world in one year.

The total, it said, was enough to provide 75 million automobiles with 20 gallons of gasoline each.

There is so much spilled oil, one official said, that "oceanographers tell us that they cannot conduct a plankton tow at the surface of the ocean worldwide now, without finding oil.

"While it is still so thin a layer as to be invisible, yet it is sufficiently thick to pose grave implications to the marine biologist."

The society's "black paper" said that "while ocean tanker spills have killed millions of seabirds, soaked thousands of miles of shorelines with oil, and killed or contaminated untold numbers of shellfish, they make up only a fraction of the total oil lost each year—just two per cent."

The biggest pollutant by far, the report said, is used motor oil and industrial oil.

They provided a 1970 total of three million tons—"poured into storm sewers and rivers by factories and service stations."

Oil tanker were the second worst offenders, the black paper said, "not from the big spills, but from so-called 'normal' operations or from pumping out of bilges at sea."

The Audubon report was put together by Mervin Zeldin of Washington, D.C., an environmental consultant who spent months in travel and research on the project.

Here, in summary, are some of Zeldin's findings:

#### ON TANKERS

The oil industry is ready to build giant tankers with million-ton capacities and the thought of a harbor accident with one of them makes conservationists in areas like Puget Sound and the Maine coast shudder. Ship crews cannot even operate a small 18,000-ton tanker properly—as witness the polluted beaches in Nova Scotia in the winter of 1970 when a tanker of that size ran aground because none of its navigation equipment was in working order, not even its compass. It did not even have the proper maps aboard. Some experts feel the only answer is operating rules as strict as those for airlines.

## ON REFINERIES

They have leaky valves, leaky retaining ponds, badly maintained equipment, and unused pollution-control devices. They dump sludge into fields and marshes, wash oil into rivers, load barges until they overthrow, ignore safety measures, and commit other misdeeds after dark or behind a cloud of steam. Plain good housekeeping would reduce pollution by half, and equipment to make refineries totally nonpolluting is available right now.

## ON WASTE OIL

This largely ignored problem is worldwide and growing. The one acceptable way of disposing of it—reuse—is a disappearing industry. Rerefining plants in this country can only process half as much oil as they could six years ago. What's more, previous advantages have been wiped out, and most of the reprocessing plants cannot handle today's waste oil because of the many additives it contains. So the old oil goes into sewers, clogs up sewage disposal plants, is dumped onto the ground, or is mysteriously listed as "fate unknown."

## ON SEA LIFE

Visible damage is a bad gauge of the toll taken by ocean pollution. The dead birds and blackened beaches are only the beginning of the story. Scientist at Woods Hole Oceanographic Institution in Massachusetts have evidence that even a "small" spill—like one off West Falmouth in the fall of 1969—can cause a kill of bottom plants and animals over a wide acreage offshore and in nearby marshes. Oil from the spill is still around. The taking of shellfish has been banned for two years and the area the ban covers is being extended, not contracted. Once the shellfish are contaminated with oil, they cannot cleanse themselves of it and they are not reproducing.

Lumps of oil can be found in every part of the sea. Fish swallow them, and so oil—with compounds that cause cancer—is entering the food chain. What happens when man eats a tuna sandwich containing meat of a tuna that has eaten tar? Scientists are worried that this will add to the heavy load of cancer-producing agents we are receiving from other kinds of pollution.

## ON OFFSHORE DRILLING

While the Santa Barbara spill alerted the nation to the risks of offshore drilling, events in the Gulf of Mexico a year later revealed that, in long-existing offshore operations, oil companies had been ignoring safety standards. And government agency enforcement policies were practically nonexistent. After an oil fire in the Gulf early in 1970, the Interior Department's Geological Survey inspectors found that companies had removed required safety devices such as storm chokes, installed earlier under survey supervision. There was no routine inspection to reveal these infractions.

The Interior Department did then move to prosecute nine companies working in the Gulf. One company was fined a million dollars and the other companies lesser amounts.

## ON BIRD DEATHS

Hundreds of thousands of seabirds, perhaps as high as a million, are drowned in oil each year. The pitiful specimens that conservation groups try to rescue represent only a tiny fraction of the total. Most die at sea and are never counted. Since the turn of the century there has been an appalling loss of seabirds. In some chronically polluted shore areas of Britain and Europe, breeding colonies have disappeared altogether.

## SCIENTISTS VERIFY MOVEMENT OF THE OCEAN FLOOR

The ocean floor beneath the central Pacific slowly northward, pushed along by molten material welling up from inside the earth. Scientists at the Scripps Institution of

Oceanography reported the movement had been verified by a deep sea drilling project.

In the past 100 million years, a spot on the ocean floor in the affected area would have moved about 1,800 miles to the north, the scientists said.

At that rate, the movement is less than an inch per year.

Some scientists believe the movements of the ocean floors, especially the movements east and west from the middle Atlantic, are the source of a "continental drift," causing the continents, floating on the earth's crust, to move slowly farther apart.

Cores taken from the Pacific Ocean bed between Hawaii and the Marshall Islands verified the northward movement, said E. L. Winters of Scripps and J. I. Ewing of the Lamont Doherty Geological Observatory.

They tracked past movement of the ocean floor by studying fossil remains deposited in the sediment over millions of years.

The scientists said the "spreading center," the spot at which new material wells to the surface and mushrooms outward, is the East Pacific Rise, an underwater mountain ridge. Stretching northward from Antarctica along the coast of South America and through the Gulf of California, between Baja California and Mexico.

The San Andreas Fault, a major source of earthquake problems in California, is now thought to be associated with the ridge.

The quakes along the fault are attributed to the release of tension built up by the northward movement of the coast.

# REPRESENTATIVES ABZUG AND RANGEL CRITIQUE OF WATER POLLUTION BILL IDENTIFIES ITS WEAKNESSES

## HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. REUSS. Mr. Speaker, on March 11, the House Public Works Committee reported out H.R. 11896—the Federal Water Pollution Control Act Amendments of 1972—which undoes much of the good that the Senate-passed bill—S. 2770—would have done. It constitutes a step backward rather than a step forward.

Two Members of that committee, Congresswoman BELLA S. ABZUG and Congressman CHARLES B. RANGEL, who fought in committee to retain the stronger Senate provisions in the bill, have provided the House, in the form of additional views on the bill in the House Report—H. Rept. 92-911; pp. 393-419—an excellent analysis of the many weaknesses of H.R. 11896.

They state that while voting to report the bill out with a favorable recommendation:

There are a number of provisions in the bill which are less progressive, and, if enacted, will stop, and even set back, our anti-pollution effort. They will result in protracted litigation and delays, cause many citizens to further doubt the credibility of Government, and, most important, adversely affect workers whose employers move their operations to States with weak anti-pollution laws.

I insert these views in the RECORD so that they will receive the widespread attention they deserve. I urge all my colleagues to study them carefully and to

support the clean water package of amendments which will be offered when the bill comes to the floor. These amendments will strengthen the bill and bring it in line with the already strong Senate-passed bill—S. 2770.

The additional views are as follows:

MARCH 11, 1972.

ADDITIONAL VIEWS OF HON. BELLA S. ABZUG AND CHARLES B. RANGEL

Re House Public Works Committee Report on H.R. 11896—The Federal Water Pollution Control Act Amendments of 1972

### A. GENERAL COMMENTS

Our Nation's waters—our most precious natural resource—are rapidly being transformed into a vast, rancid sewer. Scarcely an uncontaminated body of water remains in the United States. A constant torrent of waste, mostly untreated, pours into our waterways from farms, factories, and cities. And despite Administration claims of progress, the situation is getting worse. Present Government programs are hopelessly inadequate.

Most of us assume that the sewage we flush down our plumbing pipes is being properly treated by some unknown, unseen plant at the other end. In fact, however, much of the human, industrial, and other wastes produced by Americans is dumped into our waterways with little or no treatment.

For example, more than 400 million gallons of human waste are dumped into the Hudson River every day after some chlorine has been added to kill the odor. Samples taken there recently showed the intestinal bacteria concentration to be 170 times the "safe" limit set by the Environment Protection Agency (EPA).

Similar horror stories can be told about almost every other major American waterway. One midwestern river is so loaded with industrial wastes and oil that it is actually combustible. EPA has warned that touching or being splashed by water from the Potomac River is a health hazard.

In the case of many lakes, the damage is already almost irreversible. Much of Lake Erie, once the source of a thriving fishing industry, is now considered nearly "dead". Efforts to revive it have been thwarted by the Administration's recent reversal of policy on phosphates in detergents and its failure to budget adequate funds to restore it to health.

In every part of our country, industries and municipalities have used our waterways as cheap dumping grounds in which to unload their wastes. Some 12,000 potentially toxic chemicals are in industrial use today. Little information is available to the public on the dangers posed by these chemicals when they are improperly dispersed.

In a recent survey, one out of every three samples of drinking water taken by the Department of Health, Education, and Welfare's Bureau of Water Hygiene was found to be unsafe.

We do have a choice about all this. We can continue on our reckless way, or we can take steps—and they must be giant steps—to arrest the deterioration and to begin the job of cleaning up. It will not be cheap, because our efforts up to now have been almost completely ineffective. A recent study by the General Accounting Office concluded that the \$2 billion spent since 1956 on pollution control have merely slowed the deterioration of water quality.

Wastes discharged into a waterway—albeit with some treatment—are pollutants. Wastes recycled or discharged on land can be a beneficial resource. We must halt the use of our waterways as a waste treatment system. The theory that our waterways can assimilate wastes is archaic and it should be abandoned.

The Federal Water Pollution Control Act, when enacted in 1956 through the efforts of



our able and distinguished Chairman, John A. Blatnik of Minnesota, was a significant beginning toward pollution control in the fifties and early sixties. It repealed an earlier ineffective 1948 law. But for the seventies and eighties it is clearly too weak and ineffective.

It has resulted in little or no reduction of water pollution in the late sixties. This has been due in large measure to a lack of adequate funding for the construction of waste treatment works, to various restrictions on the scope of the law and enforcement powers, most of which were carried over from the 1948 law, and inept administration. Even the water quality standards program enacted in 1965 has proven to be of little value. More than half of the States unilaterally extended time-tables for achieving the standards.

In 1969 and 1970, Congress began a slow process of rejuvenating the program to make it an effective anti-pollution tool with enactment of more realistic appropriations for municipal waste treatment grants and of the Water Quality Improvement Act of 1970. In 1970, the executive branch, too, began a more vigorous enforcement program, not under the Federal Water Pollution Control Act, but under the Refuse Act of 1899. In December 1970, EPA was established and the program transferred to it.

For nearly a year, the 92nd Congress has been working on a significant and complete revision of the 1956 law. The Senate, after much deliberation, passed a strong bill last November (S. 2770). Our Committee held twenty-two days of public hearings between July and November of last year. At the urging of the Administration, further hearings were held in December. After three days of executive sessions (December 14-16), the Committee ordered H.R. 11896 reported with amendments.

We voted to report this bill to the House with a favorable recommendation because we believe that, taken as a whole, it represents an improvement over the present Federal Water Pollution Control Act.<sup>1</sup>

It shifts the primary focus of water pollution control from water quality standards to effluent limitations. This significant change is necessary because of the great difficulty in establishing precisely who is responsible for polluting our waterways, and in setting discharge standards which will enable the waterway involved to improve in quality.

It institutes a system of user charges under which industries will pay for their use of water treatment facilities in proportion to the volume and strength of the waste products which they discharge.

It authorizes massive outlays of capital for the construction of new waste treatment plants.

It provides funds to reimburse those progressive States and localities which have been in the forefront of pollution control efforts and have spent billions of dollars in reliance upon Federal promises of financial assistance.

It authorizes, in some circumstances, citizens' lawsuits to compel compliance with pollution standards and requirements.

It repeals the 1948 restrictions on enforcement of the law, and substitutes some better enforcement powers.

But there are also a number of provisions in the bill which are less progressive, and, if enacted, will stop, and even set back, our anti-pollution effort. They will result in protracted litigation and delays, cause many citizens to further doubt the credibility of

Government, and, most important, adversely affect workers whose employers move their operations to States with weak anti-pollution laws.

We cannot support those provisions, most of which were identified in a letter from eleven Congressmen, dated February 24, 1972, to our Committee. The eleven Congressmen who signed that letter are:

Representative Henry S. Reuss.  
Representative Thomas M. Pelly.  
Representative John E. Moss.  
Representative Gilbert Gude.  
Representative John H. Dent.  
Representative Silvio O. Conte.  
Representative John D. Dingell.  
Representative John P. Saylor.  
Representative Lucien N. Nedzi.  
Representative Dante Fascell.  
Representative Floyd V. Hicks.

The principal provisions of the bill which we object to are discussed and our recommendations thereon are set forth below:

**B. H.R. 11896 INITIALLY SETS FORTH WATER QUALITY NATIONAL GOALS AND EFFLUENT LIMITATIONS FOR 1981 AND 1985, BUT THEN DECLARES THEM NULL AND VOID UNTIL CONGRESS PASSES A NEW LAW, SOMETIME IN THE FUTURE, TO REACTIVATE THEM**

The opening pages of H.R. 11896 state with great flourish:

"(1) it is the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985, and

"(2) it is the national goal that whatever attainable, an interim goal of water quality which provides for the protection and propagation of fish, shellfish, and wildlife and provides for recreation in and on the water be achieved by 1981." [Italics supplied.]

These are high sounding phrases. True, they are only "goals" and not a legislative mandate by the Congress. But even an expression of "goals" is a step in the right direction.

Later, in section 301 of the bill, the 1981 effluent goals are transformed from goals into statutory limitations, except as provided in section 315.

But our hopes are short-lived, for when we turn to section 315 of the bill, we find that the above quoted words no longer have even the status of goals.

Simply stated, section 315 of the bill (a) calls for a study by the National Academy of Sciences (NAS) and the National Academy of Engineering (NAE) "of the technological aspects of achieving, and all aspects of the total economic, social, and environmental effects of achieving or not achieving the effluent limitations and goals" for 1981. A report on the study must be sent to Congress within two years after enactment, probably in late 1973 or in 1974.

We support such a study of the "economic, social, and environmental effects" of achieving or not achieving the 1981 goals and effluent limitations under this bill. The more information we have, the better. We need to know as much as we possibly can about all of these matters.

But section 315 does not stop there. It then provides that until and unless (a) the study is completed and reported to Congress, and (b) Congress enacts a new law after receipt of that study and report, the 1981 limitations will never apply to any discharge source.

We take issue with this provision in section 315, because it renders effluent limitations ineffective. Putting off the establishment of these goals and requirements will—

- (1) impede our efforts to achieve clear water,
- (2) make the clean-up program more costly than it would otherwise be,
- (3) inhibit the development of the accurate information that we seek about the costs of pollution control, and
- (4) reduce the credibility of the water

pollution control program in the public's eyes.

The most obvious effect for industry of not establishing the 1985 "no discharge" goals and the 1981 effluent limitations is that we are still relying on the old water quality standards approach to water pollution control. Under this approach, streams are given different use classifications which are then supposed to be reflected in the amount of pollution that is permitted.

We have seen a great deal of evidence indicating that this water quality standards system of regulation assumes more knowledge about our complex ecosystem than we actually have. The numerical criteria themselves are often largely arbitrary and serve mainly to fool the public into thinking everything is "safe." Also, the history of our water pollution control program suggests that State and Federal governments will continue to founder on the staggering complexity of this control system, which requires working mathematically back from the permitted pollution levels in a waterway to the effluent limitations at the point source needed to achieve them.

Up to now, this task has been difficult at best, impossible at worst. This complexity has the practical effect of shutting out the general public from meaningful involvement in the program. Citizens and citizen groups are too often ill-equipped to field the technical expertise it takes to effectively counter the assertions of polluters and to monitor the government's performance.

We are not necessarily critical of some retention of water quality standards program as revised in section 303 of the bill. Stream standards can provide a necessary floor to our control requirements and also a check on their effectiveness. But water quality standards should not represent the limit of our aspirations.

As we said earlier, this Nation needs to get away from the archaic notion that our public waterways can and should continue to be used as private sewers, with an "assimilative capacity" to be exploited. The water quality standards program tends to perpetuate that notion. The way to protect our lakes, rivers, streams, and estuaries is to make polluters return any water they borrow from the public in the same clean condition they found it. This is why we believe the 1985 "no-discharge" goal and the 1981 effluent limitations are such a vital part of this bill.

Criticism of these provisions has focused on the steeply rising marginal cost of conventional waste treatment at high removal percentages. These cost criticisms are unjustified since the 1981 requirements have a built-in safety valve against exorbitant costs. They specifically direct that industries are to eliminate their discharges of pollutants only when it can be done at a "reasonable cost". They also provide that the fallback requirement—best available technology—is to be implemented by "taking into account the cost of such controls".

Section 302's high water quality requirements go into effect only after balancing of costs and benefits. We shouldn't add to the effect of these loopholes, which already look dangerously large, by removing the basic requirements altogether.

In addition, the debate over costs has completely missed the point, because the aim of the "no discharge" goal is to force us to turn away from the expensive conventional treatment systems (to which critics looked in making their cost estimates) wherever possible, and to look instead for ways to recycle our wastes and waste water for beneficial purposes. Available low-cost recycling methodology, such as land disposal and industrial closed-loop systems, were ignored by the Administration and other critics of the "no discharge" goal in making their best estimates.

<sup>1</sup> We note that these views are being written on the basis of a Committee Print of the bill, dated Mar. 3, 1972. Consequently, they may not reflect with absolute accuracy the exact language of the measure as reported. We understand, however, that all language changes, if any, since that date are purely technical.

Putting off the establishment of the 1981 and 1985 goals and requirements will not save money; rather it will end up costing more in the long run. The technology which polluters install to comply with the bill's earlier 1976 requirements may not be compatible with the better methodology they will have to use later, when the more stringent requirements go into effect. Also, research on recycling techniques which could facilitate less costly achievement of the "no discharge" goal will not begin to take place with full vigor until we make those later goals and requirements definite. Industry has a right to know what will be asked of them later on.

By relaxing controls on industry in the post-1976 period, we may also be forcing higher costs on municipalities. Industries, that would normally join with municipalities to form large regional treatment systems if they are faced with having to comply with the 1981 requirements, will, without such requirements, be encouraged to meet the lower control requirements more cheaply on their own. If industries stay out of these regional systems, economies of scale will be lost and the participating municipalities will face higher costs.

Postponing the establishment of the bill's later goals and requirements may, we fear, also make it more difficult to get the kind of accurate information about control costs that we need to make final decisions about where the program should be heading. By putting off their establishment until after the NAS/NAE study, the public will have the burden of proving that polluters can afford to eliminate their pollution before we make them do it. But the polluters have all the information we need to make that judgment. Unless we give them some incentive to produce accurate information about costs, we will get only exaggerated estimates which cannot be verified.

Section 315 should be modeled on a presumption that polluters must install the most pollution-free systems. They, not the public, should bear the burden of demonstrating that the goals or requirements should be modified in some way. In other words, we should establish the goals and requirements now and let the information we get from the study modify them, if necessary.

Finally, by setting goals and requirements in one section of the bill and taking them back in another, we will appear to the public to be talking out of both sides of our mouths. As it stands, section 315 looks too much like the fine print on the classic marine insurance contract. We think we owe the public a forthright statement of what we are doing.

Is Congress so near-sighted that we cannot realize that constantly changing the ground rules for water pollution control leads only to uncertainty and chaos? Let us legislate for longer than three to five years. Certainly, a decade is not today a long period of time.

If the NAS/NEA study should show that the 1981 requirements and the 1985 goals need to be changed in some way, we are certain that Congress will take the necessary steps. Let the public know that we are not simply studying the problem. We are going ahead with our commitment to clean water.

We recommend appropriate amendments to the bill to make effective what we promise in section 102 of the bill.

C. THE BILL WOULD REPEAL PRESIDENT NIXON'S PERMIT PROGRAM AND HAND IT OVER TO STATE CONTROL AFTER ENACTMENT WITH NO GUARANTEED FEDERAL REVIEW OF PERMITS ISSUED BY STATES AND NO NATIONAL MINIMUM EFFLUENT REQUIREMENTS FOR EACH STATE PERMIT. THIS WILL SURELY RESULT IN SOME COMPANIES HAVING A COMPETITIVE ADVANTAGE OVER OTHERS AND LOSS OF JOBS

#### I.

On December 23, 1970, President Nixon issued Executive Order 11574 establishing, under the Refuse Act of 1899, a mandatory per-

mit system for all industries discharging toxic and other wastes into the Nation's waterways. Under the order, the Corps of Engineers manages the program, but EPA is given final authority over whether a permit shall issue from a water quality standpoint.

Since July 1, 1971, when the program began, more than 20,000 permit applications have been received by the Corps of Engineers. 13,543 of these are now being reviewed by the Environmental Protection Agency. The program has already had some excellent results.

It has caused industrial plant officials to learn—some for the first time—about the composition and quantity of wastes poured daily into our waterways in a partially treated or untreated form.

It has led these same officials to take immediate steps to curtail these discharges and to plan and install better treatment, including, in some cases systems that recycle the wastes.

It has given EPA an opportunity to learn more about what and where wastes are discharged into waterways.

It has identified and is limiting toxic constituents in treated water which were previously uncontrolled.

It has encouraged some industries to connect to municipal treatment systems for treatment of wastes.

Some specific examples of the positive aspects of the permit program are set forth at the conclusion of these views.

Most important, the permit program has created a climate in which local and State agencies can become more stern in their enforcement policies. Industry, to its great credit, has shown a new willingness to cooperate and to get the job done.

In a Wall Street Journal article of November 4, 1971, Kansas City's water pollution control director commented on the effect of the program as follows: "The Federal permit program helped me do my policing job." [Italics supplied.]

Mr. John Quarles, EPA's Assistant Administrator and General Counsel, summarized this on November 5, 1971, when he said: (Hearings, House Conservation and Natural Resources Subcommittee, p. 1147):

"There have already been many positive results flowing from the permit program. Industries not previously aware of the exact nature or extent of their discharge have been required to examine and report on the permit application much information not previously known or reported. Many companies have discovered hazardous and toxic materials in their discharges whose presence was previously unsuspected.

"By studying the water quality characteristics of their present installations, some companies have been able to apply their experience in planning new facilities. Also, in reviewing plant processes, companies have turned up pipes and outfalls whose existence was previously unsuspected. Laboratory analyses of discharges have shown in some cases that treatment systems were not operating as effectively as was believed.

"Certain companies, as a result of the permit program, have been induced to take corrective measures to reduce or eliminate discharges on their own initiative prior to any specific permit requirements being imposed—e.g., connecting to municipal treatment systems; installing aeration lagoons; planning for pretreatment, recycling, and/or heavy metals recovery."

But H.R. 11896 would abandon all these successes for a much weaker program.

#### II

H.R. 11896 would eliminate President Nixon's permit program. In its place, a new EPA permit program would be established which would subsume the Refuse Act permit program, but this new program would be a mere shadow of the current one.

To be sure, EPA will be authorized—on paper to issue permits to discharge wastes,

but it will have this power only with regard to States which do not want to issue permits.

The bill provides that the program will not rest at EPA. The municipal chairs will continue. It will be dispersed to all 50 States, and be subject to little or no Federal control. In short, the bill dismantles the Federal Refuse Act permit program established by President Nixon and scatters the pieces to the States.

The result will be chaos and delay.

We heard loud laments from those who opposed the Refuse Act permit program. They said there would be from 100,000 to 300,000 applications which would bury EPA in paperwork. But these astronomical figures have not materialized.

In point of fact, there have been about 20,000 applications, a figure which EPA assures us represents 95 percent of the discharges into navigable waterways. EPA has been processing these applications with considerable vigor and is well on the way to completing the task of establishing the Refuse Act permit program.

The bill will delay the issuance of permits to industry, which will in turn delay installing effective treatment systems. The result: continued pollution of our waterways. Indeed, under this bill, it will be at least 1973 before the States can begin to handle this permit program. Can we afford to wait that long?

If continued, the Refuse Act permit program can insure a national approach to water quality. It will, as EPA states, avoid "giving some companies an advantage over others, depending on the State in which they are located." It will protect workers whose jobs are threatened by employers who move their production to avoid the strict anti-pollution standards and requirements of certain States.

A typical example of this sort of ecological blackmail is that of the Weyerhaeuser Corporation, which cited strict Washington State pollution standards as the reason for the recent closing of one of its ancient plants in the Puget Sound area. As a result, 300 workers, some of whom had been with the company for many years were laid off, and the plant's production was moved to a newer facility in North Carolina.

This bill will encourage more such job losses, we fear.

#### III

Under the bill, EPA is merely a conduit. The States, not EPA will run the program.

Section 402(a)(5) of H.R. 11896 lets EPA, for 180 days after the bill becomes law, "authorize a State, which . . . has the capability of administering a permit program" to issue permits. To be sure, EPA must publish "guidelines establishing the minimum procedural and other elements" involved in the transfer of the permit program, but the bill offers only vague and indefinite examples of what is to be included in those guidelines, such as monitoring and reporting requirements and "enforcement provisions".

After this 180 day period, a State wishing to continue to issue permits must provide a better description of its permit program, but once that program has been approved, EPA's control over it and the permits issued under it will be almost non-existent.

EPA will have virtually no control over permits—

On the one hand (section 402(d)(1)) the bill tells the States to "transmit" to EPA a copy of each permit application and to keep EPA apprised of each stage of the application proceedings. But on the other hand (section 402(e)), authorizes EPA "to waive" this requirement, as to "any category of point sources", when the State permit program has been approved.

Even if such a waiver is not given, EPA cannot "object" to the issuance of the permit



unless the waters of a second State will be affected by such issuance and such second State "objects in writing" to its issuance (section 402(d)(2)). But even this shadow of Federal authority can be waived by EPA at the time, the State receives approval of its permit program.

*EPA's inadequate control over the State program*

Once a State permit program is approved by EPA, it can "withdraw approval" of the program only after notice, a public hearing, and a waiting period of at least 90 days. Even then, the bill does not require EPA to initiate withdrawal proceedings against a State that fails to comply with its approval conditions. Indeed, it is quite possible that any Administration would find it politically distasteful to compel a State to comply with the law.

Later, we will discuss the citizen suit provisions of this bill. We point out, however, that those provisions give citizens the right to sue EPA's Administrator to require EPA to perform any "duty" other than a "discretionary duty." However, the withdrawal authority of section 402(c)(3) of the bill is "discretionary." Until a public hearing is held, EPA is not required to "determine" that withdrawal is or is not appropriate. EPA's Administrator has total discretion as to whether or not a hearing shall be called.

Thus, under the bill, once EPA approves a State permit program (the EPA Administrator must act on it 90 days after receiving it from the State), all Federal ties to the permit program are severed. The State is not EPA's delegate. Even the policies and requirements of the National Environmental Policy Act of 1969 will not apply to the State permit program and environmental impact statements will therefore not be required.

EPA's powers to act against a discharger who violates the law will also be cut off. The bill, in section 402(1), specifically states that "compliance with a permit issued \* \* \* shall be deemed compliance" with all other provisions of the bill, except those relating to toxic pollutants. Thus, once the State issues a permit to a polluter, EPA cannot abate his pollution unless it is toxic pollution. This is true even when EPA fully knows that the permit is hardly worth the paper it is written on.

IV

We cannot support this almost total abdication of Federal responsibility for preventing the solution of the Nation's navigable waterways, many of which cross State boundaries.

A permit program run by 50 different governments without any meaningful Federal control will become an environmental nightmare. It will encourage industries that dislike the tough permit administration of one State to relocate to a less progressive one. The result will be economic hardship for workers in States which effectively enforce their anti-pollution laws.

We recommend that section 402 be eliminated from the bill, and that the present Federal permit program, established by Executive Order 11574, be retained.

If this is not done, and the States are allowed to issue permits, then, at the very least, the bill should give EPA authority.

(a) to review all permit applications; and

(b) to prevent the issuance of any permit to which it objects

Further, the bill should require that EPA withdraw approval of any State permit program which is not being administered in accordance with the law and conditions of approval.

Congress should not be weaker than the President in this regard, but if we pass H.R. 11896 with section 402 as presently drafted, it will be.

D. THE BILL GIVES THE POLLUTER WHO FILES AN APPLICATION FOR A PERMIT IMMUNITY UNTIL 1976 FROM ANY ENFORCEMENT ACTION BY EPA OR A U.S. ATTORNEY UNDER THE BILL OR THE 1899 REFUSE ACT, THIS EFFECTIVELY REPEALS THE REFUSE ACT AS AN ANTI-POLLUTION TOOL AGAINST CONTINUING WASTE DISCHARGES

Section 402(1) of the bill provides that if a polluter files an application for a permit to discharge wastes into a waterway, that discharge "shall not be a violation" of the bill or the Refuse Act of 1899 until January 1, 1976, unless EPA or a State has acted finally on the application.

This may give many polluters complete immunity from prosecution, either civilly or criminally, for the next 4 years under the new bill and under the Refuse Act. The polluter can discharge such wastes as metals, salts, acids, cyanides, brines, grease, food product wastes, animal wastes, and textile and pulp and paper mill wastes in violation of the law with impunity.

This is folly.

President Nixon's regulations for enforcement of the Refuse Act permit program (33 CFR sec. 209.131(d)(4)) clearly state:

"All discharges or deposits to which the Refuse Act is applicable \* \* \* are unlawful unless authorized by an appropriate permit \* \* \*. Any such discharges or deposits not authorized by an appropriate permit may result in the institution of legal proceedings in appropriate cases for violation of the provisions of the Refuse Act. \* \* \* the mere filing of an application requesting permission to discharge or deposit [wastes] into navigable waters or tributaries thereof will not preclude legal action in appropriate cases for violation of the provisions of the Refuse Act." [Italics supplied.]

Even with President Nixon's quite proper regulation, EPA or the Corps has not initiated a wholesale program of prosecuting those who filed for permits. There is no reason to expect that EPA will do so in the future. But the mere threat of such civil or criminal action is quite helpful to EPA and the Corps in insuring prompt compliance with the law.

The bill does not expressly repeal the Refuse Act of 1899, but this immunity provision has much the same effect—repeal of the 1899 law as an anti-pollution tool. The Government will be able to prosecute only the accidental, occasional polluter, but the egregious polluter will go scot-free for four years if he applies for a permit and it is not acted upon quickly.

On September 24, 1971, our colleague, Congressman Henry S. Reuss of Wisconsin, testified before our committee and urged that the Refuse Act not be repealed or modified by H.R. 11896. He said (Hearings, pp. 2236-2237):

"I would not be here today but for the fact that in recent days witnesses for both the National Association of Manufacturers and the Administration testified before this committee and recommended amendments to the 1899 Refuse Act.

"The NAM witness, Dr. William Haun, recommended on September 13 that the Refuse Act be amended 'so as to limit it to consideration of anchorage and navigation' only.

"If the NAM amendment were to be adopted, the Refuse Act would be 'gutted' as an effective anti-pollution tool. Not even an empty shell would be left.

"The NAM amendment would take away an effective tool for citizen participation. The Refuse Act has become widely known, mainly because of its provision that an informer who gives information which leads to a conviction is entitled to one-half the fine. I myself have used this law to inform U.S. Attorneys in Wisconsin of scores of cases of polluting discharges by industry into our waterways. I have collected half the fine in several of the cases prosecuted thus far, and

I have donated my share of the fines to help municipalities cure their municipal water pollution.

"Other citizens have also helped U.S. Attorneys throughout the Nation in providing information on polluting discharges. Under the permit program, they will be able to review permit applications and make their views known on them to the Corps and EPA at public hearings. When a discharger fails to file an application, the citizen can inform the U.S. Attorney who, according to a very recent report, is on the Corps' 'backs every day' anxious to file actions against such dischargers. If a permit is issued, the citizen can monitor compliance and inform the Government of any violation.

"Thus, the Refuse Act is a law that has stirred citizen interest and participation. It has also stirred the ire of many polluters. They are feeling the pinch of this simple one-paragraph law. One State witness who complained about its use recently said that 'invoking of the 1899 Refuse Act . . . overnight, placed the Federal Government with boots and helmets in the front office of nearly every waste-discharging industry in the nation'.

"I for one cannot think of a better place for the Federal Government to be if we are to halt the degradation of our waters. It is time—indeed, long overdue—that the industrial polluters of this nation felt the hot breath of the Government's army of enforcers, meek as they are.

"The NAM recommendation would also result in abandoning the 'No Polluting Discharge' standard of the 1899 law. The old 'assimilative' capacity theory under which our waters are simply private sewers of the polluters would then continue to reign supreme.

"Only three days after the NAM urged this gutting amendment, the Administration, following the NAM line, also testified before this Committee. The Administration witness began by extolling the virtues of the 1899 law and ended up by urging that it be emasculated.

"Let's listen, not just to industry-oriented spokesmen, but to the public. I detect no great clamor from the public that the Refuse Act be amended or repealed, or that the Refuse Act permit program be transferred to the States. On the contrary, there is widespread public support for this law as it is because it is effective.

"The League of Women Voters testified before this Committee on September 16 that the 'Refuse Act permit system . . . be used to its fullest to help curb the sources of pollution'.

"The Izaak Walton League of America also testified before this Committee on that same day, urging 'retention of the Refuse Act permit system now in effect'.

"The Friends of the Earth also testified last August that it would 'consider any language in new legislation unacceptable which relinquishes Federal authority for water pollution control under the 1899 Refuse Act to the States', and urged that Congress 'not mitigate in whole or in part' the 1899 permit program.

"Unlike the Federal Water Pollution Control Act, which has never been tested in court, the Refuse Act has been widely reviewed and interpreted by many courts. These judicial interpretations, including those of the Supreme Court, have enhanced its effectiveness as an anti-pollution tool. The courts have upheld injunctions to compel a polluter to stop polluting and to remove the wastes discharged, and judgments compelling the polluter to reimburse the United States for its expenses in removing refuse deposited by the polluter.

"No one urges that the judicial interpretations are wrong. Yes, I have heard it said, by some lawyers representing industrial pol-

luters, that the Refuse Act 'was not intended by Congress to function as a pollution control device', but only to protect navigation because in 1899 'every municipality and industry dumped its raw wastes into the nearest stream'. I marvel at the hindsight of these lawyers and their knowledge of the intent of Congress in 1899.

"Every first year law student knows that legislative history has a bearing on the intent and meaning of a law only when the law itself is ambiguous. But the Refuse Act of 1899 is far from being ambiguous. Certainly, the courts have had no difficulty in this regard. They have uniformly held that the 1899 law applies to the polluting discharges of today.

"Since this is so, I cannot perceive any reason to repeal or amend the law, except to achieve the negative objective of the NAM to cripple the law.

"Instead, Congress should applaud the Administration for adopting, after much prodding, the unanimous recommendations of the House Committee on Government Operations for vigorous enforcement of the 1899 law.

"Without the Refuse Act, the Administration would still be bogged down in lengthy procedures under the FWPC Act trying to stop the 10 mercury polluters from discharging that toxic material into our waterways. Similarly, the Justice Department would not have had an effective enforcement tool to halt the discharge of cyanide by the Armco Company into the Houston Ship Channel, or to control thermal heat discharges planned by a Florida power company into Biscayne Bay. In the latter case, the Government asserted that such discharges would have turned this national monument established by Congress into a 'biological desert.'" [Italics supplied.]

Even more recently, the eleven Congressmen, including Mr. Reuss, who on February 24, 1972, wrote to our committee about this bill said:

"On January 29, 1972, an Assistant United States Attorney in New York told the New York State Bar Association that the 1899 law 'has emerged as the primary pollution abatement statute for the simple reason that it, alone, has proven enforceable [and] that the Refuse Act has developed into a superior enforcement tool for the betterment of our environment.' In grading the Refuse Act, he said (Cong. Record, Feb. 24, 1972, p. 5597): 'It has and is creating a climate in which industry—the potential defendants—now feels a growing certainty that it can no longer pollute with impunity, and:

"It has and is creating a climate in which local and state agencies can become more stern in their enforcement policies.

"Much remains to be done. But in my opinion, there could not be a more explicit mandate than is now found in the Refuse Act; nor could that be a more workable scheme of enforcement than has evolved under the present statute."

We concur with his remarks.

*The 1899 law has given concerned citizens and citizen groups an opportunity to participate with their Government in halting the pollution of our waters. If Congress effectively repeals the Refuse Act as an anti-pollution tool, the credibility of the Government's anti-pollution effort will be severely strained.* [Italics supplied.]

We share our colleagues views.

We recommend (a) that section 402(1) of H.R. 11896 be deleted, and (b) that the Refuse Act not be repealed or modified as an anti-pollution tool.

The Senate-passed bill, S. 2770, does not contain a provision under to section 402(1), nor does it repeal or modify the Refuse Act in this way.

#### E. THE BILL SEEKS TO WEAKEN THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969

Both H.R. 11896 and the Senate-passed bill, S. 2770, amend the National Environmental Policy Act of 1969. The language of both (Sec. 511(d)) differs in some measure.

The Senate version—its far-reaching and the subject of a great debate over its meaning (See National Journal, Feb. 26, 1972, p. 342 *et seq.*)—weakens NEPA only in the cases involving "the construction of any activity which may result in any discharge into" navigable waterways. But H.R. 11896 contains no such limitation. Thus, it applies to dams licensed by the Federal Power Commission, and permits issued to strip coal on Indian and public lands, as well as discharges.

There is no justification for this further weakening of NEPA.

Section 511(d) of H.R. 11896, even without this further expansion, provides that the "requirements" of NEPA "as to water quality considerations shall be deemed to be satisfied" by a certification issued by a State with respect to Federal licenses or permits for the construction of "any activity" (whatever that means). This would include licenses or permits issued by the Corps of Engineers, Environmental Protection Agency, Atomic Energy Commission, Federal Power Commission, and other agencies.

The eleven Congressmen, in their recent letter to our committee, commented on this provision, as follows:

"We are concerned about the meaning and scope of this provision. First, the word 'requirements' includes the directives in section 102(1) of NEPA that all 'policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies' of NEPA. Second, it includes the directives in section 102(2) of NEPA that all agencies 'utilize a systematic, interdisciplinary approach' in planning and decision making 'which may have an impact on man's environment.' Third, this word includes the directives in section 102(2)(C) that a detailed environmental impact statement be prepared in the case of actions that 'significantly' affect the quality of the environment. Such an amendment would result in a serious weakening of NEPA and be disastrous for our environment." (Italics supplied.)

We are in full agreement with their views and recommend that section 511(d) of the bill be deleted.

Secretary of the Interior Morton, at joint hearings before the Senate Interior and Public Works Committee on March 9, 1972, testified that he didn't think the law [NEPA] needs changing. We have got to learn to administer under it. I think we haven't given it a fair chance." (Italics supplied.)

We concur with the Secretary. His comments are sound.

After all, the law is just two years old. Many agencies only recently have established procedures for complying with it.

In the vast majority of agency actions, the agencies have prepared their draft and final environmental impact statements in accord with the law and if the project was environmentally sound then proceed with the projects. In only a relatively few instances, where the agency egregiously violated or failed to comply with the law, have courts found it necessary to require the agencies to defer project action until they complied with the Act.

If there may be a need to clarify some of NEPA's provisions, we urge that this not be done hastily. Certainly, it should not be done in this heavy meat-ax manner.

The House Merchant Marine Committee, which has jurisdiction over NEPA will be holding hearings on it in the near future.

Let that Committee consider that need and recommended the proper changes, after full public hearings.

#### F. H.R. 11896, UNLIKE S. 2770, LETS THE CORPS AND THE BUREAU OF RECLAMATION, NOT EPA, MAKE WATER QUALITY DECISIONS

Section 102(b) of the bill quite properly discourages the "inclusion of storage" water at a Corps or Reclamation Bureau reservoir project to regulate "streamflow for the purpose of water quality control."

The bill, also like present law, lets the Corps and the Bureau determine, with the advice of EPA, whether there is the "need for and the value of storage" for regulating streamflow for the purpose of water quality control.

But we believe that this determination should be made by EPA, rather than the other agencies. Only EPA is steeped in water quality knowledge.

The Senate bill recognizes this and gives EPA this responsibility.

It is interesting to note also that section 102(b)(5) of the bill specifically precludes the Federal Power Commission from including storage for that purpose in projects licensed by the FPC, unless such storage is recommended by EPA. Moreover, the stated purpose of the NEPA amendment referred to above is to let EPA and not other Federal agencies, make all water quality decisions.

We generally concur in that philosophy. Certainly, all Federal agencies should be aware of, and should consider, water quality matters, but undoubtedly EPA is best equipped to make final water quality determinations based on a complete record.

We recommend that section 102(b)(2) of H.R. 11896 be amended to require that EPA determine whether a Corps or Reclamation project should include storage of water for regulation of streamflow for the purpose of water quality control.

#### G. THE BILL UNNECESSARILY LIMITS THE CITIZEN'S ABILITY TO PARTICIPATE IN CIVIL SUITS TO HALT POLLUTION AND TO REQUIRE EPA TO ENFORCE THE LAW

Section 505 of the bill provides that citizens may institute suits against polluters for the purpose of halting that pollution, and against the Administrator of EPA where he fails to perform "any act or duty . . . which is not discretionary." But section 505 (g) of the bill largely curtails this power through the device of defining the term "citizen" so as to affect adversely a citizen's standing to sue.

First, a citizen must be "of the geographic area" and must have "a direct interest which is or may be affected" to initiate the suit.

The bill does not, however, define for the citizen or for the courts, what "geographic area" is involved, or what is the "direct interest . . . affected."

Congress should not enact such vague and ambiguous language. Even if the committee's report, or debate on the floor, might be resorted to in order to explain these vague terms, Congress should not enact such ambiguous statutory language. Very few citizens have easy access to legislative history. They should be able to know their rights on the basis of the statutory language. Furthermore, even with the best legislative history, the enactment of vague statutory language is simply an invitation to the courts to disregard the intention of Congress and devise their own interpretations.

Under this definition, a citizen living in Ohio or Alabama, but owning recreational property along the shores of a waterway in another State, which such person uses from time to time, probably would not have standing to sue even though that citizen's property is "affected". Even if that citizen is "of the geographic area", the right to sue is further curtailed by the additional require-



ment that the citizen must have a "direct interest which is or may be affected". Such language may be construed as authorizing suits only by persons owning property which is directly affected by the pollution, and as not including those members of the public who use or may use and enjoy a waterway.

Second, another major defect in section 505(g) is that it also defines a "citizen" as including "any group of persons". That normally would be fine. But the definition does not stop there. It goes on to limit the "group of citizens" which may sue to prevent pollution by specifying that the group must have been "actively engaged in the administrative process and has thereby shown a special interest in the geographic area in controversy". Thus, to prove its standing to go into court a group must not only show a "special interest" in the particular "geographic area", but must also prove that special interest by one particular method—namely—by having "actively engaged in the administrative process".

There are at least three grave deficiencies in this requirement:

(a) Suppose a hunting club, or any company for that matter, owns property which is being "directly affected" by the pollution or by EPA's violation of law or regulation. That club, or company, not being a "citizen," would not be included in the first definition, even though the property is directly affected. The only way it could preserve its right to go into court would be to "actively engage in the administrative process".

Such discrimination between the individual property owner and a group which owns property is unjustifiable and probably unconstitutional.

(b) But there is even a greater defect in the requirement of having "actively engaged in the administrative process." The February 24 letter of the eleven members of Congress, pithily pointed out:

"All too often the administrative process is either clothed in secrecy, or affords so little time that citizen groups cannot adequately prepare to challenge a permit, or a polluting discharge, in the hurried administrative procedure. Then, having been edged out of the administrative proceeding, they will, under this bill, find themselves foreclosed from 'standing' for seeking judicial relief."

We are confident that the courts would be alert to invoke the doctrine of laches in the rare case where a group, despite ample notice and opportunity to prepare and participate in adequate administrative proceedings, nevertheless deliberately stayed out of those proceedings and intentionally endeavored to use the judicial process for purposes of delay. The bill need and should not limit the right of all citizens and groups to obtain judicial relief, merely in order to deal with this remote problem, if it, indeed, exists.

(c) The words "actively engaged", "special interest", and "geographic area in controversy" boggle the mind. What do they really mean? What criteria will be applied by the courts to determine (i) how much the group must do in the administrative proceeding to demonstrate that it was "actively engaged" therein; or (ii) whether the group's interest is "special" or not sufficiently "special"; or (iii) what is the extent of the "geographic area in controversy"?

These are all undefined and vague terms which will breed unnecessary and collateral controversy. They will unjustifiably hinder the right of citizen groups to obtain judicial relief from unlawful acts by polluters and by EPA.

Third, section 505(g) is a drastic departure from the pattern and policy which the Congress has already adopted to enable citizens to go to court to protect the environment.

The Clean Air Act amendments of 1970 (Public Law 91-604) provide for citizen suits. Its provisions on citizen suits were virtually

copied into the Water Pollution Control bill passed by the Senate (S. 2770) last November. And just this February, the House passed the Noise Control bill (H.R. 11021) which contained virtually identical citizen suit provisions. None of them had the restrictions that would be imposed by section 505(g) of H.R. 11896 which we are now considering. There is no reason or justification for a different rule in this bill.

The fundamental principle which is here relevant was concisely stated in the February 24 letter of the eleven Congressmen, as follows:

"The question of 'standing' is peculiarly a judicial principle. It ought to be left to the courts to determine who has 'standing' sufficient to complain about a substantive violation of law."

We recommend that section 505(g) of H.R. 11896 be deleted and that the entire section follow the pattern already adopted in the Clean Air Act and the noise control bill.

#### H. THE BILL WOULD EMASCULATE THE FISH AND WILDLIFE COORDINATION ACT

Section 511(b) of the bill with one stroke of the pen broadens the scope of the Fish and Wildlife Coordination Act and with another drastically restricts that law.

The bill specifically establishes that the policies and requirements of the Fish and Wildlife Coordination Act "shall apply only to the provisions" of the bill relating to (a) national standards of performance (sec. 306), (b) the publication of information (sec. 304), and (c) the establishment of guidelines (sec. 403). [Italic supplied.] It will not apply to:

(a) permits issued by EPA under section 402 of the bill; or

(b) permits issued by the Corps for dredged or fill material.

With this amendment, the Interior Department's Bureau of Sport Fisheries and Wildlife and the State fish and game agencies will no longer have statutory authority to review and comment on permit applications to discharge wastes or dredge and fill materials into the navigable waterways. There is no justification for eliminating such review and comment by these agencies.

We recommend the deletion of the word "only" in section 511(b). With this change, the Coordination Act will apply, as it does today, to those permits.

#### I. THE BILL STRANGLES PROGRESSIVE STATES IN REGARD TO SEWAGE DISCHARGE FROM VESSELS

The dumping of human wastes from boats—particularly small and medium-sized pleasure craft—has become an increasingly acute problem in recent years. Individual States have differed as to whether to require merely a certain degree of treatment before such wastes are dumped into the water or to prohibit such dumping altogether and require the installation of onboard holding tanks which are pumped into shore-side facilities. A sizeable number of States, including the State of New York, have taken the latter course.

Section 13 of the Federal Water Pollution Control Act (33 U.S.C. 1163) directs the Secretary of the Interior to promulgate Federal standards of performance for marine sanitation devices. These standards—

"\* \* \* shall be designed to prevent the discharge of untreated or inadequately treated sewage into or upon the navigable waters of the United States \* \* \*

But they may permit dumping of such wastes into the water so long as there is some treatment.

The initial standards and regulations under the section are to become effective for new vessels two years after promulgation and for existing vessels five years after promulgation; in addition, the Secretary of the department in which the Coast Guard is operating (presently the Department of Transportation) may waive the applicability

of the standards and regulations for individual vessels or classes of vessels.

Subsection (f) of section 13 preempts the existing role of the States in this area once the initial standards and regulations take effect, though it does allow them to seek from EPA prohibitions on discharges for specific waters within their borders.

EPA published proposed regulations pursuant to section 13 in the Federal Register on May 12, 1971, but they have not been officially promulgated. The proposal would not prohibit all discharges, but only those—

\* \* \* containing visible floating or settleable solids; and \* \* \* which \* \* \* without dilution other than that normally used for flushing purposes, [do] not contain:

(1) Total coliform bacteria in excess of 240 per ml;

(2) Biochemical Oxygen Demand in excess of 100 mg./l; and

(3) Suspended solids in excess of 150 mg./l.

As was mentioned previously, the existing law provides that the initial standards and regulations relating to marine sanitation devices are to take effect two years after promulgation for new vessels and five years after promulgation for existing vessels. Until those effective dates, boats are subject to regulation by the States.

The pending bill, in addition to renumbering section 13 as section 312, would amend subsection (f) to provide that once the initial standards and regulations are promulgated, they will be immediately applicable to any vessel which complies with them. There can be no doubt that this amendment further limits and strangles what little authority the States have in this field.

The preemption feature of section 13 was, in our opinion, a mistake from the beginning. It is most disappointing that a bill which declares it to be—

"\* \* \* the policy of the Congress to recognize, preserve, and protect the primary responsibilities and rights of the States to prevent and abate pollution \* \* \*" (sec. 101(b)).

further weakens the power of the States relative to marine sanitation devices instead of strengthening it.

The legislation should amend this section of the law to permit any State to prohibit completely the discharge of sewage from vessels where it determines that the protection and enhancement of the quality of some or all of its waters requires such a prohibition. The Federal standards would then represent the minimum, rather than the maximum degree of purity of marine sanitation discharges, and the "States' rights" policy so eloquently expressed in section 101(b) of the bill would also be effectuated as a matter of substance.

#### J. THE DEFINITION OF POLLUTION GIVES THE OIL INDUSTRY AN UNACCEPTABLE AND IMPROPER EXCEPTION FROM POLLUTION CONTROL

The definition of a "pollutant" in section 502(6) specifically exempts "water, gas, or other material which is injected into a well to facilitate production of oil or gas, or water derived in association with oil or gas production and disposed of in a well. . . ." Under this exemption, pollution of ground water by the oil industry will not be deemed pollution, while pollution resulting from poor well disposal practices by any other industry is pollution.

This exemption has the effect of preventing the EPA from even studying or publishing information on, or making plans to control, pollution of ground water from the oil industry's injection wells.

There is no reason why the oil industry should qualify for a special exemption. Since injection well disposals are not covered by the permit system under section 402, the net effect of eliminating this exemption would be to permit the Administrator to conduct planning for the safe handling of well dis-

posal and to gather and publish information on the subject.

We should not shut our eyes to possible contamination of our groundwater resources.

**K. THE 2-YEAR EXTENSION IN SECTION 301 OF THE BILL ENCOURAGES DELAY IN INSTALLING THE BEST PRACTICABLE TECHNOLOGY**

Section 301(b) (3) of the bill provides that EPA may grant an extension of up to two years for polluters who have not installed the best practicable technology (in the case of private sources), or technology providing for secondary treatment (in the case of publicly owned sources) by January 1, 1976.

All that a source need demonstrate to get this two-year free ride is that it "is not possible either physically or legally to complete the necessary construction within the statutory time limit." There is absolutely no requirement that the failure to comply be the fault of a third party, act of God, or like cause.

This provision encourages polluters to delay compliance and in fact places a premium on their doing so. A corporation which can delay for two years the expenditures of capital funds has the use of that money for that length of time and can invest it elsewhere for profit-making purposes.

At the very least, the granting of any extension of time should be contingent upon a strong showing that the applicant made aggressive, good faith efforts to comply and was prevented from doing so through no fault of its own.

**L. THE BILL DOES NOT PROVIDE ANY CRIMINAL SANCTIONS AGAINST POLLUTERS WHO WILLFULLY OR NEGLIGENTLY VIOLATE AN EPA ORDER TO ABATE THEIR POLLUTION**

Section 301 of the bill provides that "the discharge of any pollutant" is "unlawful", except in compliance with a permit or certain other sections of the bill.

Section 309 of the bill contains the enforcement sections of the bill. However, it is garbled and defective in several respects.

Section 309 provides three types of enforcement action against a violator:

"(1) EPA can issue an administrative order requiring the violator to comply with the law (pars. (a) (1) and (a) (3)). If the violator does not comply, he is subject to a civil penalty up to \$10,000 per day (par. (d)).

"(2) EPA can bring a civil action for injunction (par. (b)).

"(3) Any person who willfully or negligently violates certain sections of the act, or the permit conditions implementing those sections, may be punished criminally by fine (\$2500-\$25,000 per day) or imprisonment (not more than 1 year) or both (par. (c))."

But these apparently good enforcement tools are impaired by what may be drafting defects:

First, both paragraphs (a) (1) and (a) (3) of section 309 say that the Administrator "shall issue an order or shall bring a civil action." Although a violation of an order may lead to the civil penalty of up to \$10,000 per day, it is unclear whether the EPA, having elected to issue an order, may then seek civil injunctive relief under paragraph (b).

Second, although section 309(c) provides criminal penalties for willful or negligent violation of the law or permit conditions, it does not impose criminal penalties for violation of the EPA order, no matter how "willfully or negligently" the violation occurs.

Certainly, in these respects, the House bill is weaker than the Senate-passed bill (S. 2770) which does not have these defects.

An order—administrative or judicial—should not be treated lightly. Failure of compliance should be a grave offense. Even more serious, however, is the case where the offender "willfully or negligently" fails to comply with an order. Certainly, such unlawful actions deserve criminal as well as civil sanctions. The Senate bill provides them and the House bill should also.

M. THERE FOLLOWS THE FULL TEXT OF THE LETTER FROM 11 OF OUR COLLEAGUES TO THE PUBLIC WORKS COMMITTEE

HOUSE OF REPRESENTATIVES,  
Washington, D.C., February 24, 1972.  
Hon. JOHN A. BLATNIK,  
Chairman, Committee on Public Works,  
House of Representatives, Washington,  
D.C.

DEAR MR. CHAIRMAN: We understand that your committee will soon report out H.R. 11896, with amendments, consistent with the policies and goals that your committee announced last December 15. Several features of the legislation, as we understand it, give us some concern. We take this opportunity to indicate which ones they are and to make some suggestions about them.

1. *The Fish and Wildlife Coordination Act.*—Section 511(b) of H.R. 11896 makes the Coordination Act specifically applicable to the sections of the bill on national standards of performance, the publication of information and guidelines regarding water quality, and the establishment of ocean discharge criteria. We support this broadened application of that Act. But, in broadening the Act, the bill also weakens the Coordination Act by making it inapplicable to the new permit program established under section 402 of the bill.

The Senate bill includes this same limitation.

When President Nixon issued Executive Order 11574 establishing the Refuse Act permit program, the then proposed Corps of Engineers regulations also limited the Coordination Act in regard to its applicability to Refuse Act permit applications. After joint hearings by the House Conservation and Natural Resources Subcommittee and the Senate Subcommittee on the Environment in February 1971, at which many of us spoke out against such a limitation, the Corps agreed it was inappropriate and dropped it in promulgating its final regulations last April.

We urge that section 511(b) of H.R. 11896 be amended so that the Coordination Act is applicable to the new permit program. This will insure that State fish and game agencies, N.O.A.A., and the Fish and Wildlife Service will have the same opportunity to review and comment on these permit applications as they now have in the case of all permit applications filed under the River and Harbor Act of 1899.

We think that such review and comment by these agencies is essential for the protection of the Nation's fish and wildlife resources.

2. *The Refuse Act of 1899.*—Neither H.R. 11896 nor the Senate bill (S. 2770) repealed the Refuse Act of 1899 or amended it so as to make it ineffective as an anti-pollution tool. Your committee's announcement on the bill stated that "no new permits" would be issued "under the Refuse Act." Presumably that did not mean that the law itself would be affected. However, a number of suggestions recently have been made to repeal, in effect, the 1899 law as an anti-pollution tool.

We think such a step would be disastrous and urge that you not do so.

On January 29, 1972, an Assistant United States Attorney in New York told the New York State Bar Association that the 1899 law "has emerged as the primary pollution abatement statute . . . for the simple reason that it, alone, has proven enforceable . . . (and) that the Refuse Act has developed into a superior enforcement tool for the betterment of our environment." In grading the Refuse Act, he said:

"It has and is creating a climate in which industry—the potential defendants—now feels a growing certainty that it can no longer pollute with impunity; and;

"It has and is creating a climate in which local and state agencies can become more stern in their enforcement policies.

"Much remains to be done. But in my opinion, there could not be a more explicit mandate than is now found in the Refuse Act; nor could there be a more workable scheme of enforcement than has evolved under the present statute."

We concur with his remarks.

The 1899 law has given concerned citizens and citizen groups an opportunity to participate with their Government in halting the pollution of our waters. If Congress effectively repeals the Refuse Act as an anti-pollution tool, the credibility of the Government's anti-pollution effort will be severely strained.

We urge that you retain the 1899 law as a "pollution abatement statute."

3. *The National Environmental Policy Act of 1969.*—Section 511(d) of H.R. 11896 provides that the "requirements" of NEPA "as to water quality considerations shall be deemed to be satisfied" by a certification issued by a State with respect to Federal licenses or permits involving a discharge into navigable waterways. This would include licenses or permits issued by the Corps, Environmental Protection Agency, Atomic Energy Commission, Federal Power Commission, and other agencies.

We are concerned about the meaning and scope of this provision. First, the word "requirements" includes the directives in section 102(1) of NEPA that all "policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies" of NEPA. Second, it includes the directives in section 102(2) of NEPA that all agencies "utilize a systematic, interdisciplinary approach" in planning and decision making "which may have an impact on man's environment." Third, this word includes the directives in section 102(2)(C) that a detailed environmental impact statement be prepared in the case of actions that "significantly" affect the quality of the environment. Such an amendment would result in a serious weakening of NEPA and be disastrous for our environment.

Since enactment NEPA has caused needed revisions of Federal agency procedures which are enabling the public to have a more substantial input into agency decisions. It has broadened the opportunities of Federal, State and local agencies to express their views on the environmental effects of Government actions. Federal agencies have given greater attention to the environmental effects of their proposed actions.

The requirement that Federal agencies prepare environmental impact statements has given Federal agencies an opportunity to face the problems of pollution early. They look at them while they are still of manageable proportions and while alternative solutions are still available, rather than wait until it may be too late.

We feel certain that your committee does not want to make changes in NEPA that would weaken its effectiveness. At the same time, we recognize your committee's desire to insure that water quality determinations, in the case of discharges, are made only by EPA and not by a multitude of agencies. We could support a provision in the bill that makes that clear, so long as other environmental considerations, not solely in EPA's province or expertise, such as the location of the discharge facility or plant and fish and wildlife considerations, are not circumscribed by such a provision. We think they would be if the current language of H.R. 11896 was adopted.

Some suggestions have recently been made that the environmental impact statements requirement of NEPA be waived in the case of permits issued under section 402 of the bill or the Refuse Act. The fear expressed is that, if such statements are required, the permit program will be bogged down.

The Government, in the *Kalut* case, is



contending that such statements are not required for Refuse Act permits. In that case, the Federal district court held that they are required. The Government has appealed. We think that Congress should await the outcome of that decision and not act hastily by amending NEPA. In the meantime, the House Merchant Marine and Fisheries Committee will hold hearings in a few weeks on NEPA, at which time we are sure that better evidence about the seriousness of the problem will develop.

**4. Employee Protection.**—We are deeply concerned about the problem of industrial plant closings, with the resultant loss of jobs and economic disruption to communities. All too often, the reasons ascribed by industry for such closings are governmental requirements established to protect and enhance our environment. We have seen examples of plant closings in one State and the production of that plant shifted to another State. In some cases, governmental antipollution requirements may result in such closings, but more often than not, other factors, such as age and size of the plant, are the root cause.

This is a serious problem; one that could seriously undermine efforts to improve water quality.

We think that H.R. 11896 must provide the means for resolving this problem and protecting the Nation's work force.

We think this problem could be helped if EPA is given an opportunity to review permit applications, and, where appropriate, reject those not environmentally sound, and if EPA establishes minimum effluent requirements on an industry-wide basis. With these two measures, there would be better assurance that a company would not "shop around" to locate a plant in a State with less strict antipollution requirements.

We also urge the following as a solution to this problem:

First, there should be a continuous detailed Federal investigation, including hearings, of industry to determine potential employment loss from enforcement of the Federal Water Pollution Control Act, particularly where the employer alleges the closure is due to such enforcement.

Second, where a closure does occur, prompt economic assistance should be provided to laid-off workers and, if necessary the community affected.

We note that representatives of labor have furnished your committee with proposals relating to these matters. We urge sympathetic consideration of these.

**5. National Academies Study.**—Section 315 of the bill calls for a study by the National Academy of Science and the National Academy of Engineering "of all aspects of the total social and economic effects of achieving or not achieving" the 1981 requirements and 1985 goals set forth in the bill. We think that such a study will be quite useful. However, we do not think the study should delay implementation of them.

The NAS-NAE study will take two years to complete. Thus, it will be 1974 before Congress could even begin to evaluate the study results and act. We think this is too long a period to wait.

By establishing these requirements and goals now, we will be encouraging long-term planning by industry, and, most importantly, the development of technology to achieve them. On the other hand, by postponing their establishment, we will be increasing the costs of eventually cleaning up. Polluters will install technology to meet the bill's earlier 1976 requirements which may be incompatible with the control methodology needed to meet the later stronger requirements; if industry knew this earlier, it could act responsibly and install the needed technology. Industry deserves to know now what will be expected down the road. Establishment of these requirements and goals will

also make industries see that it is to their advantage to join with municipalities in regional treatment systems. If industries see only low control requirements on the horizon, many of them will believe they can do the job more cheaply by themselves, thus forcing our municipalities to go it alone in these systems and sacrificing savings that would come with larger scale operation. The 1981 requirements specifically provide for "taking into account the cost of such controls," direct that the requirements only be implemented when they can be carried out at a "reasonable cost," and, in another section, require a balancing of costs and benefits before imposing high controls.

If the NAS-NAE study shows that the 1981 requirements and 1985 goals are unrealistic, we feel sure that Congress will respond. But we should not, in one part of the bill, tell the public we are establishing goals and then, in another part of the bill, tell the public that the goals are ineffective until Congress passes a new law several years later.

We urge that these goals be established now.

**6. Citizens' Standing to Sue.**—The bill provides for citizen participation through citizen suits, but adds restrictions and limitations concerning the citizens' standing to sue.

The question of "standing" is peculiarly a judicial principle. It ought to be left to the courts to determine who has "standing" sufficient to complain about a substantive violation of law. But the bill proposes to limit such "standing" by at least two devices:

First, it would allow only those "citizens of the area where the direct interests are affected" to initiate suit. It does not define what "area" is involved, or what is a "direct interest." Presumably, however, a citizen of Texas, no matter how much property he might have around San Francisco Bay, would be ineligible to complain about pollution of the Bay, because he is not "a citizen of the area." Even if he is a citizen of the San Francisco Bay area, the addition of the words "where the direct interests are affected" in conjunction with the matter of the citizen's "standing" seems to imply (or at least may lead to the interpretation) that the interest affected must be that citizen's "direct interest." This, in effect, would allow only owners of property which is "directly affected" to challenge the violation of antipollution controls, and would exclude the citizen concerned over degradation of esthetics, scenic view, and water recreational opportunities.

The second device, by which the bill would limit citizen participation, is that only those groups which have participated in the administrative process will have standing to initiate any litigation. All too often the administrative process is either clothed in secrecy, or affords so little time that citizen groups cannot adequately prepare to challenge a permit, or a polluting discharge, in the hurried administrative procedure. Then, having been edged out of the administrative proceeding, they will, under this bill, find themselves foreclosed from "standing" for seeking judicial relief.

We urge that these limitations be stricken from the bill.

We appreciate this opportunity to present our views and comments to you. We stand ready to provide to you appropriate amendments to carry out our recommendations. We have the support of a broad spectrum of labor, environmental, consumer, professional, and other organizations in regard to all of these matters.

With every good wish,

Sincerely yours,

Henry S. Reuss, Thomas P. Pelly, John E. Moss, Gilbert Gude, John H. Dent, Silvio O. Conte, John D. Dingell, John P. Taylor, Lucien N. Nedzi, Dante Fascell, Floyd V. Hicks.

N. THERE FOLLOWS EPA'S SUMMARY OF NOVEMBER 1, 1971, OF THE "POSITIVE ASPECTS" OF THE REFUSE ACT PERMIT PROGRAM

*Positive aspects, Office of Refuse Act programs, environmental protection agency*

In recent months we have seen positive action, on the part of industry as a result of the Permit Program. The following are a few positive aspects; more are available on request.

1. The Fairfax Drainage District near Kansas City had a storm sewer that received industrial discharges from 65 companies and dumped them into the Missouri River. The Kansas City Sewage District had agreed to accept this discharge of industrial waste and to treat it, but a connecting valve had not been installed, even though the transmission lines were complete. Because of the Refuse Act Permit Program, and a 180-day notice, the valve has been installed and the waste is being treated.

2. It was agreed upon at the Beet-Sugar Conference held in Denver that the industry should completely recycle process water within two years which will reduce the amount of pollutants entering streams from this industry.

3. CPC, International Corporation, in Kansas City, Missouri became aware of fecal coliform and fecal strep in its discharge as a result of the Refuse Act Permit Program application. The company has agreed to find the source of this discharge.

4. Bancroft Dairy of Marquette, Mich., installed a lagoon in October to completely halt any discharges from its dairy operations.

5. Benton Harbor Malleable Ind., Benton Harbor, Mich., discharged its wastes via a sunken outfall to waters which flowed directly into Lake Michigan. The Company has now connected to a municipal treatment system for treatment of its wastes.

6. Sunstrand, Corp. contacted the EPA Permit Branch in Denver requesting information on effluent guidelines, chromium treatment and new legislation. They indicated that pre-treatment, recycle and chromium recovery will be included in their next capital budget.

7. Crown Prince Pet Foods of North Platte, Nebraska applied for a permit to discharge from holding ponds. A permit review found a discharge to a combined sewer, hence to the North Platte River. The access to the combined sewer had been ineffectively plugged with sandbags. Nebraska directed the city of North Platte to plug the access with concrete, which they did.

8. Midwest Rendering of Belleville, Kansas has been discharging into the Salt Creek, a tributary of the Republic River, without treatment for 15 years. They have now agreed to construct temporary facilities by January 1, 1972 and permanent facilities by January 1, 1973.

9. Instrument companies, such as the Beckman Company, which manufactures laboratory testing equipment, have reported that their sales have increased considerably due to the Refuse Act Permit Program.

10. A New England Power Company applied for a State permit, but the State refused to issue one on the basis that the Company's discharge had high heat content. The company started negotiations with the State and with EPA in order to reach an agreement on the discharge. The Company has now begun to cooperate by gathering data on its waste and, working in its labs, to develop a new means of discharging in order to diminish the heat and its effects.

11. States set overall implementation dates for discharges, whereas EPA may set a schedule for each parameter. For instance EPA met with GAF, a New Jersey Chemical Company, to discuss specific parameters and implementation schedules for mercury and other constituents.

12. GAF also claims that it has benefited from meetings with the Permit staff because,

by studying one installation, it has been able to review plans for future facilities and discharges.

13. Many companies have expressed the problem of contending with the variety of State water quality standards, hence giving some companies an advantage over others, depending on the State in which they are located. The Refuse Act Permit Program can help in creating national water quality standards.

14. The Program has identified and is limiting toxic constituents in process water which were previously uncontrolled by the industry.

#### O. CONCLUSION

We strongly urge other Members to join with our eleven colleagues in support of strengthening amendments to this very important water pollution bill.

CHARLES B. RANGEL,  
BELLA S. ABZUG.

### ACTIVITIES OF THE COMMITTEE OF BLACKS AGAINST OPPRESSION ON RHODESIAN CHROME

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DIGGS. Mr. Speaker, I wish to call the attention of my colleagues to the commendable efforts of a group of concerned persons in New Orleans which has formed The Committee of Blacks Against Oppression. Their primary focus is U.S. policy with respect to Rhodesia, and particularly the implementation into the United States of Rhodesian chrome in violation of U.S. legal obligations under the United Nations Charter.

On March 22, 400 to 450 students, faculty, and administrators from Southern University went to Burnside Terminal Co. Five representatives of the group spoke to the president of the company and with the members of the labor force there, and expressed their grave concern over the issues involved. During these discussions, the students met with a New Orleans Parish legislator who read a statement by State representative Dorothy Mae Taylor.

I insert into the RECORD the text of the committee's statement of March 10, as well as their release on actions planned by the committee in connection with the impending arrival in Burnside, La., of the ship bringing chrome from Rhodesia:

#### STATEMENT OF THE COMMITTEE OF BLACKS AGAINST OPPRESSION

Men and women throughout the world who still have a decent respect for the principles of democratic majority government are continuing to express strong opposition to the recent turn in American foreign policy towards Africa. By various ways the United States has shown itself to be pursuing a course in foreign affairs which will align it with remaining colonial governments in the world where a small elite of people rule the majority without even minimal political rights. Examples of this policy include the agreement to buy a fixed quota of sugar from South Africa; the special Executive Agreement by Richard Nixon to extend a half-billion dollars worth of loans and other credits to Portugal and, finally, the reopening of the American consulate in Rhodesia and the actual approval of the importing of chrome from that country. Taken together what

these policies mean is that American leadership is giving actual support to the countries in which a minority of whites deny, by violent means, political rights to a majority of black people. Our Committee of Blacks Against Oppression is especially concerned about the case of Rhodesia.

Rhodesia is a country in Southern Africa populated by the Zimbabwe people who number about five million. The country is a former British colony and has a population of white settlers of about 250,000. The British had planned to grant independence to Rhodesia back in the middle sixties but had insisted on a constitution which would insure majority control of the government. This means that blacks would have been in control because of their overwhelming numbers. The white settlers in Rhodesia rejected this and declared themselves an "Independent" colony and organized a government with all powers in the hands of the white minority. Though this happened in 1965 no government in the world to this time has granted diplomatic recognition to Rhodesia. Some background would include the following key events:

1965—November 11. A clique of whites led by Ian Smith declared themselves independent from Britain in an effort to prevent equal participation by black population in the government.

1965—November 12. The United States voted in support of United Nations resolution to condemn the illegal declaration in Rhodesia.

1965—November 20. The United Nations passed a resolution asking all member states to voluntarily refrain from trading any goods with Rhodesia which would aid the illegal regime.

1966—December 16. The United Nations passed a resolution imposing mandatory restrictions on trade with Rhodesia. The restrictions were selective and covered twelve (12) items one of which was chrome. The United States voted to support this resolution.

1968—May 29. In an effort to develop stronger sanctions the United Nations strengthens earlier resolutions to impose a virtual total embargo on any trade with Rhodesia.

1970—March 17. The United States closed its consulate in Rhodesia in a gesture of disapproval of the Smith government. It was an empty effort, however, because on the same day the U. S. used its veto power for the first time in history to block a United Nations' resolution that would have enabled the organization to actively confront the illegal government in Rhodesia.

1971—October. A coalition of Southern Democrats and Western Republicans added a section to the Military Procurement Act to lift restrictions on importing goods from Rhodesia. The group of Congressmen were strongly supported by the Union Carbide Company and the Foote Mineral Company both of which are now importing chrome to the United States.

1971—November 24. The British and Rhodesian leaders met and the whites decided to legalize the Rhodesian government by agreeing to a new constitution which would insure white minority rule, with token black participation, until the next century.

1972—January. A British Commission to survey opinions in Rhodesia on the November agreement is unable to find more than one (1) black person in over fifty public meetings who will voice approval of the new constitution! Indeed the Africans rebel in several towns to demonstrate their disapproval of the pact made by the white leaders.

1972—January 24. The United States Treasury Department issues an interpretation of the Military Procurement Act which suggests that over seventy (70) items could be imported from Rhodesia. Rhodesia is known to produce at least fourteen (14) of the items.

1972—March 15. It is expected that a ship will arrive at Burnside, Louisiana loaded with chrome illegally transported from Rhodesia. The chrome is being imported by the Foote Mineral Company. A second ship will come to America later in the month with chrome for the Union Carbide Company.

There has been strong opposition to this course in American foreign policy. Professional and community organizations throughout America have expressed absolute disapproval and have tried to show the injustices of such a policy. We are opposed to American trade with Rhodesia for two reasons:

(1) It violates universally accepted principles about political life which hold that government should be based on majority rule with specific protections for minorities. Rhodesia is a political tyranny completely controlled by a minority white population.

(2) Secondly trade with Rhodesia is in violation of international law. The United Nations, with the support of the United States, has imposed mandatory sanctions on trade with Rhodesia and the shipment of chrome coming to Louisiana clearly puts the United States in violation of this international law. It is ironic that those who cry law and order at home should be so callous in their disrespect for the law in this particular circumstance. Finally as black Americans, who have suffered so often the injustices of racism and political corruption, we look with special displeasure on this transaction. Racism abroad, like racism at home, must be resisted with all the power and strength that we have. Black Americans will not tolerate a Vietnam in Africa.

The ultimate danger of the foreign policy of the United States in Southern Africa and specifically in Rhodesia is still more tragic. It is perhaps summed up best in a public information release of the U.S. State Department: "To ignore the Security Council's resolution would constitute a serious violation of U.S. obligations under the United Nations Charter. Also, our failure to comply with the resolution would undermine the authority of the United Nations, whose overall contribution to world stability and peace we value and seek to enhance." Our Committee thinks that this assessment is correct. But after seeing actions by the government we can only conclude that they do not practice what they preach. The importing of chrome from Rhodesia is a serious violation of these principles and actually serves to disrupt international peace.

The Committee of Blacks Against Oppression support the following actions:

(1) We call for an immediate halt to the execution of those sections of the Military Procurement Act of 1971 which authorize the importing of goods from Rhodesia;

(2) We call for practical American support towards strengthening the powers of the United Nations by improving the ability to enforce authorized sanctions;

(3) We call for an immediate congressional investigation to evaluate American Foreign Policy dealings with colonized African peoples. We specifically urge a full scale investigation of the Executive Agreement, of December 9, 1971, with Portugal;

(4) We support the recommendations of U.S. Congressman Diggs as expressed in his memorandum to the President; and

(5) We call upon all citizens to refrain from dealing with those private companies in the United States which import goods from Rhodesia in violation of fundamental human rights.

Right now, Union Carbide and Foote Mineral.

#### ATTENTION

MARCH 10, 1972.

Sometime during the next week, an Argentine vessel, the *Santos Vegas*, is scheduled to dock for unloading at the Burnside, Louisi-



siana terminal on the Mississippi River. The cargo aboard this vessel is 25,000 tons of chrome from Southern Rhodesia (Zimbabwe, in Southern Africa.)

As you should know, such trade between United States industrialists (namely the Foote Company and Union Carbide) and Rhodesia is in violation of United Nations policy which prohibits commercial exchange between member nations and the apartheid (racist) regime of the minority white Rhodesian government.

The Black community here in Louisiana must register a complaint. Some details of the problem will be aired this afternoon (Tuesday, March 14, 1972) on Radio Station WXOK at 2:00 p.m. in Baton Rouge, Louisiana. In New Orleans state representative Dorothy Taylor has issued a statement on behalf of the Orleans Parish black legislative caucus condemning this illegal act and calling upon black Louisianians to resist this by every legitimate means.

All are encouraged to join with us in a public demonstration at the Burnside, La. docks on the date of the ship's arrival. The Black public will be notified when exact dates are known to us.

For further details: Committee of Black Against Oppression 766-3370, 771-5083.

#### QUOTAS BY ANY NAME SPELL DISCRIMINATION

**HON. FRANK J. BRASCO**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 16, 1972*

Mr. BRASCO. Mr. Speaker, in recent weeks proposals have been advanced by various interested parties, including Federal representatives, to set aside quotas in educational institutions for minorities. Almost automatically, similar proposals have been offered to extend such reserved quotas to other areas of endeavor as well.

Some of the initiatives for such an undertaking have been coming from the office of Mr. Pottinger, of the Department of Health, Education, and Welfare. They are ill-conceived, impossible to effect in practice and discrimination in reverse. I oppose them and shall do all in my power to see that they never come to fruition as a Government program or action of any kind.

No person in the Nation with a shred of commonsense will deny the reality of our history and the shame our treatment of minorities brings upon us.

Yet it is wise to point out that each and every immigrant group that sought American shores was subjected to a variety of persecutions, discriminatory acts and second-class treatment. Further, these hostile acts and attitudes endured down to and including these days we live in now.

The Jews fled the horrors of Eastern European persecution, flooding into America only to be met with a different kind of bigotry and ghetto. For decades they endured exploitation, hatred, and discrimination, which endures in various forms to this day. Eventually, out of the sweatshops of the garment district emerged one of the finest flowerings of the American dream.

The same has been true of the Italians. They fled a poverty-stricken land

dominated by foreign armies. The padrone system exploited them to the ultimate degree upon arrival here. Discrimination and slum living was their lot for decade after decade. Mulberry Street in New York is still there, and no historian alive will deny the actuality of what these people endured.

Jobs were closed to them. Trades were closed to them. Neighborhoods were closed to them. In New Orleans, lynch mobs hanged Italians at one time in our history. Institutions of higher learning were closed to them. Yet an inner fortitude prevailed as these citizens endured, labored, strived, and instilled in their sons and daughters a feeling for the Nation and a desire to overcome all obstacles. My presence on this floor today is living witness to the success of that dream.

The earliest and most classic example of success in this country was the Irish immigrant community. They came seeking religious freedom, political expression, and an end to famine. They were put to work doing America's drudgery for decades, yet the grandson of an Irish saloon-keeper, John F. Kennedy, became President of the United States. The Irish community is outstanding in every avenue of American endeavor today, and they did it without quotas.

I could relate one tale after another, all dealing with one or another immigrant group that shared the dream, sought it, was wounded because of it, and prevailed. Only the geographical locations and the dates may be somewhat different. Perhaps it was the Scandinavians. Or the Greeks. Or the Poles. Religions may differ. States may differ. Persecutors may differ. But the tale is basically the same, and so is the ending of the story.

Take any telephone book. Turn to the yellow pages. Look in any of the professional listings. Glance at the names. It is like a "Who's Who of Ellis Island." The grandchildren of the oppressed are arriving.

Jewish stockbrokers. Italian doctors. Polish engineers. Greek pharmacists. Name a profession and an immigrant group and the barriers are inexorably coming down. Why?

Because these people were allowed to make their own way to success on the basis of merit and ability. In spite of the artificial barriers erected in their paths—in spite of the cumulative hatred of those who despised a particular brand of "greenhorns"—they prevailed. No one set aside any particular place in a university or college or corporation and said, "This is for you only if you are of Irish descent." "This is for you only if you are Jewish." None of this transpired. It was unnecessary. Everyone understood the game and its rules in immigrant America.

Everyone got a fair chance at the starting line. All commenced the race equal, with no lead for anyone. The race went to the swiftest, and if the first ten races resulted in one man or another making it there first, then so be it.

We cannot repeal this set of rules. We cannot seek to impose a set of artificial standards upon modern America and its people in the name of redressing the

balance of years ago. No person today should bear the onus of the blame for the crimes of yesterday against any group among us. Yet this is what the setting of quotas seeks in effect to accomplish.

What will this result in, if we yield the point and allow imposition of such quotas in educational institutions, unions, crafts or any other area of endeavor?

The standards of excellence established by so many of our institutions of higher learning will be eroded and replaced with something less. As a direct result, professional people of less than first-class caliber can and will be graduated from these institutions.

Imposition of quotas will also have the effect of shutting the door to equal opportunity in the faces of qualified students of other groups. Are we to turn away a young Italian-American or Jewish boy or girl from a medical school because the school already has its quota from their ethnic group?

Are we to demand and require a pharmacy school to admit and matriculate a student who is not as bright or who has much poorer credentials than another applicant, simply on the basis of the characteristics he emerged with from his mother's womb?

The entire situation is ludicrous, unrealizable and divisive in the extreme. Yet Mr. Pottinger's office at HEW is seeking to impose such quotas in the name of abolishing discrimination. Laudable as the goal may be, if it destroys more than it creates, what good is the effort?

And it is a sad fact that the proposals of this kind have stirred severe apprehension in many areas. In New York, certain public officials have eagerly leaped forward with suggestions on how to implement the HEW plans. It is obvious that such attempts will stir up enormous, even staggering reactions.

Most of all, however, they will create greater evil than they seek to rectify. Setting up a double standard at the expense of those who still seek to realize the American dream of improvement based on ability is to erode the mainstay of our society. The faith masses of people have built up and passed on to their progeny in mobility in our society will be hurt badly. To create and impose quota systems is to insure greater rather than lesser divisiveness in our Nation.

Educational opportunity cannot be limited by use of standards. This Nation is entitled to see her best minds develop as far and as fast as possible. Artificial restrictions are the ultimate injustice to natural ability. It was just such unfairness that the early immigrants sought to avoid when they came here.

History again tells the tale. The Italian peasant could not send his child to school because he was a peasant. The Jewish denizens of the Pale could not send their children to institutions of higher learning because they were Jews. Are we to resurrect the same effective discrimination against the grandchildren of these people in the name of equality today? I discern an ultimate irony here, and do not believe it is going to be successfully imposed upon the people of this country. Mr. Pottinger, take notice.

## THE U.N. THREATENS THE UNITED STATES

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. RARICK. Mr. Speaker, a recent poll conducted by the Manchester Union Leader revealed that of the more than 2,000 respondents 83 percent favored the United States getting out of the United Nations and 94 percent wanted the U.N. to get out of the United States.

In an informative article on the background of the United Nations Organization appearing in American Opinion of January, 1972; Gary Allen, film writer, author, journalist and lecturer, concludes:

Certainly the U.N. has not brought peace to the world. During the first twenty-five years of its existence, noted the "Liberal" Houston Chronicle for September 25, 1971, there have been seventy-five wars! Since the inception of the U.N., over one billion people have been enslaved by the Communists. This is a peace organization? The fact is that the existence of the U.N. makes war neither more nor less likely. But our continued participation in it could well guarantee our eventual enslavement. The U.N. is not harmless. It is not a guarantor of peace. It is a Trojan Horse and a death trap. It is a threat to our national security.

Senator William Langer, who voted against adoption of the U.N. Charter, said in 1945:

I feel from the bottom of my heart that the adoption of the Charter . . . will mean perpetuating war. I feel that it will mean the enslavement of millions of people from Poland to India, from Korea to Java, as well as people in many other places on the earth.

Senator Langer's prophecy was to be confirmed in the succeeding years—with the most terrible consequences for the American people still to unfold unless we extricate ourselves from the atheistic world body.

There can be no United Nations and at the same time a United States. One cannot give dual allegiance to the U.N. and to the United States of America. For the U.N. to advance or grow in effectiveness, the sovereign United States with our constitutional liberties and our traditional living standards and culture must be diminished or destroyed.

The time has come to get the United States out of the U.N. and to get the U.N. out of the United States. I remind our colleagues that my discharge petition No. 10 is at the clerk's desk awaiting signatures to discharge H.R. 2632, a bill by Mr. SCHMITZ of California, "to rescind and revoke membership of the United States in the United Nations and the specialized agencies thereof and for other purposes."

I include a related newsclipping and the text of the article "Get Us Out! The U.N. Threatens the United States" by Gary Allen in the RECORD at this point: [From the Manchester (N.H.) Union Leader, Nov. 19, 1971]

## THE NATION IS CATCHING UP

It is obvious that the nation is catching up.

Last week the Gallup Poll reported the

results of its latest survey concerning American opinion about the U.N. It showed 43 per cent of the people feel the UN is doing a poor job.

As a matter of fact, since 1945 when the UN was midwifed by Alger Hiss and there was a 20 to 1 approval by the American public, its popularity quotient has been going steadily down. In 1970, for example, 40 per cent thought it had a poor record. Three years before that only 35 per cent questioned the validity of its efforts.

The recent poll conducted by the Union Leader was much more conclusive. Here the survey, in which more than 2,000 people responded (as opposed to 1,562 in the Gallup Poll), showed 83 per cent of the respondents in favor of the United States getting out of the UN and 94 per cent wanting the UN to get out of the United States.

It is encouraging that Gallup's national sampling indicates a trend toward the down-to-earth common sense for which New Hampshire people in general—and Union Leader readers in particular—have long been noted.

[From the American Opinion, January 1972]

## GET US OUT! THE U.N. THREATENS THE UNITED STATES

On October 25, 1971, the United States of America suffered a severe kick in the teeth when the United Nations General Assembly voted 76 to 35 to oust the legal Government of China and replace it with representatives of Mao Tse-tung. The *New York Times* reported that, after the voting, "For long minutes the packed hall rang with applause and cheers for the winners. There was rhythmic clapping." The word "gleeful" was generally used to describe those who had voted to oust the peaceful government of America's staunchest ally, Chiang Kai-shek, and seat in his place the world's premier warmongers. Symbolically and appropriately the delegate from Communist Tanzania danced the Watusi when the results of the vote were announced.

Our Ambassador to the United Nations, George Bush, maintained that we had seen the "hatred" of America as it really exists in the United Nations. "The mood of the General Assembly that night was ugly. It was something harsh," said Bush, noting that he had been roundly hissed as he rose to speak. Walter Trohan of the *Chicago Tribune* observed:

"... the expulsion of Nationalist China demonstrated clearly, if further demonstration were necessary, that we have few, if any friends, anywhere. Those nations we saved in World War II and those nations we helped on their feet after the war voted against the retention of Nationalist China in the U.N."

Even "nations" whose very creation we supported and financed joined in the chorus of anti-Americanism. Four of the six Common Market nations voted against us: Belgium, France, The Netherlands, and Italy. (Of the other two, West Germany is not a U.N. member, and Luxembourg bravely abstained. Also voting against us in this important test were our N.A.T.O. "allies" Britain, Canada, Iceland, Portugal, Turkey, Norway, and Denmark.

As high officials in the Nixon Administration have maneuvered to blame the defeat on assorted Ethiopians in the fuel supply, it has become more and more obvious that the vote was fixed from the start. One remembers that according to *Human Events* for September 25, 1971:

"President Nixon handed Peking a handsome gift last week, making his offering only five days prior to the opening of the General Assembly of the United Nations. In his extemporaneous press conference, the President, announcing a fresh "Sellout Taiwan" doctrine, stressed that the United States would not only welcome Peking into the

U.N., but that we also wanted it to sit on the all-important Security Council. He further demonstrated that the U.S. favored the eviction of Taiwan from the Security Council—this without Red China having relinquished a single concession to the U.S."

Mr. Nixon had already greased the skids with his announcement that he would journey to Peking to pay homage to the oriental despot, Mao Tse-tung. But, for the sake of appearances, Ambassador Bush made a clumsy effort to resist the Albanian resolution to oust the Nationalist Government. And while Mr. Bush was pushing one policy for the television cameras, the real Nixon policy was being spelled out privately. As the *New York Times* reported October 26, 1971, the President was "flashing one political signal while the United States seemed to be pursuing another in the United Nations."

The next day, in the Los Angeles Times, the syndicated "Liberal" columnist Robert Elegant observed:

"The long arm of coincidence can stretch only so far. It was hardly coincidence that placed Dr. Henry Kissinger, the President's guru for foreign affairs, in Peking at the precise moment the United Nations was voting to admit Communist China and expel Taiwan . . . .

"The adroit orchestration of Kissinger's visit, American maneuvering at the United Nations, and Peking's ritual denunciation of that maneuvering, revealed a high level of practical cooperation . . . . Such understanding is the necessary basis of joint action to attain common purposes . . . .

"The United States appeared to be striving to save Taiwan's seat in the General Assembly, while admitting Peking to the Security Council. That appearance was almost—but not quite—believable. After all, Washington knew Peking would not accept half a loaf . . . .

"Once the President announced his intentions of visiting China, it was a foregone conclusion that Peking would get in and Taiwan be expelled. The Administration simply could not imperil the visit and the burgeoning Sino-American relationship by excluding Peking . . . .

"Actually, Washington's ostentatiously warmer attitude toward Communist China insured her admission. Wavering nations knew that voting for Peking would not really offend the United States."

Mr. Elegant cheered this sellout of our best ally in favor of our worst enemy, describing it as "creative hypocrisy." He said it was necessary to obtain "the created purpose of gaining the U.N. seats for the People's Republic, which actually administers the vast mainland and some 750 million Chinese." And Robert Elegant assures us, as have so many others, that "Peking's admission will not only strengthen the U.N. peacekeeping capacity, but will, at the least, open the door to U.N. activities like arms-limitation and nuclear-test ban talks." Meanwhile, according to Elegant, Mr. Nixon's "creative hypocrisy" will validate his credentials as a statesman.

The Ambassador from Pakistan, who voted to admit Red China and expel Free China, saluted our President's "creative hypocrisy" by declaring: "I would like to acknowledge that President Nixon's new policy contributed to the victory." Ambassador James Shen of Nationalist China praised Mr. Bush's efforts in behalf of free China, but added sardonically, "there seems to be a lack of coordination with the White House." Columnist Willard Edwards wrote that Shen "hoped it wasn't deliberate."

Anybody has the right to hope.

Part of the charade called for Mr. Nixon to be outraged appropriately with the consequences of his own acts. After all, millions of Americans had watched via television as the U.N. humbled our country and cheered the defeat. But the Presidential press secre-

Footnotes at end of article.



tary, Ronald Ziegler, assured newsmen that the "defeat" in the General Assembly "will not affect our policy," and that Mr. Nixon has "no intention to retaliate." And Ambassador Bush vouched for the fact that the Nixon Administration, which even refused to use its veto in the Security Council to block the seating of the Maoists, will continue to support the virulently anti-American U.N. no matter what. As Ambassador Bush put it on November 1, 1971:

"We are prepared to face this reality and act in accordance with it . . . even though it may cause us some grief, some arguments, some criticism. . . . Quite obviously it is going to take on what some have said is a bipolar institution and triangulate the power. Certainly with Peking coming into the Security Council seat we are going to have at a minimum a triangulation of power. I think you'll see Peking doing what many have predicted—championing the Third World developing nations or attempting to. . . . President Nixon has always supported the U.N. and will continue. We have no plans to do anything else."

When Ambassador Bush was running for the Senate from Texas in 1964, he took quite a different attitude. At that time he maintained: "If Red China should be admitted to the United Nations, then the United Nations is hopeless, and we should withdraw." And of course, Mr. Nixon built much of his political reputation on his own fervent opposition to the admission of Red China to the U.N. Richard Nixon was even a member of the Committee of One Million, the largest organization devoted exclusively to fighting the admission of the Maoist Government to the United Nations.<sup>2</sup>

During his 1968 quest for the Presidency, on the nineteenth of April, Mr. Nixon proclaimed:

"I would not recognize Red China now, and I would not agree to admitting it to the United Nations, and I wouldn't go along with those well-intentioned people that said, 'Trade with them, because that may change them.' Because doing it now would only encourage them, the hardliners in Peking and the hardline policy they're following. And it would have an immense effect in discouraging great numbers of non-Communist elements in Free Asia that are now just beginning to develop their own confidence."

Richard Nixon no longer even refers to Communist China as Red China, but by Mao's ludicrous title: The People's Republic of China. After all, only ten days after taking office he had directed Henry Kissinger, his national security assistant, to lay plans for embracing Peking. One result was the orgy of anti-Americanism which accompanied the expulsion of Nationalist China from the United Nations.

In the wake of what has been described as a diplomatic Pearl Harbor, many Americans are for the first time willing to take a second look at the United Nations. In order to understand the U.N. and the threat it poses to American liberty, one must go back to its dusty antecedents and examine the plan and the planners.

A world government under a Parliament of Man has been an ideal of dreamers and schemers since ancient times. The dreamers envision perpetual world peace; a utopia in which the lion will sup with the lamb instead of dining on its carcass. The schemer bedazzles the dreamer with visions of permanently eliminating war, pestilence, famine, and want. He plays the "idealists" as Helfetz plays the violin. The schemer has other, less laudable goals.

Among the most important of such schemers have been powerful international financiers and cartellists. Their goal was described by Mantagu Norman, former head of the Bank of England, who said they seek to assure that "the Hegemony of World Finance should reign supreme over everyone, everywhere, as one whole supernatural control

mechanism." This hegemony, or domination, can only be established through a world government controlled from behind the scenes by the *Insiders* of international finance.

The leading representatives in America of this worldwide clique were the firms of J. P. Morgan & Company and Kuhn, Loeb & Company. Members of these international banking concerns were primarily responsible for creating the Federal Reserve System in 1913, which gave them hegemony over America's banking system and, thereby, essential control over our economy.<sup>3</sup> Next these same men, largely through their control over key newspapers, and through "Colonel" Edward Mandell House, their front man who was the Henry Kissinger of the Wilson Administration, worked mightily to push America into World War I. From the ashes of the "war to end all wars" the *Insiders* of international finance hoped to create a world government, the League of Nations, which would serve as a conduit for extending their hegemony over all world commerce and finance.

One of the most important agents in this scheme was an operator named Theodore Marburg. Born in Maryland, an ardent scholar and successful businessman, Marburg had gone to Oxford University in 1893 to take a special course in economics and political science. There he had been initiated into the conspiracy as a member of the Fabian Society and, according to Woodrow Wilson's biographer Jennings Wise:

"His studies brought Marburg to the conclusion that the liberalization of the governments of the world through the medium of a league of nations, with power residing in the hands of the international financiers to control its councils and enforce peace, would prove a specific for all the political ills of mankind!"

Returning to America, Marburg was supported by international financiers in a spectacular rise in the Republican leadership, and at the same time he began founding organizations to "preach Fabianism" among American intellectuals. It was Theodore Marburg who founded the American Association for International Conciliation (and later the League to Enforce Peace) around such magnates of finance as Andrew Carnegie, Paul Warburg, Otto Kahn, Bernard Baruch, and Jacob Schiff.

But Marburg was handicapped because of his reputation as a Republican. When it became apparent that only the Democrat Party was likely to promote the Federal Reserve System and assure passage of the Income Tax Amendment, Marburg was assigned the job of finding his own "opposite number" within the ranks of the Democrats. The task proved remarkably simple. Theodore Marburg contacted "Colonel" Edward Mandell House, a behind-the-scenes manipulator in the Democrat Party whose views paralleled Marburg's almost exactly. House was commissioned to find a Democrat candidate for President whom he could control. The man he found was Woodrow Wilson, who later described House as "my alter ego" or second self. It was through Marburg and House, serving as agents for international finance, that Wilson was sold the idea of championing a League of Nations.

At the same time that the *Insiders* of international finance were attempting to create a League of Nations they were also sponsoring and financing the Communist Revolution in Russia. The Bolsheviks were bankrolled by a consortium of bankers, many of them cousins, from Wall Street, London, and Frankfurt. While J. P. Morgan & Company and the Rockefeller interests participated, the chief American sponsor was Jacob Schiff, a senior partner of Kuhn, Loeb & Company and an active sponsor of Fabian agent Theodore Marburg. As the *New York Journal-American* reported on February 3, 1949: "Today it is estimated, even by Jacob's grandson, John Schiff, a prominent

member of New York society, that the old man sank about \$20 million for the final triumph of Bolshevism in Russia."

Why did *Insiders* of international finance support a movement whose ostensible purpose is to assure their own destruction? The answer is that they needed a geographical base for their revolutionary operations. Soviet Communism would serve as the sword while the Fabian movement promoted Socialism in the West by use of the pen. Here were two arms of the same movement, with the violent arm distracting attention from the ultimately more dangerous nonviolent arm.

Following the Armistice of November 11, 1918, Woodrow Wilson journeyed to Paris, accompanied by House, Thomas Lamont (a partner of J. P. Morgan & Company) and Paul Warburg (a partner of Kuhn, Loeb & Company).<sup>4</sup> A member of the delegation, Professor George Herron, is quoted by the Paris Herald Tribune of May 21, 1919, as observing:

"I have said that certain great forces have steadily and occultly worked for a German Peace. But I mean, in fact, one force—an international finance to which all other forces hostile to the freedom of nations and of the individual soul are contributory. The influence of this finance had permeated the Conference. . . ."

According to Professor Herron, one of the chief goals of the international financiers at Paris was to achieve "a recognition of the Bolshevik power as the *de facto* government of Russia."<sup>5</sup> However, European representatives, living in fear that the Bolshevik match might ignite a revolutionary tinderbox all over the Continent thwarted the *Insiders* working to achieve this goal.

And, while Wilson and House bargained in Paris, disillusion was rapidly setting in back on Main Street. As the Peace Conference dragged on it became more and more obvious to Americans that the War had not been a moral crusade at all, but had resulted from the machinations of venal politicians whose specialty was secret treaties hidden behind secret treaties—all for the benefit of the *Insiders* of international finance. The American people quickly became skeptical about any involvement with such intriguers in a League of Nations. Facing a furious electorate the Senate dared not ratify the treaty and the U.S. did not join the League. Without America the League of Nations was like a cotton plantation without cotton.

But the Peace Conference was far from a total disaster for the conspirators. The Versailles Treaty, which betrayed the terms upon which Germany had agreed to an armistice, was so written as to guarantee that within two decades the world would once again face general warfare.

The *Insiders*, anticipating a second chance, were determined to learn from their mistakes. They quickly established organizations in the major Western countries to propagandize for internationalism and idealize the concept of One World government. At the same time they made every effort to encourage government policies aimed at furthering these objectives. The instrument they created to promote these goals in the United States is called the Council on Foreign Relations,<sup>6</sup> and the man most responsible for its creation was the ubiquitous "Colonel" Edward Mandell House. Joining House in founding the C.F.R. were such international financiers as Schiff, Lamont, Warburg, Kahn, Rockefeller, and Baruch—the very men who had been so anxious to collar the United States into the League of Nations. Stripped of its claptrap, the Charter of the Council on Foreign Relations reveals its purpose to be abolition of the United States in favor of a One World super-state.

Footnotes at end of article.

It is doubtful that one American in a hundred has ever heard of the Council on Foreign Relations, or that one in a thousand can explain anything at all about its goals. Despite the fact that its 1,450 members include some of the most famous men in America from the worlds of high finance, industry, government, the foundations, academe, and the mass media, the C.F.R. operates in almost complete anonymity. Yet nearly half of its members have served in the federal government, and President Nixon has appointed more than one hundred members of the Council on Foreign Relations to key posts in his Administration. Henry Kissinger, for example, came to the Nixon Administration from a staff position at the C.F.R.

The annual report of the Council on Foreign Relations for 1958-1959 discussed an informal talk made on May 21, 1959, by Walter Mallory, then retiring after thirty-two years as Executive Director of the Council. Mallory observed:

"When I cast my mind back to 1927, it seems little short of a miracle that the organization could have taken root in those days. You will remember that the United States had decided not to join the League of Nations. . . . On the domestic front, the budget was extremely small, taxes were light and we didn't even recognize the Russians. There were a few men who did not feel content in the comfortable isolationist climate."

The C.F.R., composed of just such uncomfortable men, worked diligently to change all that. "A Record of Twenty-Five Years," published privately by the Council on Foreign Relations in 1947, reveals how it achieved a hammerlock on American foreign policy:

"[In 1939] Hamilton Fish Armstrong, editor of 'Foreign Affairs,' and Walter H. Mallory, Executive Director of the Council, paid a visit to the Department of State to offer such aid on the part of the Council as might be useful and appropriate in view of the war."

As a result of this meeting, the State Department authorized the C.F.R. to "form groups of experts to proceed with research under four general heads: Security and Armaments Problems, Economic and Financial Problems, Political Problems, and Territorial Problems. . . ." Then, according to the C.F.R., "the Rockefeller Foundation was approached for a grant of funds to put the plan into operation." However, by February of 1941, the State Department took over the whole operation, absorbing the C.F.R.'s top operators into post-war planning activities. Remember, this was ten months before Pearl Harbor.

During World War II it was increasingly taken for granted that as soon as the fighting was ended a new international organization would be formed, and that it would be called the United Nations. Planning for creation of that organization was taken over by members of the C.F.R.—lock, stock, and barrel of bolscht. The man termed "the architect of the United Nations Charter" by *Time* magazine in its issue for May 18, 1953, was Russian-born Leo Pasvolosky (C.F.R.). Chief of the Division of Special Research in the State Department. Born of Communist parents, Pasvolosky was raised a radical and infiltrated into our government in 1934. He rapidly rose to the key position from which he worked to effect the transfer of U.S. sovereign to the United Nations.

Working side by side with Pasvolosky in formulating the U.N. Charter was Alger Hiss, who was at the same time a member of the Communists' Harold Ware cell in Washington, a Soviet espionage agent, and a member of the Council on Foreign Relations. Hiss played key roles at Yalta and Dumbarton Oaks, where agreements were worked out with the Soviets on the content of the U.N. Charter. According to lengthy testimony be-

fore the Senate Internal Security Subcommittee, it was Alger Hiss who sat at F.D.R.'s side as his top specialist on international organization.

In 1950, the State Department issued an official report entitled *Postwar Foreign Policy Preparation, 1939-1945*, which named the men who did the planning and shaped the policies that led to the creation of the new World Organization. That list and similar official records revealed these men to have been (in addition to Alger Hiss): Harry Dexter White, Virginius Frank Coe, Dean Acheson, Noel Field, Laurence Duggan, Henry Julian Wadleigh, John Carter Vincent, David Weintraub, Nathan Gregory Silvermaster, Harold Glasser, Victor Perlo, Irving Kaplan, Solomon Adler, Abraham George Silverman, William Ullman, and William Taylor.

The State Department could hardly have anticipated what a disastrous confession this would prove to be. For since then, with the single exception of Dean Acheson (C.F.R.), who had himself been hired by Joseph Stalin to serve as Soviet Russia's legal counsel in the United States, every one of those seventeen men has been identified in sworn testimony as a Communist agent. It is hardly startling that such men were willing to make every concession to the Soviets at Dumbarton Oaks, Yalta, and at the official founding of the United Nations at San Francisco.

The U.N. Charter was thus a product of both major arms of the International Communist Conspiracy. Our delegation to the San Francisco Conference in April of 1945 was headed by Secretary of State Edward R. Stettinius Jr., a member of the C.F.R. and a former partner in the international banking firm of J. P. Morgan & Company. Serving as Secretary-General of the Conference was Alger Hiss, both a member of the C.F.R. and a Communist. Apologists for the U.N. never mention the key part Hiss played at Dumbarton Oaks and Yalta, where the general format for the U.N. was hammered out with the Soviets, nor his years of work with Pasvolosky in preparing plans for the international organization. And they have done their best to dismiss the role he played at the San Francisco Conference. But a contemporary issue of *Time* magazine noted even in advance of the San Francisco Conference:

"Alger Hiss will be an important figure there. As Secretary-General, managing the agenda, he will have a lot to say behind the screens about who gets the breaks."

He certainly did!

The U.S. Treasury's representative at the San Francisco Conference was Harry Dexter White, who gave special attention to the establishment of U.N.E.S.C.O.—the United Nations Educational, Scientific and Cultural Organization—which has had such an influence on the writing of textbooks for our schools. But White's main duty was establishment of the World Bank, an institution dear to the hearts of the *Insiders* of high finance. Subsequently Harry Dexter White was identified in sworn testimony by both Elizabeth Bentley and Whittaker Chambers as a Soviet agent who gave them stolen government documents for transmittal to the Kremlin. White's lieutenant at San Francisco was William Ullman, also identified by Miss Bentley as a member of the Communist underground.

Yet another key advisor at the San Francisco Conference was Dalton Trumbo, who served as a ghost-writer for Stettinius and others. A wealthy screen writer, Trumbo later was identified as a member of the Communist Party and was one of the infamous Hollywood Ten who were sentenced to jail for contempt of Congress as a result of their behavior before a Congressional Committee investigating Communist activities in the movie industry.

Working in tandem with the seventeen or so Soviet spies at San Francisco were

forty-three members of the Council on Foreign Relations.<sup>7</sup> Some of the more interesting C.F.R. members in the delegation had strong international banking ties. They included John Foster Dulles (J. Henry Schroeder Bank, the bank that financed Hitler), Edward R. Stettinius (J. P. Morgan & Company), Nelson Rockefeller (whose family controls Chase Manhattan Bank and First National City Bank), John J. McCloy (Chairman of the Board, Chase Manhattan), and Artemus Gates (New York Trust Company).

At the conclusion of the San Francisco Conference it was Alger Hiss who was entrusted with taking the Charter to Washington. On Page 23 of *Life* magazine for July 16, 1945, was a "picture of the week" showing Hiss arriving in Washington with a large package. The caption read:

"At the conclusion of the San Francisco Conference the Charter of the United Nations was bundled off to a waiting plane and gingerly placed in a 75-pound fireproof safe equipped with a small parachute. Attached to the safe was a stern inscription: 'Finder—do not open! Notify the Department of State—Washington, D.C.' Chief custodian was Conference Secretary-General Alger Hiss, shown here with the Charter at the end of the cross-country trip."

The *Chicago Tribune* of June 11, 1945, described the presentation of the United Nations Charter to the Senate Foreign Affairs Committee:

"The hearings in Washington started, appropriately enough, with a lengthy statement read by Mr. Stettinius, but apparently written by Mr. Pasvolosky. When the time came to ask questions Mr. Stettinius gracefully yielded the center of the stage to the same Mr. Pasvolosky, who knows all the answers."

"This is more than a little odd. Mr. Pasvolosky's expertise is said to result from the fact that he wrote the original draft of the treaty, but that was quite a long time ago and his work meanwhile has undergone considerable modification. Nobody has yet explained why the Department entrusted the drafting of this document to a foreign-born functionary, whose training has been in economics rather than diplomacy. It is even more curious that the natives among our delegates, two of whom are members of the Senate Committee, did not assert for themselves the right of interpretation."

"The diffidence—if that is the word for it—of Mr. Connally and Mr. Vandenberg, to say nothing of Mr. Stettinius and the rest, has given the country the impression that it is really Mr. Pasvolosky's treaty, not theirs; that he understands it and they don't; that men with a good deal of experience in foreign affairs who were themselves participants in the negotiations have only an incomplete grasp of the content and purpose of this intricate and difficult document. They were at San Francisco, it appears, to assist him rather than he to assist them."

Only five days of testimony about the Charter were heard by the Committee. A few raised their voices against this permanent entangling alliance, but their voices were a whisper in the wilderness. So universal was the managed acclaim for the U.N. Charter, sight unseen, that it was ratified by the Senate on July twenty-eighth, virtually without debate, and few had bothered to read the thing. The vote was 89 to 2. The two Senators who voted against the Charter had read it.

The Senators would have done well to inspect the U.N. Charter more carefully. It bears a remarkable resemblance to the Constitution of the Soviet Union. Many of the phrases and clauses employed in both documents are virtually identical.

Cleon Skousen, former assistant to F.B.I.

Footnotes at end of article.



Director J. Edgar Hoover, notes in his book *The Naked Capitalist*:

"Anyone familiar with the Communist Constitution of Russia will recognize in the United Nations Charter a similar format. It is characterized by a fervent declaration of democratic principles which are sound and desirable; this is then followed by a constitutional restriction or procedural limitation which completely nullifies the principles just announced."

The Charter also gives the U.S.S.R. three votes in the General Assembly under the hypocritical guise that the Soviet states of Ukraine and Byelorussia and "independent" republics. This little ploy was worked out between Stalin and Alger Hiss, but America has yet to hear the first "Liberal" complaint about it, or so much as a suggestion that Byelorussia and the Ukraine receive the sort of treatment just accorded to Nationalist China.

There is also a striking resemblance between the U.N. flag and the Soviet arms banner, highest emblem in Communist heraldry, found on the cover of the Constitution of the U.S.S.R. That this is something other than coincidence is attested to by the fact that the U.N. flag was created and designed by Carl Aldo Marzani, head of the presentation branch of the U.S. Office of Strategic Services, in April of 1945. Marzani was later found to be a member of the Communist Party who operated under the Party name of Tony Whales.

Attempting to explain away the incredible appeasement of the Soviets at Dumbarton Oaks, Yalta, and at the San Francisco Conference, "Liberal" folklore has it that Stalin and Company had to be cajoled into joining the U.N. The truth is that the Bolsheviks couldn't have been kept out unless the door were barred with a steel plank. As Earl Browder, former General Secretary of the Communist Party, U.S.A., and twice its candidate for President of the United States, wrote in his book *Victory And After*: "The American Communists worked energetically and tirelessly to lay the foundations for the United Nations, which we were sure would come into existence." And a formal preamble to the constitution of the Communist Party, U.S.A., states that the Party believes "the true national interest of our country and the cause of peace and progress require . . . the strengthening of the United Nations as a universal instrument of peace."

Political Affairs is the official theoretical journal of the Communist Party, U.S.A., through which the official "Party Line" is transmitted to Comrades and the much larger body of Party sympathizers. In April 1945, two months before the San Francisco Conference, Political Affairs published the following directive:

"Great popular support and enthusiasm for the United Nations policies should be built up, well organized and fully articulated. . . . The opposition must be rendered so impotent that it will be unable to gather any significant support in the Senate against the United Nations Charter and the treaties which will follow."

A corollary to the "Liberal" myth that the Communists did not really want to be included in the U.N. is that the World Organization has proved a constant thorn in the side of the Soviets and their satellites, producing constant frustration as symbolized by Khrushchev pounding his shoe on the lectern of the General Assembly. It was good show biz, but that is all it was. A former Czecho-Slovakian intelligence officer Colonel Jan Bukar, has testified before the House Committee on Un-American Activities that he heard a General Bondarenko deliver a lecture at the Frunze Military Academy in Moscow in which the Soviet general declared:

"From the rostrum of the United Nations, we shall convince the colonial and semi-colonial people to liberate themselves and to spread the Communist theory over all the

world. We recognize the U.N. as no authority over the Soviet Union, but the United Nations serves to deflect the capitalists and warmongers in the Western World."

Dr. Marek Korowicz, a member of Communist Poland's delegation at the U.N. who eluded his guards and sought asylum in the United States, put it well when he said: "The Communist Party regards the U.N. as the most important platform of Soviet propaganda in the world. . . ." On October 7, 1961, the West Coast newspaper of the Communist Party, the *People's World*, actually carried an editorial entitled "Save The U.N." It declared in part:

"The U.N. commands a great reservoir of support in our country. This support should now be made vocal. People should write President Kennedy, telling him—

"Do not withdraw from U.N. Restore U.N. to the Grand Design of Franklin Roosevelt."

New Times, an official Soviet publication printed in Moscow, reported in its issue for July 8, 1970:

"As stressed by Premier Kosygin . . . on June 19, the Soviet Union attaches much importance to the United Nations. In the future, as in the past, it will spare no effort to steer the Organization's work."

It is equally fictitious to claim, as did the C.F.R.'s James Reston in a recent column, that the Communists want the United States to get out of the United Nations. If the U.S. gets out of the U.N., the U.N. collapses as a springboard for Communist attempts at world domination. And the Comrades know it! On January 21, 1962, the official Communist newspaper, *The Worker*, carried an article headlined, "Birchers Take Warpath Against UN Peace Hopes." The Communist Worker warned the Comrades:

"The John Birch Society has instructed its members to prepare a hate campaign against the United Nations. In his secret 'bulletin' for members, Robert Welch . . . orders his followers to place this anti-United Nations drive at the top of their 1962 political agenda. . . . It was in the spring of last year that the ultra hate campaign to destroy the United Nations actually began."

The Birch Society's education campaign was very effective indeed. Then came the counterattack. In late 1964 and early 1965 the Xerox Corporation sponsored a national prime-time television series to propagandize for the U.N. In commenting on one of these programs in its issue of July 23, 1965, the Communist *People's World* noted:

"It's not a little horrifying that in our country at this time a pitch is needed for the UN and for peace, but that is the case, and we're all for figuratively hitting people over the head with the message. The [Xerox] program did that."

Meanwhile the Communists have continued to solidify their U.N. control. So complete had it become by 1965 that Mikhail Sergeyevich Lvov, an official Soviet spokesman on U.N. affairs, told a *Moscow Radio* audience on June 27, 1965:

"There can be no doubt that with the United Nations constituted as it is at present, the consistent line of the Soviet Union is pressing for the United Nations to face fully up to the problems of strengthening peace and enduring freedom is producing more and more positive results."

Of course the Communists have controlled the U.N. staff from the beginning. The Secretary-General has traditionally been portrayed as the epitome of neutralism, the ideal non-Communist. But Trygve Lie, the first U.N. Secretary-General, was a dedicated Socialist, and a high-ranking member of the Democratic Labor Party of Norway—a spur of the Communist International. After the resignation of Dr. Lie, Dag Hammarskjöld was elected to fill the office. He too was a self-declared Socialist and openly approved the goals of world Communism. Hammarskjöld even refused to support a very timid

resolution condemning Red China's invasion and genocide in Tibet.

After Dag Hammarskjöld was killed in a plane crash in 1961, the Soviets pressed demands for leadership to be shared by a three-man "Troika." Then, suddenly, they turned off their "Troika" talk and backed Burmese Marxist U Thant as Hammarskjöld's successor. According to Thant, "socialism ought to be the wave of the future for rich and poor alike." A dedicated apostle of world government, Secretary-General Thant is a consistent supporter of the Communists who deplores America's "suspicion of Communist motives." Thant, both a Marxist and a Leninist, is openly running the U.N. to support Communist purposes. The following is the complete text of an Associated Press report as it appeared in the *Los Angeles Times* for April 7, 1970:

"U.N. Secretary-General U Thant praised Vladimir I. Lenin, founder of the Soviet Union, as a political leader whose ideals were reflected in the U.N. charter."

"Thant released Monday the text of a statement sent to a symposium on Lenin at Tampere, Finland, sponsored by the U.N. Educational, Scientific and Cultural Organization."

"Lenin was a man with a mind of great clarity and incisiveness, and his ideas have had a profound influence on the course of contemporary history," Thant's statement said.

"(Lenin's) ideals of peace and peaceful coexistence among states have won widespread international acceptance and they are in line with the aims of the U.N. charter . . ."

Clearly, the Soviets got their Troika when they got Thant. He has had two primary assistants: one a Soviet national, and the other Dr. Ralph Bunche (C.F.R.). Dr. Bunche, who had been an assistant to Alger Hiss, has been identified under oath as a member of the Communist Party by both Manning Johnson and Leonard Patterson, former top Communists, in closed Hearings before a government Loyalty Board.<sup>8</sup> They had attended cell meetings with Comrade Bunche. Patterson and Johnson, both Negroes, had been trained in Moscow, but defected from the Party when they became aware that the Communists were working to enslave people of all races.

Ultimate control of the United Nations is in the hands of the members of the permanent staff of the Secretariat, where resolutions and edicts of the General Assembly and Security Council are either neutralized or given teeth with which to bite. The United Nations has approximately 6,000 employees in the Secretariat. About one-fourth of these hold supervisory and policy-making positions classified as professional. These "professional" appointments are filled according to the geographic origin of the member nations and in proportion to their contribution to the U.N. Budget. The United States meets approximately one-third of that Budget and is therefore entitled to approximately one-third of the "professional" appointments. The other two-thirds come from the other member nations. Communist as well as non-Communist. And, as *U.S. News & World Report* observed as early as December 12, 1952: "An informed estimate suggests that as many as one-half of the 1,350 administrative executives in the UN are either Communists or people who are willing to do what they want."

The situation is so serious that when a New York federal grand jury stumbled across evidence of Communist penetration into the American staff of the U.N., it so alarmed the grand jury that it conducted a full-scale inquiry into the matter. Enough evidence was presented to enable the grand jury to release the following statement:

Footnotes at the end of article.

"This jury must, as a duty to the people of the United States, advise the court that startling evidence has disclosed infiltration into the UN of an overwhelmingly large group of disloyal U.S. citizens, many of whom are closely associated with the international Communist movement. This group numbers scores of individuals, most of whom have long records of federal employment, and at the same time have been connected with persons and organizations subversive to this country. Their positions at the time we subpoenaed them were ones of trust and responsibility in the UN Secretariat and in its specialized agencies."

The resultant publicity prompted the Senate Committee on the Judiciary to initiate its own investigation—with the same results. The Chairman of that Senate Committee released the following statement at the conclusion of those Hearings:

"I am appalled at the extensive evidence indicating that there is today in the UN among the American employees there, the greatest concentration of Communists that this Committee has ever encountered. Those American officials who have been called represent a substantial percentage of the people who are representing us in the UN. . . . These people occupy high positions. They have high salaries and almost all of these people have, in the past, been employees in the U.S. Government in high and sensitive positions. I believe that the evidence shows that the security officers of our government knew, or at least had reason to know, that these people have been Communists for many years. In fact, some of these people have been the subject of charges before Congress before and during their employment with the U.N. It is more than strange that such a condition existed in the Government of the U.S., and it is certainly more than strange that these people should be transferred to the U.N. and charged to the American quota."

The point was well summed up by Mr. Joseph Kornfeder, a former top Communist who was trained in Moscow, when he spoke before the Congress of Freedom in 1955:

"How many Communists, fellow travelers and sympathizers there are among the U.N. employees, no one seems to know, but judging by their number among the American personnel, there can be no doubt that the Communists control the U.N. and its staff association, and use it for all it's worth; which means that most of the special agencies at U.N. headquarters are, in fact, operated by them and coordinated through the Communist cell in the U.N. staff association."

Given the complexion of the U.N. staff, the headquarters of the U.N. could hardly be located in a worse place from the standpoint of American security. When the Rockefeller family donated the land on the East River for construction of the "House That Hiss Built," the Soviets were delighted. One of their delegates, Mr. Saskin, even served on the site-selection committee. And the Manhattan-based U.N. has provided the Communists with the best possible center for subversive operations. As F.B.I. Director J. Edgar Hoover has testified:

"Attention is called to the fact that many of the incidents and causes previously cited involved Soviet employees of the United Nations. They are guests of the United States and are supposedly dedicated in the cause of international peace. But they are, in fact, carefully selected envoys of the international Communist conspiracy, trained in trickery and deceit and dedicated to the concept of fully exploiting the freedoms of the countries they seek to destroy. It is too much to expect that they would not subvert the United Nations."

The nationally syndicated columnist Henry J. Taylor adds:

"FBI Director J. Edgar Hoover reports that 865 Soviet-bloc personnel and more than 1,200 dependents, all with diplomatic immu-

nity against arrest, and most of them accredited to the United Nations and not to the United States, are stationed here. His bureau estimates that about 80% of the Soviet-bloc personnel are intelligence officers and not diplomats at all.

"Nothing could be a heavier, easier and quicker blow to Red espionage than to put the U.N. headquarters elsewhere."

In his nationally syndicated column of October 7, 1971, Paul Scott comments on the effect of adding the Red Chinese to the already huge bank of Communist spies in the United Nations:

"Espionage will be an even greater danger now that Red China has been admitted to the U.N. Since the size of each country's U.N. delegation and staff reflects the size of the country's population, and since Red China has between 700 and 800 million people, she might be allowed 3,000 or more diplomats and staff members, each of whom would possess diplomatic immunity. Their suitcases and trunks could not be examined by American Customs officials. Would that suggest wholesale, unimpeded importation of heroin into this country, in addition to countless spying activities? The most obvious and practical solution to the drug and spying dangers to our country is to get the U.S. out of the United Nations and the U.N. out of the United States."

Before the admission of Red China to the U.N., J. Edgar Hoover testified concerning the consequence of such a development:

"Communist China represents one of the gravest longrange security threats and the FBI is continuing to devote its close attention to coverage of possible Chinese Communist agents and sympathizers in the United States. There is every likelihood that Chinese Communist intelligence activities in this country will increase in the next few years, particularly if Communist China is recognized by the United Nations and is thereby able to have a diplomatic mission in this country."

And Red China has wasted no time in moving its spies into the U.N. headquarters. As *Human Events* reported in its issue for November 20, 1971:

"Red China's 22-man United Nations delegation received a tumultuous reception upon its arrival in New York last week, with the press seeming to tumble over itself with compliments for the 'high quality' of Mao's diplomatic representatives. But even as the new delegation was being hailed by various groups in this country, evidence is accumulating that Red China intends to employ the U.N. as a major tool for promoting Maoist-style espionage and subversion."

China's Deputy Foreign Minister, Chiao Kuan-hua, head of the first Peking delegation to the U.N., is a top intelligence operative for Peking. Chiao's deputy, Huang Hua, is described by American intelligence sources as "a gifted saboteur and espionage artist."

The radical *Chicago Sun-Times*, displaying typical "Liberal" nonchalance toward the Communists' use of the U.N. as a base for spying, said it was assumed Red China would include spies in its delegation, "but Peking, moving into the international diplomatic spotlight for the first time, had not been expected to get into the game so soon"—especially with men of such flagrant reputations for espionage as Chiao Kuan-hua and Huang Hua.

Never in recorded history has a nation permitted an avowed enemy openly to pursue its policies of conquest, on its home territory, within so vast a diplomatic sanctuary—a sanctuary supposedly dedicated to peace. At least Steuben should be employed to remodel the glass palace on the East River in the shape of a Trojan Horse.

On the surface, however, the U.N. often appears to be ludicrous, a sort of Mad Hat-

ter's dream. More than half of the nations in the U.N. have fewer people than New York City. A fifth of all U.N. members have populations under 2 million. These are the microstates. Their per capita gross national product is as low as \$50 annually. Yet each of these nations has a vote equal to ours, with the result that "nations" such as Qatar, Bahrain, Bhutan, and Oman now hold the balance of power in the General Assembly. This has been caused by the fragmentation of the former French and British empires into a veritable plethora of tinhorn nations.

All of which resulted from a deliberate policy of the *Insiders* of international finance, who know that in most cases they can buy the political leaders of the new minstates, each of which has a vote equal to ours. "Liberal" propagandists, however, beg us not to be upset by this. As journalist William Ryan recently put it, "attempts to downgrade the voting status of present smaller members could, in the view of seasoned diplomats, do much damage." Ah, those *seasoned diplomats*!

While America has only 1 of the 168 votes in the General Assembly, it pays approximately one-third of the U.N.'s bills. Periodically the United States also buys U.N. bonds to keep the Trojan Horse from sinking into a quagmire of red ink. These bonds are guaranteed to be repaid the day after the Confederate war debt is amortized in full. The Communist bloc is the major debtor in the World Organization, being a grand total of \$118,753,898 in arrears, and accounting for two-thirds of the U.N.'s total debt.

The fact that the U.S. must carry a vastly disproportionate share of the U.N.'s financial load, even as the Reds shirk theirs, quite naturally makes Americans angry. But it is probably the least important complaint about the U.N. The real threat it poses to our nation lies in the fact that so many "responsible" Americans, many of them in high political office, are committed to a program to convert the U.N. into an international superstate—the longtime goal of the *Insiders* who manipulate the Communist Conspiracy.

If the *Insiders* of international finance and industry intend to own and control the resources of the entire planet, then it follows that there must be a government empowered to protect their property and empire. So the conspirators work to establish their world superstate, both through their eminently respectable fronts like the Council on Foreign Relations (which openly proclaims that its goal is a "new world order") and through the Communists who forthrightly maintain:

"Dictatorship can be established only by a victory of socialism in different countries or groups of countries, after which the proletariat republics would unite on federal lines with those already in existence, and this system of federal unions would expand . . . at length forming the World Union of Socialist Soviet Republics."

This is why Red China had to be admitted to the United Nations. As James Reston, resident savant of the *New York Times* and apparent spokesman for the Establishment *Insiders*, has expressed it:

"The President's forthcoming talks with Chou En-lai are only the beginning of a long process in which disagreements on specific questions are unavoidable, but the clear objective of which is the creation of mutual respect leading to a better world order."

"It is clear that no really effective new world order can be created without the help of the Chinese Communists."

The most vocal organization working to convince Americans to accept such a "new world order" is the United World Federalists, a group whose membership is heavily interlocked with that of the Council on Foreign Relations. The openly expressed purpose of World Federalists is to convert the U.N. into a world government encompassing both Communist and non-Communist states.



Speaking for the *Insiders*, financier James Warburg, whose father was primarily responsible for creation of the Federal Reserve System, and whose relatives financed the Communist Revolution in Russia, told a Senate Committee on February 17, 1950: "We shall have world government whether you like it or not, if not by consent by conquest."

According to the United World Federalists, "the United Nations offers the best available basis for world peace if it can be given adequate power to make, interpret and enforce world law. We believe this can be achieved by amendments to the United Nations Charter." The amendments which they recommend include turning over all military weapons to a U.N. army, giving the U.N. authority to tax, removing the veto from the executive branch, requiring universal membership without the right of secession, and empowering a court system with jurisdiction over all nations and individuals.

President Nixon is, of course, far too clever actually to join the World Federalists, but he has actively supported their legislative program since his early days in Congress. In the October 1948 issue of the United World Federalist publication *World Government News*, on Page 14, there appears the following announcement:

"Richard Nixon: Introduced world government resolution (HCR 68) 1947, and ABC (World Government) resolution 1948."

Of special interest to the U.W.F. throughout its history has been its campaign to repeal the Connally Reservation, whereby the United States has reserved to itself the power to decide what matters are essentially within the domestic jurisdiction of the U.S., and therefore may not be brought under the jurisdiction of the World Court. The Federalists want repeal of the Connally Reservation, which would mean that the United States would accept "as binding the ruling of the International Court of Justice [*World Court*]" on disarmament, on interpretation of the U.N. Charter and laws, and of international treaties."

The abolition of the Connally Reservation would leave us at the mercy of the Afro-Asian and Iron Curtain blocs that dominate the U.N. It would be tantamount to surrendering American sovereignty to our enemies, and would thus be a gross violation of the Presidential oath to "preserve, protect and defend the Constitution of the United States."

Yet Richard Nixon has for many years advocated the repeal of that Connally Reservation. Incredulous patriots who wrote Nixon about his advocacy of its repeal were "sent a copy of a letter dated April 14, 1960, from Richard Nixon to Eugene Pulliam, publisher of the *Phoenix Republic and Gazette*, in which Nixon flatly stated that he favored such repeal, declaring: "I believe . . . that the intervening years have shown that our so-called 'self-judging reservation' is no longer necessary."

President Nixon, whose warm endorsements of their program are widely distributed by the World Federalists, actually goes far beyond seeking repeal of the Connally Reservation, and openly advocates "world rule through world law"—the official slogan of the United World Federalists—in which the World Court is to be made the Supreme Court of the World.<sup>30</sup>

A world government naturally necessitates a world tax system. The U.N. has already requested a worldwide sales tax which would, coincidentally, fall on items purchased in greatest abundance by Americans. But Americans would not now sit still for being taxed directly by the U.N., and such propositions as the global sales tax will have to wait until we are locked into a world superstate from which we have no right of secession. In the meantime, the Nixon Administration is pre-

paring schemes to ship as much tax money out the back door to the U.N. as possible.

The *Department of State Bulletin* for October 5, 1970, contains Mr. Nixon's message entitled "Foreign Assistance For The 'Seventies,'" in which the President states: "The future of American youth is directly related to the future of the United Nations," and recommends that foreign aid be greatly expanded and channeled through the U.N. and its subsidiary organizations, the International Monetary Fund and the World Bank. It has long been a goal of the internationalist *Insiders* to channel American foreign aid through the U.N. The next step will be to have the General Assembly determine the amount of foreign aid that we will be required to pay, and to whom.

On December 17, 1968, President-elect Nixon told reporters following a visit to the U.N.: "[It is] our intention in these days ahead to do everything that we can to strengthen this organization. . . ." The ultimate move to strengthen the U.N. is to give it a monopoly on military power. Up until that time, the U.S. can still get out of the U.N., regardless of how anyone may interpret the Charter.<sup>31</sup> The object is to disarm the United States in favor of a U.N. Army.

On June 23, 1961, John J. McCloy, Special Advisor to the President on Disarmament, sent to the White House the draft of a bill to create a U.S. Disarmament Agency. Mr. McCloy was at the time Chairman of the Board of the Council on Foreign Relations. In his letter of transmittal to the President, he revealed that the fundamental purpose of the Disarmament Agency would be to bring about world government. In September 1961, Congress passed the Arms Control and Disarmament Act, conferring on the director of the new Disarmament Agency broad authority, under the general supervision of the President and the Secretary of State, to do just about anything the director might believe to be in the interest of "peace."

Many Congressmen supported creation of this Disarmament Agency because they were afraid of being accused of opposing peace. Not all, however, withered under "Liberal" pressure. Congressman John Ashbrook of Ohio referred to it as "The Surrender Agency," and declared: "The testimony is replete with evidence which indicates this Agency may well be the back door for the one-worlders to accomplish their goal. . . ." The late Congressman James Utt commented that it was "almost word-for-word duplication of a disarmament proposal advanced by Khrushchev in 1959."

This formal disarmament proposal was later published in a nineteen-page report entitled "Freedom From War: The United States Program For General and Complete Disarmament In a Peaceful World" (State Department Publication 7277). It calls for transferring control of U.S. nuclear weapons to the United Nations, restricting the American military to the role of an internal police force, and establishing an all-powerful U.N. Army. This U.S. disarmament plan further provides: The Parties to the Treaty would progressively strengthen the United Nations Peace Force . . . until it had sufficient armed forces and armaments so that no state could challenge it."

The Disarmament Agency's Dr. Lincoln P. Bloomfield (C.F.R.) has written:

"Short of a major catastrophe, the difficulties in obtaining widespread public approval and explicit Senate ratification of a genuine world government are obvious. . . without disarmament such a system [of world government] is probably unobtainable. . . . If it [world government] came about as a series of unnerving trips to or over the brink, it could come about at any time."

Thus the threat of the Soviets dropping nuclear bombs on us is built up so that we can be blackmailed into accepting world gov-

ernment through national disarmament in favor of a U.N. "peace" force. The *Insiders* have no intention of destroying that which they intend to own and control. If there truly were a military threat from an independent Russia, the crowd at the C.F.R. would be leading the parade for American independence and arms superiority; they would not be promoting disarmament.

The original plan of the Conspirators for the disarmament of the United States, and the transfer of our weaponry to the U.N. called for its completion by 1972. But American Conservatives, led by The John Birch Society, gave the plan such exposure in the early Sixties that the timetable had to be altered. Conservatives ordered and distributed to their alarmed friends so many copies of the State Department Publication 7277, that the Department was forced to let it go out of print. An article in the Communist "World Marxist Review" emphasized the need for patience, advising the Comrades: "Communists do not adhere to the 'all or nothing' principle. Anything that brings disarmament nearer is a step forward. . . ." It was back to "patient gradualism."

Americans were not yet sufficiently fed up with protracted no-win wars, nor were they sufficiently frightened by nuclear propaganda, to swallow disarmament in favor of a U.N. Army. A Gallup Poll in 1961 determined that eighty-one percent of Americans said they would rather fight an all-out nuclear war than live under Communist rule. More time was needed for anti-military and defeatist propaganda. The Vietnam War has provided the excuse for an enormous escalation of such propaganda. Creation of the mood for acceptance by America of the program outlined by the State Department in 1961 has obviously been a high priority of the International Communist Conspiracy.

Meanwhile, disarmament talks have been going on with the Russians for nearly eight years. During that time we have negotiated with them the Nuclear Test-Ban Treaty (with no inspection, of course), the Outer Space Treaty, the Non-Proliferation Treaty, and the Seabeds Treaty. All of these were steps toward S.A.L.T.—and S.A.L.T. is another step toward complete disarmament and world government. The objectives laid down by the *Insiders* in State Department Document 7277 have not changed. In 1968 an Arms Control and Disarmament Agency publication called *Arms Control and National Security* explained what has been happening.

"Since 1959 the agreed ultimate goal of the negotiations has been general and complete disarmament, i.e., the total elimination of all armed forces and armaments except those needed to maintain internal order within states and to furnish the United Nations with peace forces. U.S. and Soviet plans for general and complete disarmament were proposed in 1962 and they are still 'on the table.' Some basic differences between the two plans are brought out by the key issue of timing and verification of reduction of nuclear delivery vehicles."

Under the Charter of the U.N., this International Peace Force, with its (our) nuclear weapons, would be under the command of the Under Secretary-General for Political and Security Council Affairs, who has control over all U.N. military affairs. Except for one two-year term, when it was occupied by a Yugoslav Communist, this post has by agreement always been held by a Soviet national. Trygve Lie, Secretary-General of the United Nations from 1946 to 1953, writes in his autobiography *In The Cause of Peace*:

"Mr. Vyshinsky did not delay his approach. He was the first to inform me of an understanding which the Big Five had reached in London on the appointment of a Soviet national as Assistant Secretary-General for Political and Security Council Affairs. . . . Mr. Stettinius [under the influence of Alger

Footnotes at end of article.

Hiss] confirmed to me that he had agreed with the Soviet Delegation in the matter."

Former U.N. Secretary-General Lie then observed:

"The preservation of international peace and security was the Organization's highest responsibility, and it was to entrusting the direction of the Secretariat department most concerned with this to a Soviet national that the Americans had agreed. What did the Americans want for themselves? To my surprise, they did not ask for a department concerned with comparable substantive affairs, like the economic or the social. Rather, Mr. Stettinius proposed that an American citizen be appointed Assistant Secretary-General for Administrative and Financial Services."

Despite the fact that this agreement was to be binding for only five years, a Russian continues to occupy that key U.N. military office today. Mr. Nixon has not been so rude as to suggest that the office be given to anyone other than a Communist.

If everything else concerning the U.N. were favorable to the United States, the very fact that its military affairs are always in the hands of a Communist should be more than sufficient reason to get us out. But "Liberal" apologists for the U.N. are not bothered one iota by Communist control of the Organization's military. They explain, if you can believe this, that while the Soviets hold some posts by custom and tradition, the U.S. holds others. It just happens to be the custom, thanks to Comrade Hiss, that the Communists control the military while an American controls mosquito abatement projects. Fair's fair, you know!

Is that U.N. Army a possibility in the near future? United Press International has reported that, early in October 1971, Communist Poland offered the U.N. a standby force from its army for possible use in "peace-keeping operations." Poland is the second Soviet bloc nation to offer its troops for "peacekeeping," the other offer having been made two years ago by Czechoslovakia. Add to this the fact that Richard Nixon has long advocated just such a military force—which, as we have pointed out, would serve under the command of a Russian national at the United Nations. As the *Los Angeles Examiner* reported on October 28, 1950:

"A strong effort to obtain approval of his resolution calling for establishment of a United Nations police force will be made by Congressman Richard Nixon when Congress reconvenes November 27th, the California Senatorial nominee said today. . . . Nixon's resolution suggests that a UN police authority be set up on a permanent basis, to consist of land, sea and air forces. It would swing into action against aggression under decision of a simple majority vote of the police authority."

Establishment spokesman James Reston declared in his *New York Times* column of May 21, 1971: "Nixon would obviously like to preside over the creation of a new world order, and believes he has an opportunity to do so in the last 20 months of his first term." If Mr. Nixon gets what he wants, his "new world order" could well include a nuclear-equipped U.N. Army controlled by a Soviet national.

Given such dangers, why do we retain membership in the United Nations? Certainly the U.N. has not brought peace to the world. During the first twenty-five years of its existence, noted the "Liberal" *Houston Chronicle* for September 25, 1971, there have been seventy-five wars! Since the inception of the U.N., over one billion people have been enslaved by the Communists. This is a peace organization? The fact is that the existence of the U.N. makes war neither more nor less likely. But our continued participation in it could well guarantee our eventual enslavement. The U.N. is not harmless. It is not a guarantor of peace. It is a Trojan

Horse and a death trap. It is a threat to our national security.

We are not unaware that the pet propagandists of the Establishment *Insiders* will shriek and scream that this warning is biased and unfair. They will beg you to pay no attention to doomsayers and then predict doom if America abandons the U.N. They will implore you not to pay attention to the growing danger, not to worry about it, not to come to conclusions which favor the national interests of your country. Have faith, they will say. Have faith and Believe!

But more and more Americans are coming out from under the ether of twenty-five years of U.N. propaganda. They are reaching the only possible conclusion that an American can draw when presented with the facts. That conclusion is that it is time to Get U.S. out of the U.N. and the U.N. out of the U.S.

#### FOOTNOTES

<sup>1</sup> To his credit, Mr. Elegant uses the word "administrators" rather than resorting to the creative hypocrisy used by "Liberals" who claim that the Peking Government represents 750 million people. The Government of Red China represents only a small clique of top Communists.

<sup>2</sup> The admission of Red China to the U.N. carried such a high priority with the Establishment that three major television networks, and nine Washington and New York stations, refused to sell time to the Committee of One Million for screening of a film warning against a U.S. detente with Peking.

<sup>3</sup> For detailed proofs see my articles "The Bankers and The Federal Reserve," American Opinion, 32 pages, two for one dollar.

<sup>4</sup> Paul Warburg was known as the father of the Federal Reserve System and one of its original directors. His brother Max also attended the Peace Conference in Paris . . . but as a representative of Germany. It was Max who headed M. N. Warburg & Company, one of the world's largest international banks, and arranged for Lenin to be transported from Switzerland to Russia to lead the Bolshevik Revolution.

<sup>5</sup> Dr. E. J. Dillon, who attended the Paris Peace Conference, wrote: "Mr. Wilson, who in the depths of his heart seems to have cherished a vague fondness for the Bolsheviks there, which he sometimes manifested in utterances that startled the foreigners to whom they were addressed, dispatched through Colonel House some fellow countrymen of his to Moscow to ask for peace proposals which, according to the Moscow government, were drafted by himself and Messrs. House and Lansing."

<sup>6</sup> For details see my article, "The C.F.R.—Conspiracy To Rule The World," American Opinion, five for one dollar.

<sup>7</sup> Out of an American staff of less than 200.

<sup>8</sup> See the *New York Daily News*, May 26, 1954.

<sup>9</sup> New York newspapermen Pierre J. Huss and George Carpozi Jr. have authored a book titled *Red Spies In The U.N.* which details the more dramatic stories of F.B.I. capture of Communist spies. The punishment for a spy who is caught is to be sent back to the Soviet Union. He is immediately replaced with another U.N.-protected spy.

<sup>10</sup> See the *New York Times*, April 14, 1959.

<sup>11</sup> The U.N. Charter is a treaty, and the Supreme Court has ruled that a treaty supercedes the guarantees and safeguards of our Constitution. In 1953, the Bricker Amendment, which provided that no treaty could take precedence over these Constitutional safeguards, was defeated in the Senate by one vote—thanks to behind-the-scenes pressure from Vice President Richard Nixon. It may well be that we are even now technically at the mercy of the U.N., although there is as yet no way for the body to enforce its will. Certainly U.S. foreign policy has slavishly followed U.N. guidelines.

## THE PROPERTY TAX COULD BE A PROGRESSIVE TAX

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ASPIN. Mr. Speaker, the property tax is often described as a regressive tax. And, the way it is administered today, it almost always is. But the property tax is also a widely misunderstood tax. With fair and accurate assessment and with good administration the property tax could be a progressive tax.

I would like to include in the RECORD today three items which discuss some misconceptions about the property tax and outline specific proposals for property tax reform. The three items are: A property tax newsletter, published by the Tax Reform Research Group; a speech by Mason Gaffney, an economist with Resources for the Future, given at Ralph Nader's conference on property tax reform; and an article by Dr. Gaffney entitled "The Property Tax Is a Progressive Tax."

At least part of the problem of property tax reform is a matter of Federal concern. I am sure that those of my colleagues whose constituents are concerned with the ever-increasing burden of local taxes will find these three items informative and interesting.

They follow:

[From the Property Tax Newsletter, November 1971]

REFORMS LISTED FOR FEDERAL, STATE, AND LOCAL LEVELS

THE PROPERTY TAX IS MISUNDERSTOOD

The property tax is widely misunderstood; and the more that is written about it, the less understanding there seems to be. One hears time and again that the property tax is a "regressive" tax—that is, that it burdens the poor man more than the wealthy, to a greater degree even than do other taxes. And people who should know better write that recent court decisions have held the property tax to be an illegal and unconstitutional way to pay for public education. (These two misunderstandings may prove very costly for the taxpaying public. Politicians, including those in the current administration, have exploited them in packaging and trying to sell the public very questionable forms of "relief"—especially the administration's proposal for a Value-added Consumer tax.)

The first of these notions is off the mark, and the second is simply wrong. First, whatever the current impact of the property tax, it does not have to be a regressive tax. Like any other tax, the property tax can be structured and applied to be as progressive or regressive, as fair or unfair, as people want it to be. The current structure and application are bad, not necessarily the tax relief itself. In fact, economist M. Mason Gaffney at Resources for the Future, Washington, D.C., has pointed out that the ownership of real property may be more concentrated in this country than is taxable income; which, among other reasons, supports the view that property tax could be a very progressive tax, burdening the poor and middle-income homeowner and renter but lightly, and wealthy land and property owners more heavily.

Secondly, the recent court decisions regarding school financing have not held the property tax to be an illegal and unconstitutional means of paying for public educa-



tion; these decisions ruled little or nothing about the property tax as such. They held instead that a state cannot set up any system of paying for public education that makes the amount of money available in any particular district, or for any particular child, depend upon local wealth. The property tax currently has this defect because currently it is a local tax; but the courts might just as readily have ruled down a local sales tax, local income, or any other kind of tax that was applied on a local instead of on a uniform statewide basis. In other words, the courts have been ruling down local taxes, not property taxes, to the extent they result in unequal ability to provide for public schools. And by the same token, the courts have left the door completely open to a state-wide property tax, or to a system in which the state adequately makes up, through a state property tax or otherwise, for the unequal abilities of school districts to raise revenues through local taxes.

#### WHY THE PROPERTY TAX IS CURRENTLY UNFAIR

The current property tax is unfair, both in structure and administration, mainly because the states have allowed it to stagnate so long without reform. Studies and reports of property tax inequities, and calls for reforms, date back to the nineteenth century. But although the need for reform has grown steadily more urgent, politics, power, and plain inertia have stood in the way. Gradually, the states have chosen sales, income, and other taxes to meet their own revenue needs, and have abandoned the property tax to local governments. As the states ceased to depend upon the property tax for their own revenues, they became less interested in reform. In addition, powerful groups—owners of large commercial and industrial properties, mineral owners, real estate developers, and wealthy residents in low tax "enclaves"—have had a vested interest in the old, local, inequitable system, and have done their best to preserve it. And some of the worst features of the current property tax, such as its local nature and non-progressive rate structure, have taken root in state laws and constitutions. But they can be changed.

#### HOW THE PROPERTY TAX SHOULD BE REFORMED

The Tax Reform Research Group proposes that the property tax needs reform along three basic lines. Briefly, these are:

a. *The property tax needs to be levied on larger units of government, preferably the state.*

The local nature of the current property tax is the root cause of some of its worst inequities. As the recent court decisions have noted, a local property tax favors wealthy localities with a large "tax base"—i.e. property values—and penalizes those with less. Thus under a local tax, one community may tax itself more heavily, but raise less revenues, than one right next to it. The local property tax encourages local governments to compete against one another to attract high-value property, such as factories and high rise offices, sometimes sacrificing public revenues by offering legal and illegal tax breaks.

It pressures local governments to ignore conservation, land-use planning, and neighborhood preservation, in order to pack in as much high-valued property as possible. And it prompts them to use zoning and other ploys to keep out low and moderate income housing, for fear of the strain its occupants might put on local services and hence the local tax base. And a local property tax leads directly to incompetent, inequitable and corrupt assessment, because each small local unit which assesses property and levies the tax cannot afford to hire professional, full-time assessors, nor to provide them with the staff, and equipment to do the job correctly. And these small local units cannot resist the pressure of powerful property owners for lower property tax assessments, nor their

threats to move elsewhere if not given special treatment.

There are two steps in property taxation: assessing, or reckoning the value of, each parcel of property; and setting the tax rate to be applied to these assessments. It would be possible to have the states perform the technical role of assessing property, while letting smaller units of government continue to set their own tax rates. Such a reform would help eliminate half the problem—unfair assessments and incompetent administration. But it would not remedy the inequities in revenue-raising ability, nor the deplorable competition for high-value property, inherent in the local tax, nor would state-level assessment alter the unfair way a flat rate tax takes as large a percentage from the poor as from the wealthy.

b. *There should be a progressive rate structure to replace the currently flat property tax rates; and states, with the help of the Federal government, should enact methods to relieve low income taxpayers from any oppressive property tax burdens.*

We would not think of imposing the same rate of income tax on a man who makes \$10,000 per year as on a man who earns \$1,000,000, but that is exactly the case with the property tax.

The nineteenth-century idea of "uniformity"—that is of every property owner paying the same rate of tax, regardless how much property he owned or his ability to pay—has been imbedded in our property tax laws for so long that many people think the tax just cannot be any other way. It can. Countries such as Australia levy a progressive property tax, with higher rates for people with much property than for those with little. Such a progressive tax is more fair than a flat-rate because it takes the burden off the small homeowner and businessman and places it on the property owner more able to pay. In addition, by taxing huge property holdings heavily, it discourages the concentration of property ownership in a few hands, and promotes the American ideal that as many citizens as possible should enjoy this right.

While taxing the very wealthy relatively lightly, the current flat-rate property tax has been just as inequitable at the lower end of the scale, putting a sometimes crushing burden on the poor, the elderly and on the genuinely small farmer, who may own considerable property although their current income is small. A progressive rate structure, along with a larger taxing unit and better assessing, would help ease the burden on these groups; but they, and especially the farmers might still need help. There are a host of ways to provide such relief. One is a tax "deferral" which postpones the tax payment until the owner sells the property. Another is a "circuit-breaker," where the state or Federal government steps in to pick up that part of any property tax bill that exceeds a set percentage of the taxpayer's income.

There are variations of these devices, notably ones that lighten the tax burden on conservation lands and small farms, but that "recapture" back taxes that were forgiven should the owner decide to develop. The important point is that the property tax does not have to press so severely upon the poor, the elderly, and the small farmer. Only the present structure of the tax does; citizens and their elected representatives can model the property tax upon any ideal of fairness and social wisdom that they choose.

c. *The administration of the property tax, and especially the assessing of property, needs to be completely reviewed and reformed.*

Some of the worst inequities of the current property tax result simply from incompetent and corrupt application of existing laws. Throughout the nation—though of course in varying degrees—there is under-

assessment of large commercial and industrial properties, vacant land, minerals, political favorites, and whole classes of other taxpayers; there are untrained, parttime, politically-sensitive local assessors; assessments that have not been revised for decades; obscure and secretive record-keeping systems; complex, expensive appeals procedures; non-functioning methods for collecting tax delinquencies; increasing contracting-out of the property tax assessment function to private appraisal firms; and a legion more of infractions and abuses that have made the property tax a major catastrophe in the history of American public administration.

Bringing property tax administration into line with the existing law, and driving out the crooks, would not in itself make the property tax a model of equity; but it would go far to relieve the most crushing burdens, even under existing laws. (A recent study in Chicago disclosed for example, that the U.S. Steel Co. there alone was underpaying about 16.5 million dollars in property taxes, a burden that already-pressed small taxpayers have had to pick up; and this pattern repeats itself across the nation.) And apart from in itself introducing greater equity, complete reform of property tax administration would be essential to the other reforms proposed here.

A fourth major type of reform which deserves serious attention would be to stop taxing improvements—buildings and structures—on land, and to tax only the land itself. This measure, called a "site-value tax" stems from the writings of the late 19th century-American Henry George, who argued that with a tax on land values none others would be needed. Advocates of a site value tax (not all of whom adhere to the "single-tax" notion), claim it would hasten urban renewal by encouraging property owners to improve their property (the current tax on buildings penalizes the owner who improves his property); encourage denser, more even development and thus reduce "sprawl;" stabilize land values; and that it would tax the property owner only on what society had given him—the value of his land—while leaving to him the fruits of his own labor—the improvements he makes on the land.

In addition, economists have argued that a tax on land value, unlike a tax on structures, cannot be "passed on" to tenants in their rent, because the supply of land is fixed. There have been limited experiments with a site-value tax in such cities as Pittsburgh, Pa. and Southfield, Michigan; there are even "single-tax" colonies in Alabama, Delaware and New Jersey. Other countries have used it more heavily.

The idea has won several notable adherents, including the tentative support of the National Commission on Urban Problems (and the enthusiastic support of Chairman Douglass and three other Commission members who wrote a supplemental statement regarding it.) The Tax Reform Research Group sees much merit in the site-value tax, as an instrument both of tax equity and of desirable patterns of land use. It seems especially fair for the community to take back, in the form of taxes, the value it and it alone bestows on land through the construction of highways, transit lines, sewers, and through the provision of other services. We are concerned, however (as are many site-value tax advocates), that an unmodified site-value tax might force into dense, even highrise development areas perhaps better left in another state—as farmland, open space, or unique urban neighborhood.

We are also concerned that noise, crime, pollution, and the cost of providing public services may well increase with density of population. Recognizing the counter-argument, that by fostering maximal-density development in some areas the site-value tax lets low-density uses flourish in others, we

feel some form of land-use and development control should attend experiments with the site value tax.

The Tax Reform Research Group offers here some possible ways to put into practice the basic and essential reforms above. These proposals do not make up a complete reform package. Instead, they merely suggest the range of options available to citizens and their elected representatives at the local, state and federal levels.

Some of the suggestions may require new legislation, or amendments to state constitutions; others may be possible within existing law. As stated above, state and local governments can take great strides towards tax equity, and gain considerable new revenues, simply by honest assessing and enforcing the property tax laws already on the books.

In addition, citizens can use these suggestions as a checklist for rating the current structure and administration of the property tax in their own state.

It is most important that citizens learn as much as possible about the property tax before undertaking reform. There is a tendency to go from crisis to crisis, reacting to immediate hardships with schemes for relief. The tendency is understandable, but reacting to hardships one-by-one just delays the inevitable. In some cases immediate relief may be necessary, but unless the entire structure and method of administration of the property tax gets a complete overhaul, inequities relieved and burdens removed at one point will soon reappear at another. The next Newsletter will contain a Citizen's Bibliography for Property Tax Investigation and Reform to help provide the background for thorough reform efforts. A few items on that list might be mentioned here as a start.

1. Advisory Commission on Intergovernmental Relations, *The Role of the States in Improving the Property Tax, and State and Local Finances and Suggested Legislation—1971 ed.* available from the Commission at New Executive Office Building, Washington, D.C. 20006.

2. Rybeck, Walter ed., *Property Taxation, Housing, & Urban Growth* available from the Urban Institute, 2100 M St., N.W., Washington, D.C. 20037, (price \$2.50.)

3. Report of the National Commission on Urban Problems, *Building the American City* (91st Congress, 1st session House Document No. 91-34) available at libraries.

4. The reform package drawn up by the Washington Equitable Tax Association, Parkland, Washington, and later enacted in large part by the Washington State Legislature. For information write Mr. C. Melvin McKenney, Washington Equitable Tax Ass'n., Inc., 12146 C St. South, Parkland, Washington 98444.

(The Tax Reform Research Group welcomes comments on the following proposals, and suggestions for additional ones.)

#### FEDERAL GOVERNMENT

1. The Federal government should make available to state and local governments grants for improvement of property tax administration, including experimental shifts to a partial or full site-value tax.

2. The Federal government should coordinate the vast amounts of appraisal information it gathers through such agencies as the Federal Housing Administration, Tennessee Valley Authority, Census Bureau, the Departments of Interior, Housing and Urban Development, Transportation, Agriculture, Commerce, and Defense, and make this information available for purposes of property tax administration.

3. (Tax-exempt federally-owned properties—See Exemptions.)

4. No Federal condemnation award should be higher than the state or local property tax assessment for the property in question.

5. The Federal government should coordinate with its own extensive appraisal activities; conduct research on more accurate and efficient methods of property appraisals; develop its own appraisal capacity; make a team of expert appraisers available to state and local property tax administrators on request; devise training programs for these appraisers and make these programs available to property tax administrators.

6. The Federal government should assist and/or encourage the states in assuming more of the costs of public education.

7. The Federal government should, if possible, give state and local property tax officials the authority to inspect books, records, and property located out of state but belonging to taxpayers in the state; or it could encourage interstate compacts for this purpose.

8. The Federal government should stop, either through grants-in-aid, preconditions to such grants, bonuses, or penalties, the widespread underassessment of vacant land and the land component of real estate generally.

9. The Federal government should conduct a thorough investigation of Federal revenue losses due to the widespread practice of commercial and industrial taxpayers of overvaluing their buildings and improvements, and under-valuing their land with the cooperation of local property tax assessors, so as to inflate the depreciation they can claim for Federal income tax purposes.

10. The Federal government should require that all leasehold and other interests in its property shall be subject to property-taxation.

11. The Federal government could condition shared revenues and/or grants-in-aid on the achievement of certain standards of property tax administration, and/or provide bonuses under such programs for governments meeting these standards.

12. The Federal government could either eliminate the income-tax deductibility of property taxes (& mortgage interest) for homeowners, or else it should extend these deductions to renters.

13. The Federal government could subsidize property-tax abatements for rehabilitation or new construction in decaying areas (conditioned on the achievement of certain levels of property tax administration.); and abatements for conservation purposes.

14. The Federal government could enact a Constitutional amendment to enable it to establish a nationwide progressive-rate property tax such as that used in Australia.

15. The Federal government could assist states in providing property tax relief for farms below a prescribed size, to encourage both the conservation of farm land and of the small family farm.

#### THE STATE LEGISLATURES

1. The states should revise their constitutions (where necessary) and enact laws to enable property tax jurisdictions to experiment with various forms of site-value taxation and selective abatements; and to permit progressive property tax rates.

2. The states should establish progressive property tax rate structures, with rates increasing in proportion to value of property, amount of property owned, and/or income. (Possibly with special provision for hardship cases such as genuinely small farmers and the elderly.)

3. The states should enlarge the jurisdictions in which property taxes are levied—at best eliminating all local jurisdictions and levying the tax on the state level.

4. The states should assume part or all of the assessment function, even if local areas or counties still set their own rates. It is especially important that states assess large commercial and industrial properties, because local assessors normally lack the ability or resources to assess these properties or to defend their assessments on appeal.

5. The states should eliminate any constitutional provisions and state statutes which impede fair, equitable and progressive property taxes and effective tax administration, and should eliminate any provisions and statutes which they are not willing to enforce effectively and uniformly.

6. The states should establish a system whereby both the legislative and executive branches continually evaluate and review the property tax laws and their administration.

7. The states should review and recodify all laws dealing with property taxes and their administration.

8. The states should eliminate all overlapping assessment and taxing jurisdictions, and all jurisdictions with fewer than 100,000 (50,000) residents.

9. The states should eliminate all special low-tax zones, whether commercial, industrial or any other kind, so as to insure an equitable sharing of tax burdens throughout the state.

10. The states should soften the impact of property taxes on low income persons, through such devices as: a. "circuit breakers," which insure that no homeowner or renter pays more than a set percent (such as 10%) of his income in property taxes. b. a uniform exemption, such as \$5,000 of full market value, for each homeowner.

11. The state should provide property tax relief to prevent the forced development of farm land, wood land, or open space. But such relief should be part of a complete program of land-use restrictions and development control; and if a benefitted property owner later sells such land for development, or develops it himself, he should pay back the taxes of which he was relieved, plus interest.

12. The states should allow both homeowners and renters a credit against state income taxes for property taxes paid, directly and indirectly.

13. The states should amend their banking laws to require banks to pay interest on property taxes paid in advance to escrow accounts.

14. If the property tax on residences is not levied on a statewide basis, then the property tax on all commercial and industrial properties, minerals, timber, and on all farms and acreage of over a prescribed size, could be so levied, both to prevent the wealthiest taxpayers from insulating themselves in low-tax rural areas or special low-tax zones from the revenue needs of the state; and to eliminate the self-destructive competition between localities for high valued commercial and industrial property.

At the very least, all additions to the commercial and industrial tax base in SMSA's (Standard Metropolitan Statistical Areas) should be shared among the taxing jurisdictions in those areas on the basis of need, with special bonuses for jurisdictions which admit low-tax-productivity land uses, such as parks and low-income housing.

#### ASSESSORS AND ASSESSMENT ADMINISTRATION

1. Assessors should be appointed, for indefinite terms; they should not be elected.

2. Assessors should meet prescribed standards of qualification, including passing a state examination, and they should be certified by the state.

3. Assessors should have adequate salaries and career opportunities.

4. Assessors should have the staff, resources, and legal authority to enforce the property tax laws fully and effectively.

5. Assessors should have the legal authority to inspect the property, books and records of all taxpayers within their jurisdiction; and in the case of taxpayers with property in more than one jurisdiction, the right to inspect such property, books, and records located outside their own jurisdiction.

6. The state should provide and/or sponsor pre-entry and in-service training pro-



grams for assessors, and should monitor and evaluate their performance.

7. The state should modernize and make uniform in each jurisdiction the methods of collecting, recording, and analyzing all property-tax and land-record information.

8. Any property owner could be allowed to set his own property tax assessment, provided he agrees to sell his property to anyone willing to pay 10% (20%) more than the value he so sets, and is willing to agree to accept that value for any condemnation award.

9. Property tax assessments should be the basis for all condemnation awards.

10. If assessment-sales ratios are not the same for each assessing and taxing jurisdiction in the state, the state should carefully equalize these ratios for the purpose of state aid and exemptions.

11. All property—and especially land—should be reassessed each year.

12. If the state does not itself perform the assessment function, it should, at least, when necessary:

a. issue rules and regulations;  
b. require observance of personnel standards;

c. require correction of clerical mistakes in the classification and exemption of property;

d. order or institute the assessment of omitted property;

e. order or institute the reassessment of:  
(1) individual parcels or items of property;  
(2) individual classes of property;  
(3) all properties in a jurisdiction.

13. There should be no separate local and county board of review and tax appeals, or county and state boards of equalization, that serve administratively as part-time supervisors.

14. The state should take over, at local expense, the assessment function of any jurisdiction that does not meet prescribed minimum standards of assessment performance.

15. Only public officials should assess or reassess property; and property-tax jurisdictions should contract with private appraisal firms, if at all, only for special consulting on unusual problems. All documents that private appraisal firms prepare under such contracts should be available to the public.

16. No public official with any role in the administration of the property tax should be engaged privately in any way in the business of dealing in or insuring real estate; or in building, repairing, or appraising real estate.

17. The assessor should not raise the assessment on a property that is sold unless he is conducting a general reassessment of the entire jurisdiction.

18. If the State does not itself perform the assessment function entirely, it should at least:

a. assess all commercial and industrial properties of above a prescribed fair market value, such as \$150,000;

b. assess all properties, parts of which are located in different jurisdictions within the state, or which are capable of being moved between different jurisdictions;

c. assess all other property of a specialized, unusual or complex nature;

d. make available a staff of trained, certified appraisers and administrators to assist in any aspect of property appraisal or property tax administration;

19. If the state does not perform the assessment function itself, it should at least provide:

a. tax maps and record-keeping systems;  
b. assessment and appraisal manuals, handbooks of laws, rules and regulations; cost and price schedules;

c. computer programs and facilities for both property-appraisal and record-keeping functions;

d. professional and technical services.

20. If the state does not itself perform

the assessing function, it should establish minimum requirements for:

a. professional staffing;  
b. equipment and facilities;  
c. frequency of reassessment;  
d. methods and specifications for appraisal and reappraisal of property;  
e. performance, as measured by average assessment ratio and uniformity of assessments.

21. If the state does not itself perform the assessing function, the state's role in property tax administration should be through a single, prominent agency, headed by a career administrator. This state agency should:

a. perform assessment supervision, assistance and equalization;  
b. assess all state-assessed property;  
c. conduct valuation research.

#### ACCESS TO INFORMATION

1. All property-tax assessment records, including work sheets explaining and justifying individual assessments, and records of appeals, should be public information and open to public inspection.

2. The property-tax assessor's office should be open in the evenings, for the benefit of taxpayers who work during the day.

3. The assessor's office should provide citizens with convenient and easy access to property-tax records and should have ample tables and chairs to permit taxpayers to examine and copy these records. It should provide a photo-copy machine to permit taxpayers themselves to photo-copy tax and assessment records at cost.

4. (Publication of records regarding exemptions—see *Exemptions*.)

5. Each taxpayer should be notified, in writing, each year of:

a. the assessed and full market values of his property;

b. the assessment-sales ratio for his own class and all other classes of property in his jurisdiction.

c. the assessment ratio required by state law.

d. precisely how, when and where to appeal his assessment.

6. Property-tax records should be indexed by property-owner, street address, and tax map number, so as to provide taxpayers with the fullest possible access to this information.

7. Whenever a property is sold, the sales price should be both recorded on the deed and reported to the appropriate property tax official, who shall include it on public property tax records.

8. The assessor should publish annually, in a local newspaper, the street address, property owner, and amount outstanding, including interest, of all property-tax delinquencies.

9. The state should conduct studies of assessment-sales ratios and ratios of dispersion for each type of property in each jurisdiction in the state. It should publish meaningful composites of this information annually, and it should make the studies themselves available as public information.

10. The appropriate property tax official should notify, and inform of their rights, all property-owners whose property valuation may be affected by any court decision holding any action of the jurisdiction in valuing property or levying taxes to have been performed illegally or unconstitutionally.

11. The assessor should both determine and record separately the value of the land and improvements on each parcel of property.

12. All property tax records should be recorded and indexed in the name or names of the real party or parties in interest. In the case of corporations, such records should include, and be cross-indexed according to, the names of any persons controlling, controlled by, affiliated with, or under common ownership with them.

13. Each property tax assessment jurisdiction

should compile each year lists of the property holdings of all property owners (real parties in interest) within it, such lists to be available as public records.

14. The state property tax agency should compile each year composite lists of the holdings of all property owners (real parties in interest) within it, such lists to be available as public records.

#### TAXPAYER APPEALS

1. There should be a convenient and inexpensive small-claims type procedure whereby taxpayers can appeal both over-assessment of their own property and under-assessment of the property of another.

2. There should be a clear right of class action for property-owners who contend that as a group they have been over-assessed or that another taxpayer, or group of taxpayers, has been underassessed.

3. Assessment-sales ratio studies and other studies reflecting upon property tax equity, done by the Federal Bureau of the Census or by the State Department of Taxation (or other legally-authorized body) should be admissible as evidence in property-tax appeals.

4. There should be an office designated "Property Tax Advisor"—not an employee of the assessor's office and not associated in any way with the assessment of property—the holder of which, and his staff, would act as advisor to all property taxpayers in the jurisdiction, including explaining to them fully their legal rights and assisting them in preparing for appeals. The property tax advisor should have access to any property tax and other records, public or private, that the assessor himself has access to, including the worksheets of any private appraisal firm which provides services under contract to the jurisdiction.

5. Taxpayers who successfully appeal the underassessment of another could be reimbursed for legal expenses by such party or by the jurisdiction which benefits from the increase.

#### EXEMPTIONS

1. The assessor should publish annually in a local newspaper, the street address, owner, assessed value, taxes exempted, and the basis of the exemption, for each exempt property.

2. Each property owner claiming an exemption should submit an application and signed affidavit each year justifying and supporting his claim. All such applications should be public documents and should be readily available to the public.

3. Exemptions should be granted or denied on the basis of how a property is used, regardless of who owns it (i.e. a profit-making parking lot or apartment building which competes with other such businesses should not be exempt from property taxes just because a fraternal organization or church owns it. Nor should private businesses be exempt from property taxes just because they lease property from a tax-exempt body such as a government authority).

4. Whenever possible, the legislature should provide an outright appropriation for an activity it wishes to support, instead of granting it a property tax exemption.

5. The state should reimburse local governments for all their property tax losses due to state-required exemptions.

6. Exempt properties should be reassessed as often and as carefully as other properties in the jurisdiction.

7. The Federal government should reimburse state and local governments for all net tax losses due to federally-owned, exempt property. (But such reimbursements should be conditioned on need, revenue-raising effort, and achievement of prescribed minimum standards of property tax administration. Such reimbursements in excess of need could be put into a pool and distributed to needy localities within the state or region.)

8. The state should condition all the prop-

erty tax exemptions, on demonstrated economic need.

9. Leaseholds and other interests in tax-exempt property, should not be exempt unless the holder of the lease or other interest himself qualifies for the exemption.

#### LOCAL DEBT LIMITS AND STATE GRANTS

1. A property tax jurisdiction should not benefit, whether in the amount of state aid it receives, the contribution it makes to state-supported services, or in any other way, from assessing its property at a lower percent of fair market value than other jurisdictions in the state.

#### CONFERENCE ON PROPERTY TAX REFORM, DECEMBER 12, 1970, WASHINGTON, D.C.

9 A.M.—Opening. Student Activities Center, 800 21st St. N.W.

9:15—Speech by Ralph Nader.

10 A.M.—Speech by Senator Edmund S. Muskie.

10:45—Speech by Governor-elect Milton Shapp of Pennsylvania.

11:30—Speech by Mason Gaffney, Economist with Resources for the Future, Washington, D.C.

1-3 P.M.—Workshops. George Washington University Law Center, 720 20th St. N.W. Legal remedies: Professor Ferdinand Schottle, University of Minnesota Law School.

Citizen group participation in reform: Sam Simon, Associate, Public Interest Research Group.

3:30—Speech by Perry I. Prentice, Vice-President (retired), Time-Life, Inc.

4 P.M.—Speech by John B. Rackham, D.C. Department of Finance.

5 P.M.—Conclusion.

#### WHAT IS PROPERTY TAX REFORM?

(By M. Mason Gaffney)

(Address to Conference on Property Tax Reform sponsored by Public Interest Research Group, Held at George Washington University, December 12, 1970.)

You people are so different, you remind me of the son who worried his dad by becoming a campus militant. The dad tried to pal up to the boy in the old fashioned way by talking sports. It being that season, he opened the sporting news one night and asked "Son, what do you think about Indianapolis 500?" Son: "They're all innocent!"

As I say, you're different. You are in the most hopeful and constructive movement of our times, and I salute you. You are becoming, I hope, the answer to Norman Cousins' question "Who Speaks for Man?" While others were losing their heads you kept yours. Now the tumult and the shouting dies, you are center stage. It's your turn. You may not feel ready, but the world is suddenly quiet and listening—for you.

Today the subject is property tax reform. You want to represent the unrepresented. How can property tax reform help them?

The answer is pretty obvious, and it is not property tax relief. Property is owned by people of property—the rich. Ownership of this rich tax base is concentrated in a few hands, much more so than income. The top 10% of income receivers in the U.S. receive something like 30% of the income, and we call that concentrated. But a high share of that 30% is property income, while lower bracket income is more composed of wages. Most property income receives privileged tax treatment of various kinds, so the effective income tax rate applied to property income is much lower than that on labor earnings, and official definitions of income are so sloppy that much property income isn't even included in the data, much less taxed.

As to concentration of property, about half the people own none, they are tenants. So we begin with the top 50% of families owning 100% of the property. They are not an underprivileged class, but some are more equal than others.

Among property owners I estimate the top 10%—that's 5% of all families—own around 60%. I find no overall data relevant to the property tax base, but here are some items.

The top 2.3% of farmers had 43% of the farm land as long ago as 1950. I pulled that figure from my Ph. D. dissertation, which also showed that if the Census measured farm land by value instead of area the concentration would not have been any less, and if you want to check me out, it's available on microfilm from the University of California Library.

Since 1950 the rate of engrossment has not slackened, so today control is even tighter. Federal subsidies lavished on these favored few in proportion to their landholdings are legendary. The effective rate of rural property tax is about 1%.

Urban concentration is less well documented. I analyzed the assessed value of real estate on the west side of the Milwaukee C.B.D. in 1969. The top 10% have 53% of the assessed value there, and more elsewhere. I feel confident that if I knew the names lurking behind the disguised ownerships the top 10% would have a good deal more.

The largest owner in the small study area is the William Plankinton Trust, at \$6 million. This is the value of 1200 slum dwelling units at \$5,000 each (many in Milwaukee go for less than that). Think about that the next time someone speaks of the poor man's stake in property tax relief.

The Schlitz Company is on the rolls for \$3 million in the small study area. This omits the brewery that made Milwaukee famous; it omits the family's (their name is Uihlein) 200 acre "farm" on the choicest residential site in the County, by the lake in posh Bay-side where land goes for \$20,000 an acre (200 x \$20,000 equals \$4 million); it omits the Polo grounds on the speculative north-west side, and who knows what else?—the larger the ownership in one area the more likely is the owner to hold land outside it, often around the country and the world.

On the East Side of Milwaukee's C.B.D., I found the top 10% to have 60% of the value.

I ranked Milwaukee's industrial firms by assessed value and found the top 10% to have 89%—yes 89%—of the assessed value of industrial land and buildings. In this study I also found evidence that assessment of industrial land (I do not know about buildings) is regressive, indicating the top 10% have a yet higher share of the true value of property—but that's another story. 89% is high enough. You get the point. Taxable property is highly concentrated in the hands of a few, even in Milwaukee which is notable for diversification. Imagine what you find in Seattle, Dearborn, and Gary.

It's also interesting that these big fellows with 89% or more of the property employed only 69% of the workers. It's the small shops that hire more men in proportion to their assets. Next time they dwell on the importance of big employers to fight unemployment you might think on that, too.

Turning to expenditures, much of the tax money raised from this progressive base is used redistributively, to pay for schools and welfare.

The property tax is the traditional means in American law whereby the poor assert their equity as citizens in the property to which the rich hold title. It is as good a claim as the other, the one we call 'property' in fee simple. The public claim in fact is prior in law—taxes are senior to mortgages, for example. The public claim is not limited. The fee holders' right to retain what is left after taxes (and debt service) is not a contract between him and the state, it is a matter of legislation and common law. Like eminent domain, taxation of real estate expresses the ultimate sovereignty of the state. I speak not as a revolutionary but a believer in law and order in a nation whose laws are radical

enough to let the poor accomplish more than any revolution, if they only will learn how.

The property tax base is big and strong. The national levy on property now is around \$35 billions. There is gnashing of teeth and rending of garments. The pain of the wealthy is loud and they never lack sympathy. And yet the market value of this tax base keeps rising, rising in the teeth of higher tax rates and higher interest rates, the latter at 8% making most tax rates (about 2%) look small. Allen Manvel estimated the value of taxable real estate in 1967 at \$1.4 trillions, double the 1957 value; and to that you may add minerals, timber, water rights, and a great variety of miscellaneous forms of property I think escaped his net. The owners of nearly \$2 trillions of real estate value are not a collective welfare case. They just sound that way—it's one of their special skills. That is not so funny when you look at the punitive and destructive way we treat many real welfare cases.

"Property tax relief" for the orphaned blind widow in the ivy-covered cottage is a popular theme, but that means sloughing the social obligation of property onto others—how? Sales taxes hit the poor. What we fondly call the income tax has degenerated into a payroll tax primarily, because property has learned to duck it, in a thousand clever ways. "Social security" is a slick name for another payroll tax, the most regressive one going. The corporate income tax can't touch unincorporated property and is full of loopholes that corporations can use by misallocating their resources.

Naturally property owners resist sharing with the propertyless. But the struggle of the poor in America has been fought before, and won. It is a repetitive theme in our history. Each generation of poor must fight the battle anew, must rediscover the levers of power that our system avails them. The Nation survives because the establishment has some give, and is attuned to accommodate—however grudgingly—some of the demands of the poor.

That requires pressure from the poor, and this we have. There are plenty of excitable ready to march, confront, agitate and demonstrate. It also requires know-how, so far not much in evidence. Pressure alone is not enough. If the poor could rout the police and loot at will they would enjoy only a one-shot gain, with nothing to loot tomorrow. But know-how! There is a permanent revolution built right into the system we already have, with the police coming down on the side of the poor.

The method is taxation, which is tempered looting according to rules that can be quite constructive and provide a permanent support for welfare, education, and many other things.

Why don't the poor know how? It's not that no one tells them, and it's not that they never listen. The problem is so many are telling the poor so many and complex and confusing things they don't know whom or what to believe, and their energy is lost charging down blind alleys following delusions. Property's spokesmen ask for tax relief—and the sales tax. They defend regressivity in the rhetoric of progressivity. But ev'rybody talkin' 'bout Heaven ain't gwine dere.

The defense of property is to generate negative information to clog the channels of communication. This is the problem. And you are the solution, because you are dedicated to finding and publicizing positive information—some call it truth.

Negative information on the property tax now circulating makes a long scroll. But high on the list is the refrain that it is regressive. A high powered organized well-oiled campaign has been mounted to persuade us that we can help the poor by shifting taxes off property onto the Federal Payroll Tax—usually called the income tax for P.R. purposes.



To make the property tax look as though it socks the poor when most property is so closely held calls for some fancy sophisms. I have in my security blanket here—this large briefcase—a list of seventeen fallacies in basic studies alleging the property tax to be regressive, and a copy is yours on request. The main argument has to be that the tax is shifted. Indeed some go so far they seem to say that big owners shift it and only widows and orphans really get stuck with it. I exaggerate, but not much.

To the extent there is any truth in the shifting thesis, and there is some, it can be stopped by reforming the property tax. That is my theme this morning.

Reform Priority No. 1 is the assessment of land. That is Step One, and as the day is too short for the next 29, I will dwell only on it. A quarter of what is wrong with the property tax can be remedied by upgrading land assessment, so it is a big Step One, sufficient alone to benefit us greatly and necessary to most other steps.

I have seven reasons why land assessment is Priority No. 1.

1. Taxing land encourages good use; taxing buildings doesn't.
2. Land is more underassessed than buildings.
3. Land is a large share of real estate value.
4. Land ownership is more concentrated.
5. Regressive assessment is more evident with respect to land.
6. Citizen involvement is most feasible with respect to land.
7. Correct land assessment is necessary to close loopholes of the income tax.

#### 1. TAXING BUILDINGS IS OFTEN COUNTER-PRODUCTIVE

A critic of the pork barrel once defined an engineer as a man who tells you the very best way to do something that shouldn't be done at all. The same might be said for the art of assessing buildings. My city of Milwaukee illustrates the tragedy of good assessment applied to the wrong base. For years Tax Commissioner Thomas Byrne was one of the best: honest and true, capable and respected. And did Milwaukee then flourish? The record shows that it did little but grow older under this exemplary regime. A heavy tax on capital is not much more attractive to investors by virtue of being levied accurately.

So when you demand higher taxes on buildings you meet a counter-argument that you may stifle renewal. Newark, Boston, and in lesser measure Milwaukee, each with real tax rates over 4%, serve as cases in point.

Now I don't advise you to cave in before every counter-argument, but this one makes some sense. When buildings are taxed, the tax on a parcel of real estate depends on the use to which the owner puts it. If the tax is high enough to matter it biases owners against the heavier taxed use. It biases them against supplying new floor space and shelter, and in favor of billboards, gas stations, junkyards, open storage, parking lots, baronial estates, obsolescence, speculation, and dilapidation. In general, it favors old over new and ranks high among factors that retard urban renewal. It tends to restrict supply and maintain rents paid by the poor, thus shifting some tax to the poor and putting what regressive element there may be in the property tax.

Taxing buildings raises the spectre of interurban competition and puts a ceiling on feasible property tax rates, limiting the revenues it can raise. Capital has loose feet. Land, on the other hand, has only square feet; you can tax the very all out of land and not one square foot will get up and walk out of town—not one.

So to help the unrepresented, it makes more sense to raise land than building assessments.

#### 2. LAND IS MORE UNDERASSESSED

Every study of assessment discrimination finds land to be the most underassessed class of property. The most comprehensive study is the 1967 Census of Governments, Vol. II. On p. 42 we find a summary for the whole U.S. The Census compared assessed values to sale prices of parcels of real estate sold over a period, and arranged the results by classes of property. For "all types" the assessment to sales ratio is 31%. That is a measure of fractional assessment conventionally practiced. Let's call it "parity." Any class assessed at 31% is assessed at 100% of parity; 15½% is 50% of parity; and so on.

The lowest assessment to sales ratio is for the class called "Acreage and Farms," at 19%. That's 61% of parity. Next is "Vacant Lots" at 24%, which is 77% of parity. "Residential" is at 35%, or 113% of parity; and "Commerce and Industry" at 36%, or 116% of parity. So you see that interclass discrimination of a gross order is the rule nationwide.

Interclass discrimination like that is not reflected in the Census statistic assessors usually cite to evaluate their work. This statistic is the "Coefficient of Dispersion." It is a kind of average of the deviation of assessment ratios from 100% parity. Coefficients under 20% are considered passing—sort of like a D grade in school—and under 10% pretty good. Many assessors flunk.

But those who earn high grades (low coefficients) and wave them around are not necessarily doing a good job. "The" Coefficient of Dispersion is really only "a" Coefficient of Dispersion, a partial score. It is computed from one class of property only—single family residences. An assessor can enter land at zero and still get good marks on his Coefficient.

Let's look at Maryland. It gets the best marks for a low Coefficient of Dispersion, and enjoys the highest reputation for good assessment. Yet its interclass bias is bad. On p. 44 we find that assessment parity in Maryland is 43%. "Acreage and farms" show an assessment to sales ratio of 18%—that's only 42% of parity. Vacant lots are at 29%, 67% of parity. But residential gets soaked for 117% of parity. Comparing classes directly, that means residential is assessed nearly 3 times too high compared to acreage and farms. Three times too high! That's not just one deviant; that's a systematic bias between classes. And that's not a chamber of horrors case from Arkansas, Mississippi, or Alabama. That's shining Maryland, a beacon light in the assessment jungle.

The truth is even sadder than the Census shows. Census Table 9 which I have been citing doesn't dig into the worst abuses. The Census omits that class of land most underassessed: unsubdivided acreage inside SMSAs. Its class called "Acreage and Farms" is only outside SMSAs; and "Vacant Lots" means subdivided, improved lots. But a large share of all land inside SMSAs, maybe half or more, is unsubdivided acreage. This is the stuff assessors can't see, and the Census hasn't touched it.

Let's look at Michigan. The Census gives Michigan fair marks on interclass bias; parity is 29%; acreage and farms are at 25%—not bad by Maryland standards. But Professor Dan Fursfeld of the University of Michigan studied Michigan assessments independently in 1969. He zeroed in on the neglected class acreage inside SMSAs. He pronounced it a "scandal" of underassessment. One Michigan city, Southfield, wrought a modern economic miracle by electing itself a mayor in 1962 who had acreage assessed at value. He—James Clarkson—and his assessor, Ted Gwartney, tell me that this meant multiplying previous land assessments severalfold.

This jibes with my findings in Milwaukee. The Census says that parity in Wisconsin is 49%; acreage and farms are at 35%; and vacant lots at 23%; or 47% of parity. That

sounds bad, and it is. But I found worse. After extended study and data collection and map analysis I estimated Milwaukee land values to be \$2.3 billions. The assessor's values, when equalized, tote up to \$700 millions—that's 30% of parity. You'll find the detail in a new book edited by Daniel Holland, *The Assessment of Land Value*, University of Wisconsin Press, 1970.

Don't think it's easy to get such facts publicized. Perry Prentice of Times, Inc. managed to get some press for the Milwaukee findings in the *Nations Cities* Magazine for May, 1970, and you may be interested in what happened next. The Milwaukee *Journal*, which feuds with the Mayor, changed its spots and rallied to his defense. It ran a front page editorial demanding an apology. *Nations Cities* ran a long, rambling screed from Milwaukee's Tax Commissioner. Neither would run my reply, although *Nations Cities* had it in galleys before Editor Pat Healy zapped it. Make of these facts what you will. "Establishment cop-out" is, I believe, the new idiom. I have spare copies of the reply here for you who like facts and figures.

Then we could open the chamber of horrors and look at Edgartown, Massachusetts, where some land was not even on the tax rolls until 1969 when they started finding it on aerial photographs; Sonoma County, California, where the state paid 62 times the assessed value for Salt Point Ranch; Jasper County, Missouri, where an assessor was forced out after using a University soils expert to help reassess farm land; Texas, where Nader's Raiders have documented systematic underassessment of oil and timber lands; but enough! You get the point. Land is No. 1 reform priority because assessors are favoring it scandalously.

#### 3. LAND IS A LARGE SHARE OF REAL ESTATE VALUE

Most people have no notion of how high a share of real estate value is land value. Returning to Milwaukee, the present land assessment is only 23% of the whole. My calculations triple the land figure. That does not triple the land share because it also raises the total, and I don't know by how much because some of the increase represents simply a reallocation of value from building to land while some is a net gain—the detail gets complex. But I'm sure land is over half the total, when land is rigorously assessed by comparison with current sales of adjacent land.

The District of Columbia enjoys superior assessment. Assessor John Rackham worked over land values a few years back and brought them up to 43% of the total. I suspect my approach would put them higher yet, but one new broom can only sweep so clean in a complex institutional setting.

In California, Ron Welch of the State Board of Equalization estimated land values at 43% of real estate. That was a few years back. Ron and I have a friendly disagreement about the use of maps to infer and interpolate land values between sales data points, and if he says 43% my methods would probably yield a higher figure. More recently Bob Gustavson, a whiz-bang young statistician who works with Ron, set the figure at \$70 billions. That's as much as anyone would admit the whole U.S. was worth a few decades ago, which gives you an idea.

These figures apply only to land in an orthodox limited definition. They do not include many natural resources held by license or other exotic legal-administrative form. Reform of land assessment should include the project of getting these penumbra properties classified as taxable real estate.

For example, the California figures I cited do not include the value of hydroelectric power drops controlled by PG&E and SCE. There is no market in waterfalls, so they give up and call the value minute, which is nonsense. Big western stockmen graze their herds

on our Federal land at nominal rents. These rights are worth millions, maybe billions, but they are not directly taxable. Broadcast licensees enjoy virtual tenure of a nondepreciable frequency band—tax free. And so on. Get these assets in the property tax base and the widow in her ivied cottage could truly find tax relief.

#### 4. LAND OWNERSHIP IS MORE CONCENTRATED

Reforming land assessment is Priority No. 1 because the rich are heavy on land relative to buildings.

Wednesday night I tuned in the Nader Report and heard about the underassessment of Union Camp Corp. in Savannah. I was glad to hear them mention UCC's Savannah landholdings. They might also have mentioned 1,600,000 acres of other land UCC owns in the southeastern states. This is mostly just timberland, but several new interchanges are on UCC land. A recent inventory by UCC disclosed 40,000 acres they held worth more than \$400 per acre.  $40,000 \times \$400$  comes to \$16 millions, and that is much less than the total value of this fraction of their land.

Continental Can, another Savannah firm, has 1,300,000 acres of land in 7 southeastern states.

It was not by chance that the Savannah Raiders stumbled on landowning corporations. The corporate form of organization originated as a landholding device, and it still is that above all. For a collection of information on this I again refer you to my chapter in Dan Holland's book *The Assessment of Land Value*.

There is a tendency for larger corporations to go heavier on land. Ranking corporations by value of assets, 6 of the top 11 are mineral-based: U.S. Steel and 5 oil companies. And it's not just minerals. There are 324,000 gas stations in the U.S., mostly in cities on hot corners, the land totting up to \$16 billions or more as an educated guess. Professor David Martin of Indiana University has shown that larger mineral corporations tend to hold more land reserves in relation to output.

Turning to residential, the share of land in residential real estate value rises steadily with total value. If you doubt it, check me in the Kaiser Commission Report, Technical Studies, Vol. II, p. 351. Or see the study by Professor Harold Brodsky of the University of Maryland on the District of Columbia. He ranked Washington Census Tracts by median income and found the land share in real estate to rise with income. His method was multiple regression analysis, but all you really have to do is tour Foxhall Drive and use your eyes.

At the bottom of the heap, 23% of the families in Milwaukee cover 3% of the residential area. These are the slums, where you pay a base price for a roof over your head regardless of the neighborhood. The poor use little land area per person, and the land is cheap because of the neighborhood. Several studies show that the poor think shelter while the rich think neighborhood—that is, land value. And the super-rich? 1,000 acres of front yard is nothing in the upper crust, and several such estates scattered around the jet-age world. They have lain field to field until there be no place, that they may be alone in the midst of the land—in the words of Isaiah, a prophet who foretold more than Christmas day.

Turning to commerce, I've told you I ranked the holdings of the Milwaukee C.B.D. by value. Then I figured the share of land in each decile—that is 10% of the holdings. The share rises with size of holding. The trend is less steady than I would like, but I think that is because of the small numbers and some technical data problems I'll be glad to discuss with interested people.

As to industry, I ran a study of 626 industrial firms in Milwaukee. Here my data were better—I had a way of estimating market value of land from my map, rather than relying on assessed values. For the top 10%

the land share is 35%; and they reported much additional land held for expansion. For the smallest 10% the land share is very low—under 5%. You must understand that these smallest industrial firms are often little more than old garages converted to tool and die shops.

So I have the data to say that the land share rises with value of real-estate holdings. Theory also predicts this, but we can skip that. Raising land assessments therefore will make the property tax bear heavier on larger owners than it does now, and be more progressive.

#### 5. REGRESSIVE ASSESSMENT OF LAND

It is the custom to assess large industrial tracts at less per acre simply because they are larger. Assessors defend this on the grounds that large tracts sell for less per acre. You'd think no one ever heard of subdivision. Yet at the same time, the City of Milwaukee land bank is stockpiling large industrial tracts as bait for giant industries that allegedly put a premium on large, unsubdivided tracts. Fascinating!

These attitudes obviously lead to regressive assessment of land. I never dreamed how far this went, however, until I ran my study of the 626 industrial firms. Since I had my own estimate of market value of land to compare with assessed values, I could figure assessment to market value ratios for each firm and then compare the treatment given the large and the small. The findings bowled me over. The top 10% had their land assessed at 20% of parity; the bottom 10% had their land assessed at 200% of parity—10 times too high compared to the biggest firms.

I cannot believe it's really that bad. Probably there is some compensatory underassessment of the buildings of the small firms. But I have no way of checking that. All I know for sure is that the assessment of industrial land in Milwaukee is regressive beyond the wildest accusation I ever heard.

A key factor in this pattern is the bias against subdivision. The smaller the parcel, the higher unit value the assessor gives it. That is no secret—assessors actually rationalize and defend the practice. Another angle is that raw acreage is left at farm valuation until subdivided. Then they raise the value—not just by the cost of subdivision but by all the pure unearned increment that has accrued over 30 years. So the big owner—no matter whether you call him a farmer, speculator, investor, or orphan—the big owner gets the low assessment, and the 50 small fellows he sells to get high ones. That is not just an industrial pattern, it is universal. The result is regressive land assessment.

Since most residential land is subdivided and most industrial land is not, this is also a bias against homeowners relative to industry.

I know of no comparable pattern leading to regressive building assessment. Land assessment is reform priority No. 1 because that's where assessment is demonstrably regressive, and reform is demonstrably easy: use a map and apply standard unit values regardless of parcel size.

#### 6. CITIZEN INVOLVEMENT

It is more feasible for average citizens to check on land than building assessments. Anyone can read a map, and anyone can use known values to estimate unknown values nearby. That's how I, an amateur, could estimate industrial land values. I inferred them from sales of all land round about. God did not label His product "industrial," or "residential." Land is versatile, and all uses compete for it. So residential land values, which everyone knows, tells a lot about industrial land values. House values on the other hand tell little about overhead cranes, warehouses, pulp mills, and breweries.

The assessor who wants citizens to get involved can publish city land value maps. It doesn't cost that much, and it's been done

before. Milwaukee did it in the early thirties, and I have a collection of land value maps from Budapest, Copenhagen, Chicago, Vancouver, Sydney, etc. They make good conversation pieces, along with aerial photographs.

Assessors really don't know much about valuing big industrial complexes, and they say as much. How could they?—the stuff never sells. There's no objective reference point. How can the citizen inquire intelligently into a subjective judgment?

With land there is a foolproof test of good assessment. Theory and common sense tell us that you demolish a building to salvage the land underneath. That means the bare land is worth more than the land with old building together; and this means the old building has no value. In fact it has a minus value—the cost of demolition.

So to test the assessor, check on the eve of demolition. The land share should be 100% or more—the building worth zilch. It is that simple. Most assessors flunk cold on this one, which gives the timid inquiring citizen the confidence he needs to ask more questions—pretty soon he's an expert!

In Milwaukee I checked 2500 demolitions and the assessor was generally allotting half or more of the value to the old junkers, less than half to the land. That gives you an idea of what to expect.

I hasten to add you may generally expect friendly treatment from assessors, even when you're critical. They are pleasant human beings—how else could they survive in that job? They take a lot of flack from the ignorant and neurotic, so give them a chance to discover you're different. Then you'll get through, unless they're crooked, but I've never met that. The problems are philosophical, not motivational.

#### 7. LAND AND THE INCOME TAX

Last, land assessment is Priority No. 1 to close a huge loophole in the income tax. You probably know that landlords can depreciate buildings but not land to reduce their taxable income. When they buy an old building they can depreciate it all over again—outrageous, but true. They can depreciate their cost—what they paid—less the value allotted to land. They then allot as little to land as possible. Now what happens if they're audited and challenged? They cite their friendly local assessor's land valuation, that's what. The income tax instructions invite them to—that is virtually conclusive. The result: they depreciate land, not just once but several times. They depreciate it even though it is actually rising. They sell out and pay only capital gains rates on the book profit. They sell for a higher price because the buyer can depreciate the land again—and sell to repeat the cycle again, again, and again. This tax shelter depends entirely on understanding land value.

So your friendly assessor is under great pressure from local influentials to underassess land, even if that means overassessing buildings, so they can pay less income tax so you and I may have more withheld from our paychecks to cover their share. There's more, but that's enough. If we want to make property a taxpayer instead of a tax shelter, we have to reform land assessment.

In conclusion, there are seven reasons why reform of land assessment is Priority No. 1:

1. Taxing land encourages good use; taxing buildings doesn't.
2. Land is more underassessed than buildings.
3. Land is a large share of real estate value.
4. Land ownership is more concentrated.
5. Regressive assessment is most evident with respect to land.
6. Citizen involvement is most feasible with respect to land.
7. Correct land assessment is necessary to close loopholes of the income tax.

Let's get on with it.



## THE PROPERTY TAX IS A PROGRESSIVE TAX

(By M. Mason Gaffney)

(Paper presented at 64th Annual Conference, National Tax Association, Kansas City, Sept. 28, 1971)

## INTRODUCTION

"The regressive property tax" has become a common block phrase among economists and in the popular press. President Nixon's support for revenue-sharing is increasingly based on the need to protect the poor from heavy property taxes. Some prominent tax economists are favoring even sales taxes to make the tax system more progressive, by lowering the property tax.<sup>1</sup> Even local income taxes, which are mainly payroll taxes, are being advanced to relieve property and the poor.

I find this implausible. To own property is to be rich, in the measure that one owns, and to tax the quality of richness should not be presumed to burden the poor more than the rich. As to the elderly, it is only traditional for interest groups to hide behind selected widows, and one should rarely take such appeals at face value. And so I propose critically to examine the bases for alleging the property tax to be regressive.

The Founding Fathers regarded property taxes as redistributive and equalitarian. James Madison wrote—

In England, at this day, if elections were open to all classes of people, the property of landed proprietors would be unsure. . . . Landholders ought to have a share in the government, to support these invaluable interests, . . . . They ought to be so constituted as to protect the minority of the opulent against the majority.<sup>2</sup>

Madison also wrote ". . . the most common and durable source of factions has been the various and unequal distribution of property." He foresaw that the landless majority might use government to redistribute property. "To secure . . . private rights against the danger of such a faction . . . is then the great object . . ."<sup>3</sup>

The constitutional safeguard which the Founders established is the "regulation of apportionment." "Representatives and direct taxes shall be apportioned among the several States which may be included within this Union, according to their respective numbers, . . ."<sup>4</sup> It was designed to win the support of property owners by assuring them that the new federal government would be financed mainly by excise taxes rather than property taxes<sup>5</sup> and that when property taxes were used, states above average in property per capita would be spared.<sup>6</sup>

Property qualifications on voting were widespread at this time. ". . . in the opinion of conservative people they barely sufficed to exclude from the suffrage such shiftless persons as had no visible interest in keeping down the taxes."<sup>7</sup> Throughout the 19th century the suffrage was extended (it is not universal even yet), and government functions increased. Public schools became popular, and increasingly tax-financed. E. R. A. Seligman seems to perceive the property tax as redistributive in opposing exclusive reliance on it: ". . . it involves some risk for a small class to pay the taxes and for a large class to vote on them . . ."<sup>8</sup> (Ironically, Seligman is known as a proponent of the ability ethic of taxation.)

A common argument for sales and income taxes over property taxes is their "broad base," discouraging the poor from voting for public extravagance. "Broad-based" seems quite like "regressive."

Property qualifications for the vote are not dead. Special improvement district boards throughout the west are elected by landowners alone (notably excepting California Wright Act Irrigation Districts). The prevailing argument for limited suffrage is that

so nicely distilled by Seligman *supra*.<sup>9</sup> In the settlement of the west, the county property tax was traditionally the fiscal means by which small settlers and homesteaders asserted some public equity in the lands of large absentees, ranches, and speculators. In some areas, owners covering whole counties (like Kenedy County, Texas) refused to sell to immigrants, to keep them from voting and raising county taxes—which the big owners evidently perceived as redistributive. Company towns like Arvin, California, have been kept unincorporated to keep migrant laborers from using the property tax on the owners. All of northern Maine is unincorporated, ostensibly because Great Northern and a few other paper companies want to avoid letting immigrant voters tax their property. Similarly, industrial tax enclaves in metropolitan areas keep out resident voters. In the Southeast half the poor have been disenfranchised because of poll taxes and race. The southeast relies less on the property tax than other regions. If the property tax were regressive the dominant minority would seem rationally to have imposed it on the disenfranchised poor. Instead they pioneered the state sales tax.

H. D. Simpson has pointed out how property owners favored the "contract" as opposed to "organic" theory of government. Under the contract theory, property could be charged only for benefits received (rather narrowly construed). Under organic theory, the public asserts its equity for redistributive ends, taxing *ad valorem* without reference to the source of value.

"The opponents of expansion (of public services), representing largely the property classes who would have to carry the cost of these expansions and who would participate least in their benefits, necessarily fell back on the Benefit Theory. . . ."<sup>10</sup> The benefit or contract theory lives today under the saying that property should only pay for services to property, not services to people. The animus is that property taxes to finance schools are redistributive. Services to property are often opposed, too. Property taxes to finance any mass system that favors small over large holdings inspire resistance in the spirit of attorney Maxwell's image of water districts as "Communism and confiscation under guise of law."<sup>11</sup> Such language suggests these taxes were viewed as progressive, and the history of irrigation shows they were indeed the weapon of small farmers against large.<sup>12</sup>

It is quite a wrench to shift from this historical perspective to the modern image of the property tax as regressive. But times have changed, and even the modern examples could be exceptional and atavistic. Also, today we have the income tax as a reference datum. Allegations of property tax regressivity usually imply a contrast with the income tax, lacking in Madison's day and weak in Seligman's. Current and recurrent proposals for property tax relief entail substituting income tax (and other state and federal tax) revenues for property taxes. To meet the argument in its strongest general form, therefore, we must compare property and income.

To define and narrow the issue I am making, I here define the property tax as one levied at a uniform rate on the base of the capital value of property as revealed by the current market. This is a property tax reduced to its essence, stripped of the regressivity that may result from maladministration and Balkanization, which are not the issues I raise here because they are not peculiar to the property tax. Maladministration often entails regressive assessment, a serious problem. But all taxes are applied regressively, and for about the same unhappy reasons related to legal costs and financing politics. The income tax may be the worst administered of the lot, in this respect. It is an unbalanced literature that would compare a badly run property tax with an idealized income tax.

As to Balkanization, this is not inherent in the property tax as such, but in local taxation as such. A local income tax similarly lets tax havens attract the rich by low rates. Wisconsin municipalities, indeed, have a local income tax (state-collected and returned). Since the rates are common, regressivity takes the indirect form of higher services and lower local property taxes in the favored enclaves, but it is nonetheless a feature of local income taxation. Illinois, California, *et al.* return sales taxes to municipalities of origin. California, on the other hand, may move to a statewide property tax in response to the recent state Supreme Court decision, bringing in to finance education not only the property of Emeryville and the Cities of Commerce and Industry, but also rich, undertaxed farm, timber, recreational, and above all, mineral-bearing real estate.

To hang the tax enclave problem on the property tax as such would, therefore, be an example of the fallacy of identification, one which I seek to avoid here by focusing on property value—the idealized tax base—rather than collections.

Today's common concept of regressivity owes much to an early work by Musgrave, Carroll, Cook, and Frane.<sup>13</sup> Their selection of data sources, assumptions, concepts and methods set a pattern followed in many later studies which repeated the general finding, with individual variations.

It is my thesis that the finding is inherent in the sources, assumptions, concepts and methods, not in the subject. To demonstrate this I make four points: property ownership is much more concentrated than income; the property tax is not primarily shifted forward, as assumed; the studies commit basic errors of correlation analysis with systematic biases toward their conclusion; and the studies misdefine both income and property, again with systematic bias toward their finding.

## A. Property ownership is more concentrated than income

To begin, a large share of the adult population—half, as a rough measure—are renters and own no meaningful value of taxable property at all. Most of these essentially propertyless adults do earn taxable wage income. (We consider later whether property taxes are shifted onto them.)

Savings rise with income, faster than income. With savings one acquires property, and we would naturally expect therefore higher income groups to own property in proportion to their greater saving, which is a disproportionately high share of their high incomes. And we would also expect a high share of high incomes to come from property.

Musgrave *et al.* support this. They rank 1948 U.S. "Spending Units" by income and group them, using Treasury sources of data. The highest class got 23% of the income, but 78% of dividend income and 45% of rental income, and only 12% of the wage and salary income.<sup>14</sup> Other sources might be cited, too.

Musgrave *et al.* omitted capital gains. These are probably the most concentrated source of income, and of course property-derived. Realized gains swell from virtually nothing at the \$10,000 income level to about half of income at the million dollar level.<sup>15</sup> Unrealized accrued gains, which we should include in a proper Haig-Simons income concept, are probably larger yet, and more concentrated. There are no easy data on this, but several *a priori* and indirect reasons to think them concentrated. The rich have a comparative advantage in waiting for deferred cash. They are known to favor growth stocks, undistributed profits, speculative landholdings and unripe minerals, major sources of unrealized accruals.

Among those who do own material amounts of property, concentration is high relative to that of income. The top 10% of income receivers, as income is usually defined and reported, get about 30% of all income. Every

Footnotes at end of speech.

study of property owners shows figures in another ballpark altogether. Table 1 summarizes what several such studies show about the top group. Note that most of these figures show only concentration among those who own enough property to be counted, thus understating concentration among the whole population.

Wealth is measured by value in all cases except where acreage is specified (rows 4, 5). Here, some will object that the acreage measure overstates concentration, on the premise that large holdings of acreage are below acreage in unit value. But even if they are, to accept that objection from this premise would be a splendid case of regression fallacy. When we move to the value measurement we must rerank the owners on the new basis, and the new top group would consist in part of different individuals. And there is no way to know whether the new top group would have a higher or lower share, short of actually reranking, regrouping, and recounting.

TABLE 1.—SHARE OF WEALTH HELD BY TOP WEALTHHOLDERS

Investigator and kind of wealth	Percent of holders in top group(s)	Percent of wealth in top group(s)
FTC: <sup>1</sup>		
U.S. estates, 1926.....	0.1	8.5
Do.....	2.5	46.0
Smith & Calvert, <sup>2</sup> U.S. wealth, 1958.....	1	24.0
Lampman, <sup>3</sup> U.S. wealth, 1961.....	1	28.0
U.S. census, <sup>4</sup> U.S. farm acreage, 1949.....	2.3	43.0
R. Nader et al., <sup>5</sup> California acreage, 1971.....	<.01	13.5
M. Gaffney, <sup>6</sup> Milwaukee CBD, east side, assessed value, 1968.....	10	60.0
M. Gaffney: <sup>7</sup>		
Milwaukee industrial real estate, assessed value.....	10	89.0
1960.....	1	59.0
Same, land area.....	10	75.0
TNEC, <sup>8</sup> U.S. corporate shares.....	3	50.0
Crockett and Friend: <sup>9</sup>		
U.S. corporate.....	.1	20.0
Shares, 1960.....	1	50.0
Judiciary Committee, U.S. Senate, <sup>10</sup> shares of General Motors, 1956.....	<.01	33.0
Lydall & Lansing, <sup>11</sup> U.S. net worth, 1953.....	10	56.0
U.S.D.I., <sup>12</sup> Federal coal leases, 773,000 acres, 1970.....	10	49.0

<sup>1</sup> U.S. Federal Trade Commission, National Wealth and Income, S. Doc. No. 126, 1926, p. 59.

<sup>2</sup> James Smith & Staunton Calvert, "Estimating the Wealth of Top Wealthholders from Estate Tax Returns," American Statistical Association, 1965 Proceedings of the Business and Economic Statistical Section, table 5, p. 258.

<sup>3</sup> Robert Lampman, The Share of the Top Wealth Holders in National Wealth (Princeton University Press, 1962), updated to 1961 by Lampman in Business Week, "Rich Get Richer—but not for Long," Jan. 27, 1962, p. 31.

<sup>4</sup> 1950 U.S. Census of Agriculture, vol. 2, ch. 10, p. 775.

<sup>5</sup> Robert Fellmeth (ed.), "Power and Land in California," (Washington: Center for Study of Responsive Law (1971), Preliminary Draft (mimeo), vol. 1, p. 1-17.

<sup>6</sup> Data taken from city of Milwaukee assessment rolls and ranked by Patricia Bevic, research assistant.

<sup>7</sup> I ranked 626 city of Milwaukee industrial firms by assessed value, using data collected by Norbert Stefanik.

<sup>8</sup> Temporary National Economic Committee, monograph 29, Distribution of Ownership of the Largest 200 Non-financial Corps. (Washington: GPO, 1940), pp. 37 ff. and monograph 30, Survey of Shareholdings in 1710 Corps., p. 50.

<sup>9</sup> James Crockett and Erwin Friend, "Characteristics of Stock Ownership," American Statistical Association, 1963 proceedings, reported in Milwaukee Sentinel, Sept. 18, 1963.

<sup>10</sup> Bigness and Concentration of Economic Power—a Case Study of General Motors. Staff Report, Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, 84th Cong., 1st sess. (Washington: GPO, 1956), p. 7.

<sup>11</sup> Harold Lydall and John Lansing, "A Comparison of the Distribution of Personal Income and Wealth in the U.S. and Great Britain," AER 49 (1): 43-67 (March 1959), (using data from University of Michigan Survey of Consumer Finance).

<sup>12</sup> U.S. Department of the Interior, "Working Paper" (unpublished), cited in Milwaukee Journal, Aug. 29, 1971.

Most data sources don't do this for us, but a few such comparisons may be found. A special U.S. Census study of the ownership of rented farms in 1900 measured them both by area and land value. By area, the top 45% had 83%. By value, the top 45% had 85%.<sup>16</sup> In 1951 Danish farming: by area, the top 2% had 14%; by value, the top 1.3% had 14%.<sup>17</sup> For Milwaukee industrial real estate, I ranked firms in 1960 by both land area and

land value (my mass appraisal). By area, the top 10% had 75%; by land value, 76%. For the Milwaukee CBD (east side) 1968, I ranked owners by area and land assessment (City Tax Commissioner's appraisal). By area, the top 10% had 48%; by assessed value, 60%. (Preliminary, subject to adjustment.)

These scraps of evidence show there is no presumption that acreage rankings overstate concentration of wealth as a general rule, although they doubtless do in some regions.

Corporate shares are not taxable property, but of course corporate income is mostly derived from taxable property.<sup>18</sup> Some will object that corporations have many owners and should not be treated as single units. That is true, but again, it smacks of regression fallacy. Wealthy owners also have many corporations, and in general corporate shares are the most concentrated kind of asset.

Ownership of large property gives one control of other assets. Property is borrowing power and credit rating: all studies show interest rates to be very regressive with size and quality of collateral, and terms easier. But simple borrowing is only the beginning. With great wealth one goes into banking and exerts multiple leverage. The story has been told many times, if not as well, since Brandels' *Other Peoples' Money*: collateral, leverage, conglomerates, interlocking directorates, mergers, lender suasion, industrial leadership, pyramiding, the Wallenberg Grip, subcontracting market power, control of dealerships, . . . Control is power and status (psychic income), and control is a source of additional income, as revealed by the premium prices of shares during battles for control.

Data in Table I probably understate concentration, for four general reasons: omitting the unpropertied, accepting and reporting regressive assessments, accepting the bias in partial inventories, and accepting and reporting straw owners as separate owners.

1. Omitting the unpropertied. Few families have no income, so income data cover most people. Many have too little property to count, however, so many studies omit them. General asset ownership studies use the estate-multiplier technique. Here the minimum is \$60,000. Corporate shareholder data omit most people, because most own no stock. Farm data omit hired labor, treat tenants as owners, and say nothing about former 'croppers now crowded in city ghettos.

My Milwaukee CBD data are in percentage terms relating only to other owners. But the whole east side area studied has only 401 owners of record, while some hundred thousand people work and pay sales taxes there.

2. Accepting regressive assessments as fact. Regressive assessment is not universal, but some kinds of property are systematically assessed reggressively and, if not overtly, at least openly enough so assessors under questioning do not deny but explain and defend the practice. Unsubdivided land in large tracts is usually given a lower assessed unit value, specifically because the holding is large. The result may be seen by ranking Milwaukee industries by value of land (estimated from reported area adjusted by mass appraisal technique). The top 10% have 76% of the land value, but only 61% of the assessed land value. Thus the Table I datum, based on assessed value (of land and buildings), probably understates concentration.

This factor also affects findings of studies using U.S. Treasury data. For IRS practice gives weight to locally assessed values in appraisals for Federal estate and income taxation. The notion that malassessment only affects local taxes is a myth.

Another factor is the watering of prices charged to the poor in and around ghettos. A speculator often buys cheap and sells for what looks like a huge markup. But the buyer has no cash. The seller takes his profit in

an inflated and risky second trust, which he quickly sells at a large discount. The sage assessor knows how to dehydrate watered prices if he wants to, but there is pressure to maintain tax revenues from these areas, often resulting in watered assessments on the poor.

Of course, if property assessments are regressive, property taxes are based on them anyway, not on true values. But I distinguish tax concept from tax administration, as noted. This is important for policy. A regressive concealed tax remains regressive under the best of management. If the property tax is progressive in essential concept, then it needs reform and new life rather than the gas chamber.

Regressive assessment is usually explained by assessors on grounds of regressive use of property. Large holdings are generating less activity per dollar of value. In Oregon, for example, larger timber holdings are overtly assessed lower with the rationale they are worth less because of the owners' slower cutting schedule. But note this says activity-based taxes (sales and income) are then less progressive than property taxes. Thus the very explanation of regressive assessment is a phenomenon that shows the property tax properly administered, to be progressive relative to income and sales taxes.

3. The bias in partial inventories. Any wealth inventory short of universal will usually understate concentration because larger holders are more diversified. The largest owners in one city, region, industry, or other class are most likely to have holdings outside the class.

As to housing, it is the rich who have second homes, hobby farms, summer resorts, tax shelters, ski houses, Caribbean hideaways, lake frontage, and advance sites for future building. Yet studies of income and housing, from which some would damn the property tax, compare a full statement of income (at least wage income) with housing narrowly defined. Walter Morton goes so far as to judge the entire property tax on the basis of housing alone. He not only omitted second homes, but other property comprising half the total: commerce, industry, rental, vacant, farm, forest, mineral, water, and miscellaneous. Again, ownership of these is concentrated among those ranking high in the housing scale.

Studies of foreign-owned farms in America have shown them to be larger than owner-occupied holdings. The 1900 Census of Agriculture (a high water mark in good government statistics) reported on farm landlords. In-county landlords averaged 85 acres; out-of-county but in-state landlords, 126 acres; out-of-state but U.S. landlords, 159 acres. Foreign landlords were highest of all, 28% of them held over 2500 acres, while only 10% of U.S. landlords did.<sup>19</sup> I take this to be a universal tendency, deductible *a priori* from the fact that it doesn't pay to range far abroad to invest only a small sum. As U.S. residents change from colonials into the world's absentee owners, this universal tendency is clear.

It is our largest oil firms, the international majors, who cover the entire U.S. with marketing and the world with mineral holdings. The largest holdings in any one jurisdiction, industry, or other narrow class of property, thus are usually owned by those with large holdings outside. With every passing year of mergers and conglomeration this grows more true.

Thus my data on Milwaukee's CBD understate concentration. The third largest holder on the west side there for example is the Schlitz Company, yet the area omits the brewery that made Milwaukee famous, millions of dollars in the controlling family's vast speculative suburban landholdings, and large worldwide interests. Smaller owners have outside interests too, but on the whole are less diversified.

Footnotes at end of speech.



Again, the data on industry take no account that the large firms either have or are branch plants. Increasingly they are merged into conglomerates. In Wisconsin, Udell finds recent conglomeration has resulted in large drops in activity-based income taxes from the merged properties. Conglomeration is partly motivated, indeed, to avoid income taxes. That means the corporate income tax is regressive in practice.<sup>20</sup>

Many popular recent studies omit all property but housing, following Walter Morton. The better studies, as by Musgrave and Netzer, avoid this outright blunder. But wide currency and credibility have gone recently to a study by Daniel Lucas for the D.C. Government, based entirely on housing—first home only—and hypothetical housing at that.<sup>21</sup> The Wisconsin Department of Revenue released a study in May "in defense of Governor Lucey's use of the income tax to provide property tax relief" with the same blunder.<sup>22</sup> This study follows the precedent of a 1959 release by the University of Wisconsin School of Commerce.<sup>23</sup>

Many writers exempt corporate shares from taxable wealth, faulting the property tax for not reaching such "intangibles." Yet most corporate assets are very tangible at a price. In most jurisdictions the largest property taxpayers are corporations.<sup>24</sup> Studies based on individual ownership alone and omitting corporate wealth are simply not relevant.

A large genre of partial inventories is the farm study, of which every Agricultural Experiment Station must have issued one or more. Hardly anyone wealthy enough to own a large farm today lacks nonfarm income. One cannot afford to keep a large farm without using it as an income tax shelter—that is the "highest and best use" under our income tax law. Studies purporting to compare "farm income" with farm property taxes are founded on the obsolete premise that "farmers" are a separate class of people, and have no value.

4. Accepting straw owners as separate owners. Large land assemblies are habitually arranged through straw owners. Thus one large owner often appears on records as several small ones. The Milwaukee CBD study, as reported, is premised on one certain block's having several separate owners, as recorded. Some time after the First Wisconsin Bank announced it was building on the assembled site,<sup>25</sup> we did not find it listed as owner.<sup>26</sup> Nor did we find Northwestern Mutual Life listed for more than its home office, although Gordon Davidson, director of real estate, stated the company had been acquiring land in our area "over the years."<sup>27</sup> Small owners, on the other hand, are not likely to appear as large ones. Wealthy families wear several guises: banks, insurance companies, corporations, estates, utilities, etc. Property is assigned to children and relatives to split income. Rarely are these veils pierced by formal quantitative studies. Even the ICC has never found out who owns the railroads. But we can be quite certain ownership is held more closely in fact than on paper.

#### B. The property tax is not primarily shifted forward

With a base so concentrated, it requires some creative methods to find the property tax regressive. One is to assume general forward shifting. Then the property owner is exempt, except as a homeowner. Tenants do not escape. No one does. The property tax becomes a general consumption tax, and therefore regressive. I submit several reasons why the property tax is not shifted forward.

1. All studies have greatly understated the share of land in real estate value. Some overlook it altogether. The good ones assign it a value, and allow for nonshifting, but the value is much too low. They are all pre-Douglas Commission Report, and rendered obsolete by Manvel's study of how high a

share land values are.<sup>28</sup> Manvel's study plus my Milwaukee study plus Gustafson's California data support a land share of 40% and up, much higher than the 15% or so used by Musgrave *et al.* At present the assessed value of land is 40-50% of the total in Washington, D.C., California, and some other jurisdictions that have updated assessments.

It is true that in most jurisdictions land is underassessed, and Musgrave's numbers were reasonable in their day as a statement of what assessors were doing. As noted, however, maladministration should be blamed on administrators, not on the property tax *per se*. And Musgrave omitted three important points.

One, the share of land in real estate tends to rise with value of holdings.<sup>29</sup> So nonshiftability of the property tax rises with wealth.

Two, the share of land in real estate is lowest in owner-occupied residences, where the shifting assumption has no effect on progressivity. The land share is highest, normally over half, in commerce, where the assumption is critical.

In Milwaukee, 40% of all retail land space is in gas stations! The property tax on downtown and other retail landowners with wide parking lots in good locations is one of the most progressive imaginable, but Musgrave's assumptions convert it into a regressive sales tax.

Three, taxes on land actually have some positive effect on supply. They are not simply neutral, but apply leverage prompting earlier and more intensive use of land. To assume non-shifting understates their impact on landowners. They weaken his market position vis-a-vis non-owners, making them doubly progressive. This is a *fortiori* true of mineral bearing lands. Here, property tax critics often forecast panic liquidation if rates rise. They overdraw the point, but there is a point there, and it is the reverse of forward shifting.

2. Taxes on buildings are not mostly shifted forward. There is no reason to assume forward shifting of taxes on capital, and I find no persuasive rationale in Musgrave *et al.*, or Morton. Netzer magwumps the issue.

To be simply shifted forward, a tax would have to be proportional to output. Taxes on capital are not proportional to output, but to one input. They fall differentially hard on capital intensive firms and industries, which could not recoup from customers without raising prices relative to labor-intensive competitors. Capital-intensity varies over a very wide range—see any issue of *Fortune's* annual analysis of the top 500 corporations. And it is the large firms that own more capital per unit of output. That is, the use of property is regressive, so that activity-based taxes are regressive relative to taxes on capital. Even if there be some tendency toward forward shifting it would be very uneven, the more capital-intensive firms being less able to shift.

But of alternative shifting hypotheses, forward shifting seems the least likely. It would only make sense if the tax were levied on one industry, exempting others, thus reducing supply and raising real price. But the property tax is a general tax on capital. It cannot be analyzed with tools of partial equilibrium. It chases capital out of capital-intensive and into labor-intensive uses. The tax on buildings (not on land) encourages land-intensive use, too, i.e. a low capital/land ratio.

Where we go from here depends on what we are analyzing. If it is an open economy like the typical local taxing body, then wage rates and interest rates are fixed exogenously leaving only land to bear any local tax. The local tax on capital thus is largely shifted to land. The shifting is differential, owing to different capital/land ratios; and density is reduced. But the point here is that the tax is not shifted off property and is not made regressive.

If it is federal revenue-sharing we analyze,

the rules change. Now the proposal would affect property taxes nationwide. Here we cannot assume that interest and wage rates are fixed exogenously.

In a completely closed economy, capital should bear most of the tax on capital. If it cannot emigrate, its escape routes are limited to dissaving and tax-exempt public works. Supply being fairly inelastic, capital has to accept a lower rate of return after taxes. If capital did not absorb tax, the tax rate added to the pre-tax interest rate would drive capital out of capital-intensive and into labor-intensive uses. In the latter it complements labor, raising demand for labor, preventing a shift of the tax to labor.

But the U.S. economy is not entirely closed. Capital now emigrates, not without cost, but more freely than labor. Thus the position of capital vis-a-vis labor is stronger than in a completely closed economy, and labor does suffer from the tax. But the position vis-a-vis land is strong too. So the capital tax as a national institution is borne by land and capital and labor, all three. Thus property still bears much, and probably most of the capital tax.<sup>30</sup> Remember now, that the other half of the property tax falls directly on land and stays. Putting it all together, it seems most likely that the property tax is indeed largely what it purports to be, a tax on property.

The case for forward shifting is strongest with utilities, and rails, not for analytical but institutional reasons. Here, however, a simple forward shift would only result if we took regulatory plety at face value, as no one does who really looks into the matter. We cannot develop that here. But note that the rate required to attract capital into utilities is lowered by taxes on non-utility property. Thus indirectly, if regulation works at all, utilities bear the property tax too, at least in part.

The case for forward shifting seems weak with timber, livestock, and all appreciating capital in the short run, since it hastens liquidation. But this is only short run, and a partial analysis. In the long run the tax drives capital out of capital-intensive uses. The case is really weak where cartels are engaged in underutilizing capital or land the common condition according to students of industrial organization. These holding actions are extremely vulnerable to the property tax. Far from being shifted forward, the tax forces idle capital and land into use, increasing supply and lowering prices.

All cartels are characterized by excess capacity—that is of the essence. When you consider that half the wells in Texas are surplus—need I go on? In a cartelized society like ours the forward shifting thesis is not just shaky but ludicrous. Untaxing property, as by revenue sharing, would strengthen the hand of every cartel now locking up excess capacity. It is not the property tax but the lack of one that would be shifted forward in higher prices.

#### C. The need to correct for regression fallacy, or which top 10% do you mean?

Most studies of property tax regressivity stumble squarely into the patfall of regression fallacy. The problem in brief is this. Income and property are positively related but the scatter of points is loose, with great individual residuals from any fitted curve, and a high error of estimate. We want to know which rises faster as they rise together. The answer depends on which we arbitrarily select as the ranking variable. Let us say we rank by income on the abscissa and find the top 10% have 30% of the income and 25% of the property (a hypothetical number). It looks as though the property tax is regressive. But now rank them by property on the ordinate. The top 10% are now a different group—we have taken a stratum of points at right angles to the original column. Some of the humble have been exalted, and the mighty laid low. This top 10% has say 50% of the property and 25% of the income, and the

Footnotes at end of speech.

property tax looks progressive (in terms of income).<sup>31</sup>

When the *Census of Housing* ranks families by income, rent payments do not keep up with income.<sup>32</sup> But ranking them by value of dwelling units, value quintuples while income only doubles.<sup>33</sup> That is the difference a technical detail or two can make.

So which top 10% do we mean? Most studies have uncritically chosen income as the proper ranking variable, by assumption, thus practically preordaining the conclusion—and largely invalidating it.

The Chicago school of permanent income hypothesizers have counterattacked sharply on the housing salient. Margaret Reid<sup>34</sup> undertook to narrow the scatter of points by removing random year-to-year income changes. She related housing to a definition of permanent income, and came up with income-elasticity of demand for housing well above unity.

One of Reid's methods of avoiding regression fallacy was the inter-area comparison, where data are grouped by a neutral variable (neighborhood) which is neither housing nor income. Brodsky has repeated this for Census Tracts of the District of Columbia. His findings strike me because he is a geographer who is not concerned with the permanent income or regressivity question and presents his findings just as interesting facts. He finds residential improvement values rise with the 1.3 power of income; land values rise with the 1.8 power.<sup>35</sup>

Muth has refined and expanded Reid's methods. He now suggests 1.2 or 1.3 as correct income-elasticities of demand for housing.<sup>36</sup> Lee has criticized Reid's methods and come up with an elasticity of about .81. However, Lee's data were too small a sample to lean on heavily, and more important they excluded land.<sup>37</sup> We have seen that land is the most progressive share of housing, so this biases Lee's findings downwards.

Another needed correction is the treatment of realized capital gains. Say an asset rises slowly for twenty years and is sold. In the year of sale, reported income is high, but property taxes are normal or fall. In the first 19 years there were property taxes and no reported income. This creates a statistical illusion of regressivity. If accrual of value were treated as current income, the illusion would be dispelled.

Another needed correction is the treatment of normal life-cycles of accumulation and liquidation. It is normal for the retired elderly to draw on savings in years of low income, and get help from children, if needed, to hang onto property the children will inherit. The property tax which has not been regressive in a lifetime sense looks regressive when no correction is made for this statistical illusion.

But these are only glancing blows. The central question is, why rank by income at all—any concept of income? When we do that we accept income-fundamentalism, a kind of philosophical imperialism where Adjusted Gross Income on Form 1040 is the basic reference datum against which to measure and judge everything. "Similar circumstances" mean similar AGI, and similar circumstances deserve similar taxes. In effect this means we judge the property tax on the basis of how closely it resembles the income tax, in every detail. Since nothing resembles the income tax so much as the income tax, the property tax looks inferior.

Again, the concept called "income-elasticity of demand for wealth" contains implicit income-Chauvinism. It implies one-way causation: income causes wealth. But wealth also causes income, and as Klein points out that changes the rules for relating them.<sup>38</sup> No longer can income be the simple ranking variable.

If the property tax had no rationale of its own we would be forced to accept income

fundamentalism. But if the property tax has a rationale, then it is legitimate to rank by wealth, and fault the income tax for failing to tax large properties adequately. Here is an outline rationale for the property tax.

1. "Ability-to-pay" derives from wealth as well as current income. James Tobin, Arnold Zellner, Taylor and Houthakker, Harold Somers, and others have stressed this lately. The old cliché that "taxes are paid out of income" is as empty as the one that we consume "out of income." We spend money, and it is not labelled.

2. The property tax asserts a public equity in land which was won and is defended by joint efforts, and whose value derives from public works and spillovers, not from the owner's efforts. It exempts human effort, thus rewarding service to the community and denying the state any equity in the bodies of its citizens whose freedom and dignity is thus enhanced in their capacity as human beings, as distinct from owners of wealth.

3. Property taxes reduce the differential effect of inherited wealth on the current generation. They strike directly at concentration of economics and other power based on wealth, promoting competition and equal opportunity. Property as collateral is a source of invisible income (credit rating). Taxing property reduces the differential advantage of the rich in credit rationing.

4. Property income of a given dollar value places the receiver on a higher welfare plane than labor income, because he needn't work for it. \$10,000 a year received by dint of working long hours in a coal mine with black lung disease is not the same as \$10,000 plus a life of ease.

5. The property tax is needed to plug loopholes in the income tax, which is inexorably devolving into a payroll tax.

If one finds that rationale compelling, then the proper approach is to rank by wealth. Doing so, one finds that property is used regressively, i.e. the larger holdings generate less taxable sales and income per dollar of wealth. Thus in the Milwaukee industries reported in Table 1, ranking by value, the top 10% who have 89% of the value have only 69% of the employees.

If one likes the property tax rationale partly but not wholly, then he may follow Wallis and Roberts<sup>39</sup> who tell us that to avoid regression fallacy a valid way to compare two populations is to compare their standard deviations or other measure of variability. If there is less income than property in the upper groups, the variability of the income distribution will be less. But we have already seen that is so (Table 1). Table 1 only gives the top group, but in each case I have computed Gini (or Lorenz concentration) ratios for the entire distribution, and they are as you would expect much higher than for income. (The Gini ratio is, in my experience, closely correlated with the coefficient of dispersion.)

The more we correct for regression fallacy, then, the more progressive the property tax looks.

#### D. On defining income and wealth

Dick Netzer, like others, uses AGI as the reference standard against which to match the property tax and find it regressive.<sup>40</sup> A certain citizen in 1970 reported no AGI, but heavy property taxes, which might make the property tax quite regressive were it not Ronald Reagan. Yet he is not alone, and it seems harsh to select a measure that makes the property tax regressive because it is the only tax many rich men pay. General Oppenheimer has written a fine set of manuals on how to reach Zero AGI by losing money farming,<sup>41</sup> and they work so well that taxable farm income is down to about \$3 billions while the USDA estimates farm income at \$14 billions.<sup>42</sup> I do not think that AGI will do.

It is not just farming. Property is the paramount tax shelter. How does it cover

thee? Let me count the ways. There is expensing of intangibles and soil and water conservation, percentage depletion, capital gains rates, deferred realization, non-distribution of profits, non-realization, conversion of interest into cost recovery by watered sales prices, accelerated depreciation, multiple depreciation, de facto expensing of capital improvements, deduction of interest, covert write-off of undepreciated land value, deferral of tax beyond date of sale, and many others.

At the same time, property is a large source of income that is not counted in AGI. Unrealized accruals and imputed income are the most obvious, and each is a huge item.

Thus the ownership of property tends on a large scale to reduce AGI and increase real income. When we rank by AGI, property owners move into lower brackets than they belong; nonowners move into higher brackets. Property tax payments move into the lower brackets, pre-ordaining a finding of regressivity which is totally illusory.

At least two studies have sought to correct for the Reagan Effect. Both corrected only partially, and with spectacular results. The Survey Research Center made the tax progressive simply by including imputed income.<sup>43</sup> Brainin and Germanis do a similar job with California data.<sup>44</sup>

Another common method is to define property tax payments as only the net burden after deducting payments from taxable income. This is to impute a regressive feature of the income tax to the property tax. That would be wrong at best, but more so when one is comparing the property tax with the income tax itself.

If one does choose to evaluate the two taxes jointly, he should note above all that the Federal Government has moved far toward abandoning the taxation of property income. That is the cumulative effect of a hundred loopholes, available to property but not to the poor stiff with his W-2 Form. Equity suggests that state and local treasuries move in on this unpreempted tax base.

Definition of the property tax base is also a source of serious error in a number of studies based on cash rents. Netzer for example assumes that property taxes are proportional to rents.<sup>45</sup> They aren't. The base is not rent but capital value. The poor live in declining neighborhoods and buildings nearing abandonment, where capital value is a very low multiple of rent. Rents include high costs for collection, turnover, damage, loss of status, maintenance and repairs, and general unpleasantness. In Milwaukee's "Inner Core" or slum area the rule of thumb is you pay 30 months' rent to buy a dwelling unit. Tenant incomes are low, but higher than such capital values. The rich live in new buildings of long future life in appreciating neighborhoods. Incomes are high, but normally less than half of lot or acreage plus house values.

It is true that slums are often overassessed, but again, maladministration is the fault of administrators. The property tax in concept is progressive precisely because it is based on capital value. Owners of appreciating property often complain that capital value as a base hits them harder than would current income or service flow as a base, and they are right. That is precisely what makes the property tax, correctly administered, so progressive.

#### FOOTNOTES

<sup>1</sup> Joseph Pechman, "Fiscal Federalism for the 1970's," *National Tax Journal* 24 (3): 281-90 (September 1971), p. 284.

<sup>2</sup> Louis Hacker, *Triumph of American Capitalism* (New York: Columbia University Press, 1947), p. 187.

<sup>3</sup> *The Federalist* #73, cited in Charles Beard, *An Economic Interpretation of The Constitution* (New York: The Macmillan Co., 1935), pp. 156-58.



<sup>4</sup> Article I, sect. 2, clause 3; and sect. 9, clause 4.

<sup>5</sup> A. Hamilton, *The Federalist* #12.

<sup>6</sup> Charles Beard, *An Economic Interpretation of the Constitution*, op. cit., p. 169. See also pp. 100-03, on Hamilton's support from speculators in western lands.

<sup>7</sup> John Fiske, *The Critical Period of American History* (Cambridge: The Riverside Press, 1888), p. 70.

<sup>8</sup> *Essays in Taxation* (London: Macmillan and Co. Ltd., 8th ed. 1919), p. 78.

<sup>9</sup> See Wells Hutchins, *Irrigation Districts*, U.S. Department of Agriculture Technical Bulletin #254, 1931, pp. 15-16.

<sup>10</sup> H. D. Simpson, "Historical Development of the Property Tax from the Legal Viewpoint," *American Economic Review* (September, 1939), pp. 457-467, p. 462.

<sup>11</sup> Fallbrook v. Bradley, 1895, 164 U.S. 112.

<sup>12</sup> Albert Henley, "Land Value Taxation by California Irrigation Districts," in A. Becker (ed.), *Land and Building Taxes* (Madison: University of Wisconsin Press, 1969), pp. 137-46.

<sup>13</sup> "Distribution of Tax Payments by Income Groups: A Case Study for 1948," IV, *National Tax Journal* (1): 1-53, March, 1951. For a list of others see Dick Netzer, *Economics of the Property Tax* (Washington, D.C., Brookings Institution, 1966), p. 247 ff., and the Netzer book itself, Chap. III.

<sup>14</sup> Musgrave, et al., op. cit., Table 1, p. 11.

<sup>15</sup> *Business Week*, March 29, 1969, p. 96, "Making the Burden More Equal," citing the Brookings Institution.

<sup>16</sup> U.S. Census of Agriculture 1900, Part I, pp. xc, xcii.

<sup>17</sup> *Danmark's Statistik Arbog*, 1953, p. 50.

<sup>18</sup> For an exegesis on this point, cf. the writer's "Adequacy of Land as a Tax Base," in Daniel Holland (ed.), *The Assessment of Land Value* (Madison: University of Wisconsin Press, 1970).

<sup>19</sup> 1900 Census of Agriculture, Part I, p. xc.

<sup>20</sup> Jon Udell, *Social and Economic Consequences of the Merger Movement in Wisconsin* (Madison: Bureau of Business Research, 1969).

<sup>21</sup> D. Lucas, "Major Tax Burdens in Washington Compared with those in the 25 Largest Cities," DC Government, press release, December 1970.

<sup>22</sup> *Milwaukee Journal*, May 25, 1971.

<sup>23</sup> University of Wisconsin Tax Study Commission, *Wisconsin's State and Local Tax Burden* (Madison: University of Wisconsin School of Commerce, 1959).

<sup>24</sup> M. Mason Gaffney, loc. cit.

<sup>25</sup> *Milwaukee Sentinel*, February 14, 1969.

<sup>26</sup> Report by Patricia Bevic, Research Assistant, March, 1969.

<sup>27</sup> *Milwaukee Sentinel*, February 14, 1969.

<sup>28</sup> Allen D. Manvel, "Trends in the Value of Real Estate and Land, 1956-66," in National Committee on Urban Problems, *Three Land Research Studies*, Research Report #12 (Washington: GPO, 1968), pp. 1-17.

<sup>29</sup> President's Commission on Urban Housing, *Report on Urban Housing* (Washington: GPO, 1968), p. 351; M. Gaffney, "Land Speculation," unpublished Ph. D. Dissertation, University of California, 1956, pp. 210-17; 1940 Census of Agriculture, Vol. 3, p. 80; R. Hurd, *Principles of City Land Values* (New York: Record and Guide, 1902), p. 102.

<sup>30</sup> Adding the property tax rate to the interest rate affects the allocation of new investments in much the same way as raising interest rates by the amount of the property tax rate. This forces capital into labor-intensive forms, moderating the damage to labor by increasing demand for labor. Saving capital also involves substituting land, but this is tightly limited, because using more private land would require more social overhead capital (like longer streets). And saving capital entails lowering longevity of capital, which substitutes labor for land, as explained by Wicksell in *Value, Capital and Rent*.

<sup>31</sup> Good discussions of regression fallacy are in Allen Wallis and Harry Roberts, *Statistics* (Glencoe: The Free Press, 1956), preceding p. 263; Lawrence Klein, *Introduction to Econometrics* (Englewood Cliffs: Prentice-Hall, 1962) pp. 68-69; George Stigler, "Labor Productivity and Size of Farm: A Statistical Pitfall," *Journal of Farm Economics* 28: 821-25 (1946); and A. E. Waugh, *Elements of Statistical Method* (New York: McGraw-Hill, 1943), pp. 387-89.

<sup>32</sup> U.S. Census of Housing, 1960, Table A-3.

<sup>33</sup> Op. cit., Table B-3, p. 14.

<sup>34</sup> M. Reid, *Housing and Income* (Chicago: University of Chicago Press, 1962).

<sup>35</sup> H. Brodsky, "Residential Land and Improvement Values in a Central City," *Land Economics* 46 (3): 229-47 (August 1970), p. 239.

<sup>36</sup> R. Muth, "Permanent Income, Instrumental Variables, and the Income Elasticity of Housing Demand," (MS, n.d., ca 1971, pp. 1-40).

<sup>37</sup> Tong Lee, "Housing and Permanent Income," *Review of Economics and Statistics* 50 (4): 480-90 (November 1968), p. 487.

<sup>38</sup> Klein, op. cit., p. 68.

<sup>39</sup> Op. cit., p. 263.

<sup>40</sup> Op. cit., p. 49.

<sup>41</sup> H. L. Oppenheimer, *Cowboy Economics*, 1966; *Cowboy Litigation*, 1968; *Cowboy Arithmetic*, 1964; (Danville, Illinois: Interstate Printers and Publishers).

<sup>42</sup> Hendrik S. Houthakker, "The Great Farm Tax Mystery," *Challenge*, January and February, 1967, pp. 12-13 and 38-39. Edward Reinsel, *Farm and Off-farm Income Reported on Federal Tax Returns*, ERS-383 (Washington: GPO, 1968).

<sup>43</sup> Survey Research Center, *Income and Welfare in the U.S.* (New York: McGraw-Hill, 1962).

<sup>44</sup> David Brainin and John J. Germanis, Comments on "Distribution of Property, Retail Sales and Personal Income Tax Burdens in California: An Empirical Analysis of Inequity in Taxation," *National Tax Journal*, March 1967, pp. 106-112.

#### NEW TWIST FOR AIRMAIL

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. DULSKI. Mr. Speaker, on several occasions in recent years—prior to enactment of the Postal Reorganization Act of 1970—there have been formal and informal proposals for merger of airmail and first-class postage into a single priority service.

Such a merger never came about. Further, no such merger has been proposed to date by the new U.S. Postal Service in its recommendations for changes to the new Postal Rate Commission.

So, the system of years' standing remains:

First, airmail postage—now 11 cents per ounce—provides priority transportation by air; and

Second, first-class postage—now 8 cents per ounce—provides fastest possible ground transportation of the mail. Further, it may include, at U.S. Postal Service discretion, carriage by air on a space-available basis.

On the manifest of an airline flight, I am told that priorities are in this order: confirmed passengers and their bag-

gage, regular airmail, air cargo, and finally—at a reduced rate—first-class mail as designated by the U.S. Postal Service to the extent space is available on the individual flight.

This is the way it is and has been.

Now, it has come to light that the U.S. Postal Service has a new scheme for handling airmail. You might call it a reverse twist on space-available handling for first class.

The U.S. Postal Service has asked the Civil Aeronautics Board for permission to decide whether airmail—that is, mail carrying an airmail stamp at 11 cents—may be carried either as priority airmail or mixed with space-available first class on which only first-class postage of 8 cents has been paid.

If approved by the CAB, the consumer would have no way of knowing whether the letter he posts with an airmail stamp actually will be routed as airmail or, instead, will be included arbitrarily with first-class mail which may be transported by air on a space-available basis.

To provide air shipment for first-class mail on a space-available basis is a bonus to the individual mailer who pays only first-class postage.

But, for the U.S. Postal Service to dump airmail in with first class awaiting space-available shipment would be to deny the consumer the priority airmail handling for which he has paid a premium.

Indeed, instead of priority service, the airmail letters mixed with first class very possibly could be delayed should the space-available allocation evaporate due to weather or unexpected priority traffic.

It would be nice to hear occasionally of improvements in postal service, instead of constant deterioration. The job of the new corporation—as with its predecessor, the Post Office Department—is to provide efficient and reliable mail service.

#### THE PARTY'S OVER

### HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. QUIE. Mr. Speaker, over the last several years, this Nation has seen an endless stream of self-criticism from its politicians, scholars, and artists. A certain amount of such introspection is helpful when it is for the purpose of discovering what can be changed to improve a situation. Much of these writings and statements have been totally negative in character.

Two recent articles do an excellent job of analyzing some of our problems and make some specific recommendations. One, "A Foolish Americanism—Utopianism" appeared in the New York Times Magazine on November 14, 1971, and the second, "The Party's Over" appeared in the March 1972 issue of the Atlantic Monthly. The articles are very provoca-

tive and I commend them to my colleagues:

[From the New York Times Magazine,  
Nov. 14, 1971]

A FOOLISH AMERICANISM—UTOPIANISM  
(By Irving Kristol)

Let us suppose that we have provided the President of the United States with two imaginary speeches, both of which he is dutifully prepared to deliver. They deal, in a highly general way, with the goals of American foreign policy. The first speech goes somewhat as follows:

"Our American nation, ever since its foundation, has pursued the ideal of a world without war. This ideal—the abolition of war—has been the ultimate foundation of our foreign policy, despite all circumstantial changes of strategy and tactics. The ideal is as alive today, in our hearts and minds, as it ever was. This Administration is dedicated to pursuing it with the utmost vigor, and with all the patience and skill that is necessary. We seek, by our policies, to create a world in which man's inhumanity to man will become but a horrible memory, in which men will, under the conditions of a just and secure peace, live harmoniously and creatively together. We seek a world without war, without bloodshed, without poverty, without oppression or discrimination. Such a world, I am convinced, is within our reach if only the statesmen of all nations are sufficiently farsighted to seize the opportunity. I am confident, moreover, that they will display such farsightedness, and will not let the opportunity for a universal and enduring peace slip from their grasp. The people of the world—the people of all nations—demand such a peace. We shall betray their aspirations, and shall certainly be held to account, if we fail to resolve our quarrels and conflicts so as to make man's dream of permanent peace a reality in our own time."

What would happen if the President gave this speech (in a considerably lengthier version, of course)? It is fair to predict—it is indeed absolutely certain—that nothing would happen. It is a perfectly conventional speech, of a kind that many Presidents have given many times. The press corps would yawn over the familiar clichés; the citizenry would scan the headline ("President Reaffirms Goal of World Peace") and then turn to the sports or financial pages; the heads of all nations would formally indicate their approval of these noble sentiments; and "informed sources" in Washington would explain that it is too early to tell what significance, if any, the speech had for any particular area of American foreign policy. As I said: nothing would happen.

Now, let us have the President deliver a rather different speech—our second version. And let it proceed somewhat as follows:

"This American nation, ever since its foundation has for the most part pursued its national interests in a moderate and prudent way. This Administration is determined to continue on this path of moderation and prudence. However, we are well aware that there is no guaranteed path to peace with justice. True, men have always dreamed of perpetual peace, and presumably always will. This dream is a noble one, and a man must be deficient in humanity not to have felt its appeal. But let us remember: It is a dream, whereas we live out our lives in a real and material world that is governed, not by dreams, but by limited possibilities. In this real and material world, conflict between men and war between nations appear to be permanent features of the human condition. It has always been so; we must, if we are to be responsible statesmen, assume that it always will be so. I shall minimize our chances of experiencing war; if war is unavoidable, I shall do my best to limit its extent and the mischief it is bound to create; and whether

I am able to limit it or not, I shall always do my utmost to ensure that the war we shall be engaged in will be a just war, and will be justly conducted. I cannot promise you a world without war, but such a promise is inherently fraudulent. But I can promise that we shall conduct our foreign affairs in a responsible and honorable fashion, that we shall make every effort to achieve a reasonable compromise of our differences with other nations, and that whatever calamities befall us will be as little as possible of our own making."

What would happen if the President gave this speech? One's imagination is inadequate to the prospect. It is fair to predict, however, that after a shorter or longer period of stunned silence, a storm of censure would gather round the President's head. The press corps would explode with moral indignation, and the headlines this time would be eye-catching ("President Denounces Peace as Impossible Dream"); the citizenry would be alarmed; the heads of all nations would express concern at "the new American belligerency"; only the "informed sources" in Washington would remain steady, explaining that it is too early to tell what significance, if any, the speech had for any particular area of American foreign policy.

And yet—what is wrong with the second speech? I submit that there is nothing wrong with it. It is, in every respect, superior to the meaningless banalities of the first speech. It reads 5,000 years of human experience truthfully and sagaciously, and it announces the results of this reading with a pleasing directness and candor. It is a statesman's speech—whereas the first version was nothing more than a politician's speech. True, it is an American statesman's speech; not everyone would agree that this nation's foreign policy has always displayed such moderation and prudence. But that sort of bias is comprehensible, easily discountable and even justifiable—after all, Presidents of the United States are not supposed to be objective and neutral political philosophers.

So the question arises: If the second speech is so much superior to the first, why is it that no President would ever dare to make it? Why is it that, if the President were to say that no reasonable man can expect enduring peace on earth until the day that our Redeemer cometh, this would be regarded as a terrible, cynical blasphemy—even though it is recognizably one of the most venerable platitudes of the Judeo-Christian tradition? What is it about our political condition that constrains our leaders to define politics as the pursuit of impossible dreams? Are we the most high-minded people who ever lived, or the most hypocritical?

To that last question, the answer is: If you are extraordinarily high-minded to your political pronouncements, you are bound in the nature of things to be more than ordinarily hypocritical. But it is only in the last half century or so that high-minded hypocrisy has completely driven statesmanlike reasonableness out of the American public forum. The point is important and not at all self-evident to our smog-beclouded eyes, so it is worth a bit of elaboration.

The United States has always had, by historical standards, quite ambitious ideological ends of a timeless and universal nature. George Santayana, echoing the worldly wisdom of Old Europe, could dismiss the Declaration of Independence as "a salad of illusions." But these "illusions" represented a deep emotional commitment by a new national community to the idea that government—all government, everywhere—should be subservient to the citizen's individual life, his personal liberty and his pursuit of happiness. True, and inevitably, this fundamental document of the American credo was involved in hypocrisy from the outset: It carefully refrained from saying anything about

"the peculiar institution" of slavery which then flourished in this country. Nevertheless, one cannot begin to understand the American people and its history unless one appreciates the extent to which our literature, our journalism, our philosophy, our politics was shaped by this powerful ideological commitment. One does not exaggerate when one calls it a kind of Messianic commitment to a redemptive mission: The United States was to be "a city . . . set on a hill," "a light unto the nations," exemplifying the blessings of liberty to the common man in less fortunate countries, and encouraging him to establish a liberal and democratic regime like unto ours.

So, in a sense, the United States can be said to be the most ideological of all nations—far more ideological than the Soviet Union, for instance, whose official political orthodoxy has never been able to sink deep roots, has never become a popular civil religion, a consensual orthodoxy, as has happened here. But, in another sense, the United States can also be said to have been one of the least ideological of nations. For, in addition to the philosophy of the Enlightenment, as incarnated in the Declaration of Independence, there was another and, for a long time, equally powerful political tradition that prevailed in the United States. This political tradition, rooted in centuries of British political experience and in British constitutional-judicial thought, found expression in the Constitution—a document that (unlike the contemporary French Revolutionary constitutions) was far more a lawyer's job of work than a social philosopher's. There is nothing particularly grand or visionary or utopian in the language of the Constitution. Its eloquence, where it exists, is the eloquence of British jurists as carried over and preserved in American legal education. And it proceeds to establish a mundane government based on a very prosaic estimate of men's capacities to subordinate passion to reason, prejudice to benevolence, self-interest to the public good.

For more than a century, these two traditions coexisted amiably if uneasily in American life. The exultant prophetic-utopian tradition was always the more popular; it represented, as it were, the vernacular of American political discourse. It was, and is, the natural rhetoric of the journalist and the political candidate, both of whom instinctively seek to touch the deepest springs of American sentiment. In contrast, the constitutional-legal tradition supplied the rhetoric for official occasions and for the official business of government—for Presidential messages, debates in Congress, Supreme Court decisions and the like.

Andrew Jackson, for example, was a radical populist in his time, and when he vetoed the bank bill in 1832, his followers celebrated this as "driving the money changers from the temple." He himself, however, in sending his message to the Senate, began it as follows:

"The bill 'to modify and continue' the act entitled 'An Act to Incorporate the Subscribers to the Bank' was presented to me on the 4th July instant. Having considered it with that solemn regard to the principles of the Constitution which the day was calculated to inspire, and come to the conclusion that it ought not to become a law, I herewith return it to the Senate, in which it originated, with my objections."

"A bank of the United States is in many respects convenient for the Government and useful to the people. Entertaining this opinion, and deeply impressed with the belief that some of the powers and privileges possessed by the existing bank are unauthorized by the Constitution, subversive of the rights of the states, and dangerous to the liberties of the people, I felt it my duty at an early period of my Administration to call the attention of Congress to the prac-



ticability of organizing an institution continuing all its advantages and obviating these objections. I sincerely regret that in the act before me I can perceive none of those modifications of the bank charter which are necessary, in my opinion, to make it compatible with justice, with sound policy, or with the Constitution of our country."

This "high" mode of discourse—without cant, without demagoguery, without bombast—was then thought to be the normal way in which the American Government should engage in public conversation with its own people or with the world at large. Concurrently, the political vernacular was infused with a declamatory passion. John L. O'Sullivan, a Jacksonian Democrat journalist who subsequently became a leading popular exponent of the United States' "Manifest Destiny" to expand over the entire continent, composed an endless stream of demagogic-prophetic editorials. They are perfect specimens of their type. Thus he wrote in 1839:

"The far-reaching, the boundless future, will be the era of American greatness. In its magnificent domain of space and time, the nation of many nations is destined to manifest to mankind the excellence of divine principles, to establish on earth the noblest temple ever dedicated to the worship of the Most High—the Sacred and the True. Its floor shall be a hemisphere. . . ."

And so on and so forth. The public lapped it up, and the Fourth of July orations continued to serve it up. But if one turns to the official statements of American foreign policy—statements by Presidents and Secretaries of State—one finds almost nothing of this sort. From George Washington to William McKinley, practically all such statements are sober and measured formulations of "sound policy," composed by constitutional lawyers who felt the need to argue the merits of their cases before the bar of rational and informed opinion. It is rare for any kind of breathless utopian or shrill prophetic notes to be sounded. Even at the outbreak of the Spanish-American War, when jingoistic rhetoric was deafening in its persistence and intensity, President McKinley's War Message to Congress was a lawyer's brief, arguing the legality of American actions, emphasizing their moderate and prudent qualities, outlining the material issues involved, and offering only a minimum of that "high-idealism" that has since become obligatory in Presidential prose.

Sometime around the turn of the century, the impact of the Populist and Progressive movements combined to establish the vernacular utopian-prophetic rhetoric as the official rhetoric of American statesmen. It happened gradually, and it was not until the nineteen-thirties that the victory of the vernacular was complete and unchallengeable. But it also happened with a kind of irresistible momentum, as the egalitarian, "democratic" temper of the American people remorselessly destroyed the last vestiges of the neo-Whiggish, "republican" cast of mind. By now, we no longer find it in any way odd that American Presidents should sound like demagogic journalists of yesteryear. Indeed, we would take alarm and regard them as eccentric if they sounded like anything else.

The effects of this transformation have been momentous, though not much noticed or commented upon. High-flown double-talk has become the normal jargon of American Government. This flatters and soothes the citizenry, but at the same time engenders a permanent credibility gap, instead of paying attention to what the Government literally says—a waste of anyone's time—we expend much energy trying to figure out what the Government really means. Official or quasi-official state documents, for the historian of today, have become trivial, superficial and unreliable sources of information. No historian of Abraham Lincoln's period

would dare minimize the importance of what he said during his debates with Douglas or in his two inaugural addresses; no historian of the nineteen-sixties would bother paying nearly as close attention to the public words of John F. Kennedy, Lyndon B. Johnson or Richard M. Nixon. Our public rhetoric has become largely ritualistic—resounding utopian clichés that obfuscate a presumed "inside story" our reporters are always sniffing after.

The kinds of dangers this situation creates in the area of American foreign policy have been noted by some critics. Hans J. Morganthau has pointed out that the closer we get to the Founding Fathers, the more sensible, the more forthright, the more realistic are our official statements of foreign policy. Conversely, the more we approach the present, the windier and more meaningless they become. Even our vocabulary becomes corrupted. The countries of Asia and Africa and South America used to be "poor"; in the course of the past 20 years they became first "underdeveloped," and now "less-developed." Plain language that accords with reality has become positively offensive to our sensibilities.

The corruption of plain language has been accompanied by—one might even say it has resulted in—the corruption of plain speaking. No Secretary of State can today describe the Governments of Greece or Peru or Bolivia or Spain or Argentina or Egypt as what they obviously are: military dictatorships. It would cause a diplomatic row; these nations have become so accustomed to our hypocritical double-talk that they would sense some sinister intentions in any deviation from it. Similarly, no Secretary of State could ever say that a particular regime—for example, the Communist Government of China—is abhorrent to our own political values but that we are nevertheless prepared to have diplomatic relations with it and do business with it, since it suits our national interests at this time to do so. No, he has to announce the dawn of a new diplomatic era, a giant step to world peace, and all the rest of that nonsense. It is nonsense because he has no grounds whatever for believing this, and it is altogether possible that a United States-China rapprochement could heighten the possibility of war in some parts of the world—on the Russian-Chinese border, for instance, or the India-Pakistan frontier.

A particularly striking instance of how impossible it is for simple and incontestable truths to be uttered in high places is provided by the rhetoric in which our foreign aid programs are cocooned. Never mind, for the moment, whether these programs are good or bad, overly generous or terribly niggardly. The one certain fact about these programs is that they cannot even begin to do what they promise: Namely, in our lifetime to bring the standard of living of the "less-developed" countries closer to the American-West European standard. *Nothing* can do that. If we allow that India's economy might grow at an uninterruptedly rapid rate (say, 10 per cent) for the next 29 years, and assume that the American growth rate will sustain itself at the modest level of 5 per cent during that period, then—because of the initial huge disparity—by the magic year 2000 the gap between the Indian and American per capita income will, in absolute terms, be *greater* than it is today. The notion, therefore, that any significant portion of the "third world" can even begin to "catch up" to the West in the next generation is an absurdity. Indeed, given the fact that "less-developed" countries are dependent on fairly high growth rates in the United States and Europe for their own economic growth, the probability is that they will not "catch up" anytime in the next several generations, and there is a good chance they may never "catch up" at all.

Yet, who can say this? No United States Government official can—he would be de-

nounced as a sour pessimist and driven from office. No official or political leader in a "less-developed" country can—he would be denounced as a traitor and driven from office. So, no one says it. Instead we talk grandly about "economic development" in a deceitful and misleading way. The inevitable result is that the economic growth which does take place in poorer lands—and many of them are doing quite well, by historical standards—is universally denounced as "inadequate." A more perfect recipe for permanent political instability in these nations cannot be imagined.

Worst of all, the corruption of language and speech results in the corruption of thought. One has only to observe the hearings before the Senate or House Foreign Relations Committees to realize that, once you surrender the liberty to speak plainly, you lose the capacity to think clearly. Sustained hypocrisy is one of the most intolerable regimens for the mind: In the end, you find yourself believing yourself and taking your own empty rhetoric seriously.

Thus, it is one of the oldest and truest proverbs in international relations that, under certain circumstances, the enemy of your enemy becomes your friend—even if, had you a freer choice, you would never want such a friend at all. All nations operate on this essential principle, and the United States is no exception. Yet one can read the testimony of Government officials and "expert witnesses" for years on end without coming across a clear enunciation of it as the rationale for some aspect of American policy. We have a terrible time explaining to ourselves that, while we have an instinctive, democratic (and healthy) dislike for dictatorships, we have precious little control over the way other peoples govern or misgovern themselves. Our relations with other nations, and theirs with us, are determined for the most part by calculations of mutual advantage. One gets the distinct impression that our Government is not only ashamed to admit it engages in such calculations—it actually is reluctant to engage in them, except under the random pressure of necessity which it then perceives as an "emergency." We have been telling ourselves for so long that our foreign policy proceeds on quite other principles that we have lost the art and skill of coping with the principles that do, in fact, prevail. Our statesmen are always reacting to reality as an "emergency," in an *ad hoc* fashion, and having at the same time to invent a fancy, "idealistic" motive for the most prosaic and practical actions.

Witness the typically American fuss and furor in recent months over whether the elections in South Vietnam were truly democratic—and if they were not, what we should then be doing about it. The assumption seems to be that the original purpose of our intervention in Vietnam was to establish parliamentary government there, and that the absence of such government presents us with a crisis. But this is a childish assumption. We did not intervene for any such purpose. (At least I hope we didn't—I can't bring myself to believe that the men who make our foreign policy were quite that idiotic.) Our intervention was to help establish a friendly, relatively stable regime which could coexist peacefully with the other nations of Southeast Asia. If such a regime prefers corrupt elections to the kind of overt military dictatorship that more usually prevails in that part of the world, this is its own affair. It constitutes no problem for us—any more than does the fact that Communist China prefers to manage with no elections at all. Our relations with both of these Asian nations are based mainly on considerations of international stability and world peace, not on how they go about governing themselves.

To be sure, being an American I am keenly aware of the merits of representative government, and I do hope that the Vietnamese (South and North) will at some time recog-

nize these merits. But I am also aware that these merits do not automatically commend themselves to all nations, at all times, everywhere. Our foreign relations, therefore, must of necessity be more concerned with the external policies of any particular nation than with its internal form of government. This is as true for South Vietnam as it is for China or Russia or Cuba. We are perfectly free, as Americans, to be critical of, or even to have contempt for, their systems of government. But, as Americans, we are also free not to live there, and we are therefore bound to be more interested in their behavior to others than in their behavior to themselves. I think most Americans would subscribe to this common-sense proposition. But it is not a proposition we would permit our spokesman at the United Nations to enunciate. And there do seem to be many eminent Americans—notably, an entire class of liberal journalists—who have been utterly bewitched by our official platitudes. These men and women, after traveling freely throughout South Vietnam, heap scorn upon its "corrupt" democracy. They then make a strictly guided tour of China to return aglow with admiration! One can only assume that such men and women think it natural to judge our allies by quite utopian standards, but are ready to give unfriendly nations the benefit of every possible doubt.

But it is not only in foreign affairs that our Government proceeds by utopian promises of future benefits and hypocritical explanations of actual performance. Our entire domestic policy is suffused with this same self-defeating duality. Thus, as a domestic counterpart to a "war to end all wars," we have in the past decade launched a "war to end poverty." The very title of that crusade reveals a mindless enthusiasm which could only lead to bitter disillusionment.

There are two ways of defining poverty: in absolute terms of relative terms. The absolute definition, involving estimates by Government agencies of an adequate diet, adequate shelter, adequate clothing for an average family, is relatively easy to make. It is also largely meaningless in a context of "the abolition of poverty." To see just how meaningless it is, one has only to report that the majority of welfare families in New York City are now above the officially determined "poverty line." Have we ceased regarding them—have they ceased regarding themselves—as poor? Of course not. If you take a family with an annual income of \$3,800 and, one way or another, increase this income to \$4,500, you have helped them somewhat—but you certainly have not abolished their poverty, as gradually promised. The consequence is that the modest but real improvement is obliterated by an exacerbated sense of "relative deprivation."

Most people, when they hear talk of "abolishing poverty," inevitably and immediately have in mind a substantial relative improvement, not merely a modest absolute one. They think in terms of elevating all those below the United States median family income—approximately \$9,500 a year—to the vicinity of this level. That does not look like such an unreasonable goal. After all, families that make \$9,500 a year have to watch their nickels and dimes if they are to make ends meet. (Ask them, and they'll tell you—and they'll be telling the truth.) But this is one of those cases where appearances are deceptive, and what looks like a reasonable goal is in fact utopian. To achieve it would require either the creation of new income or the redistribution of existing income to the tune of perhaps \$200-billion a year.<sup>1</sup> This is simply

impossible; there is no policy, however "radical," that could come close to accomplishing this. We may be an "affluent" society by historical standards, but we are not nearly that affluent. (Total corporate profits last year, after taxes, were a little less than \$50-billion). Yet who dares to say so? Instead, our politicians (and our journalists and professors, too) persist in holding up this impossible ideal, with the quite predictable effect of making people intensely dissatisfied with social policies that achieve (though never easily) smaller increments to their income or smaller improvements of their condition.

The upshot of this state of affairs is that any American who, today, passes his working life in moving from \$4,000 a year to an ultimate \$9,500 is regarded as a pathetic victim of circumstances, a prisoner in a "dead-end job." Yet just about half of all Americans pass their working lives in this way, and are going to do so regardless of anything said or done in Washington. All that our utopian rhetoric can do is to convince them that the normal working-class experience—the inevitable working-class experience, which would be as common in a socialist United States as in a capitalist United States—is a fate akin to degradation.

Or take our "welfare problem." Welfare policy in the United States is based on a very simple—and enormously flattering—thesis about American human nature. The thesis consists of the following propositions: (1) all Americans are highly motivated to work as a means of improving their material condition; (2) those Americans who seem not to be so motivated are suffering from temporary "psychological deprivation" as a result of poverty, bad housing, bad health and so on; (3) improve their material environment and the "normal" impulse to self-betterment will automatically assert itself. It is a plausible thesis to our American ears. Moreover, there is enough historical experience behind it to suggest it is not entirely false. Only, when applied indiscriminately, it turns out to be more false than true. Some people, whether in the United States or elsewhere, respond according to this formula. A great many others, however, do not. It turns out there are lots of people in this world, including a great many Americans, who do not fill the American prescription for "human nature."

Once you think about it, this is not really surprising. For what our high expectations and our high-flown rhetoric overlook—are bound to overlook, because they are so high-flying—is that we are for the most part talking about motivation directed toward small improvements. You can motivate almost anyone to become a millionaire, if the possibility is offered; but that possibility rarely is. And it is another thing entirely to motivate people to move from a badly paying situation (say, casual laborer) to a slightly better-paying but also more arduous one (say, laundry worker or drill-press operator). That is the kind of grim motivation you need to get "self-sustained" economic growth, whether among nations or among individuals. Not all human beings are born with this kind of grim motivation—which is just as well, I'd say, since the earth would then be a pretty dreary, if industrious, place.

In the absence of such ingrained motivation, the usual way we motivate people—even in America—has been by adding the spur of necessity to the offer of modest opportunity. That small improvement has to make a real difference: the difference be-

tween squalor and poverty, or between poverty and minimum comfort. These "little" differences—almost invisible to the middle-class eye, and never taken seriously by middle-class reformers—are absolutely crucial to the self-discipline and self-respect of ordinary working people. They need to be very much aware of the costs of not achieving them, if the achievement is to have any merit or meaning in their eyes.

I suspect that all of this sounds petty, and sordid, and mean-spirited. We are accustomed to thinking about poor people, and about ways of helping poor people, in more elevated terms than these. And so we introduce something like our present welfare policies. The policies, at one swoop, abolish all those important little differences in achievement. They generously offer all poor people more in the way of welfare than they can get for their unskilled labor on the open market—more, often, than they would earn at the legal minimum wage. Naturally, these people, not being fanatics about work, move onto the welfare rolls in very large numbers. To be precise, the wives and children are pushed onto welfare. The men themselves drift away from their homes, demoralized by the knowledge that their function as breadwinner has been pre-empted by welfare. These men then merge into the shadows of street-corner society—superfluous men, subsisting by casual labor or casual crime, men whose families are materially no worse off for their absence and would be no better off for their presence. Has there ever been a more ingenious formula for the destruction of poor families? Indeed, one can fairly speculate how many middle-class families would hang together if the family suffered no financial inconvenience as a result of the husband's vanishing.

Welfare is wreaking devastation on the American poor—making the child fatherless, the wife husbandless, the husband useless. We see this "welfare explosion" happening and disconcerted, turn this calamity of our own creation into an indictment of our social order.

Once you have put people on welfare, it is a nasty business getting them off. You can either (1) cut welfare rates so as to make it distinctly worth their while to go to work, or (2) keep welfare rates high for those truly unable to work—the aged, the sick, the disabled, the unemployed—but have a severe, suspicious welfare bureaucracy that defines its mission as getting as many of the rest off the rolls as is possible. Neither alternative is attractive, though the latter seems to me considerably more humane. (Its social consequences are also likely to be beneficial, since we know that families on welfare tend to develop social pathologies: they produce relatively more criminals, drug addicts, alcoholics, illegitimate children, etc.) But the second option does involve our taking a more realistic view of human nature and of human motivation—and this we are most unlikely to do. So we shall either veer toward the first course, indiscriminately penalizing all welfare recipients in the name of "economy," or, more probably, we shall simply stagger on until some kind of social explosion takes place.

It really is a curious phenomenon we are witnessing: a nation preferring to live under a perpetual, self-inflicted indictment of "social injustice," and amidst an ever-swelling and ever-more-demoralized population on the dole, rather than revise its utterly fanciful and utopian idea of human nature. There cannot have been many instances in history of such high-minded masochism. We may even be the first.

What is true of welfare is even more blatantly true of our other social problems. Our utopian illusions always are preferred to realistic assessments of human beings, and to the world in which real human beings live.

In no area are the ravages of American utopianism more visible than in education.

<sup>1</sup> One must remember: If you establish a guaranteed minimum family income of, say, \$8,000 a year, you are then faced with the problems of those who work to earn \$9,000 or \$10,000. Are they to labor for a measly \$1,000 or \$2,000 a year? You cannot ask that, and they would not tolerate it if you did. So you

have to make some kind of supplementary payments to these families, too. And then you are faced with the problem of those who work to earn \$12,000 a year—and so on, and on. It is this "ripple effect" that makes the guaranteed income, at any level above a ludicrously low one, such a fantastically expensive proposition.



Here intellectual fads and fashions reign supreme, all of them exultant in promise, all of them negligible in accomplishment. Our professional educators today are perpetually and enthusiastically engaged in deception and self-deception, in part out of necessity, in part because they actually feel this is their "responsibility." We know a great deal about the relationship between schools and academic achievement. But it is the rare educator who dares to say what we know, to challenge the sovereign platitudes as to what a school can do to the young people who enter it.

We know from the Coleman Report and other studies, for instance, that there is practically no correlation between the physical plant of our schools and the academic achievement of our students. We may desire new, well-equipped schools for all sorts of reasons. They may be good reasons; they may even, in some vague sense, qualify as "educational" reasons; but they are not academic reasons. Students learn as well in old, decrepit school buildings as in new, shiny ones; or they learn as little in the latter as in the former. Middle-class parents who think they are improving their children's academic potential by sending them to a brand-new school with a fine library, a sumptuous gymnasium, a lovely lunchroom are kidding themselves. So are slum parents who think that their children's academic potential is weakened by old buildings, cramped gymnasiums (or gymnasiums), shabby lunchrooms, paltry libraries (or no library). What determines a child's academic achievement is his genetic endowment plus the values and motivation he acquires at home. All the rest may have significant consequences for a child's life-style, his appearance, perhaps (and I myself regard this as the utmost important function of schools) what we call his "character." But it will have little to do with his academic achievement.

Even class size turns out to have nothing to do with academic achievement. There are, in my view, good reasons—having to do with the role of the teacher as an "adult model" in the process of "character formation"—for preferring smaller classes to larger ones. But they are not academic reasons. Whether a class has 20 pupils or 30 or even 40 simply doesn't matter. Students who do well in small classes will do well in large ones. Students who do poorly in large classes will do no better in small ones. This subject has been studied to death by generations of educational researchers, and the results are conclusive.

Nevertheless, the educator who dares to utter these truths publicly is instantly classified as, at best, an eccentric. His opinions are marked as "controversial"—though they are not—whereas an educator who stresses the academic importance of new schools and small classes is simply seen as tediously "sound." Every year, in New York City, a furious debate breaks out when the statistics on the reading levels in the city schools are made available. These statistics always show that the average reading levels in New York's schools are lower than the national average—and they usually show that, with each year, they are steadily falling further below the national average. The publication of these figures always shocks, always provokes front-page news stories. But far from being shocking these statistics aren't even newsworthy, since they are perfectly predictable. The reason that reading scores in New York's schools are falling away from the national average is that an ever-increasing percentage of our students come from very low-income families that are also broken, transient and generally problem-ridden families. The children in these families show low academic motivation and low academic aptitude. We insist that our schools "do something" about increasing the academic ability of these youngsters, and our

educational leaders furiously institute every gimmick they can think of with the assurance that this time they will turn the trick.

Our insistence is as unreasonable as their assurances are worthless. The schools cannot perform this sociological miracle—which, if it is to take place at all, will happen in the family, at home, over a period of time that is rarely shorter than a couple of generations. As such poor families move up the economic and social ladder, as their home life becomes more stable and the family concern for education becomes more emphatic, the student's academic performance improves. In individual cases, "miracles" do certainly occur. But in the mass, statistical probability reigns supreme—and the schools play no role in the calculations. If you want to estimate the chances of a student doing well or badly in school, give him a physical examination, look at his home, and give him an intelligence test. But don't bother him with questions about his school—it is of no importance for this purpose.

And how do we react to this fact? With furious indignation, usually. So, as the schools' impotence to satisfy our unrealistic demands becomes ever more clear, we shall—it is already beginning to happen—abolish reading scores and reading tests on the grounds that they are irrelevant to eventual academic achievement. This monumental act of self-deception will, of course, fool nobody and change nothing. But it will certainly be hailed by professional educators as a marvelous innovation.

Of late, many educators have waxed enthusiastic over the educational possibilities of small mixed classes, with the older students helping to instruct the younger, and with every student proceeding "at his own pace." This is, of course, exactly what used to happen in the "little red schoolhouse." I have always been fond of the little red schoolhouse and was unhappy that, after a determined campaign over many decades, our professional educators succeeded in outlawing it. If they now wish to reinstitute it, I certainly have no objections. But I find it more than a little nauseating that they should now present it as a brilliant educational innovation which will solve all our educational problems. And I find it unconscionable that these educators can be so easy in mind and spirit about their newest fad when the huge educational parks which—only yesterday—they insisted were absolutely necessary, are just now coming into existence.

A good principal can always make a small difference in the academic power of a school—and a small difference is surely better than none at all. A dedicated teacher may make a big difference to a few students—and this difference is to be treasured. But none of this satisfies us. We insist that our schools fulfill impossible dreams—and so they pretend to be able to do this (given a larger budget, of course). As a result, the world of American education is at the moment suffused with charlatanism, and anyone with a sober word to say is encouraged to go elsewhere.

The consequence of this public insistence on a utopian vision of man, history and society is that our public life is shot through with a permanent streak of hysteria. We are constantly indicting ourselves, denouncing our nation, lamenting our fate. Indeed, an entire profession has emerged—we call it "the media"—which has taken upon itself the responsibility for leading this chorus. Just imagine what our TV commentators and "news analysts" would do with a man who sought elected office with the promise that, during his tenure, he hoped to effect some small improvements in our condition. They would ridicule him into oblivion. In contrast, they are very fond of someone like John Lindsay, who will settle for only the finest and most glowing goals. Public figures in our society get credit for their utopian rhetoric—for their "charisma," as we now

say—only demerits if they emphasize their (necessarily modest) achievements.

Every society needs ideas and self-criticism and some prophetic admonition. It needs these to correct its "natural" tendency toward smugness, inertia and parochial self-satisfaction. But when the countertendency toward insistent self-dissatisfaction becomes overwhelming, then such a society is in grave trouble. The capacity for contentment is atrophied. So is the willingness to see things as they really are, and then to improve them in a matter-of-fact way. We certainly do have it in our power to make improvements in the human estate. But to think we have it in our power to change people so as to make the human estate radically better than it is, radically different from what it is, and in very short order, is to assume that this generation of Americans can do what no other generation in all of human history could accomplish. American though I be, I cannot bring myself to accept this arrogant assumption. I think, rather, that by acting upon this assumption we shall surely end up making our world worse than it need have been.

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#### THE PARTY'S OVER

(By David S. Broder)

The months leading up to an American presidential election are always a testy time. If times are even testier than usual, it is undoubtedly because the government itself is divided, with a Republican finishing a first term in the White House and the Democrats in control of Capitol Hill. The Senate is aswarm with presidential and vice presidential hopefuls, all trying to make partisan points at the expense of the Administration. Richard M. Nixon has lobbied for passage of the Administration's program, cajoling conservative Republicans to stay in line and seeking whatever support he can find on the Democratic side of the aisle. But despite cooperation from the Democratic leadership on some issues, the output of Congress is dwindling as Election Day draws closer and partisan considerations dominate.

The Republicans feel they deserve to be re-elected. They were called back into power three years ago by a public impatient to wind up a nasty war in Asia which the Democrats seemed incapable of ending. By and large, the Republicans have done what it was hoped they would do, although there is still a sizable American army in the field and no formal peace treaty is in sight. The war news is off the front page, they note, and mercifully, so is the constant agitation from and about the radical groups who want to turn the country upside down.

The problem is that the war's effects linger. The inflation which the Republicans inherited, though somewhat abated, remains a major preoccupation of Administration economists and average citizens. And the cut-back in defense spending has slowed the economy and brought higher unemployment than anyone finds satisfactory. The Democrats argue that these are not problems of transition, as the President maintains, but the results of typical Republican mismanagement of the economy. This case was persuasive enough for them to win the midterm election, despite the President's and Vice President's all-out effort to elect a Republican Congress.

In the coming election, Republicans will run on the slogan of "Peace and Prosperity"—if they can reduce the unemployment figure and bring inflation under control; and if the protracted disarmament talks with the Russians do not end in disagreement; and if the tense Middle East does not explode into war; and if the India-Pakistan situation can be contained.

The latest Supreme Court decision on school desegregation is causing the Republicans some problems and jeopardizing their

prospects for further political gains in the South. Despite the President's evident coolness to the ruling, his critics do not let him forget that the decision was written by the Republican whom he appointed as Chief Justice.

Richard Nixon is working as doggedly as ever, trying to keep one step ahead of his problems. Busy as he is with the duties of his office, he manages to take an active hand in Republican Party politics. He has to, for there are threats on every side. In addition to the Senate Democrats, who rarely miss a chance to denounce him, there are restive conservatives in his own party, unhappy about the course of the Administration; a Republican governor in his home state of California whose ambitions must be placated; and a millionaire governor in New York who, instead of resting on the laurels of a long and distinguished career, seems always to be seeking new worlds to conquer.

Since the last presidential race, the Democrats have made a strong comeback in the state capitals. They now control Ohio and Pennsylvania, among other states important to Nixon's re-election. But there is a friendly Republican governor in Illinois to help offset some of Mayor Daley's power. And there are high-level intrigues in Texas, whose top Democrat could not be more helpful to the President if he were a member of the GOP.

All things considered, Richard Nixon feels he can look forward with some confidence to 1956.

That's right—1956. This is history, not current events. Every item just referred to is sixteen years out of date, even if it seems to apply to the autumn of 1971. The President referred to is Dwight D. Eisenhower, not Richard Nixon. The war is in Korea, not Vietnam. The Republican Chief Justice is Earl Warren, not Warren Burger. The school decision that is causing the controversy is the original 1954 ruling that "separate is not equal," not the more recent call for widespread busing to end segregation.

The California governor whose ego needs constant attention is Goodwin J. Knight, not Ronald Reagan. The ambitious millionaire in Albany is Averell Harriman, not Nelson A. Rockefeller. The Administration's Texas friend is Allan Shivers, not John B. Connally. And the Senate Democratic hopefuls are named Kefauver and Gore and Kennedy and Johnson, not Muskie, McGovern, Jackson, and Humphrey.

But if this short catalogue of the similarities of 1955 and 1971 produces a sensation of *déjà vu*, an impression that we are watching a rerun of a not-very-good movie, then you understand what provokes this article. American politics is at an impasse; we have been spinning our wheels for a long, long time, and we are going to dig ourselves ever deeper into trouble unless we find a way to develop some political traction and move again. We can get that traction, we can make government responsible and responsive again, only when we begin to use the political parties as they are meant to be used.

Many of the shortcomings in the American political system today were foreseen by a group of scholars twenty years ago. In its 1951 report, "Toward a More Responsible Two-Party System," the committee on political parties of the American Political Science Association said that there were four dangers to our democracy which "warrant special emphasis," dangers which they prophesied would become more acute unless the forces weakening our party system were combated.

"The first danger," the report said, "is that the inadequacy of the party system in sustaining well-considered programs and providing broad public support for them may lead to grave consequences in an explosive era."

The weakness of our party system has made it very difficult to build and maintain

support for the long-term enterprises we need to pursue at home and abroad. The task of supporting international economic development, of constructing a stable world peace, of building a strong domestic economy and equitably distributing its products and wealth, of reforming our governmental structures and finding adequate resources for our urgent national needs cannot be accomplished by a single Congress or a single President. We have paid a high price for the instability and weakness of our governing coalitions. Ambitious programs have been launched, but funds to finance them withheld. Commitments made by a Congress have been vetoed or impounded by a President. No party has been able to move ahead on its own agenda for very long, and the result has been years of government by fits and starts, with a mounting backlog of unkept promises and unmet needs.

"The second danger," the APSA committee said, "is that the American people may go too far for the safety of constitutional government in compensating for this inadequacy by shifting excessive responsibility to the President."

We have seen that happen, too. The weakness and frustration of responsible party government at the state and local level—which are, if anything, even more serious than at the national level—have sent most of our major issues to Washington for resolution. And in Washington, power has increasingly been stripped from Congress and the departments and been centralized in the White House. Bereft of the sustained support that a responsible party system could provide for passage and implementation of a long-term program, each of the last four Presidents has been forced to improvise his governmental policies and tactics on a day-to-day basis, hoping that some temporary alliance would permit him to overcome the inherent immobility of the vast governmental system. As the APSA committee predicted, this situation has produced the type of "President who exploits skillfully the arts of demagoguery, who uses the whole country as his political backyard, and who does not mind turning into the embodiment of personal government." But even the highly personalized presidency of our era has not managed to cope successfully with the problems challenging America.

"The third danger," the APSA committee said in 1951, "is that with growing public cynicism and continuing proof of the ineffectiveness of the party system, the nation may eventually witness the disintegration of the two major parties." That has not yet happened, but we are appreciably closer to that danger than we were twenty years ago.

Popular dissatisfaction with the two-party system is manifested in many ways: by the decline in voting; by the rise in the number of voters who refuse to identify themselves with either party; by the increase in ticket-splitting, a device for denying either party responsibility for government; and by the increased use of third parties or *ad hoc* political coalitions to pressure for change.

"The fourth danger," the APSA committee said, "is that the incapacity of the two parties for consistent action based on meaningful programs may rally support for extremist parties, poles apart, each fanatically bent on imposing on the country its particular panacea."

Regrettably, we have seen altogether too much of this kind of political polarization in the past twenty years. This has been an era of confrontation politics: between whites and blacks, hard hats and student demonstrators and police. The extremist parties are yet small, but the extremist movements are growing.

What must concern us now is the rising level of public frustration with government-and-politics-as-usual. For it is not just a few radical students who say and believe that the political system is not working. Millions

of ordinary, hardworking Americans recognize that government is not dealing with the problems that are uppermost in their lives: crime and drugs and war and inflation and unfair tax loads and fear of unemployment.

For most of these last two decades, American liberals, of whom I am, I suppose, one, have been most concerned about the outsiders in our society—the black, the brown, the poor, the uneducated, the young—who are the all-but-inevitable losers in the influence game that we have substituted for responsible party government. But some of these groups have learned to beat the odds by ignoring the rules. If the "big boys" and the "special interests" control City Hall, or the legislature, or the Capitol, the "outsiders" have learned to control the streets. They have "voted with their feet," as the saying goes, and with their throats, and with their threats. And sometimes the government has responded, as it should have responded, to the justice of their cause, if not to the threat of disruption that accompanied it.

But today, it is not just these minority-group "outsiders" who are frustrated by the inequities of our society and the laggard performance of our political-governmental system. Millions of middle-aged, middle-class white working Americans are coming to understand that they have been victimized by the irresponsible politics of the recent era. No one asked them if they wanted their sons to fight in Vietnam; no one asked them if they wanted to gamble their family security on their ability to keep one step ahead of inflation; no one asked them if they wanted to swap token cuts in their income taxes for wallowing hikes in the property taxes on their homes.

Yet all these things have been done to them by their government, and they are not going to take it lying down. Falling any means of registering their views through the political system, they will follow the blacks and the students and the other minority groups into the streets. And confrontation politics—with its constant threat of violence and repression—will increase.

Is there not a better way to resolve our differences, to move ahead on our common problems? I believe there is. The instrument available to us is responsible party government. The alternative to making policy in the streets is to make it in the voting booth. But if that proposition is to be more than a cliché, there must be real choices presented at election time—choices involving more than a selection between two sincere-sounding, photogenic graduates of some campaign consultant's academy of political and dramatic arts. The candidates must come to the voters with programs that are comprehensive and relevant to our problems; and they must have the kind of backing that makes it possible for them to act on their pledges once in office.

The only instrument I know of that can nominate such candidates, commit them to a program, and give them the leverage and alliances in government that can enable them to keep their promises is the political party. But even as I say this, I recognize that the notion will be greeted with enormous skepticism. The parties, it will be said, have been around for years; if they are the answer, then why do we have the problems we have now?

My reply, of course, is that we have not seen responsible party government in this country—in Washington or in most states and cities—in the sixteen years I have been covering national politics. Instead, we have fractured, irresponsible nonparty government, and we have paid a fearful price for it.

The most serious and costly consequences of the breakdown of responsible party government are not in the domestic field. If one wants to sum up in one word what can happen in the absence of responsible party government, that word is "Vietnam."



For twenty-five years, respectable opinion in this country has held that the great questions of foreign policy should be kept sacred and inviolate, far removed from the sordid considerations of partisan advantage. The notion had a specific historical justification. In 1946, when Democrat Harry Truman was President, the Republicans captured Congress in an election that represented a strong public reaction against the wartime controls associated with the Democratic Administration.

The Republican congressional victory made responsible party government impossible. Faced with the necessity of securing support from a Republican Congress for major postwar international policies—including the Marshall Plan—Truman entrusted his foreign policy to a group of successful lawyers and businessmen, many of them liberal Republicans from the New York Establishment. The prominence given such men as Robert Lovett, Paul Hoffman, John McCloy, Allen and John Foster Dulles facilitated the course of bipartisanship that was necessary under the historical circumstances.

Unfortunately, the notion became permanently enshrined that such nonpolitical men had a natural right to manage the nation's foreign policy. Dwight D. Eisenhower was imbued with the myth of bipartisanship, and he let the Dulles brothers run foreign policy for him. And as John Kenneth Galbraith has noted, even when the Democrats returned to power in 1961, "instead of Adlai Stevenson, W. Averell Harriman or J. W. Fulbright, with their Democratic party associations," John Kennedy gave the key international security jobs to such nonpolitical Establishment men as Dean Rusk, Robert McNamara, Roswell Gilpatrick, and the Bundy brothers, McGeorge and William.

"Foreign policy was thus removed from the influence of party politics . . . from the influence of men who had any personal stake in the future of the Democratic party, the President apart," Galbraith noted. Elections are held and party control of the presidency shifts, but the technicians and "experts"—the Walt Rostows and Henry Kissingers—never seem to lose their grip on the foreign policy machinery.

When protest over foreign policy arises from the ranks of the President's party—as it did from some Democratic senators in the Lyndon Johnson years and has from some Republican legislators since Richard Nixon has been in office—it is the nonpolitical "experts" in the key foreign policy jobs who always rush forward to defend existing policies.

It is these men—with their marvelous self-confidence and their well-developed contempt for politicians and public opinion—who wrote the clever scenarios and the cynical memoranda that make up the history of Vietnam policy under three Administrations contained in the Pentagon Papers. It is they who stand ready to advise a President on how he can dupe the Congress and the public and maneuver the nation into war without disclosing his intentions.

Why have they been able to maintain their control over foreign policy? Because the political parties, at critical junctures, have failed to meet their responsibilities. In none of the national elections during the whole course of the escalation and de-escalation in Vietnam were the American people given a choice of defined, coherent policies toward the struggle in Indochina. The issue was either ignored entirely or smothered in a blanket of bipartisan generalities. For six long years—between 1964 and 1970—the leadership of both parties in Congress failed to try to bring a policy declaration on Vietnam to a vote.

Vietnam is a classic instance of the costliness of isolating a basic foreign policy question from examination in partisan, political debate. It is a terrible measure of the failure of responsible party government in our time.

The habit of partisanship, once lost, may be very difficult to regain. If that proves to be the case, and if the young people entering the electorate remain as independent of the party system as they now appear to be, the major parties may no longer enjoy a monopoly on high office. Three or four or half a dozen serious presidential candidates may run each year, posing a constitutional crisis whether we are operating under the existing electoral-college system or a plan for direct election of the President. More minor-party or independent candidates may find their way into Congress, weakening the existing party structure there.

If the distrust of politicians and parties continues to grow, it may be reflected in the deliberate crippling of responsible leadership, by dividing the branches of government between the parties and by turning officeholders out as soon as they show signs of amassing any significant power. While the masses of alienated voters use these tactics to cripple government, the activists for one cause or another may continue to press their demands through confrontation tactics—lawsuits, demonstrations, strikes, boycotts, and the other weapons in their arsenal. The result would be an increase of domestic turbulence and violence.

I do not think it is inevitable that we go down this road, but I am afraid that there is as yet no widespread understanding that this is what we face, unless we make a deliberate effort to reinvigorate our political party system. There is as yet no broad appreciation of the fact that the aggravations and frustrations each of us feels are part of a single crisis—the malfunctioning of our governmental-political system. We still delude ourselves by thinking we can treat the symptoms and ignore the cause. If we find ourselves stuck in a traffic jam every morning, we start for work fifteen minutes earlier in futile hopes of beating the crowd. If the cities become unsafe, we take our businesses and our families to the suburbs, hoping the problems will not follow us. If we find ourselves as a nation fighting a lengthy, undeclared war, our "solution" is to pull the troops out and hope it will not happen again.

For a long time, we have tried to buy time by this kind of retreat from reality, but we cannot play the game much longer. Unless our basic population patterns are reversed, most of us will find ourselves living in a compact mass of humanity in one of the concentrated metropolitan clusters, where we will have only the choice of trying to solve our problems on a community basis or attempting to survive by the law of the jungle. When the time comes—and it is not that far off—when most Americans live constantly with the threat of breakdowns that have plagued New York City residents in recent years, when teachers and policemen and sanitation workers and subway and bus and taxi operators strike, when taxes rise while municipal services deteriorate, and filth piles up in the streets, when jobs become more scarce and inaccessible and welfare rolls soar while schools turn out more addicts than graduates, when personal security is no greater than one's own strength or weapons provide, then we may recognize that we face a genuine crisis of government.

If we are very fortunate at that moment, we may find leadership in one party or the other that can mobilize the national will through democratic means to confront what may by then be an almost overwhelming challenge. In our desperation, we may by our ballots give that party a mandate for governing commensurate to its task, and we may even be fortunate enough to find its leaders responsible and responsive in office. My guess is that if we find such leadership, it will come, not from the Senate, but from that most scorned of political offices, the governorship. The best hope I can see for the short term is that one of the major states

may provide a showcase example of responsible party government in action—with a governor, a legislature, and a party leadership successfully working in tandem to meet the urgent needs of that state. Such a demonstration would not only validate the concept of responsible party government, it might also elevate its practitioner to the presidency.

Out there is a darker possibility that we cannot overlook. When frustration reaches the breaking point, when inflation and economic uncertainty, work stoppages, civil disturbances, crime, drugs, and the breakdown of public services can no longer be tolerated, a different sort of man with a different solution may present himself.

A plausible demagogue may appear and say, "Give me power and I will make things work again. I will restore order to your lives. I will see that there is discipline again. I will make the streets safe, and I will remove those who are disturbing our peace of mind. It may not be pleasant, but I promise you it will be effective. If those demonstrators try to tie up our cities, my police will know how to deal with them so they will not try again. If those unions try to raise wages, my men will see to it that there are no more strikes. We will control prices, even if it means we have to run those big businesses ourselves. Congress will pass the necessary laws, because its members will understand that it will not be wise for them to go home unless they act. And the press will cooperate with us and stop its carping and sniping, if it understands what is good for it. And we will save our country"—but, of course, destroy freedom and democracy in the process.

That possibility sounds like scare talk. Some will dismiss it as apocalyptic nonsense. But things have been happening in this country that I would not have believed when I came to Washington sixteen years ago and four Presidents ago. I have seen a President and his brother, a presidential candidate, murdered by assassins. I have seen the Capitol of the United States blasted by explosives on one occasion, and ringed by arson fires on another. I have circled our national monuments in an airplane carrying the Vice President of the United States and watched the tears in his eyes as he saw the magnificent capital city set to the torch by its black residents, venting their rage and frustration at the murder of Martin Luther King, Jr. Time and again, I have heard from the Capitol, and lately even from the White House, powerful men speak as if they did not understand that unless we obliterate the tragic heritage of slavery, it will obliterate us.

I have seen speakers shouted down and heckled into silence by student mobs at our oldest university, and I have seen police in a dozen cities use their clubs with savage delight on the heads and arms and backs of peaceful demonstrators.

Above all, I have heard the conversations of hundreds of average Americans, who see their world, their plans, their hopes crumbling, and do not know where to turn. I cannot forget a doctor's widow in Richmond whom I interviewed in 1970 saying: "You can't tell from day to day, but if it doesn't do better than it is now, it won't be much of a country. This is the saddest situation I've ever seen. I've seen this country go through four wars and a depression, and this is the worst."

Where do we turn? To ourselves. Obviously, that must be the answer. There is no solution for America except what we Americans devise. I believe that we have the instrument at hand, in the party system, that can break the long and costly impasse in our government. But it is up to us to decide whether to use it.

What would it entail on our part if we determined to attempt responsible party government? First, it would mean giving

strong public support to reform efforts, which in the recent past have been carried on entirely by a small group of concerned political insiders, aimed at strengthening the machinery of political parties and government. Here are some of these reforms:

We should seek to strengthen the liaison between the presidency and Congress, on a mutual basis, and between the presidency and the heads of state and local government.

We should elect the President in the same way we elect all other officials, by direct vote of his constituents, with the high man winning.

We should expand the role and responsibilities of the party caucuses and the party leaders in Congress. The caucus should choose the floor leaders and policy committee members, the legislative committee chairmen and committee members, not on the basis of seniority, but on the basis of ability and commitment to the party program. That leadership ought to be held accountable for bringing legislation to which the party is committed to a floor vote in orderly and timely fashion, with adequate opportunity for debate and particularly for consideration of opposition party alternatives. But procedures for due consideration should not justify devices like the filibuster, which prevent the majority party from bringing its measures to a final vote.

In state government, we need to reduce the number of elected officials, to provide governors with adequate tenure and staff to meet their responsibilities, and particularly to strengthen the legislature by limiting its size and my improving its pay, its facilities, and its staffing, and by recognizing that it has a full-time job to do each year.

In local government, too, we need to reduce drastically the number of elected officials and to make sure that the jurisdictions they serve are large enough to provide a base for two-party competition and to bring resources, together with problems, along a broad enough front to give some hope of effective action.

We need to take every possible measure to strengthen the presidential nominating convention as the key device for making the parties responsible. The current effort to open the Democratic delegate-selection process to wider public participation is a promising start, and its emphasis on the congressional district nominating convention offers corollary benefits for integrating congressional and presidential constituencies. Both parties should experiment with devices for putting heavier emphasis on the platform-writing phase of the convention's work, including the possibility of a separate convention following the nomination, where the party's officeholders and candidates debate the program on which they pledge themselves to run and to act if elected.

Most important of all the structural reforms, we need to follow through on the recent congressional effort to discipline the use of money in politics, by setting realistic limits on campaign spending, limiting and publicizing individual and organizational gifts, and channeling much more of the money (including, in my view, all general election spending) through the respective party committees rather than through individual candidates' treasuries.

We need to strengthen the party organizations and their staffs, and recapture for them the campaign management functions that have been parceled out to independent firms, which tend to operate with a fine disdain for the role of party and policy in government. We need to make television—the prime medium of political communications—somewhat more sensitive to the parties' claims to time; we need to protect the vital institution of the nominating convention from being distorted by the demands of the television cameras.

All these reforms would help, I believe, but they would not accomplish the invigoration of responsible party government unless they were accompanied by a genuine increase in the participation by the public in party affairs. The cure for the ills of democracy truly is more democracy; our parties are weak principally because we do not use them. To be strong and responsible, our parties must be representative; and they can be no more representative than our participation allows. Millions more of us need to get into partisan political activity.

We also need to examine some of our habits. It seems to me that we should ask, before splitting a ticket, what it is we hope to accomplish by dividing between the parties the responsibility for government of our country, our state, or our community. Do we think there is no difference between the parties? Do we distrust them both so thoroughly that we wish to set them against each other? Do we think one man so superior in virtue and wisdom that he must be put into office, no matter who accompanies him there?

Why are we splitting our tickets? My guess is that if we asked these questions, we would more often be inclined to give a temporary grant of power to one party at a time rather than dividing responsibility so skillfully between the parties that neither can govern. If we were willing to risk this strategy, knowing that we would be able to throw the rascals out if they failed, we might even discover to our amazement that they are not always rascals.

These are the things we could do if we wanted to attempt responsible party government. But they would not, of course, be an answer to our problems as a nation. There are limits to what parties can do, limits indeed to what politics and government can do.

The party system is essentially a device for making choices between candidates and programs, and for enabling those who prevail at the polls to seek to put their politics into action. It is a way of expressing choice, and choice implies division, which will be ever present in a large and diverse nation like ours.

But for the two-party system to work, there must be not only division but large areas of agreement. There must be agreement on the rules of the game, so that losers accept defeat and winners do not attempt to abuse the advantage of victory. There must also be a high degree of agreement on the values and goals the society cherishes, so that political defeat does not seem to carry intolerable penalties for the losers. A party system must reflect the political community it serves, and when that community loses its sense of identity, the party system cannot fabricate one for it.

Whether we Americans still retain a vision of ourselves as one people, one continent-sized community, is the ultimate question. And that is a question beyond politics. "Epochs sometimes occur in the life of a nation," Tocqueville wrote,

"When the old customs of a people are changed, public morality is destroyed, religious beliefs shaken, and the spell of tradition broken, while the diffusion of knowledge is yet imperfect and the civil rights of the community are ill secured or confined within narrow limits. The country then assumes a dim and dubious shape in the eyes of the citizens; they no longer behold it in the soil which they inhabit, for that soil is to them an inanimate clod; nor in the usages of their forefathers, which they have learned to regard as a debasing yoke; nor in religion, for of that they doubt; nor in the laws, which do not originate in their own authority; nor in the legislator, whom they fear and despise. The country is lost to their senses; they can discover it neither in its own nor under borrowed features, and they retire into a narrow and unenlightened selfishness."

In such a situation as ours, Tocqueville said, it is not enough to call forth the "instinctive patriotism" of the people, "that instinctive, disinterested and undefinable feeling which connects the affections of man with his birthplace."

In a time of turbulence, Tocqueville said, we must turn to the "patriotism of reflection," a sentiment which he acknowledged "is perhaps less generous and less ardent, but . . . more fruitful and more lasting. It springs from knowledge; it is nurtured by the laws; it grows by the exercise of civil rights; and, in the end, it is confounded with the personal interests of the citizen. I maintain," he concluded, "that the most powerful and perhaps the only means that we still possess of interesting men in the welfare of their country is to make them partakers in the government."

To make them partakers in the government. That is the challenge that now faces our political parties. That is ultimately the test of responsible party government—to make all citizens feel they are partakers and participants in the government.

It will not be easy to revitalize our political parties. Even if that is done, our problems remain awesome. We must somehow rediscover our sense of community, of nationhood. We must heal the scars of slavery and generations of discrimination. We must find a way to meet our inescapably heavy responsibilities in the world, while nourishing the debilitated services on which our own welfare, well-being, and peace of mind depend. And to do all this, we must make our government functional again in the great metropolitan areas, in the states, and in Washington. These are tasks that will test our democratic system and each of us as individuals.

But to settle for less is to admit defeat for our ideals and our aspirations. I have called this article "The Party's Over." The pun is intended, but not the prophecy. I do not believe that our political parties are doomed, unless by our neglect of the services they can provide and the vital role they can play in re-energizing our political system.

But in another sense, the party is over, whether or not the political parties are revived. I do not expect to see again in America the kind of smugness, of euphoria that gripped Washington when I came to the capital city sixteen years ago. Since then, we have gone through the New Frontier and the Great Society and the New American Revolution, each briefer in duration and more patently false in its promise than the slogan that preceded it. If there is one thing the long travail of the last four presidencies has taught us, it is to be skeptical of the easy answer.

In the dark June of 1940, when the Nazi Army had captured Paris and was poised for an assault on England, while the United States stood by, seemingly impotent to act, Walter Lippmann told the reunion of his Harvard class that "upon the standard to which the wise and honest will now repair it is written . . . You took the good things for granted. Now you must earn them again. It is written: For every right that you cherish, you have a duty which you must fulfill. For every hope that you entertain, you have a task you must perform. For every good that you wish to preserve, you will have to sacrifice your comfort and your ease. There is nothing for nothing any longer."

The cost of being an American citizen is going up. If this nation is to survive and meet its challenges, many of us will have to sacrifice some of our personal luxuries to help pay for the society's neglected needs. What is more, we will have to give up the idea that we can escape from the consequences of our civil irresponsibility by purchasing private passage for our families to



the segregated suburbs, to the private schools, and to the protected professions.

It is going to cost us time and energy and thought, diverted from our private concerns, to make government workable and politics responsible again in America. Our parties, our government will be no more representative than we make them, by our own commitment and participation. If we do nothing, we guarantee that our nation will be nothing. There is nothing for nothing anymore. Our choice is simple: either we become part-takers in the government, or we forsake the American future.

**THE OUTSTANDING PUBLIC SERVICE OF DOMENIC MASSARI, UNDERSCORED BY LOCAL, STATE, AND FEDERAL OFFICIALS**

**HON. JOHN H. ROUSSELOT**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ROUSSELOT. Mr. Speaker, it is so refreshing in these somewhat troubled times to know and hear of an individual who is almost unanimously revered as an outstanding public servant such as the man Domenic Massari. On Friday, March 24, officials from local, State and Federal levels of government, as well as many distinguished citizens, will gather together to pay tribute to retiring City Councilman Domenic Massari for his dynamic and unselfish contribution to the community of Palmdale, California, and surrounding area. Mr. Massari, who was born in Italy in 1893, arrived in Palmdale in 1929 with the most modest possessions and has since devoted himself with unstinting, unquestionable dedication to the service of the Palmdale community and, in fact, the entire Antelope Valley.

On March 24, which has been declared Domenic Massari Day, the entire Massari family, and other thankful citizens including the city council of Palmdale, Mayor Lawrence W. Chimbole, and myself will gather to pay deep gratitude to this truly great American for all that he has done to make Palmdale, and in a larger sense America, a better place to live. Mr. Massari has by deeds, not just words, made a contribution to Palmdale, which was at the time of his arrival in the late 1920's nothing more than a broad place in the road. Mr. Speaker, I know I speak on behalf of the Members of Congress who are always pleased to join in saying thanks to a dedicated and loyal citizen of this country of ours when he has served so constructively and without fanfare to make his community reflect all the high qualities that our Founding Fathers fought so dearly to attain. Domenic Massari is the epitome of that great statement we all know so well that sits on a plaque at the base of the Statue of Liberty:

EMMA LAZARUS, 1849-1887

Give me your tired, your poor,  
Your huddled masses yearning to breathe free,

The wretched refuse of your teeming shore,  
Send these, the homeless, tempest-tossed, to me:

I lift my lamp beside the golden door

The New Colossus: Inscription for the Statue of Liberty, New York Harbor.

Our distinguished State Senator John L. Harmer has encouraged his colleagues in the State legislature to pass a resolution which indeed is a tribute to all the greatness that Domenic Massari reflected in his daily life. I include it in the RECORD:

**SENATE RULES COMMITTEE RESOLUTION**  
(By Senator John L. Harmer)

Relative to the retirement of Domenic Massari.

Whereas, It has come to the attention of the Members of the Senate that Domenic Massari is retiring after 10 years of distinguished service as a member of the Palmdale City Council; and

Whereas, Mr. Massari was selected by the council to serve as Mayor of Palmdale in 1968; and

Whereas, Born in Potenza, Italy, in 1893, Mr. Massari arrived in Palmdale in 1929, bringing all his possessions with him in a covered truck, and from that time has played an indispensable part in the progress that has taken place in Palmdale; and

Whereas, A dynamic community leader, Mr. Massari was instrumental in the organization of the Palmdale Chamber of Commerce in 1933, served for approximately 10 years as a volunteer fireman, was President of the Palmdale Kiwanis Club in 1941, served as co-chairman of a victory bond drive in 1942, and served as President of the Palmdale Chamber of Commerce in 1947; and

Whereas, Until its successful conclusion in 1962, he was a member of the Palmdale Incorporation Committee; and

Whereas, He and his charming wife, Teresa, are the proud parents of a son, Joseph, and a daughter, Lena, and the proud grandparents of four grandchildren and one great-grandchild; now, therefore, be it

Resolved by the Senate Rules Committee, That the Members commend Domenic Massari for his outstanding public service and extend their best wishes to him on the occasion of his retirement from the Palmdale City Council; and be it further

Resolved, That a suitably prepared copy of this resolution be transmitted to Domenic Massari.

In addition, the city of Palmdale has proclaimed March 24, 1972, Domenic Massari Day and I wish my colleagues in the House of Representatives to be apprised of this resolution which has proclaimed to all the citizens of Palmdale the thoughtful recognition of this day to a man who has dedicated his life for 43 years to the betterment of America:

CITY OF PALMDALE, "DOMENIC MASSARI DAY,"  
MARCH 24, 1972

Whereas, Domenic Massari has been a resident of Palmdale since April, 1929, and has taken an active part in civic affairs from that time to this; and

Whereas, in 1933 he was instrumental in organizing the first Chamber of Commerce, serving as president in 1947; and

Whereas, for the ten-year period from 1940 to 1950 he served as a volunteer fireman; and

Whereas, in 1942 Domenic Massari was awarded a citation and a silver medallion from the United States Treasury Department for the selling of victory bonds; and

Whereas, from 1954 to 1962 "Domenic" served as a member of the Palmdale Incorporation Committee; and

Whereas, he was elected to the first City Council in August 1962, serving as Mayor in 1968.

Now, therefore, I Lawrence W. Chimbole, Mayor of the City of Palmdale, do hereby

proclaim March 24, 1972, as Domenic Massari Day; and

Be it further proclaimed, that all citizens of the City of Palmdale are urged to recognize this day in honor of a great man who has dedicated forty-three years of his life to Palmdale.

LAWRENCE W. CHIMBOLE,  
Mayor, City of Palmdale, Calif.

Mr. Speaker, in this time when we hear so much of what is wrong with America, I think it is only appropriate that we pause today and express our appreciation to Domenic Massari for making Palmdale, and also America, a better place in which to live. We thank you Mr. Massari.

**BELOIT, WIS., AN ALL-AMERICAN CITY, TRIES HARDER**

**HON. LES ASPIN**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ASPIN. Mr. Speaker, I would like to call to the attention of my colleagues that following editorials concerning the selection of Beloit, Wis., as one of the All-American Cities for 1972. I share the enthusiasm that these editorials indicate in support of Beloit's accomplishments. Beloit has made an excellent start in dealing with some of the urban problems it faces and I would like to join with these editorials in commending Beloit citizens for all of their activities. It is an honor to represent Beloit in the House of Representatives. The articles follow:

[From the Beloit (Wis.) Daily News,  
Feb. 28, 1972]

HONOR FOR BELOIT—A JOB ONLY BEGUN  
Beloit has earned a place on the highly select list of communities that can lay claim to the title of All-America City.

What does the award mean? Perhaps more important, what does it not mean?

The national recognition accorded Beloit will not, of course, impress or inspire everyone. Human nature being what it is, there will be no magical conversion of the cynics. Nor will harmony suddenly replace all discord. The sweet fragrance of violets cannot be expected to drift across the city now that national acclaim has been visited upon Beloit. And prosperity befitting a favored town will not materialize overnight.

We would prefer to think of the award as calling attention to the potential that exists here for achieving at least some of those community qualities that might be regarded by the idealists as "All-American."

What do we conceive to be "All-American," anyway? The term obviously means different things to different people.

It means waving flags and blaring trumpets and fidelity to the principles of liberty and freedom and justice.

It means brotherhood and equality of opportunity to pursue happiness in one's own way.

It means government of, by and for the people, with the Constitution, the ballot box and the several freedoms held inviolate.

It means free enterprise, just laws and individual choice as to jobs, political allegiance and residence.

In reality, each of us is at considerable liberty to interpret Americanism as we wish. This freedom to have diverse views and values is good. But understanding of that diversity is necessary in order to accept the

reality of the inner conflicts present in today's America. It is toward a better understanding of our differences that we must strive, if we ever expect the term "All-American" to assume a common meaning.

In the absence of this understanding, some Beloiters will not share our jubilation over receipt of an All-America City Award. Hopefully some of the misconceptions can be erased in the days and months ahead.

For a starter, this is the purpose of the contest as explained by former Pennsylvania Gov. William Scranton, president of the cosponsoring National Municipal League:

"To foster and recognize the efforts of people working and reasoning together in the endless struggle for constructive change, creating out of present divisiveness a strong, responsive and more humane nation."

It is quite evident from that explanation that the contest is not a quest for the "ideal" communities of the country—if indeed some do exist. Rather, it was a search for "typical" towns where major problems are being solved by broad-based citizen effort.

Beloit's contest entry acknowledged that this community is ordinary in many respects. Beloit told a jury in Atlanta:

"Town-grown antipathy . . . unequal opportunity in employment . . . rural-urban polarization . . . racial prejudices . . . we've had them all."

And, said the Beloiters:

"People are problem-solvers in Beloit. Working through an interlocking system of action groups, Beloiters have found that no community mission is impossible so long as it is understood that people who are part of the problem, must be a part of the solution."

That pretty much sums up why Beloit entered the contest. This claim of citizen involvement—backed up by specific examples of achievement—convinced the judges that what is happening in Beloit is what the contest is all about.

Beloit should receive the award with proper humility, realizing that the "civic betterment" it recognizes presupposes that there was considerable about Beloit that needed bettering.

As to perspective, the Beloit community would be remiss in celebrating the All-American award as signifying "a job well done." Rather, it is a job only begun.

The award thus is as much a challenge as anything else. Beloit has placed before the contest judges a review of how citizens of the community—usually working in partnership with government—have come to grips with such vexing and complex problems as racial discrimination.

As we see it, the most pridesworthy feature of what has been dubbed "the Beloit Experience" is that it has encompassed citizen effort on diverse fronts. While some sought to alleviate misunderstanding about the system of criminal justice, others worked to promote a greater appreciation of cultural endeavor, as exemplified by the Affiliate Artists program and the annual Beloit Festival. Meanwhile, still others were pitching in to carry on a summer recreation program that would have been nonexistent without volunteer help.

The many things Beloiters are doing to build a true All-American image for the community will be reviewed and recognized in the days ahead, as Beloit acknowledges its new honor. It is sufficient to say that when all this is brought together, it creates an impressive array of projects and programs for any town.

So much—so very much—still remains to be done in Beloit. But All-American City laurels are not reserved for those who have reached the summit of achievement. They are given instead to towns where it has been demonstrated that an award and involved

citizenry functions as a powerful force for community betterment. Beloit is such a town.

[From the Janesville (Wis.) Gazette, Mar. 1, 1972]

#### CONGRATULATIONS, BELOIT

"All America City" is the title recently bestowed upon our neighbor city, Beloit. The city was among nine which received the honor for this year from among 100 entries.

From the criteria set up by the contest committee, which is run by the National Municipal League and Saturday Evening Post magazine, Beloit is deserving of the prize. The purpose is "to foster and recognize the efforts of people working and reasoning together in the endless struggle for constructive change, creating out of present divisiveness a strong, responsive and more humane nation."

It is doubtful few cities have been working as hard on their problems as has been Beloit in recent years, especially in the areas of urban renewal and human relations.

Obviously the award is given not for past accomplishments, but for future expectations and the means to achieve those goals. The machinery is set in Beloit and we wish it well.

[From the Clinton (Wis.) Topper, Mar. 2, 1972]

#### CONGRATULATIONS, NEIGHBOR

The announcement that our neighboring city of Beloit has been named an ALL American City is good news. This national recognition comes not because Beloit has "arrived", community leaders say, but because many people there are working to solve their problems constructively.

What any community is, depends upon the people who reside there. Beloit has some very positive-thinking people, who are problem-solvers. It has some very negative-thinking people, who are poor-mouthers. The one group has a constructive attitude, the other a destructive one. This is true of most communities, including Clinton. Whether a community moves ahead, depends upon which of these attitudes gains ascendancy with the majority of the population, for no matter how good the intentions of a few are, they need the backing of their fellow citizens in order to accomplish anything.

Hopefully, this award will rekindle civic pride in Beloiters and fire up the apathetic and the constant critics to positive and productive performance.

#### NO AMNESTY

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. GOLDWATER. Mr. Speaker, earlier this month KNBC television in Los Angeles presented an excellent commentary on amnesty for those men who have refused military service.

The question of amnesty is much greater than elimination of penalties for those who sought to evade the draft. The question, as KNBC notes, involves the very fabric of the enforcement of law and order in America.

I wish to present the KNBC editorial:

#### NO AMNESTY

Over the past several years, some 35,000 young men left the country rather than risk having to fight in an unpopular war. Now they and the parents of some of them think they should be allowed to return without punishment, or at the most, with some Peace Corps-style service.

The reasoning behind this goes something like this: the American involvement in Southeast Asia is immoral, and those who choose to run rather than fight are morally right. The rest of the nation, especially those who fought, are wrong. That's the rationale.

It's easy to generate sympathy for some of the young men who ran out. Maybe the decision to go to Canada or Sweden wasn't really theirs. Or maybe they were sincere in their dislike of violence in any form.

Our view is that they knew or should have known the draft law and the consequences of breaking it. Each case may have had some extenuating circumstances, however, and every draft dodger should have the opportunity to tell his story in court.

But granting some blanket amnesty to all 35,000 on the basis that the fighting in Indochina has become unpopular makes no sense to us at all. If the war became even more unpopular, our next step might be to jail all those who were drafted and did as their country asked.

We feel that granting amnesty without any penalties would be encouraging people to select which laws they want to support and which they don't. We think that's an impossible way to run a republic.

#### A HALT TO MORE FEDERAL AGENCIES

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. CLEVELAND. Mr. Speaker, I would like to bring to the attention of my colleagues the following fine editorial from the Concord Monitor, Concord, N.H., of January 24, 1972. The editorial discusses the problem of duplication in Government agencies and asks the very valid question:

Why create a new agency to fight for the consumer when our present government agencies were originally intended to serve the people?

Throughout my years in public service I have been continually amazed, shocked, and disgusted by the duplication and waste which seem to thrive in Government bureaucracies. In a recent newsletter to my constituents I stated:

As I look back over my 9 years as your representative, it seems that there has been an increase in the flow of political promises which are decreasingly matched by performance. Countless programs have been launched. The myth continues that any problem can be solved by a new program from Washington, bountifully financed by your taxes. The solution to the failure of an existing program seems too often to launch a new one. The old ones, of course, remain relatively untouched and intact.

Time and time again instead of cleaning house and improving existing programs or agencies, as any good business has to do for economical survival, Government has avoided rocking the boat and just created a new program or agency to make up the deficiencies of the existing one.

Each year, like a pile of junk cars, something new is added to the bureaucracy, while the old continues to rust and rot. The result is a waste of money, time, and energy and an ever-widening run-around when one tries to get something done. A reorganization is desperately



needed in order to make Government more efficient and responsive.

Caspar W. Weinberger, Deputy Director, Office of Management and Budget recently appeared before the Joint Committee on Congressional Operations. In his comments he stated:

**STATEMENT OF CASPAR W. WEINBERGER**

During the past year we have been pilot testing improved methods for assessing how well Federal programs are working and whether they are achieving expected results. One of the chief lessons learned from this project has been that it is very difficult to measure the performance of Federal programs under the fragmentation of responsibility that exists for many social programs.

Initial efforts to implement the Performance Measurement System for Federal narcotic program activities resulted in the identification of 16 separate Federal agencies which had a significant role in our fight against the drug abuse problem. Program responsibility and accountability was fragmented among the participating agencies and no one was responsible for overall coordination of these activities. As you know, the President has taken several very bold and aggressive steps in reorganizing and consolidating responsibility for Federal narcotic and drug abuse activities. He has proposed legislation for the establishment of a Special Action Office for Drug Abuse Prevention which would have overall responsibility for drug abuse treatment and prevention programs. He recently took further steps to consolidate responsibility for narcotic and drug law enforcement efforts under a new office in the Department of Justice.

I do not wish to single out the narcotic area as a particularly bad example—it is not—similar problems exist in most of our social program areas. I have singled it out because the experiences are recent, timely and provide a good example of the extremes to which the Administration has had to go to cope with some of the inadequacies of our current organizational structure. I also wish to stress the urgent need for early enactment of the President's departmental reorganization program to minimize similar problems in other social program areas.

In his weekly news report Congressman GARNER E. SHRIVER observed:

As a member of the House appropriations subcommittee which is concerned with funding for many of the manpower training programs, I know of the desperate need for reform.

There are now at least 25 federal programs which can be described as manpower training. They come under the jurisdiction of the Labor Department, the Department of Health, Education and Welfare and some come under the Office of Economic Opportunity and the Model Cities program of the Department of Housing and Urban Development.

There is duplication and waste under our present system.

Imagine the improvement in efficiency and economy if these programs came under the control and responsibility of any one of the existing programs. The need for reorganization of the bureaucracy and the Congress is recognized. It's time we acted.

The excellent editorial which prompted these observations follows:

**A HALT TO MORE FEDERAL AGENCIES**

Legislation is pending in Congress to create two new consumer agencies—one that would represent consumer interests before other government agencies and one that would set safety standards for consumer products.

Politicians, particularly in an election year figure they can't go wrong supporting consumer bills because such legislation affects every voter in the nation.

And in the past few years consumer interests have soared on the priority list—justifiably so. This has come about by the flood of shoddy merchandise in the marketplace, by shady practices and by the disdain of industry for reasonable safety standards in their products.

Thus the pending bills are considered to have easy going in the second session of the 92nd Congress.

But we think some of this legislation is unnecessary.

Our government seems to have a penchant for creating new agencies to counteract the deficiencies of existing agencies. Thus it would seem much more reasonable to us to correct the shortcomings than to establish a superstructure to do battle with the boards and commissions we already have.

The bill to establish a Consumer Protection Agency is an example.

Presumably it would speak for the consumer before such agencies as the Federal Power Commission, the Federal Communications Commission, the Interstate Commerce Commission and innumerable other agencies.

But there is no member of the public who is not a consumer, and the already-established agencies are supposed to be representative of the public interest.

If they are carrying out this obligation, why the need for another agency to make sure they are doing what they are supposed to be doing?

The root of the problem is that such government instrumentalities are not public-oriented, but too often pander to the interests of the industries or utilities they are supposed to regulate.

The Federal Power Commission is particularly notorious in this regard. But it is prevalent everywhere in the federal government.

The Federal Communications Commission has a strong leaning toward the interests of the National Association of Broadcasters; several bureaus of the Interior Department kowtow to mining and oil interests, rather than keeping the public interest topmost; the Defense Department, despite the late President Eisenhower's "beware the military-industrial complex" warning of 1960, gives top priority to protecting its suppliers, rather than the public pocketbook.

It is to this condition that the Congress and the President should direct their energies, rather than to the creation of yet another government agency with little ombudsman authority.

To be sure, it is a much more complicated task. It means calling members of these agencies to account for their decisions when the principal beneficiaries are those who are supposed to be regulated.

Authority to regulate product safety well could be given to either the Federal Trade Commission or the Department of Health, Education and Welfare, instead of establishing a new commission.

The Senate has passed a bill that would give the Federal Trade Commission added authority over product warranties and strengthen its powers in prosecuting unfair or deceptive practices. We heartily endorse such consumer-oriented moves.

We also believe that so-called "class action" suits should be authorized by law, allowing groups of citizens to bring legal action jointly against a manufacturer or distributor.

But we think the public, and the entire American system of government, would benefit more by stern executive oversight on the activities of existing departments, boards, commissions, bureaus and councils than adding another building block to the already-quivering bureaucracy.

That bureaucracy should be working for the public.

CHIEF JUSTICE OF THE HIGH COURT OF AMERICAN SAMOA HONORED

**HON. MARK ANDREWS**

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ANDREWS. Mr. Speaker, the Honorable Donald H. Crothers of North Dakota was honored recently as he completed his turn as the Chief Justice of the High Court of American Samoa. All of us from North Dakota are proud of his distinguished record, and I insert in the RECORD an article from the Samoa News outlining the honors conferred upon Chief Justice Crothers by the Samoan legislature, as well as the resolution adopted by that body expressing the gratitude of the people of American Samoa:

[From the Samoa News, Feb. 17, 1972]

CHIEF JUSTICE DONALD H. CROTHERS HONORED

The Legislature of American Samoa, through Senate Concurrent Resolution 37, honored retiring Chief Justice of the High Court of American Samoa, Donald H. Crothers, by naming the new law library, "The Donald H. Crothers Law Library".

In ceremonies on February 11, 1972, closing the Twelfth Legislature of the Third Regular Session, Speaker of the American Samoa House read the commendation to Chief Justice Donald H. Crothers.

Chief Justice Crothers had elected to terminate his tenure of office in the High Court of American Samoa at the end of his contract period so as to permit he and Mrs. Crothers to return with their children who have been in North Dakota for the past six months.

The resolution cites Chief Justice Crothers' "in his capacity as the head of our judicial Branch of Government he has served the people of American Samoa with skill, distinction and honor; and "He will always be remembered as the prime organizer of the first Judicial Conference in the South Pacific area."

In accepting the honor Chief Justice Crothers expressed three personal views on the present status of the judiciary in American Samoa. First he recommended the Legislature be receptive to a proposal permitting appeals from the High Court of American Samoa to the United States Circuit Court of Appeals; secondly, that the Village Court System, which has developed under Chief Justice Crothers' tenure, be strengthened for "it is these courts in each village every Saturday morning of the year, that the average Samoan will come to define "justice" in American Samoa."

Judge Crothers continued "That is what the Supreme Court of the United States had intended when they decreed that each defendant, irrespective of how limited the jurisdiction of the criminal court hearing the case, must be fully apprised of the charges against him and advised of his rights in relation thereto".

Lastly, Judge Crothers expressed his opinion that the Matal System, that of chiefly titles as head of families, should be strengthened. "The Matal System is an essential part of the fibre that binds Samoan culture, heritage and custom together and must, at all costs, be preserved and made stronger," concluded Chief Justice Crothers.

Judge and Mrs. Crothers will return to North Dakota shortly after their departure from American Samoa which is anticipated to be about February 24, 1972.

SENATE CONCURRENT RESOLUTION IN HONOR  
OF DONALD H. CROTHERS

Whereas, the Chief Justice of our High Court, the Honorable Donald H. Crothers, is approaching the end of his term of service in American Samoa; and

Whereas, we are informed that he has chosen to return to his home on the mainland; and

Whereas, we accept this news with much regret but with an understanding of his desire to be with his family and pursue his career; and

Whereas, in his capacity as the head of our Judicial Branch of Government he has served the people of American Samoa with skill, distinction, and honor; and

Whereas, he will always be remembered as the prime organizer of the first Judicial Conference in the South Pacific area; Now, therefore

Be it resolved by the Legislature of American Samoa on behalf of itself and all of its constituents that we hereby express our grateful appreciation for a job well done and a service unselfishly given; and

Be it further resolved, That as a concrete expression of our esteem the new law library in the High Court Building, in an appropriate ceremony, be named the Donald H. Crothers Law Library; and

Be it further resolved, That we hereby extend our sincere wishes for a life of continued service, happiness and success wherever Judge Crothers may locate.

LEAENO T. W. REED,  
President of the Senate.  
FAINUULELEI S. UTU,  
Speaker of the House of Representatives.

ST. PATRICK'S DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. BIAGGI. Mr. Speaker, tomorrow marks once again the glorious celebration of the feast of St. Patrick—a day for reveling by Irishmen and temporary Irishmen throughout the Nation and the world. It is a day for leprechauns and lassies, for shamrocks and songs, for drinks and dances.

There is no place like New York to celebrate this great day. I am proud to say that I am from that city which tomorrow will become for a time a piece of old Eire. The center line of Fifth Avenue will be painted green and all the people, whether Irish or not, will turn out for the famous St. Patrick's Day Parade. I will be privileged to participate in this great event as part of the New York Fire Department Emerald Society contingent.

In all this revelry, however, it will do us well to pause a moment to reflect on the disruption and discord that marks Ireland's Northern Province of Ulster. There is no peace there, no time for joyous celebration, no cause for good cheer. It is a land at war. Its people fighting for civil and humanitarian rights.

St. Patrick would have been disheartened over the fact that people of Ireland are fighting among themselves. He would not have condoned the violence from either side, but most assuredly he would have spoken out strongly against the subjugation of his people and the denial of equal rights.

So today while we express our happiness for being alive and drink good cheer

for the freedoms we have in this country, let us remember those in Ireland who go to bed each night without the comforts of happiness and the assurances of freedom. Let us resolve to push even harder for an end to the abuses in Northern Ireland and for reunification of that country. By next St. Patrick's Day I would take great pleasure in being able to raise my cup and sing out about a united and free Ireland and an end to discrimination and denial of rights. Such would bring happiness to the hearts of the Irishmen and joy to people the world over who seek peace in all lands.

TELEPHONE PRIVACY—IV

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 16, 1972

Mr. ASPIN. Mr. Speaker, I am presently circulating for cosponsorship the Telephone Privacy Act, H.R. 13267, which would allow individuals to place a "no solicitors" sign on their telephones.

This bill would give to individuals the right to indicate to the telephone company if they do not wish to be commercially solicited over the telephone. Commercial firms wanting to solicit business over the phone would then be required to obtain from the phone company a list of customers who opted for the commercial prohibition. The FCC would also be given the option to require the phone company, instead of supplying a list, to put an asterisk by the names of those individuals in the phonebook who have chosen to invoke the commercial solicitation ban.

Those not covered by the legislation would be charities and other nonprofit groups, political candidates and organizations, and opinion poll takers. Also not covered would be debt collection agencies or any other individuals or companies with whom the individual has an existing contract or debt.

As I noted in a statement last Thursday, I have received an enormous amount of correspondence on this legislation from all over the country. Today I am placing a third sampling of these letters in to the RECORD, since they describe far more vividly than I possibly could the need for this legislation.

These letters follow—the names have been omitted:

MAYOR,  
CITY OF UNIVERSITY HEIGHTS, OHIO,  
February 23, 1972.

HON. LES ASPIN,  
Rayburn House Office Building,  
Washington, D.C.

DEAR CONGRESSMAN ASPIN: I am most interested in your proposed telephone privacy act and would appreciate a copy of the draft legislation. Our community is one of many that has been trying to find a solution to this difficult problem.

I would appreciate your advising me if you have copies of any local or State legislation now in effect or pending which tends to accomplish the same results.

Many thanks for your cooperation.  
Sincerely,

MCLEAN, VA.,  
February 23, 1972.

DEAR CONGRESSMAN ASPIN: I read today of your bill to limit telephone soliciting. Having been the recipient of many of these bothersome calls, I welcome your action.

Sincerely,

GRINNELL, IOWA,  
February 23, 1972.

HON. LES ASPIN,  
House of Representatives,  
Washington, D.C.

DEAR REPRESENTATIVE ASPIN: I was delighted to note in this morning's edition of the Des Moines Register that you are proposing legislation to control the growing nuisance of telephone solicitation.

However, the Associated Press story indicated that your proposed bill would exempt charitable organizations, political organizations, and surveys from any regulation.

I fully support controlling solicitation of all kinds in the manner you propose. An unwanted call from a church bazaar, party headquarters, or audience survey is just as annoying as one from a magazine salesman or home repair firm.

Sincerely,

NEW ORLEANS, LA.,  
February 20, 1972.

DEAR SIR: I was very pleased to read where you plan to introduce a bill to prevent solicitors from calling us on the telephone.

You don't know how hard it is for aged people to run, or try to run to the phone when it rings to find someone at the other end asking, "Are you the lady of the house?" These people have only your phone number, they do not even know your name. I wish you much success with your bill. Please tell our representatives from Louisiana that we want them to vote favorably for your bill.

Thank you sincerely,

ST. PAUL, MINN.,  
February 21, 1972.

Representative LES ASPIN,  
House of Representatives,  
Washington, D.C.

DEAR MR. ASPIN: Although I am not a resident of your state, I want to express my pleasure and gratitude about your telephone solicitor legislation. This is something which is long overdue, and which probably will have to be done at a federal level, since I doubt that the states would act with any speed.

About two weeks ago we received a communication from our telephone company, informing us that they are adding a substantial surcharge to our phone bill because we have opted for the privilege of an unlisted number. This seems to us highly inflationary, particularly in view of the 18% increase in phone rates which Northwestern Bell has just imposed; and we are especially distressed because of the annoyance of constant phone solicitation. With an unlisted number we are spared that constant intrusion into our privacy. However, rather than pay \$6.00 a year for that privilege, we are going to resort to the tactic of having our number listed for most months of the year, and then "unlisted" during the month when the phone book is made up. Obviously this will cause the phone company a lot of difficulty, and will not accomplish what they are trying (for justifiable reasons) to accomplish: namely to reduce the number of people who are deciding to have unlisted phone numbers.

If we were sure that no phone solicitors would call us, we would have no objections



at all to having a listing in the phone book. Clearly it would make the job of the telephone operators easier if more people made this decision. I hope, therefore, that the phone companies realize this, and are willing to support your bill fully. It seems to me

that there would have to be some kind of substantial penalties for infringement of the rule—probably the mere printing of a “no solicitors” sign would be overlooked by some zealous phone salesmen.

Please let me know if there is any way in

this bill. If you have a list of committee which I can be of help in the passage of members who might want to hear opinions on the bill, please forward it to me.

Sincerely yours,

## SENATE—Friday, March 17, 1972

The Senate met at 10 a.m. and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

### PRAYER

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

Eternal Father, as we dedicate this day's labor to Thee, may the memory of Thy servant, Patrick, move us to nobler living and more selfless service. Show us the life that serves Thee in the quiet discharge of each day's duty, that ennoble all our toil, however rewarding or irksome, by doing it as unto Thee. Give us Thy power, that we may become a power for righteousness. Give us Thy love, that our affections be not diverted to lesser things. May we find Thy power, Thy love, and Thy life in all mankind, and thus know Thee as our Father-God.

Through Him who revealed Thy life in man's life. Amen.

### DESIGNATION OF THE ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter.

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

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

ALLEN J. ELLENDER,  
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

### MESSAGES RECEIVED FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the Senate of March 15, 1972, the Secretary of the Senate received the following messages from the House of Representatives:

On March 15, 1972:

That the Speaker had affixed his signature to the following enrolled bill and joint resolution:

H.R. 12910. An act to provide for a temporary increase in the public debt limit; and

H.J. Res. 1097. Joint resolution making certain urgent supplemental appropriations for the fiscal year 1972, and for other purposes.

On March 16, 1972:

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 House to the bill (S. 2097) to establish a Special Action Office for Drug Abuse Prevention and to concentrate the re-

sources of the Nation against the problem of drug abuse.

The PRESIDENT pro tempore, on March 15, 1972, signed the above-mentioned enrolled bill and joint resolution.

### THE JOURNAL

Mr. MOSS. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, March 15, 1972, be dispensed with.

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

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 3054) to amend the Manpower Development and Training Act of 1962, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mr. DANIELS of New Jersey, Mr. MEEDS, Mr. QUIE, and Mr. ESCH were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 10390) to extend the life of the Indian Claims Commission, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 9615. An act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes;

H.R. 11417. An act to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation for the purpose of purchasing railroad equipment, and for other purposes;

H.J. Res. 563. Joint resolution to authorize the President to proclaim the last Friday of April 1972, as “National Arbor Day”;

H.J. Res. 687. Joint resolution to authorize the President to designate the third Sunday in June of each year as Father's Day; and

H.J. Res. 1095. Joint resolution authorizing and requesting the President to proclaim April 1972 as “National Check Your Vehicle Emissions Month.”

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 550. Concurrent resolution providing for the installation of security apparatus for the protection of the Capitol complex; and

H. Con. Res. 557. Concurrent resolution

authorizing the printing of additional copies of House Report No. 92-911.

### HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, as indicated:

H.R. 9615. An act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes;

H.J. Res. 563. Joint resolution to authorize the President to proclaim the last Friday of April 1972, as “National Arbor Day”;

H.J. Res. 687. Joint resolution to authorize the President to designate the third Sunday in June of each year as Father's Day; and

H.J. Res. 1095. Joint resolution authorizing and requesting the President to proclaim April 1972 as “National Check Your Vehicle Emissions Month”; to the Committee on the Judiciary.

H.R. 11417. An act to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation for the purpose of purchasing railroad equipment, and for other purposes; to the Committee on Commerce.

### HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were referred to the Committee on Rules and Administration:

H. Con. Res. 550. Concurrent resolution providing for the installation of security apparatus for the protection of the Capitol complex; and

H. Con. Res. 557. Concurrent resolution authorizing the printing of additional copies of House Report 92-911.

### COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MOSS. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

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

### EXECUTIVE SESSION

Mr. MOSS. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the executive calendar, under New Report.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the executive calendar, under New Report, will be stated.

### NATIONAL CREDIT UNION BOARD

The second assistant legislative clerk read the nomination of O. Louis Olsson,