By Mr. BRASCO:
mittee on Interior and Insular Affairs.

H.J. Res. 594. Joint resolution to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. GERALD R. FORD:

H.J. Res. 595. Joint resolution providing for the orderly review of fee-paid oil import licenses; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H. Res. 421. Resolution expressing the sense of the House that the President exercise his authority under the Economic Stabilization Act of 1970 by freezing retail food prices and that the President establish a commission to investigate the cost and availability of food; to the Committee on Banking and Currency.

By Mr. GERALD R. FORD:

H. Res. 422. Resolution authorizing the President to proclaim June 3, 1973, as "National MIA-POW Day"; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

230. The SPEAKER presented a memorial of the Legislature of the State of South Carolina, relative to inequities and discrimination in the Social Security Act; to the Committee on Ways and Means.

SENATE—*Monday, June 4, 1973*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

O Thou Light of the World, shine upon us with the light of Thy truth to illuminate and make clear the course of our actions in this new week. We lay before Thee our need of Thee and Thy continued presence—the light of the transcendent upon the transient, the eternal upon the temporal. Show us the way of servanthood which sanctifies every labor done in Thy name. While we work at tasks great or small, exposed or obscure, help us to keep ever before us the vision of the people we serve, the better world for which all men of good will long, and for which we strive in this place. Whatever our lot in life, make us sure of Thee, O God, our life, our hope, our strength. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Robert L. DuPont, of Maryland, to be Deputy Director of the Special Action Office for Drug Abuse Prevention, which nominating messages were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, June 1, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

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

HOUSE JOINT RESOLUTION 296—AUTHORIZING THE PRESIDENT TO PROCLAIM THE LAST WEEK OF JUNE 1973 AS "NATIONAL AUTISTIC CHILDREN'S WEEK"

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Joint Resolution 296.

The PRESIDENT pro tempore laid before the Senate House Joint Resolution 296, to authorize the President to proclaim the last week of June 1973 as "National Autistic Children's Week," which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and the Senate will proceed to the consideration of the joint resolution.

Mr. MANSFIELD. Mr. President, in support of this resolution, the distinguished Senator from California (Mr. TUNNEY) has prepared some remarks. As Senator TUNNEY, by necessity, is occupied away from the Senate Chamber today, I ask unanimous consent that his statement be printed at this point in the RECORD.

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

STATEMENT BY SENATOR TUNNEY

Last week, on May 17, 1973, I asked to have held at the desk Congressman Waldie's resolution, H.J. Res. 296, which would proclaim the last week of June of each year as "National Autistic Children's Week."

On February 5, 1973, I introduced S.J. Res. 50, which contained the same provisions as H.J. Res. 296. My Resolution is pending before the Senate Subcommittee on Federal Charters, Holidays and Celebrations. I feel the House resolution is adequate and I see no need to await hearings on S.J. Res. 50.

Immediate action on this piece of legislation would benefit so many deserving people. The observance of National Autistic Children's Week would aid in increasing public awareness of the needs of these children and would offer new hope to thousands of parents of autistic children throughout the country.

I urge that this resolution be adopted.

The joint resolution (H.J. Res. 296) was passed.

WAIVER OF THE CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rules VII and VIII, be dispensed with.

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

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. JOHNSTON). The distinguished minority leader is now recognized.

Mr. SCOTT of Pennsylvania. Mr. President, I think I will waive my time. This is Monday. This is the day the Lord hath made and I do not want to do anything to mess it up. [Laughter.]

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I am informed that the distinguished Republican leader is willing to yield his time to Senators on this side of the aisle today. May I ask the distinguished Senator from Maryland if that is true?

Mr. BEALL. Yes. The distinguished acting majority leader understands correctly that we are happy to yield our time.

Mr. ROBERT C. BYRD. I wish to express to the distinguished acting Republican leader our thanks for his usual courtesy.

Mr. President, I ask unanimous consent that the time previously allotted to the Senator from Michigan (Mr. GRIFFIN) under the order be allotted to the Senator from Wisconsin (Mr. PROXMIRE).

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

(The remarks Senator PROXMIRE made at this point on the introduction of S. 1935, dealing with a review of intelligence operations, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield my remaining time to the Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. I thank the Senator.

PRISONS AND POLITICAL PRISONERS IN SOUTH VIETNAM

Mr. KENNEDY. Mr. President, a few weeks ago a study mission representing the Judiciary Subcommittee on Refugees, which I serve as chairman, returned

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from visiting the countries of Indochina. The purpose of the study mission was to review people problems and humanitarian needs in the war-affected areas—and to contribute responsibly to public discussion over our country's obligations to rehabilitate war victims and help heal the wounds of conflict. To this end, the subcommittee began a series of hearings in April, and a detailed report of the study mission's findings and recommendations will be filed with the Senate in the weeks ahead.

Among the people problems pursued by members of the study mission, who visited South Vietnam, was the plight of civilian detainees and political prisoners. And it is this issue that I wish to discuss today.

In pursuing this issue, members of the study mission talked with a broad representation of Vietnamese and Americans in the field. They were concerned about the number of political prisoners, their treatment and places of detention, and their current status under the ceasefire agreement. They were also concerned about American involvement in this issue, the official policy of our Government toward the plight of political prisoners, and the long-standing question of international inspection of detention facilities.

For too many years, Mr. President, the issue of political prisoners has been the object of coverup—from both Washington and Saigon. For too many years the issue has been swept under the rug by our Government—as if we were not involved, or the issue did not exist. Again and again our Government has sought to whitewash the issue—and in response to congressional and other inquiries has all but pleaded ignorance to the existence and plight of political prisoners in South Vietnam. That this situation continues, is distressing to me—as I know it is to other Members of Congress and millions of Americans.

What really prompts my comments today, however, is not first of all, this sorry record—but the administration's latest coverup—involving its budget request for Indochina Post-War Reconstruction Assistance and other aid to the countries of Indochina.

In reporting some findings of the Subcommittee's Study Mission, and some additional information, I wish to comment briefly on several items—first, the existence and number of political prisoners; second, their condition and treatment; third, the status of political prisoners under the ceasefire agreement; and finally, American involvement in this issue.

NUMBER OF POLITICAL PRISONERS

Mr. President, a statistics on the number of political prisoners held in a closed society are always difficult to obtain—whether for South Vietnam—or the Soviet Union, or Greece, or Brazil, or elsewhere. In fact, for South Vietnam, Saigon insists that it holds no political prisoners.

In early April—during his visit to the Vatican, and following Pope Paul VI's eloquent appeal in behalf of civilian detainees in Vietnam—President Thieu said:

> There are no political prisoners in South Vietnam.

He went on to say:

> There are only two kinds of prisoners"—those of "common law," who number some 21,000—and "communist criminals," who number close to 6,000.

The Thieu government may choose any label it desires for civilians detained for political reasons. But by every international standard, what are commonly called "political prisoners" exist in South Vietnam today.

According to most official estimates given the study mission in field conversations, and in a letter from a U.S. Embassy official in Saigon (see exhibit A) at least some 20,000 South Vietnamese civilians are currently detained under indictments or sentences relating to political activities and the war. Additionally, thousands of other civilians—at least 20,000—are prisoners in "common criminal status" for thievery, smuggling and the like.

According to the Embassy's letter, the first category of prisoners—the political category—includes—

> Those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive.

The letter goes on to say that this political category of prisoners—

> Is further divided into those detained because of communist-related activities and all others.

Until recently, Mr. President, those detained because of Communist-related activities—the bulk of the political prisoners—were divided into "Communist criminals" and "An Tri detainees." According to the Embassy—

> Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc. . . . An Tri detainees are persons detained because they are "considered dangerous to national defense, national security, and public order."

The Embassy letter says that the—

> An Tri detainees are incarcerated on the order of the Prime Minister after passing through nonjudicial administrative process—An Tri detainees, the letter goes on "need not be accused of committing a specific criminal act.

In addition to civilians being detained for alleged Communist-related activities—according to the Embassy's letter, the political category of prisoners also includes "non-Communist dissidents," "various student leaders," and what the letter calls "sentenced common criminals."

As I suggested earlier, accurate statistics on the number of political prisoners in South Vietnam are difficult to obtain, and even official American estimates will vary. But several things about this issue are clear.

First, there are thousands of political prisoners in South Vietnam, despite the semantics of the Thieu government.

Second, these prisoners include not only civilians detained as "Communist criminals"—but many others from across the political spectrum.

Third, estimates on political prisoners vary. President Thieu cities nearly 6,000 "Communist criminal." The U.S. Embassy, in extrapolations from a statistical jungle, usually estimates some 20,000 political prisoners, of whom up to 1,000 are "non-Communist dissidents." Still other sources, including the Provisional Revolutionary Government—PRG—go as high as 200,000.

Fourth, according to some American officials, the Thieu government's use of "Communist-related activities," as a cause for detention, has a broad interpretation and is sometimes used as a cover to detain most any civilian.

Fifth, political prisoners are held by the PRG, as well as the Thieu government. Here, again, the estimates vary. According to the U.S. Embassy, the PRG apparently admits to some 200 political prisoners. The Thieu government claims that close to 60,000 civilians have been abducted by PRG forces.

Sixth, as Washington and Saigon have regularly done in lowering the number of civilian war casualties or refugees on official rolls—the Thieu government has also done in lowering the numbers of political prisoners in official estimates. This lowering of numbers to disguise the facts, is done by shifting people from one category to another. According to the Embassy's letter, the Thieu government has systematically changed the status of some political prisoners, by shifting their category to "common criminal status." Specifically, the Embassy says, that:

> Before and since the ceasefire, the GVN has been converting—detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging.

Presumably, this expedient applies to both the Communist criminal as well as the non-Communist dissident categories.

Seventh, from information available to the study mission, estimates on political prisoners by Vietnamese and U.S. officials apparently only include hard-core or long-term prisoners, who are usually held in primary detention centers such as Con Son or the Chi Hoa prison in Saigon. Hundreds of other civilians, however, are regularly detained for political reasons, and usually on a temporary basis—at dozens of local interrogation or correction centers throughout the country. Current estimates on these detainees are unavailable. But if history of the Vietnam war is at all relevant, the number of such detainees probably adds significantly to the U.S. Embassy's estimate of some 20,000 political prisoners.

And finally, the history of political prisoners in South Vietnam is at least as long as the war. As the Embassy's letter points out, "during the long course of the Vietnam conflict, people from every area of the country have been arrested." How many, Mr. President, is unknown; but the record would suggest that the cumulative total of civilian detainees numbers in the hundreds of thousands. By official count, since 1968 at least 100,000 persons were detained under the American sponsored Phoenix program alone. Moreover, throughout the war, each escalation of military activity, and each move toward peace, usually brought with it a heavy wave of arrests by the Saigon government—and a sharp in-

crease in abductions by PRG forces. Developments during the military escalation and the so-called October "peace scare" of 1972 provide a clear illustration of the pattern—at least as it affected the actions of the Thieu government in Saigon.

According to the American Consul General in Danang, an estimated 15,000 civilians were arrested for political reasons in April and May of last year in Hue and the province of Thua Thien. Another estimated 2,500 civilians were arrested in the four other provinces of Military Region 1 during the same period. Most of these detainees were processed through local interrogation centers. Some, apparently, were released. Some were sent, probably on a temporary basis, to local jails. But an estimated 14,000 were sent south to Con Son prison. The number who remain there today is unknown.

Several months later, during the peace moves in October, a second major round-up of civilians occurred in Military Region 1. According to American officials in Danang, some 5,000 persons were arrested during this period in Military Region 1 alone. And since then, arrests have continued, in various degrees, throughout the country.

THE CONDITION AND TREATMENT OF POLITICAL PRISONERS

Mr. President, in a March 19 letter from Ambassador Ellsworth Bunker to a staff member of the subcommittee—and for the usual bureaucratic reasons—the subcommittee's study mission to South Vietnam was officially denied permission to inspect civilian prison facilities. Because of this denial—and past denial to representatives of the subcommittee—the study mission is not in a position to make any direct judgment, on the condition or treatment of political prisoners. But the mere fact that members of the study mission—along with many others—have been repeatedly denied access to prison facilities and conversations with detainees, is cause enough for serious concern.

Subcommittee representatives had a similar experience in Greece a couple of years ago. But we know from the record that no coverup in Greece can fully hide the fact that Greek political prisoners have been mistreated, often brutally—as political prisoners are in other closed societies around the world. In South Vietnam, we need only recall the tiger cage incidents, the treatment of former presidential candidate, Truong Dinh Dzu, and similar past events. And even today, concern over the condition and treatment of detainees in South Vietnam continues to arise from a wide variety of sources—including official sources and released prisoners. Various reports and materials, including photographic evidence of alleged mistreatment, appears from time to time in the press—and is also available from respected private organizations such as Amnesty International, the American Friends Service Committee—see exhibit 8—and others. Additionally, the American Embassy in Saigon has so far denied the study mission's request for official reports on the condition and treatment of prisoners—but in the written response to study mission inquiries, an American official candidly stated:

> We cannot disprove that mistreatment of inmates has occurred; some with little doubt has.

All of this raises troubling questions over the condition and treatment of political prisoners in South Vietnam—despite Saigon's statement that all is well. But I feel that perhaps the most serious indictment of Saigon's position is found in the shabby treatment accorded the International Committee of the Red Cross—ICRC—by the Thieu government.

Under the Geneva Conventions of 1949, the ICRC is charged with various humanitarian activities for the protection of war victims and civilian populations in areas of conflict. It is apparently debatable as to whether or not concern for political prisoners in South Vietnam falls under the Geneva Convention and the humanitarian activities of the ICRC. But the fact remains that there is a record of ICRC involvement in this issue, which the Thieu government has cruelly exploited. In its own defense against charges of inhumane treatment of civilian detainees, the Thieu government has repeatedly suggested ICRC approval of its prison system and treatment of political prisoners. The Thieu government issued such a statement through its representative in Paris on March 14. To set the record straight, the ICRC issued a statement on March 21, which was amplified to members of the subcommittee's study mission by Red Cross officials in subsequent discussions in Geneva. The ICRC statement reads as follows:

> According to press reports on 14 March, the delegation of the Republic of Vietnam in Paris, replying to a communication from the "Communaute' Vietnamienne" mentioning ill-treatment in Con Son prison, said that "the South Vietnam detention camps, including Con Son, had been visited by international humanitarian organizations, international Red Cross".
>
> The International Committee of the Red Cross would make it clearly understood that the last time its delegates inspected Con Son prison was on 11 January, 1969. Since then they have been several times to Con Son but were allowed to see only several dozen prisoners of war, not the civilian detainees who constituted the immense majority of the inmates.
>
> The ICRC repeats its earlier statements that it was precisely because of the restrictions imposed by the South Vietnam Government—particularly the prohibition of private talks with detainees—that in March 1972, it discontinued visits to interned civilians.

Mr. President, the available evidence strongly suggests that there is good cause for American and international concern over the condition and treatment of political prisoners in South Vietnam. Some observers—including American officials—apparently take comfort in the suggestion that whatever mistreatment exists is not applied generally and systematically to all prisoners. But the general and systematic denial of information—by Washington and Saigon—to those legitimately concerned over the situation, is a matter of record. And in light of the international controversey over the condition and treatment of political prisoners, this can only lead to one question—if there is nothing to hide, why does not the Thieu government admit impartial observers to inspect the prisons? And why is not the administration carrying this message to Saigon?

THE STATUS OF POLITICAL PRISONERS UNDER THE CEASE-FIRE AGREEMENT

Mr. President, although the Thieu government has released or returned to PRG custody a number of detainees in recent weeks and months—in the main, the resolution of this issue depends for some prisoners on the implementation of the cease-fire agreement and the prisoners protocol—and for other prisoners on the Thieu government's adherence to basic human rights.

As the Embassy's letter to the study mission correctly implies, the United States carries no direct obligation for the release or return of any prisoner held in South Vietnam. In the case of the former group—those labeled as "Communist criminals"—the Embassy's letter states that "the return of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of Communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities."

Regrettably, the negotiations between the Thieu government and the PRG to accomplish this end have so far failed.

But what about the other group of prisoners—those who are not "of Communist persuasion"—and even those among them who are falsely labeled as being "of Communist persuasion?" What about those who are not specifically covered by the cease-fire agreement—and whose future depends solely on the Thieu governent's adherence to basic human rights? What about the so-called "non-Communist dissidents"—persons like Mrs. Ngo Ba Thanh, various student leaders, journalists, and hundreds of others whose only crime may have the exercise of free speech in the interest of reconciliation and peace?

The Thieu government has no answers to these questions, because they do not admit holding political prisoners. American officials, in response to inquiries, admit the prisoners are there—but they also say we are not involved. The issue of political prisoners, they suggest, is an internal matter for South Vietnam.

This American position is truly incredible. After years of heavy American involvement in every aspect of Vietnamese life—after years of sponsoring the Phoenix program and public safety projects throughout the country—after years of building prisons and supporting the police who detain civilians—we cannot now pretend that political prisoners are purely an internal matter for South Vietnam. The administration's reasoning on this issue defies commonsense—let alone the peace with honor we are trying to bring to South Vietnam. And this leads to some brief comments on our continuing involvement in the police and prison systems of South Vietnam.

CONTINUING U.S. INVOLVEMENT IN THE POLICIES AND PRISON SYSTEM OF SOUTH VIETNAM

Mr. President, contrary to what the administration would have us believe,

over the years the United States has been very heavily involved with substantial sums of money and energy in supporting the police and prison system of South Vietnam. A significant share of this support has been direct dollar costs channeled through the controversial Public Safety Division and other sections of AID. Additional support has been channeled through the Department of Defense and other agencies of our Government. And supplementing all this, has been what our Embassy in Saigon calls "a substantial amount of piaster funding" out of the American Aid Chapter Piaster Support for Saigon's national budget.

The cumulative total since 1955 of U.S. funding for police and prisons is unavailable. But the bulk of AID and part of Defense Department funding is a matter of record, at least since 1967 and 1969—the fiscal year of initial obligation for current projects assisting the police and prison system of South Vietnam. As of June 30, known AID dollar expenditures will total some $83,700,000. Known Department of Defense dollar expenditures will total an estimated $48,000,000. The combined total of both expenditures is $131,700,000.

The administration's fiscal year 1974 presentation to Congress on Indochina postwar reconstruction assistance, notes that AID public safety programs in South Vietnam will be terminated this fiscal year. The presentation categorically states that:

In keeping with the articles of the cease-fire agreement AID has terminated its assistance to the National Police and to the Vietnamese Corrections System.

But a closer look at the presentation, and additional information, reveals that the administration is covering-up its true intentions, and deceiving Congress and the American people.

For what do we find? We find, Mr. President, that AID's Public Safety Division in Saigon is abolished—but that its programs and funding continue. We find that public safety is now called technical support, public administration and public works.

According to the administration's presentation on Indochina assistance, fiscal year 1974 requests include at least the following: $869,000 for police computer training under technical support; $256,000 for direct police training under public administration; and $1,505,000 for police telecommunications under public works.

Additionally, the presentation notes that, as of June 30, the following unliquidated obligations remain available until expended: $1,285,000 from public safety telecommunications; $2 472,000 from national police support; and $30,000 from corrections system support.

Substantial sums for public safety purposes are also requested in at least one other presentation. According to AID officials, an estimated $8,800,000 for public safety supplies is found in the fiscal year 1974 budget request of the Department of Defense.

The figures I have cited are a matter of record. They total some $15,217,000 for public safety purposes in South Vietnam—and presumably there is more buried elsewhere—including the American piaster support for Saigon's national budget. The piaster support has already been used for public safety purposes since the cease-fire agreement. On February 21, for example, the U.S. Embassy in Saigon obligated piasters valued at more than $100,000 for prison support.

The administration's coverup and deception on continuing support of the police and prison system in South Vietnam defies understanding. Clearly, it is not in our national interest. Clearly, it is not in keeping with the spirit, if not the letter, of the cease-fire agreement. And clearly, it dramatizes, again, the administration's warped sense of national priorities in helping to heal the wounds of war.

The administration moves easily in building prisons and supporting police. But why cannot our Government ask the hard questions about the prisoners? The administration moves easily in putting together many programs for public safety. But why cannot our Government do the same for the young war victims crying out for help—for the many thousands of Vietnamese children who are fathered by Americans—and the hundreds of thousands more who are maimed or orphaned or abandoned or simply disadvantaged from the war? Why must we continue building up the police, when the Ministry of Social Welfare really needs our help?

Nothing will undermine more the future of South Vietnam and Indochina—and our country's future relations with that area—than our repeating the mistakes and failures of the past. I submit that our continuing involvement in the police and prison system of South Vietnam—and our turning away from the plight of political prisoners—is a repetition of the past. It is not a building block toward healing the wounds of war.

Mr. President, the record is clear that political prisoners exist in South Vietnam. And the record is clear that the Thieu government is thwarting a resolution of the prisoners' plight. But the complicity of our own Government in this abuse of justice and fairplay is also clear. And this should outrage the conscience of all Americans.

I yield to no one in condemning the abductions and cruelty to civilians by the PRG and the other side. But what they do cannot relieve our side's responsibility to minimize and remedy the hardship and distress of civilians—including political prisoners. The American people expect this of their Government. And our traditions as a nation, and our commitment to help heal the wounds of war, demand it.

To this end I would like to make the following recommendations:

First, the President should immediately terminate all American sponsored public safety oriented programs in South Vietnam—and immediately withdraw all current funding and new money requests for such purposes.

Second, the United States should make immediate and strong diplomatic representations to the Thieu government in behalf of the humane and just treatment of all civilians detained for political reasons. Specifically, the United States should firmly counsel the Thieu govment to sort out its political prisoners and rectify the rolls in all categories—to invite a full inspection of prison facilities under the auspices of the International Committee of the Red Cross—and to provide for the orderly due process for release of those prisoners not covered by the repatriation and return provisions in the prisoner protocol of the cease-fire agreement.

Third, the United States should make diplomatic representations—through various channels and in cooperation with other governments concerned over the future of South Vietnam—to encourage and facilitate negotiations between the Thieu government and the PRG, as provided for in the cease-fire agreement, for the repatriation and return of those political prisoners on both sides covered by the agreement.

And fourth, in the current international discussions over the anticipated revisions of the Geneva Conventions of 1949, the United States should actively encourage and support reasonable initiatives to strengthen and better facilitate the protection of civilian detainees in areas of conflict and war.

Mr. President, there are no easy solutions to the people problems of Indochina—and this includes the problem of political prisoners in South Vietnam. But we must not rest, in frustration or comfort, where we are. There is much to be done—and there is much more that our country can do.

Finally, Mr. President, let me say again that I hold no brief for those who have truly violated the laws and committed criminal acts of terrorism and violence in South Vietnam. Obviously, all of us respect the right of a sovereign government to deal with those particular questions and issues. But unquestionably there are hundreds and thousands of political prisoners in South Vietnam. There are students, journalists, and young political leaders in detention, whose only crime was to speak for peace or accommodation or a political settlement of the conflict in Indochina. And the United States has been giving millions of dollars in supplying training for individuals who continue to deter people, whose only crime has been that they were in disagreement with the policy of the South Vietnam Government. We have supplied millions of dollars to build the prisons. We have supplied money to train individuals to keep these prisons. And I feel that we have at least the responsibility to make sure that those whose only crime has been of a political nature, are going to be given the kinds of protections which civilized and humane nations of the world have recognized under the Geneva Accords.

Finally, I think the United States ought to be out of the business of either training or supplying equipment for individuals whose only purpose is to detain political prisoners. This is something which we in our country abhor. We like to think that people are not held in prisons in this country solely because of their beliefs or their ideas or their thoughts. As we are trying to see to an adjustment and conclusion of the con-

flict in Southeast Asia, and as we are trying to see that country brought to a period of peace and stability, police and prison support is a feature of our policy which deserve considerable attention.

Mr. President, I ask unanimous consent to have exhibits A, B, and C printed in the RECORD.

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

EXHIBIT A: TEXT OF THE U.S. EMBASSY'S LETTER

EMBASSY OF THE
UNITED STATES OF AMERICA,
Saigon, Vietnam, April 3, 1973.

Mr. JERRY M. TINKER,
Staff Consultant, Subcommittee on Refugees, Office of Senator Edward M. Kennedy, U.S. Senate, Washington, D.C.

DEAR MR. TINKER: The Ambassador has asked me to reply to the request for information contained in your letter to him of March 15, 1973.

Before going into the specific areas you refer to, I would like to point out that under the Paris Agreement the "return" of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities. Though the Agreement expresses the hope that agreement on this matter will be reached within ninety days after the ceasefire date, no absolute time limit is imposed. I think it is important to note that a substantial number of civilians loyal to the GVN are detained by the communists, though they admit only 200. The question of the return or accounting for these people is therefore linked with the release of communist prisoners now held in GVN jails.

You express the fear that conversion of civilian detainees to common criminal status will exclude them from coverage under the agreement. The Prisoner Protocol, however, clearly states in Article 8(b) that "The detaining parties shall not cause their return to be denied or delayed for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced. Though it will of course be more difficult to identify persons covered by the agreement if they are mixed in with common criminals, their legal status under the agreement is not affected. The GVN has offered to release any civilian detainee the communists name as belonging to their movement.

Your letter also asks for information in two broad areas: the prisoners themselves and the GVN's prison system. I will address the first question in this letter. I have attached a memo from USAID which was written in response to my request which covers the second area in great detail. You might also contact the staff of Congressman Morehead's Subcommittee of the Government Operations Committee for information concerning these problems. That Subcommittee conducted hearings on this subject, I believe, in 1970.

Drawing on official GVN statistics and conversations with various GVN officials who are responsible for the prison system and internal security problems, the Embassy estimates that there are at present no more than 22,000 civilians of all types being held. This includes two broad categories: common criminals (thieves, smugglers, etc.) and those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive. This second category is further divided into those detained because of communist-related activities and all others. Though we do not have precise figures, we estimate that the GVN now detains at least 12,000 civilians sentenced or ordered detained because of communist-related activities, somewhere between 500 and 1,000 non-communist dissidents, such as Madame Ngo Ba Thanh and her group and various student leaders, and around 4,000 sentenced common criminals.

The approximately 12,000 communist-related detainees were, until recently, divided into "communist criminals" and "An Tri detainees." Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc., committed as a part of their participation in the NLF's struggle to overthrow the GVN. There were 4,088 "communist criminals" on the GVN rolls as of December 31, 1972. "An Tri detainees" are persons detained because they are "considered dangerous to national defense, national security and public order" (Decree Law 004 1966 and Decree Law 020 1972). An Tri detainees are incarcerated on the order of the Prime Minister after passing through a non-judicial administrative process wherein both the burden of proof and the procedural safeguards are somewhat less than those which obtain in the military courts. On the other hand, the penalties imposed are generally less severe. An Tri detainees need not be accused of committing a specific criminal act, evidence of participation in the Viet Cong Infrastructure, or of actively supporting the Viet Cong being sufficient.

Before and since the ceasfire, the GVN has been converting A and B category "An Tri" detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging. Categories A and B are those detainees whom, according to the GVN, held important positions in the Viet Cong Infrastructure down to hamlet level. All the C level detainees, who are considered "low level supporters" have been released since Tet. These numbered around 5,000. The number of A and B level detainees as of December 31, 1972 was 9,316.

During the long course of the Vietnam conflict, people from every area of the country have been arrested. The ratio of persons detained from any particular province to that province's population varies with the average level of NFL political-terrorist activity and the vigor of the GVN local government's security activities. Neither we nor the GVN have kept records that would allow such a ratio to be computed. According to the latest complete figures (December 72) available to the Embassy, 19,156 persons were being held at Provincial Correction Centers, and 20,501 at the five National Correction Centers at Con Son, Chi Hoa (Saigon), Tan Hiep, Thu Duc and Dalat (juveniles). These figures include 5,777 military prisoners, 3,877 unsentenced communist suspects, and 7,918 unsentenced common criminal suspects. This reflects the situation prior to the release of 5,680 "convicts" at Tet, and the release of 1,193 prisoners on Farmer's Day, March 26.

The physical condition of prisoners varies, of course, from individual to individual. As you can see from the attached memo from USAID, much of our assistance to the correctional system has gone into improvements in medical and sanitation faciilties. According to the final reports submitted to the Public Safety Division by its provincial safety advisors before it was disbanded, the medical and sanitation situation in all the GVN's correctional institutions is now adequate to preserve the health of the inmates.

You may be particularly interested in the question of deliberate mistreatment of inmates, especially in light of recent press accounts concerning the crippled prisoners who were recently released by the GVN. We cannot disprove that mistreatment of inmates has occurred; some with little doubt has. However, our coverage of the correctional system over the past several years has been comprehensive enough to enable us to say with some certainty that there is no widespread or systematic mistreatment of inmates. The simultaneous existence of a very low ratio of guards to inmates, comparatively insecure prisons, and the low escape rate would seem to indicate this. With regard to the crippled prisoners, we have a very detailed report on their history compiled by Dr. Brown who formerly served as medical advisor to the GVN Corrections Directorate.

We will be happy to forward a copy to you if you feel it would be of use to the Committee.

I hope this information provided by this letter, and the attached memo, will be of use to you. If you have any further questions, or want us to expand upon or to clarify any of the points included, please write me directly. I shall do all I can to be of service.

Sincerely,

RAY A. MEYER, *Second Secretary.*

DATE: 22 MAR. 73.

To: Mr. Ray Meyer, Embassy POL/MIL.

Thru: Mr. H. E. Kosters, USAID/ADCCA.

From: Robert B. Brougham, SA/ADCCA.

Subject: Enquiry on USAID/CORDS Support of GVN Civilian Prison System.

As requested in on page two of Mr. Tinker's letter of 15 Mar. to Ambassador Bunker, there follows a brief summary of that support which USAID and MACV/CORDS have provided to the Directorate of Corrections. Inasmuch as it appears that Mr. Tinker was after specifics of the involvement in construction of facilities, details of AAC and AIK funding have been listed. If additional information is required, please let me know.

BACKGROUND

The Directorate General of Corrections was first organized on January 13, 1960, and then changed to the Directorate of Corrections (DOC) on July 25, 1966. U.S. advisory assistance to DOC began in 1961 with the part time services of one Public Safety advisor from USAID. From this time until early 1967 when the function became a part of Civil Operations and Rural Development Support (CORDS), MACV, as a result of a general reorganization of the US effort, support to the DOC was minimal. The present Corrections Centers Project was established in FY 67. The project was introduced not only to assist the DOC to develop an effective corrections system but because of USG interest with respect to prisoners of war captured by US forces and turned over to the GVN for confinement.

U.S. ADVISORS

In FY 67 one full time advisor was provided under this new project. In FY 68 the advisory staff was increased to two advisors, which level was maintained through FY 72. In FY 73, one full time advisor was present up to the signing of the cease-fire agreement in January 1973. The Corrections Center direct hire staff was augmented by Public Safety Detentions Advisors on detail from the National Police Support Project. Advisory duties performed by this staff included those associated with regular prison operation as well as such specifications as fishing, agronomy, animal husbandry and medical welfare.

Programs of vocational training, recreation and industries also were developed.

The last direct hire advisor, a medical doctor who for the past two years had served as medical advisor to the DOC in matters of health, sanitation, humanitarian care and

welfare of prisoners, discontinued his visits to the prisons to observe conditions at the time of cease-fire agreements when advisory services were halted.

In FY 72 a six-man team from the US Bureau of Prisons was brought aboard under a PASA to assist in all aspects of penology and rehabilitation, including vocational training, records, identification of prisoners, etc. This team was reduced to three members and ultimately phased out after the cease-fire agreement was signed in January 1973.

PARTICIPANT TRAINING

Participant training for DOC personnel was provided as follows: one in FY 68, six in FY 70, twenty in FY 71, and twelve in FY 72.

COMMODITY SUPPORT

Dollar funding was provided through the Corrections Centers Project for commodities as follows:

FY 67 $62,000; FY 68 $676,000; FY 69 $690,000; FY 70 $41,000; FY 71 $17,000; and FY 72 $107,000.

Additionally, excess equipment was transferred from RMK-BRJ plant at Con Son Island to the Con Son Correctional Center. This was generally heavy duty equipment (crawlers, dump trucks, etc.). The value of this equipment was $852,550 (original acquisition value).

AMERICAN AID CHAPTER (AAC) PIASTER BUDGET SUPPORT

A substantial amount of piaster funding has been provided as supplemental support to the DOC through the AAC of the national budget. Principally these funds were used in maintenance, repair, renovation, and construction of facilities as well as certain operating supplies and services. A summary of the funding for each year and identification of the major items which it provided is listed below.

CY 67 VN $30,000,000 (revised)

Construction vocational training shop, Tan Hiep	500,000
Construction kitchen & vocational shop, Thu Duc	2,500,000
Construction Phan Thiet Prison	7,000,000
Construction Dalat Prison	10,000,000
Construction Dinh Tuong Prison	1,000,000
Construction Hospital, Chi Hoa	3,000,000
Locally manufactured vocational training equipment	4,800,000

CY 68: VN$116,000,000 (Revised):

Operating supplies and services	1,754,000
Construct replacement kitchens at:	
Chi Hoa	5,000,000
Phong Dinh	4,000,000
Replace hospital/dispensary/patient wards at:	
Chi Hoa	9,120,000
Quang Tin	1,500,000
Quang Tri	1,250,000
Darlac	1,500,000
Ninh Thuan	1,360,000
Phong Dinh	1,736,000
Bac Lieu	1,500,000
An Xuyen	1,017,000
Quang Nam	270,000
Kontum	336,000
Darlac	400,000
Dalat	4,000,000
Renovate prison centers at:	
DOC Headquarters	226,000
Chi Hoa	2,000,000
Con Son	350,000
Quang Tin	350,000
Binh Thuan	545,000
Pleiku	488,000
Phu Yen	322,580
Ba Xuyen	289,000
Bac Lieu	316,000
Chau Doc	350,000
Kien Giang	476,000
Quang Ngai (kitchen, housing quarters, vocational shop, defense system, general repairs)	6,300,000
Gia Dinh (Adm Office, repair housing quarters)	3,750,000
Construct re-education center Binh Thuan	5,500,000
Contruct nursery Thu Duc	1,000,000
Construct housing quarters at:	
Tan Hiep	4,400,000
Quang Tri	1,721,000
Thua Thien	3,880,000
Quang Nam	3,819,000
Quang Tin	2,248,000
Binh Tuy	1,800,000
Long An (housing quarters, patient wards, dispensary)	3,217,000
Kien Hoa	390,000
Thu Duc (cell B)	4,000,000
Construct work shops at:	
Thu Duc	1,040,000
Quang Tin	500,000
Binh Dinh	650,000
Darlac	500,000
Ninh Thuan	646,000
Tay Ninh	444,000
Binh Long	483,000
Binh Tuy	417,000
Kien Tuong	580,000
An Xuyen	497,300
Bac Lieu	494,300
Vinh Long	543,000
Chau Doc	498,000
Kien Giang	425,000
An Giang	550,000
Dalat Reformatory	9,557,000
Miscellaneous construction:	
Walls at DOC Headquarters	247,000
Watchtowers at Con Son	135,000
Defense system at Ninh Thuan	200,000
Defense system at Kien Tuong (phase I and II)	639,000
Guard house at An Xuyen	188,000
Defense system at Bac Lieu	197,000
Defense system at Chau Doc	200,000
Latrine at Khanh Hoa	500,000
Latrine at Darlac	190,000
Pilot center at Dalat	633,000
Additional construction costs Dinh Tuong Prison	56,000
Additional construction costs Phan Thiet Prison	1,273,000
Equipment for vocational training and industrial arts	11,265,000

CY 69: VN$40,000,000 (revised):

Operating services and supplies	2,200,000
Construct kitchen and renovation, Long An	1,100,000
Construct kitchen and renovation, Tay Ninh	1,736,000
Construct kitchen and wall, renovation, An Giang	3,319,000
Construct dispensary and renovation, Ba Xuyen	2,500,000
Construct prisoner quarter, bathroom, kitchen and sewerage system, and renovation, Bac Lieu	4,830,000
Construct dispensary and renovation, Go Gong	1,500,000
Renovation Vinh Long	479,000
Construct dispensary Vinh Long	979,000
Construct kitchen, Bien Hoa	2,580,000
Construct kitchen, Kien Giang	973,000
Construct warehouse, Quang Nam	246,000
Renovate defense system, Quang Nam	262,000
Construct compound walls, Kien Giang	376,000
Renovate blockhouses, Vinh Long	357,000
Tools for carpenter shop, tailor shop, nursery and metal shop at provincial correction centers	6,195,000
Generators	2,985,000
Blankets and mats for national and Provincial centers	6,720,000
Beds, mosquito nets and mattresses for dispensaries at Ninh Thuan, Bac Lieu and Phong Dinh	105,000
Medicine chests at national and provincial centers	36,000

CY 70: VN$27,000,000 (programed):

Operating supplies and services	3,000,000
Educational materials (books, paper, pencils)	2,010,000
Handicraft supplies and materials	1,960,000
Vehicle accessories for automotive vocational shops	1,000,000
Paint	1,000,000
Equipment and material for Dalat Juvenile Reformatory (cool weather uniforms, sneakers, books, toys and sporting equipment)	8,400,000
Vocational hand tools	1,730,000
Kerosene stoves for 41 centers	5,000,000
Beds, mattresses and mosquito nets for 20 dispensaries	2,000,000
Equipment for prisoner motivation research and development (PA system, protections equipment, cameras and film)	900,000

CY 71: VN$25,000,000 (programed):

Educational materials for national & provincial centers	2,000,000
Handicraft training materials for national and provincial centers	1,960,000
Clothing for detainees at Dalat Juvenile Reformatory	2,300,000
Clothing for detainees at Tan Hiep Special Center	800,000
Blankets, sleeping mats and raincoats at:	
Dalat	356,000
Tan Hiep	250,000
Paints	400,000
Contract services for maintaining electrical systems, water pumps, generators and vehicles	2,558,000
Books, magazines and leaflets for the increased correctional effectiveness program (ICE)	500,000
Playground equipment, Dalat	40,000
Materials for musical program development for ICE	600,000
Training aids, other support requirements	2,880,000
Materials for educational/vocational training, Tan Hiep	110,000
Equipment for vocational training at national & provincial centers	1,792,000
Equipment for vocational training, Tan Hiep	40,000
Dental equipment, national centers	1,600,000
Instruments for musical program development for civil education program	2,000,000
Generators, Dalat	30,000
Projectors/screens, Dalat and Tan Hiep	130,000
Recreation equipment, Dalat and Tan Hiep	172,000
TV set, amplifiers and wire broadcasting systems at:	
Dalat	80,000
Tan Hiep	180,000

National and provincial centers	2,782,000
Construction materials/equipment for waiting house, Chi Hoa	1,440,000
CY 72: VN$69,000,000 (programmed):	
Recreational/educational aids/materials for vocational training	4,125,000
Blankets, mats, raincoats for inmates	9,880,000
Repair & maintenance, POL and transportation	15,070,000
Materials to increase the correctional effect program	1,790,000
Animal husbandry program	1,105,000
Training	3,600,000
Construction materials, Saigon Correction Center Hospital	3,000,000
Repair materials (cement, rebar, tile, etc.)	9,000,000
Support materials for psywar battalion program Con Son	4,000,000
Water system Con Son	2,000,000
Purchase seeds for agronomy program at centers	300,000
Tools, handicrafts projects	4,100,000
Tools, Bang Son program	4,130,000
TV sets and broadcasting system	2,000,000
Tools, automotive shops	500,000
Electric fans for prisoners	500,000
Tools for support psywar battalion program	2,000,000
Boats engines for Con Son	1,200,000
Tools for agronomy program	700,000

CY 73: VN$50,000,000 (programed):

These funds were obligated 21 February 1973 and are committed to be expended for the purposes outlined in the GVN National Budget for CY 1973, Title 34, Chapter 511, Project No. 710–353.

ASSISTANCE-IN-KIND (AIK) FUNDS

In addition to the AAC funds detailed above, AIK funds have been used in the Corrections Centers Project. Most significant use of these funds was in 1971 for the following:

Construction of three 96-cell isolation units, Con Son	47,200,000
Goats for animal husbandry program, Con Son	2,900,000
Renovation and construction of isolation cells, Thu Duc	687,000

Total since 1967: $6.5 million just for prisons.

EXHIBIT B: REPORTS AND LETTERS FROM THE QUAKER TEAM IN QUANG NGAI PROVINCE, VIETNAM, 1972

Since 1968 the Quaker Service Team in Quang Ngai Province of South Vietnam has paid frequent visits to the local prison and the prison ward of the province hospital. Besides attending urgent medical needs, they have distributed medicines regularly to patients with long term problems and provided an infant feeding program (canned milk, soup, vitamins) for children jailed with their mothers. In July, 1970 Dr. Marjorie Nelson gave testimony to the House Sub-Committee on Government Operations of the evidence of maltreatment and torture she and other members of the Team had observed. In July, 1972 Marge Nelson is remembered by a 35-year old woman in the hospital ward; a Team member observes: "Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it." For years the Team has witnessed first-hand the effects of torture, and more recently, an increase in its use. In August, 1972, one member of the Team wrote to the home office of the AFSC in Philadelphia, "the police repression due to the new martial law and the mass numbers of people being arrested and tortured is at an all time high in Vietnam" and urged, "We should report truthfully and in detail what we know about this situation in the same manner we report civilian war casualties."

The main job of the Quaker Team has been to operate since 1967 a Rehabilitation Center, which is supported by the American Friends Service Committee. Free medical and nursing care, physical therapy and artificial limbs are provided each year to over 800 people, without regard to religion, political views or income, though the Center accepts only civilians for treatment. Soldiers and veterans are given priority at other rehabilitation centers. About 80% of the patients treated at the Center are old men, and women and children.

Two themes especially have filled the letters from the Quaker Team in Quang Ngai to the Philadelphia office: anguish at the U.S. government's insistence in pursing the war and prolonging the suffering , and admiration for the courage, spirit and ingenuity of the patients and staff at the Center. About three-quarters of the patients have war-caused injuries. In 1971 the Team issued a statistical summary which reported, "Of those patients willing to state clearly which party in the war caused their injury 69% placed responsibility with the Allied forces (U.S. and ARVN) and 31% indicated that the NLF caused their injuries."

With similar care the Team has recorded their experiences with the prison: To report truthfully. Following are reports of the Quaker Team of their recent (1972) knowledge of treatment of prisoners. Some of the letters discuss the difficulties the Team have encountered in their dealings with prison authorities, both Vietnamese and American. In April Team visits to the province prison were stopped. In August the Team received a letter from a province official expressing some regret that he could no longer approve of work which served only to heal the enemy.

Correspondence and reports from Quang Ngai are dated and numbered according to the Philadelphia AFSC office filing system. To protect people who might suffer retaliation from the authorities, names are changed.

The first document was prepared in October, 172 by Jane and David Barton, Field Directors, Quaker Service, Quang Ngai, and is "an overall impression" from the AFSC staff and medical personnel who have examined prisoners. Following this summary, reports and quotes from letters are presented in chronological order. To protect people who might suffer retaliation from the authorities patient/prisoner names are changed.

For the past five years the American Friends Service Committee doctors and team members in Quang Ngai have made medical visits to the Quang Ngai Prison. There has also been a diet supplement program for women being detained with their young children. Medical visits have also been carried out at the prison ward of the Quang Ngai Province Hospital. At the same time many prisoners requiring surgery, protheses, and physical therapy have been referred to our Rehabilitation Center for treatment. Due to this involvement with the prison situation in Quang Ngai, American Friends Service Committee team members have been able to gather many first-hand accounts from Vietnamese people who have been confined, interrogated, and tortured. American Friends Service Committee doctors and medical personnel have examined many patient/prisoners whose injuries appear to be directly related to the tortures they describe.

The following information was gathered from first-hand reports of prisoners and from observations made by AFSC staff in Quang Ngai concerning conditions of confinement, interrogation, and torture at the Province Interrogation Center, the Quang Ngai Prison, and the prison ward of the Quang Ngai Province Hospital:

1. Prisoners explained that during interrogation they were forced to drink large amounts of water mixed with whitewash (lime), soap, or salty fish sauce. When their stomachs became bloated, the interrogator jumped on their stomachs. One AFSC doctor examined several patients who had "petit mal" seizures and memory lapses. He felt this was due to brain damage caused by the drinking of such toxic material.

2. Prisoners also told an AFSC doctor that they were forced to lie on a table and if a prisoner didn't respond to questioning properly, the interrogator would reach underneath his rib-cage and crack or break the prisoner's ribs. This same doctor examined and had X-ray evidence of several prisoner/patients with cracked or broken ribs.

3. AFSC doctors have examined many prisoners who have complained of internal aches and pains. These prisoners often had black and blue marks, open wounds, and raw skin showing on their bodies. The prisoners claimed the injuries were caused by general beatings to their bodies—especially to the back of their necks, bottoms of their feet, and chest—with club-like sticks. For instance, on two occasions an AFSC doctor examined prisoners with chest injuries. The prison officials claimed these two prisoners had fallen down a well, but the prisoners told our doctor that they had in fact been beaten.

4. AFSC doctors have witnessed prisoners, as many as fifteen women, having emotional fits or seizures. The prisoners convulse violently, froth at the mouth, and have muscle spasms. Other prisoners try to tie their arms and legs to some stable object and hold the convulsing prisoners down so that they won't hurt themselves. One doctor witnessed as many as five prisoners convulsing, thrashing, and yelling at the same time. These fits or seizures greatly puzzled AFSC doctors who had never seen similar seizures in the United States. AFSC doctors suspected that these prisoners had experienced emotional trauma and that these seizures were either an emotional release or a subconscious attempt to avoid further interrogation and torture. Two AFSC doctors have witnessed prisoners having hysterical reactions when electric lights were turned on in the room where they were allowed to examine the prisoners. Later it was reported that these prisoners had been tortured with electricity.

5. Prisoners have claimed that during interrogation police have molested them and hit them when they would not respond to questioning. One such case is that of Nguyen thi Lang* who was interrogated for nine hours before losing consciousness. When she regained consciousness her vagina was bleeding and continued to do so for several days. Afterwards, our medical staff treated her for hysterical fits. Then she was taken from the prison ward at the hospital back to the Interrogation Center where she says the interrogators banged her head repeatedly against a wall. Examination later of her x-ray by our medical staff showed a skull fracture and brain hemorrhage. As a result, John Talmadge diagnosed that this prisoner "suffers from persistent right-sided hemiplegia and, in addition, she manifests symptoms of a complex neurological disorder." He requested that this prisoner be transferred from the prison to the hospital for treatment but no action has been taken by the prison authorities.

6. As a result of confinement, many prisoners have contracted tuberculosis. These prisoners are rarely given any medical care. In fact, our doctors have seen many cases which

they were not allowed to treat. The doctors have also noted that these prisoners were not isolated from the others, so that there was and still is much communication of TB among the prisoners.

7. The medical care given to prisoners at the Quang Ngai Interrogation Center, Quang Ngai Prison, and prison ward of the Quang Ngai Province Hospital is almost non-existent. No Vietnamese doctor or trained medical person sees any of the prisoners and there are few medicines stronger than aspirin available. In the past the AFSC doctor was allowed to make weekly visits to the Quang Ngai Prison but could examine only those patients the prison officials wished the doctor to see. The AFSC has never been allowed to visit any prisoners at the Province Interrogation Center but patient/prisoners from the Interrogation Center have been treated when they come to the prison ward of the hospital. Our doctors have had no control over the patient/prisoner's length of stay in the prison ward and many of them have been returned for further interrogation even though they were still diagnosed as seriously ill and under treatment. One example is that of Pham thi Tho, whom our medical staff discovered had a "definite and unmistakable irregularity in the rhythm of her heart" which was symptomatic of a cardiovascular problem of potentially serious consequences. In addition the patient had a three-month old fractured femur due to a bullet wound and thus was unable to walk. Our medical staff wanted to remove the bullet from this prisoner's leg and to evaluate properly the cause of her serious heart condition, but the prisoner was returned to the prison and he was unable to treat her. In efforts to treat patients at the Province Interrogation Center, Quang Ngai Prison, and the prison ward of the hospital, the AFSC staff has continually been thwarted by a lack of cooperation and humanitarian concern on the part of the Saigon government and the American advisors.

8. Prisoners who are at the Quang Ngai Province Hospital for treatment are chained to their beds by prison guards regardless of their injury. In the prison ward of the hospital patients are chained two together as well as to the bed. There they are released twice daily to hobble together to the bathroom. Three patients receiving treatment at the AFSC's Rehabilitation Center—a paraplegic, an above-knee amputee, and a fractured femur case—were all handcuffed to their beds for periods of a year and a half to two years without knowing why nor by whom they were being held captive. They had never been to the Province Interrogation Center nor to the Quang Ngai Prison. The history of their arrivals at the hospital followed a similar pattern. They were all injured in "insecure" areas, taken to the American military hospital at ChuLai for emergency treatment, then moved to the Quang Ngai Province Hospital at which time they were immediately chained or handcuffed to their beds and never questioned by police or government personnel. Proper medical care, physical therapy, and prosthetic care for these prisoner/patients were severely hindered and their recovery prolonged by this practice of handcuffing and chaining them to their beds.

The Province Interrogation Center is located in Quang Ngai city but is a seperate facility from the Quang Ngai Prison. There are always several hundred men and women prisoners at the Interrogation Center and well over a thousand at the Quang Ngai Prison. A safe estimate is that 90% of the prisoners in Quang Ngai are being held for political reasons. The severe interrogating and torturing takes place at the Interrogation Center. Most prisoners do not know the charges against them; they haven't had a trial; and they have no knowledge of the length of their jail sentence. CIA personnel in Quang Ngai have been observed frequently visiting the Interrogation Center and it is believed that they provide support and assistance to the Interrogation Center.

From numerous accounts one can conclude that the conditions of confinement, interrogation, and torture in Quang Ngai are repressive and harsh. Whereas much attention and concern has been focused on American Prisoners of War being held in North and South Vietnam, there has been relatively no interest in alleviating the suffering of the many thousands of political prisoners being held by the Saigon government. The United States must assume the major responsibility for these conditions since for many years now the United States has been financing and advising the Vietnamese institutions and personnel running the prison system for the Saigon government.

DAVID AND JANE BARTON.

LETTER FROM THE FIELD CO-DIRECTOR, QUAKER SERVICE, QUANG NGAI TO THE COMMANDER OF NATIONAL POLICE, QUANG NGAI, MARCH 21, 1972

MARCH 21, 1972.

To: Commander of National Police, Quang Ngai.

Copies to: Senior Province Advisor, National Police Advisor.

From: Field Director, Quaker Service Rehabilitation Center, Quang Ngai.

DEAR SIR: This letter is written to inform you of a problem which makes our work at the Quaker Rehabilitation Center difficult. The American Friends Service Committee has a Rehabilitation Center in Quang Ngai in order to provide medical care, physical therapy, and artificial limbs to war-injured civilians regardless of their race, religion, or political views. Currently at our Center we are treating three patients who are handcuffed to their beds. The fact that these three patients are handcuffed to their beds and only released for short periods of time complicates our medical treatment of these patients, prolongs their recovery, and makes their living conditions disagreeable.

The most critical case concerns Tran, a paraplegic, who has been handcuffed to his bed on the Orthopaedic Ward of the Quang Ngai Hospital for 15 months. Because Tran is paralyed from the waist down he has no control over his urinary and bowel functions. This incontinent problem is obviously complicated by his being handcuffed to his bed. Also as a paraplegic patient Tran has been trained to continually change his body position while lying in bed otherwise he is likely to develop bed sores which are quite susceptible to serious infections. Such bed sores are a common cause of death among paraplegic patients. Being handcuffed to his hospital bed severely inhibits his ability to continually change positions thus increasing the likelihood of bed sores. A paraplegic patient should also exercise several times daily with his braces in our Physical Therapy Department if there is to be any progress in increasing the patient's chances for a longer, healthier life. Currently, he is only released for one or two short periods of time a day during the week to come to our Center for physical therapy. This is insufficient. Because of his paralysis Tran faces a daily struggle to survive and improve his chances for a longer, healthier life. For medical reasons and for reasons of human concern this man should not be handcuffed to his bed. Ever since arriving at the hospital, 15 months ago, he has been handcuffed to his bed not knowing why nor by whom he was being held captive.

This is the same case as with the other two patients who have also been handcuffed to their beds ever since arriving at the Quang Ngai Hospital. Both Le and PCT do not know why nor by whom they are being held. Le has had his left leg amputated above the knee and half his right foot amputated. He has been handcuffed to his bed for 11 months. He is staying at the Quaker Hostel. At the Rehabilitation Center he has been fitted for his artificial leg and he is now gait training before the leg is finished. PCT has been handcuffed to his bed on Ward C of the Quang Ngai Hospital for 13 months. He is currently receiving physical therapy at our Center because of the severe fractures to his leg and the resulting fixed knee. These two patients, Le and PCT, are also not released frequently enough to allow for proper medical, physical therapy, and prosthetic care. Because they are handcuffed to their beds except for the one or two brief periods they are released daily during the week their living conditions are uncomfortable and difficult.

As I think you can realize from these brief descriptions, the practice of handcuffing or chaining patients to their beds for long periods of time without their knowing why nor by whom they are being held causes many serious problems. I would like to respectfully request that this practice be discontinued immediately. I am most willing to be consulted and questioned further as to possible solutions to this problem.

DAVID PAUL BARTON.

REPORT FROM THE FIELD CO-DIRECTOR, QUAKER SERVICE, QUANG NGAI, JULY 30, 1971—WOMEN IN PRISON, QUANG NGAI, VIETNAM

Recently I have been making daily visits to the prison-ward at the Quang Ngai Province Hospital with AFSC medical staff. The ward is a small room where prisoners are brought from the prison or interrogation center. The selection of those prisoners who are allowed to go to the hospital seems to be entirely arbitrary. Some prisoners are gravely ill while others have minor complaints. "Important" or "dangerous" prisoners can never go to the hospital no matter how serious their illness or injury. There are over two thousand political prisoners currently being held in Quang Ngai, but there are only eight beds in the prison ward. At two bodies a bed, that means only sixteen of these prisoners can be in the hospital at the same time. Even then they don't get treated. No doctor is assigned to or visits the ward. The nurse does change their bandages every few days, but the only medicine the prisoners are ever given is aspirin.

Many people who visit our rehabilitation center empathize with the leg-less children, but I identify most with women of my own age. I've felt particularly troubled at seeing the many young women prisoners at the hospital. These women are chained to their beds and chained together in pairs. Twice a day they are unlocked and released in order to go to the bathroom, but their ankle chains are not undone, so two of them must hobble and awkwardly drag their chains around together. Since I act as the doctor's interpreter, I talk with all the patients as we treat them. Some of the youngest women seem so sweet and naive; they even giggle and laugh a bit. Others are quiet and strong and a few look at me with hostility and hate. One young girl is now on the prison ward at the hospital because she rejected an ARVN officer. This ex-boyfriend had police friends and, in revenge, he told the police that the girl was a "VC." She was taken to the prison where they beat her and repeatedly banged her head against the wall. Later she was given electric shocks under her fingernails. She often blanked out and once

when she awoke, she found blood coming from her vagina. Sometime during the torturing, she received nerve damage and she is now a hemiplegic; meaning that half of her body, the left half, is completely paralyzed from the neck down. Also, she has repeated seizures or fits during which she thrashes and convulses, foams at the mouth, and yells the things she must have told the police while she was tortured, such as, "I'm innocent. Ask my villagers, I'm not a VC." I've witnessed several of these seizures. The other prisoners seem to know when they are beginning and tie her leg and arms to the bed with soft bandages. The person who is chained to her tries to move away and someone else keeps the girl from swallowing her tongue. No one says anything. Nor is there a change in anyone's expression in the room. It seems as if the prisoners look on dispassionately, but I'm sure every scene like this increases the other prisoners' bitterness and resolve to struggle. It's well known that the best revolutionaries are made in prison.

Another woman on the ward can't lift her head. She was beaten all over her back and neck. The entire area is exposed raw skin and muscles and in some places the lacerations were so deep, they had to be stitched. Whenever I saw her, she was in a seated position with her head hung down. It wasn't until I saw her lying down that I noticed she was very pregnant; six and a half months she says. I wonder if the baby is alive.

An older woman on the ward called me over to look at herself and a fifteen year old girl. The young girl was totally vacant. She didn't hear or say anything. I kept looking at a necklace she was wearing made of round white stones. It's rare to see Vietnamese women in Quang Ngai with jewelry and it seemed particularly ironic that the police would beat this girl into a coma-like state without stealing or ripping off her necklace. She was a delicate girl in her white blouse and necklace and her hair tied back with a length of hospital gauze. The hot, soapy water the girl had been forced to drink was a toxic which has probably caused brain damage and memory lapses.

The thirty-five year old woman chained to this younger girl had also been beaten and tortured, but she was an oldtimer. She even knew Mac Si Mai (Marge Nelson, former team member/doctor) when Marge used to visit the prison. I thought, my god, Marge goes home and testifies before congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it. I thought, too, about the years this woman has been in jail. Marge has returned to the US, married, finished a master's degree in public health, practiced medicine, had a baby, and talked and traveled in many countries. This woman hasn't gone anywhere or done anything. She says she has been a political prisoner for six years.

Somehow these women persevere, but I wonder if they can do it indefinitely. A Quang Ngai police official told a reporter friend of mine that the police are beginning a special campaign to pick up more women. They suspect that more women than ever are indirectly or directly working to oppose the Thieu government. I imagine that the torture and suffering we've seen at the prison and the prison hospital ward over the last five years is just a glimpse of a new era of struggle for the women of Vietnam.

JANE LEIDA G. BARTON.

LETTER FROM THE QUAKER TEAM IN QUANG NGAI, TO PHILADELPHIA AFSC, AUGUST 3, 1972

John, Phan and I have been visiting the prison ward at the hospital as a temporary alternative to our visiting the prison itself. There is no doubt that many of the prisoners have received cruel and inhumane treatment. Severe beatings or the forced drinking of soapy or white-wash water are the most frequent tortures. Presently we are treating a number of patients such as those I described in the article. Plus there are patients such as a woman who was shot through the chest and now has a lung abscess. Another girl had her leg set so badly, one leg is several inches shorter than the other. She now can't move the leg and thus could really benefit from physical therapy. The bullet which caused her injury is, of course, still in her leg. But worse, the young woman has a severe cardiac problem and without treatment may not have a long time to live. Because returning to prison or another beating might be fatal, we are trying to get her released though our hopes aren't high. Today we saw a new patient — a chained female prisoner who was crazy, reduced to nonsensical, bizarre behavior. The policeman-guard at the ward ridiculed and laughed at her, sarcastically asking us if we could help her. I suggested to him that she might be better if she had her freedom.

* * * * *

I think our visits to the ward have been "successful." The prisoners are interested in us and pleased we como. The most frustrating and sad aspect is that the prisoners come and go so quickly. One day we will see someone (such as a guy with pneumonia or bad case of TB) and arrive the next day with medicine, but the patient will be gone. Several of the women I wrote about have already been returned to the interrogation center. I felt fond of some and anticipated seeing them, but suddenly they disappear—their bed empty or replaced with a new prisoner.

LETTER FROM THE QUAKER TEAM IN QUANG NGAI TO PHILADELPHIA AFSC, AUGUST 27, 1972

Prison Program Quang Ngai: A little history. In April we received a letter from the head of the prison saying we were not allowed to visit the prison anymore for "special reasons" which we assumed, and were also informed, was the result of general tightening of security. Then in June when we returned to Quang Ngai we inquired about the reasons for not continuing our work at the prison and wrote an official letter to the Province Chief. In the meantime John Talmadge and I began making visits to the prison ward at the hospital. As I've already written, we treated a lot of mighty sick people, none of whom were being seen by a doctor.

Torturing: While examining prisoners John and I were convinced that we saw what were the results of torturing. (1) John could not determine some of this through physical examination. (2) On occasion John was able to get x-rays to confirm certain injuries such as skull fractures, cracked ribs, etc. (3) This was corroborated with direct information from the prisoners who seemed very free to tell us about the treatment of the police, especially since there wasn't a policeman/guard around a lot of the time. Naturally, the team was most disturbed and angry over the entire situation—being kicked out of the prison, the total lack of medical treatment available to the prisoners, but most of all the torturing we felt the prisoners had suffered. We decided as a team to take whatever cautious steps we could in Quang Ngai to try to correct the situation.

August 1: John, David Paul and I made a visit to see McBride, the Deputy Province Senior Advisor. We stated that the purpose of our visit was to inform him that in our work at the hospital we were seeing prisoners who we felt had been inhumanely treated and wished to bring these facts to his attention. We explained that in our work we prefer to work through Vietnamese channels and planned to see the Province Chief, but wanted the Americans to be aware of our dissatisfaction and intentions. In addition, we made sure that McBride understood the delicacy of our situation since we want to return to the prison and continue to work at the hospital. We told him not to speak to anyone on our behalf. McBride didn't have much of a response except to talk about the cruelty of Orientals. He said torturing "comes to them naturally. They're just not my kind of people." McBride assured us he would relay our conversation to Colonel Boman, the PSA.

August 9: The nurse and I were on our way to visit the prison ward when we were met by two policemen—one from the prison, the other from the interrogation center. They told us that the Quakers were not allowed to visit the prison ward at the hospital anymore. The reason was that since we no longer could see prisoners at the prison, the authorities felt we shouldn't be allowed to treat prisoners at the hospital either. One policeman said that the police and prison officials don't have "confidence" in the Quakers. He also mumbled something about not wanting the prisoners to talk to us. I didn't say much to the policemen at the time since I wanted to talk to the team first and felt, too, that the police were only conveying orders from "higher" up.

August 10: David Paul went to the Province Headquarters to try again to make an appointment with the Province Chief. They met in the hall and David said that we wanted to talk to him, Colonel Loi, about the prison situation. In essence, Colonel Loi's response was that he'd already written us a letter saying the Quakers could not continue to work at the prison "forever". Although David was polite and tried to get Colonel Loi to give him the reasons for his actions, Loi was gruff and curt with David. Loi also refused to meet us to discuss the matter personally.

That afternoon, after checking with the police-guards, John, David and I went to the prison ward at the hospital and spoke publicly to all the prisoners telling them that we were told we could no longer visit the prison ward. We said we were sorry we had to interrupt our medical treatments since we knew many of them were badly in need of medicine, but that we would try our hardest to persuade the authorities to let us continue our work. We were cautious and non-accusatory in what we said, but felt we owed an explanation to the prisoners as to why we'd suddenly terminated our daily medical visits.

August 11: Meeting with Boman: John, David and I met with Colonel Boman, the new PSA, to discuss three problems: (1) our desire to resume our medical visits to the prison, (2) our interest in continuing to work at the prison ward at the hospital, (3) the results of torturing we'd felt we'd witnessed. Colonel Boman spent a lot of time running down all the reasons why the Americans are ignorant of what is going on at the detention center and prison and why they can't change the Vietnamese system very much since the Americans are only advisors and must stay on good terms with their counterparts. Among our rebuttals was the comment that we felt that any country which could wage a war of the magnitude America has in Vietnam surely has the power and resources to change a local prison system. When we didn't seem to be getting anywhere with Colonel Boman, David Paul said that we were trying to work through the Americans and Vietnamese in Quang Ngai, but that if that didn't produce any results, we knew that the press would be interested in the problem and that we would also inform members of Congress. Colonel Boman winced a

little and asked David if we were trying to scare him. David replied that we weren't. Quakers worked in the open and we did not want to do anything behind his back. We therefore were informing both the Americans and the Vietnamese about our observations about the treatment of prisoners, but that we were very disturbed over the situation so that if the Americans and Vietnamese couldn't do anything, we would act in ways we felt necessary to correct the situation as we saw it.

Letter from the Province Chief: We received the promised letter from Colonel Loi which thanked us for our past work "in this savage time of war which the communists have brought upon us." The letter went on to say, "We admire your concern for serving the people of Vietnam regardless of their color, race, religion, or politics" (a quote from our letter to him), "but those evil people who kill innocent people yesterday and today, who are treated by your organization, do not change their cruel attitude. I can not grant your request to return to work in the prison." The translation sounds a bit awkward, but even Vietnamese who read the letter were surprised at the bluntness of the implication made in the letter that by giving medical help to prisoners we were helping the communists.

Response from Colonel Boman: Late in the afternoon David Paul spoke to Boman again. Boman said (1) the Quaker prison program was definitely terminated (2) we would be allowed to make visits to the prison ward at the hospital (3) there would be an investigation by the Americans and the Vietnamese about our accusations that some prisoners are being tortured (4) that a Vietnamese doctor would begin making visits to the prison (the same way they do at the hospital, we thought). Colonel Boman elaborated on what Colonel Loi had given as reasons for our not continuing our work at the prison which basically focused on Loi's not liking the Quaker philosophy/politics. Boman quoted Loi as saying we spoke against the Saigon government. Colonel Loi also told Boman that he didn't understand why we wanted to visit the prison when our purpose for being in Vietnam was to do "orthopedic work." The only specific incident Loi mentioned to Boman was that once a Quaker worker told a prisoner that the VC had taken control of areas south of town and cut the highway so the hospital truck with medicines for the prisoners couldn't get through. David responded tactfully and fully to these accusations. For the second time, David explained to Boman the purposes of our work in Quang Ngai and the work of AFSC and Quakers in general. Colonel Boman listened and seemed somewhat understanding, though not in agreement, with our ideas. He had also done a little research of his own and mentioned reading a file on Marge [Dr. Nelson] and some of her testimony. "She really criticised Quang Ngai up one side and down the other, but of course, when the Americans checked into her accusations, they were all found to be untrue."

August 12: John and I visited the prison ward at the hospital to find that at least a third of the patients had been removed, especially the most seriously sick patients. In fact, only one prisoner who was really in need of treatment was left on the ward. The other prisoners all had minor ailments—"winds in their chests, heat in the stomach, etc." We were especially concerned to discover the two most seriously ill prisoners were no longer there—a woman with a serious heart problem and bullet in her leg and a young hemiplegic woman with a fractured skull. The police said that both these women, along with the other sick prisoners, were taken back for "further interrogation." Ironically, we had just written letters with John's signature, to the province Chief and head of the Interrogation Center asking for these two women to be released for medical treatment and that "further imprisonment will constitute a definite threat to their life and health." It seemed obvious that now that the Quakers were allowed to visit the prison ward again the police had removed all the very sick patients, particularly those whom we might suspect had been tortured. We wondered if in the future the police would "screen" (more than they do already) those prisoners who would be allowed to go to the hospital and prevent many of those who needed medical help from seeing us.

August 14: David Paul and I confronted Colonel Boman once again to say that we'd felt "double-crossed." Once the Quakers were let back onto the prison ward at the hospital, all of the seriously ill prisoners were removed. We gave him copies in English of the two letters we'd written about the two women prisoners who we felt were currently in danger by being back in the detention center due to their medical conditions. Boman did not make any promises to ensure that the police would not prohibit prisoners who need medical help from coming to the prison, but he did say he would check to see what the Vietnamese were doing about our requests of release of the two prisoners.

Presently: Colonel Boman is currently on vacation, so we've not had further word from him nor have we gotten a response to the letters about the women prisoners from the Americans or Vietnamese. Caroline or I have continued to visit the prison ward with the nurse since John's departure, but the prisoners allowed on the ward continue to only be those with minor complaints.

REPORT FROM THE FIELD CODIRECTOR, QUAKER SERVICE, QUANG NGAI

NOTES ON SOME PRISONERS TREATED IN THE PRISON WARD, QUANG NGAI PROVINCE HOSPITAL DURING AUGUST, 1972

Pham thi Tho: (See following statement) 18 year old woman. Wounded in Mo Duc. Shot in the thigh and the bullet is still lodged in her leg. Her leg was set at the prison. A cast was on the leg for three months but there was a malunion so that one leg is two inches shorter than the other. While examining the patient, John Talmadge, the AFSC medical staff there, discovered that she had a very irregular heart beat, in John's words "a cardiovascular problem of potentially serious consequence." This patient was in the prison-ward with a temperature for six days, also suffered from nausea, stomach ache, and back pains. She went back to the Province Interrogation Center once for three days but returned with fever and nausea. John Talmadge felt that some of these symptoms might be related to a mild heart attack. This prisoner had also lost muscle control of her foot and leg thus finding it difficult to walk. The AFSC physical therapist, Caroline Elliot, did exercise with the patient on the prison-ward. A bracemaker measured her foot and made her special surgical shoes, but they have never been able to deliver them because the prisoner was removed from the ward. A Doctor An signed the hospital release form for this patient/prisoner but to our knowledge this doctor never visited the prison ward and never examined the patient. On the day our surgical nurse went to prepare this patient for an operation to remove the bullet from her leg, we were told we could no longer visit the prison ward at the hospital. Three days later after we lodged a protest, we were allowed back on the prison-ward of the hospital but this particular prisoner had been sent back to the Interrogation Center in spite of John Talmadge's letter fully explaining his evaluation of this patient's medical condition. Copies of this letter were sent to Colonel Boman, the Senior Province Advisor, and Ken Burns, advisor to the National Police and Vietnamese officials. Thus, they are aware of this prisoner's weakened medical condition. The guards at the prison-ward told us that this patient was a "prisoner-of-war" and had to go back to the Interrogation Center for further questioning.

Nguyen thi Lang: (See following statement) John Talmadge first saw this woman prisoner before visiting the prison ward. A physical therapist found out about the prisoner and brought her to the Center since the prisoner was continually having "fits." One of her complaints was of bleeding from her vagina. A vaginal examination was performed. Then the patient was returned to the prison. Later she was seen again on the prison-ward and she was still continuing to have "fits," as many as ten during the day and night. She was unable to move the right side of her body. Examination showed swelling on the top of her head because, she said, the police had banged her head against a wall. An x-ray was taken and confirmed that she had suffered a skull fracture with resulting paralysis to the right side of her body.

Young boy, 17 years old: Arrived at the prison ward from the Interrogation Center during the time we were not allowed to visit the ward. The boy's father came to the Rehabilitation Center to ask us to help because he had heard the Quakers were "kind." We went to the ward and the police guards were so afraid that the young boy was going to die that they let us in the ward. The boy had not gone to the bathroom for four days (urinated) and was in extreme pain. John Talmadge thought it was a block in the urinary tract but he wanted someone else's assistance on the problem, so Dr. Khai came and assisted in administering medication. Later, we were told that the young boy prisoner had been tortured with electricity attached to his penis.

Two young boys in same bed: One with a mine injury to his foot, one with a lower leg wound. Both were treated with penicillin and given crutches.

Woman six months pregnant, 34 years old: Neck and back injuries attributed to beatings received at Interrogation Center. Also said she was forced to drink soapy (lime) water solution. On the prison ward for three days then returned to the Interrogation Center.

Woman, 32 years old: Bullet wound piercing her chest and lung. X-ray showed abscess on her lung from bullet wound. We treated with penicillin but the patient was returned to the Interrogation Center before recovery.

Old, wrinkled, skinny man: Extremely swollen neck. John Talmadge diagnosed it as a glandular infection/fever. Forced to return to the Interrogation Center because the police did not have enough handcuffs to lock him to a bed on the ward. We were able to give him a shot of Bicillin, a long-acting penicillin, ordered by John Ferger. We requested that this old man be returned to the hospital for treatment. We never saw him again.

Another old man with a strange paralysis: Unable to raise or move his arms; his legs were also partially paralyzed. Prisoner kept trying to move. Other prisoners on the ward fed and cared for him. Doctor and Physical Therapist puzzled by this paralysis and its cause. In about three days this man was able to stand and he gradually improved.

Man with TB: Deep cough, spitting up blood—tuberculosis. Suggested that this man go to the public health TB clinic for tests and treatment. He remained on prison ward for six days with the above patients before being taken for tests; then he was returned to the prison.

Young man, age 23: High fever and sweating. Doctor listened to him breathe and

thought this prisoner had either TB or pneumonia. The doctor saw the patient at 5:00 PM but the next morning when the doctor returned to see the patient and give some medication the prisoner had been returned to the Interrogation Center. We requested that the prisoner return for treatment to the hospital but there was no response and the prisoner was never seen again.

Young girl with white-stone necklace: She had "petit mal" seizures and stared into space. She exhibited symptoms of loss of memory. She said she had been forced to drink a white-wash, soapy solution many times while being interrogated.

Young boy, age 19: He had been shot thru the palm of his hand which had become very infected and swollen. The prison guard brought this prisoner to the Rehabilitation Center three times for cleansing and treatment of the wound. Bicillin was injected and the infection cleared up thus saving his hand which otherwise would have had to be amputated because of the worsening infection.

Young girl with grey blouse: This prisoner said she had been forced to drink water mixed with a lime/whitewash solution after which the guards jumped on her bloated stomach. She said she had also been beaten with a heavy club. She complained of pain in her chest and stomach. On three occasions this prisoner was observed having fits.

Two young girls: General complaints of aches and chest pains. They had bruises. Both had several fits.

Strong, large woman, age 45: Also complained of chest pains. Among other tortures she specifically mentioned electricity. This woman had the most dramatic "fits" or "seizures" of all the prisoners. She would thrash violently, yelling, and crying. Her entire body would rise in the air, her back arched, she would then come crashing down on her bed, sometimes causing the bed to move several feet with each violent heave. This woman's seizures would last approximately fifteen minutes.

Another older woman: This woman was chained to the above mentioned woman. This woman said she had been beaten with a club on her chest, neck, and face. Upon examination the doctor observed that her face was severely swollen, her chest and neck were bruised, and her chest x-ray showed cracked ribs. She also related that she had been forced to drink water with lime. This prisoner was unable to walk and had to be helped by other prisoners in order to go to the bathroom. This prisoner also related that she had known Doctor Marge Nelson when Doctor Nelson visited the Quang Ngai prison some fours years ago.

Man who never said anything: This prisoner's expressionless, apathetic behavior was explained by other prisoners who said that he had been tortured and beaten so long and so many times that now he didn't know anything and was always in this semi-conscious state.

Crazy woman: A fairly young woman with close cropped hair. Totally nonsensical behavior, unaware of her surroundings. She moaned, moved her body rhythmically, chanted, smiled, and talked to no one. Other prisoners said she hadn't been crazy before she was put in prison. Upon examination she seemed to have nothing medically wrong with her.

JANE LEIDA G. BARTON.

CHI HOA, *June 12, 1972.*

EXHIBIT C: THE TORTURE OF UNIVERSITY AND HIGH SCHOOL STUDENTS

(Text of a letter of Father Chan Tin, Vice-Chairman of the Committee Campaigning for Improvement of the Prison Regime in South Vietnam presented to the Study Mission in Saigon.)

DEAR FATHER: Up to this afternoon, the total of university and high school students arrested is more than a hundred and among them we know about 70 by name. The majority are still held at the Headquarters of the Municipal Police. All have been savagely tortured. All have had to be carried on stretchers to their cells after interrogation. Electric torture, forced drinking of soapy water, the implanting of needles in the tips of ten fingers—these are the current methods. The condition of the students now at the Headquarters of the Municipal Police is scarcely different to that of the students at the National Institute of Agronomy two years ago. Miss Nguyen Thi Yen, after a night of torture on June 9, 1972, lay unconscious. The student, Trinh Dinh Banh could neither walk, nor eat. The police had to spill milk on him forcing open his mouth. The student Vo Thi Bach Tuyet had small mice and lizards dropped on her body. All this has been reported by students who saw these deeds with their own eyes and who have just been transferred from the Municipal Police Headquarters to Chi Hoa. Taking advantage of the confusion due to the military situation and, in consequence, of the present absence of public interest in the student problems, the government has increased its arrests, its repression and its more and more savage torture.

So far as the 30 university and high school students at Chi Hoa are concerned, the government intends to deport them to the prison island of Con Son. Not long ago, the Venerable Nguyen Van Nai, one of the students arrested during the campaign against the election of the single candidate Nguyen Van Thieu was deported to Con Son without any trial.

We know that there will be university and high school students on the next boat leaving for the island. Even the families of imprisoned students have suffered repression. On the morning of June 9, 1972, two relatives coming to see students were arrested at the prison gate and imprisoned. It was even a security officer of the prison who provided that information and perhaps in a few days we will have more details.

Faced with these repressive measures, with imprisonment and with torture, we entreat you to ask leaders of the churches to intervene, if possible, by raising their voices, in the hope of being able to restrain the acts of the government. We ask you to protest in the press, and to ask other priests and teachers, especially Professor Trung and Father Can to write articles in our defence. Because of our difficult circumstances, we cannot write to all our teachers, and if you are able to see them, please give them our greetings. We hope with all our hearts that you will do everything possible at this time to help us. As for the future, shall we be still at Chi Hoa, able to write to you occasionally? Or shall we lie in the tiger cages of Con Son listening to the howling of the waves and seeing only four walls of the prison, imagining that they are the walls of our Faculty lecture rooms?

Dear Father, accept our warmest wishes for your good health.

(Name and signature omitted).

[From the New York Times, March 3, 1973]

FOUR SOUTH VIETNAMESE DESCRIBE TORTURE IN PRISON TIGER CAGE

(By Sylvan Fox)

SAIGON, SOUTH VIETNAM, MARCH 2.—A group of recently released political prisoners, reportedly spirited into Saigon secretly, described today how they were beaten, tortured and ultimately crippled during years of confinement at the Government's island prison on Con Son.

One of them, a young man, in describing his year-long detention in the tiny cells that have come to be known as tiger cages, said:

"During that time not a single day passed that we were not beaten at least once. They would open the cages and they would use wooden sticks to beat us from above. They would drag us out and beat us until we lost consciousness."

The prisoners' stories, told in a hospital room to which they had been brought by friends and relatives, reflected the plight of thousands of political prisoners held by the Saigon Government who have become the forgotten people of the Vietnam cease-fire agreement.

While the accord provides for the exchange of a small number of political prisoners identifiable as belonging to one side or the other, no provision is made for the thousands of non-Communist, anti-Government prisoners held by Saigon because it considers them politically dangerous.

No one is certain how many the Government holds. Some estimates put the figure at 20,000 to 30,000; others go as high as 200,000.

Saigon says it holds only about 5,000 "political prisoners," who, as captured Communist civil servants, come under the provisions of the Paris agreement on the return of civilian detainees. The Communists say they hold only 200 such prisoners. Each side disputes the other's contention.

No provision of the accord appears to cover those held by Saigon who are non-Communist and anti-Government and who do not want to be handed to the other side but merely want their freedom.

The four former prisoners interviewed today said they were members of a group of 124 released on Feb. 16 from Con Son, which is about 60 miles off the southern coast.

CENTER OF CONTROVERSY

The island became a center of controversy in 1970 when two American Congressmen revealed the existence of the tiger cages, small concrete trenches with bars on top in which five to seven prisoners were cramped in a space about five feet wide, six feet long and six feet deep.

The former prisoners said they were flown to Bien Hoa, about 15 miles northwest of Saigon, and held in a police station there until Feb. 21, when they were released with orders not to go to Saigon. However, at least 11 were brought here by friends and family and deposited in the relative—if temporary—safety of a Saigon hospital.

Those interviewed assumed they had been released because they were disabled and sick; all said they were convinced they would soon be rearrested.

A Government spokesman, told of the interviews, said he could not comment without knowing the identities of those involved. He said he did not know of any recently released political prisoners.

According to the former prisoners, they had each spent about five years in custody without being tried or granted a hearing.

They denied they were Communists, although two said they were supporters of the Communist-led National Liberation Front.

One who said he was neither a Communist nor a supporter of the front was a slightly built, round-faced man, aged 23, who described himself as a Buddhist activist. He said he was a student at the Hung Dao high school in Saigon at the time of his arrest in December, 1967.

He said he was picked up by the police along with friends who, like him, had been active in what he called the anti-Government "Buddhist struggle movement."

Asserting that he was unable to walk as a result of his treatment while in custody, he related that after his arrest he was taken to the national police headquarters in Saigon and "beaten and tortured on and off for a whole year."

He described the torture as being beaten with sticks "until I vomited blood or until the blood came out of my eyes or ears," having soapy water forced into his nose and mouth, and being subjected to electric shock.

His torturers accused him of participating in anti-Government activities, he added, and "said they tortured us to punish us."

MANACLED AND SUSPENDED

Another form of torture employed by the police, the young man said, was to manacle prisoners' hands behind their backs, then hang them from the ceiling by the manacles until they lost consciousness.

After a year in custody in Saigon, he said, he was taken to the Chi Hoa Prison in Saigon and installed in what was known as "the movie house" because it was "like a big box and it was dark like a movie theater."

"There they chained our feet and attached the chains to a pole," he continued. "There were between 50 and 100 prisoners. We had nothing to lie on, and it was filthy and dirty and cold. Every day they would open the door and send in a bunch of common criminals who would beat us with sticks and kick us."

Describing life in the tiger cages, the young man said that several prisoners died but he could identify only one by name.

A week after the Congressmen went to Con Son, he said, the inmates were put in what he called the stables—a row of structures that had housed water buffalo.

"During the time we were kept in the stables they continued to beat us viciously," he said. "One of my friends, Tran Van Tu, suffered a broken arm. Another man, Nguyen Ngo Thuong, was ferociously beaten on the head."

In December, 1970, the former prisoner related, he and about 80 other sick and disabled prisoners were flown back to Chi Hoa. "I guess I was going crazy at that time," he added, saying that he was also paralyzed.

He remained in Chi Hoa until June, 1971. The treatment there was better at that time, he said, though "once in a while they would beat us just a little."

In June, 1971, he and others at Chi Hoa were informed that they were being returned to Con Son.

"We tried to resist," he said, "saying we were still sick and needed more time to recover. We told them many of us still could not walk and many were still very sick."

But, according to his account, the jailers responded by bringing in the policemen and common criminals who threw teargas grenades into the cells. "We all choked and lost consciousness," he said.

They were put on a ship to Con Son. By then the old tiger cages had been replaced by new ones built by an American contractor and paid for by the United States.

The former prisoner said that while the cages were about the same size as the old ones, each cage housed only one person. As a result, he added, "the jailers would not beat us from above but would open the steel bars, jump in and beat us."

DIET: RICE AND WATER

Throughout 1972 and in the first two months of this year, he said, his daily food ration consisted of "a few spoonsful of rice and a little water."

The most recent beating took place last Jan. 6 in Row A and B of the tiger cages," he said. "About 70 prisoners were seriously injured then." He explained that the beatings occurred "because we asked for more food and more water."

According to the former prisoner, a man named Le Van An was beaten to death in one of the mass beatings last May. He also asserted that in the beating Jan. 6 a Buddhist monk named Thich Hanh Tue was beaten almost to death.

"The prisoners asked that the monk be given treatment," he said, "but they ignored the request and a few days later he died."

When he and the others were released, the young man related, most were transported to various parts of the country, but 25, including him, were kept at Bien Hoa.

Other prisoners at the Saigon hospital corroborated the account with only minor personal differences. All told of torture, beatings and malnutrition.

"Each of us went thorugh a similar ordeal," a 38-year-old former prisoner commented.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

The Senator from Illinois is recognized.

(The remarks Senator PERCY made at this point on the introduction of S. 1936, the Campaign Finance Reform Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

NONHOSTILE DEATHS

Mr. MANSFIELD. Mr. President, the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), on February 13 of this year, called on the Department of Defense to investigate the high number of nonhostile deaths that occurred among American servicemen in Southeast Asia. These deaths represent a special kind of tragedy, insofar as one cannot avoid the feeling that something could have been done to prevent them.

The Department has completed its report, which shows that 10,303 Americans died not as a result of combat. It has also provided Senator BYRD with a table on the incidents of indiscipline in the Armed Forces from fiscal year 1968 through fiscal year 1972. The report was prepared under the direction of Lt. Gen. Leo E. Benade, Deputy Assistant Secretary of Defense.

Mr. President, I ask unanimous consent that an explanatory letter from General Benade, along with six tables giving the breakdown on nonhostile deaths and incidents of indiscipline, be printed in the RECORD.

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

LETTER FROM LT. GEN. LEO E. BENADE, DEPUTY ASSISTANT SECRETARY OF DEFENSE TO SENATOR ROBERT C. BYRD, MAY 23, 1973

DEAR SENATOR BYRD: This is in further reply to your letter of February 13, 1973, to the Secretary of Defense concerning the number and causes of non-hostile deaths among U.S. service members in Vietnam.

As was indicated in my interim response of February 23, 1973, each Military Department was asked to review the non-hostile mortality rate in Southeast Asia and to report on their investigatory process and on their efforts to incorporate lessons learned into preventive and safety programs. After examination of these reports, I am satisfied that each of the Departments has fully recognized the seriousness of the non-hostile mortality rate and has taken significant steps to reduce those rates not only in Southeast Asia but throughout the world. In every case of non-hostile fatality resulting from other than natural causes a minimum of one thorough investigation is made to determine the cause and circumstances of the death. The information obtained serves as the basis for regular and on-going programs in the areas of: accident prevention, crime prevention, alcohol and drug abuse treatment, and mental health care. Both the number and rate of fatalities in Southeast Asia began to decline in 1970 and substantial improvements were noted in 1972. This reflects, at least in part, the success of programs instituted during earlier periods.

The attached Discussion Sheet addresses the general subject of investigative and follow-up programs for prevention of the various causes of non-hostile casualties and provides a summary of the actions taken by the Military Departments. It also specifically addresses the problems of suicide, drug-related deaths and homicide by "fragging" which have been of special concern in recent years.

On the basis of the review conducted by the Military Departments and the investigations and follow-up action already accomplished in each fatality case, I have concluded that further investigation which would entail the retrieval, reopening and re-evaluation of many thousands of individual personnel and medical records and investigative reports would not produce any significant information which is not already available.

As you have surmised, several of the categories of non-hostile deaths, especially those of "fragging" and accidental homicide (generally by accidental discharge of weapons), have been phenomena of the conflict in Southeast Asia and have abated dramatically as the Vietnam troop withdrawl proceeded toward completion.

I'm convinced that the continuing efforts of the Military Departments to prevent fatalities by accident, suicide, and homicide will be successful in further reducing the number of such deaths, and that the experience of recent years will not have an adverse effect on the development of the all-volunteer force.

Your letter also indicates a general concern for the state of discipline in the Armed Forces. In recent years the Armed Forces have experienced a difficult period with respect to the state of morale and discipline. The Services have had to contend with the same social problems which have confronted American society as a whole. Rising crime rates, drug and alcohol abuse, racial unrest and violence, as well as dissident and protest activities have all been reflected within the military community and have undeniably had some adverse effect on the state of discipline within the Armed Forces. You may be assured, however, that the state of discipline has been a matter of continuing concern to the Department of Defense.

The degree of discipline is a reflection of the collective state of mind of the members of the Armed Services and is, therefore, perceived differently by different observers. Considering the difficulties faced and the less than unanimous public support of the Department of Defense mission in recent years, the state of discipline remained generally satisfactory and never declined to the degree that alarmists have asserted.

The magnitude of the problem is not easily susceptible to quantification. There are, however, several traditional indicators which are considered pertinent and which do permit the evaluation of trends.

The number of courts-martial and nonjudicial punishments indicate that such incidents of indiscipline, which had been rising steadily, peaked during Fiscal Years 1969 and 1970 and are now on a downward trend. This is true in both absolute numbers and in relation to the declining strength of the Armed Services. Absenteeism and desertion, the historical banes of military organizations, continued to rise through Fiscal Year 1971, but the trends have now been reversed. The pertinent statistics are attached for your information.

The rates of both disciplinary action and absenteeism remain unacceptably high, but

the turn-around is very encouraging. Preliminary indications are that this downward trend is continuing in the current Fiscal Year. The improved situation is undoubtedly a combination of many factors, not the least of which has been the initiation of numerous programs designed to improve the quality of life for the individual service member, provide real equality in opportunity for advancement, enhance job satisfaction, and inculcate a sense of professionalism and pride in service. In addition, improved control methods in personnel acquisition and management have permitted the Services to obtain and retain higher quality personnel in terms of individual skills and motivation.

Some of the innovative programs that have accompanied the movement to an all-volunteer armed force have been criticized as indicative of an atmosphere of general permissiveness and lack of discipline. This is not accurate. The changes that have been made are intended to recognize the fact that our service personnel do not live in a vacuum and should, consistent with their discipline, health, morale and welfare, be able to enjoy the various recreational activities and outside interests available to their civilian counter-parts. During the transitional period, it is expected that these policies will continue to be closely scrutinized and will be the subject of continuing debate.

The effort to make service life more attractive and to eliminate valid sources of dissatisfaction has been coupled with a renewed emphasis on the traditional military values of professionalism, dynamic leadership and reliance on the chain of command. The emphasis is reflected in a decentralization of control which requires the non-commissioned officer corps to fulfill its traditional role as the backbone of the Armed Forces.

The maintenance of morale and discipline in the Armed Forces is of paramount importance to the Department of Defense. With the stabilization of the military establishment, it is confidently expected that the status of discipline will continue to improve and will ultimately be reflected in the creation of the finest all-volunteer armed force in the world.

It is hoped that the information provided will prove helpful to you. Your concern in this matter is shared by the Department of Defense and your continued interest in the well being of the men and women of the Armed Services and in matters of national defense is very much appreciated.

DEPARTMENT OF DEFENSE—NUMBER OF CASUALTIES INCURRED BY U.S. MILITARY PERSONNEL IN CONNECTION WITH THE CONFLICT IN VIETNAM, JAN. 1, 1961 THROUGH MAR. 31, 1973

	1961–62	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973 to date	Total
A—CASUALTIES RESULTING FROM ACTIONS BY HOSTILE FORCES													
1. Killed	20	53	114	1,115	4,122	7,492	12,628	8,126	3,483	1,087	193	11	38,444
2. Wounded or injured:													
(a) Died of wounds	1	5	4	103	576	978	1,594	1,164	552	160	23	3	5,161
(b) Nonfatal wounds:													
Hospital care required	43	218	522	3,308	16,526	32,370	46,799	32,940	15,211	4,767	587	21	153,312
Hospital care not required	38	193	517	2,086	13,567	29,654	46,021	37,276	15,432	4,169	634	34	150,341
3. Missing:													
(a) Died while missing	20	20	28	150	307	904	368	118	184	132	83	16	2,330
(b) Returned to control	2	2	1	10	19	11	21	7	1	8	14	----	96
(c) Current missing													1,166
4. Captured or interned:													
(a) Died while captured or interned	1	----	1	1	3	4	1	6	2	1	1	----	21
(b) Returned to control	6	1	1	6	3	8	37	17	1	1	3	564	648
(c) Current captured or interned													81
5. Deaths:													
(a) From aircraft accidents/incidents:													
Fixed wing	24	23	39	111	168	173	250	165	88	47	66	23	1,177
Helicopter	7	35	38	88	185	287	631	638	610	314	128	3	2,964
(b) From ground action	11	20	70	1,170	4,655	8,918	13,710	8,611	3,523	1,019	106	4	41,817
Total deaths [1]	42	78	147	1,369	5,008	9,378	14,591	9,414	4,221	1,380	300	30	45,958
B—CASUALTIES NOT THE RESULT OF ACTIONS BY HOSTILE FORCES													
6. Current missing													117
7. Deaths:													
(a) From aircraft accidents/incidents:													
Fixed wing	5	3	11	41	140	178	120	106	118	32	34	6	794
Helicopter	5	5	11	50	177	384	360	461	426	228	84	----	2,191
(b) From other causes	13	28	26	268	728	1,118	1,439	1,546	1,300	708	136	8	7,318
Total deaths	23	36	48	359	1,045	1,680	1,919	2,113	1,844	968	254	14	10,303

[1] Sum of lines 1, 2a, 3a and 4a.

Source: Department of Defense OASD (Comptroller) Directorate for Information Operations, Apr. 4, 1973.

DEATHS ATTRIBUTABLE TO DRUG ABUSE—VIETNAM

	DOD Number
1970:	
August	8
September	7
October	9
November	15
December	10
1971:	
January	9
February	10
March	2
April	3
May	4
June	1
July	2
August	3
September	0
October	0
November (4 Heroin; 1 Chloroquine)	5
December (Heroin)	2
1972:	
January (Heroin)	1
February (Heroin)	1
March (Heroin)	1
April (Heroin)	3
May (Heroin)	2
June (Heroin)	3
July (Heroin)	1
August.	
September.	
October.	
November.	
December.	
1973:	
January.	
February.	
March.	

U.S. ARMY VIETNAM, ASSAULTS WITH EXPLOSIVE DEVICES

	Actual assaults	Possible assaults	Total	Fatalities
Calendar year:				
1969	96	30	126	37
1970	209	62	271	34
1971	222	111	333	12
1972	27	31	58	3

ACTIONS TAKEN TO REDUCE INCIDENTS

(a) Limiting the access to grenades and similar explosives to personnel in a combat environment who have a definite need for them.

(b) Tightening accountability procedures.

(c) Using announced and unannounced inspections.

(d) Improving security procedures for storage.

(e) Opening and improving existing channels of communication between officers/NCOs and EM.

(f) Encouraging use of existing outlets for expression of grievances, e.g., IG, open door policy, human relations council, etc.

(g) Intensifying training on the lethal nature of grenades and other similar explosives to assure full understanding of their destructive potential.

NONHOSTILE CASUALTIES IN SOUTHEAST ASIA, BY CAUSE OF CASUALTY AND MILITARY SERVICE

	Nonhostile					
	USA	USN	USCG	USMC	USAF	Total
All deaths through March 1973; cause of casualty:						
Aircraft loss/crash at sea	48	169	0	65	27	309
Aircraft loss/crash not at sea	2,156	91	0	228	276	2,751
Vehicle loss/crash	836	37	0	148	54	1,075
Drowned/suffocated	633	190	0	168	24	1,015
Burns	96	13	0	31	7	147
Illness/OT malaria-hepatitis	359	27	0	54	40	480
Malaria	75	2	0	40	0	117
Hepatitis	17	0	0	4	1	22
Heart attack	175	22	0	23	48	268
Stroke	33	2	0	5	2	42
Suicide	353	0	0	22	4	379
Accidental self-destruction	632	5	0	131	25	793
Intentional homicide	159	4	0	22	5	190
Accidental homicide	581	59	0	312	21	973
Other accident	867	95	2	402	54	1,420
Other causes	96	154	0	22	5	277
Unknown or not reported	31	10	0	4	0	45
Total casualties	7,147	880	2	1,681	593	10,303

INCIDENTS OF INDISCIPLINE

	Fiscal year—				
	1968	1969	1970	1971	1972
Number of courts-martial:					
DOD total	89,649	109,355	91,587	72,376	52,814
Rate per 1,000	25.2	31.5	29.8	25.0	21.0
Number of nonjudicial punishments (article 15, UCMJ):					
DOD total	427,142	459,324	481,885	419,521	362,736
Rate per 1,000	120.4	132.6	157.2	145.1	144.5
Number of AWOL incidents, 30 days or less:					
DOD total	131,536	162,632	228,797	242,896	188,193
Rate per 1,000	38.2	46.9	69.4	84.0	74.9
Number of desertion incidents, over 30 days AWOL:					
DOD total	53,667	73,121	89,088	98,059	69,260
Rate per 1,000	15.6	21.1	27.0	33.9	27.5

ACCIDENTAL

ARMY FATALITY RATES

	Fiscal year—					
	1968	1969	1970	1971	1972	1st half, 1972
Army aircraft:[1]						
Worldwide (less Vietnam)	2.18	2.24	1.22	2.18	3.95	2.09
Vietnam	12.66	10.27	9.82	10.70	13.46	2.63
Army motor vehicle:[2]						
Worldwide (less Vietnam)	6.28	6.36	7.92	7.55	4.57	7.19
Vietnam	18.98	30.71	23.37	26.41	14.87	10.77
Drownings:[3]						
Worldwide (less Vietnam)	.18	.17	.19	.20	.19	.22
Vietnam	.79	.77	.85	.99	.44	0
Weapons:[3]						
Worldwide (less Vietnam)	.10	.11	.08	.08	.06	0.09
Vietnam	1.72	1.33	2.37	2.28	1.18	.26
Other:[3,4]						
Worldwide (less Vietnam)	.29	.25	.25	.31	.28	.19
Vietnam	.95	1.11	1.50	1.28	.74	1.29
All categories:						
Worldwide (less Vietnam)[5]	.92	.90	.80	.92	.86	.83
Vietnam	7.26	6.48	9.04	8.88	7.48	3.61

[1] Rates based on 100,000 flight hours.
[2] Rates per 100,000 miles.
[3] Rates per million man-days.
[4] Other includes such accidental deaths as: struck by lightening, asphyxiation, burns, falls, and shop accidents.
[5] Rates based on million man-days with POV fatalities excluded from worldwide rates.
Fatality source: AR 600-10 CAS report.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be withdrawn.

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

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

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

ORDERS FOR RECOGNITION OF SENATORS, TRANSACTION OF ROUTINE MORNING BUSINESS, AND CONSIDERATION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes and that he be followed by the Senator from West Virginia (Mr. ROBERT C. BYRD) for a period not to exceed 15 minutes, after which there be a period for the transaction of routine morning business not to exceed 15 minutes with statements therein limited to 3 minutes, and at the conclusion of which the Senate return to the consideration of the unfinished business.

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

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for action on nominations.

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

NOMINATIONS ON THE SECRETARY'S DESK

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the nominations reported by me and ordered to lie on the Secretary's desk.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? Without objection, it is so ordered, and the clerk will state the first nomination.

The legislative clerk proceeded to read the nominations.

Mr. SYMINGTON. I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. SYMINGTON. I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

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

QUORUM CALL

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New Hampshire. Referred to the Committee on Veterans' Affairs:

"SENATE CONCURRENT RESOLUTION No. 4

"Resolution relative to the national service life insurance for veterans

"Whereas, The New Hampshire Legislature is concerned with the rights and benefits to which veterans of this state are and should be entitled; and

"Whereas, Any attempt to deny or curtail such rights and benefits that may have been granted is not looked upon in favor; now, therefore, be it

"Resolved by the Senate and House of Representatives concurring:

"That this legislative body desires the repealing or amending of Public Law 92-188, and other corresponding laws as enacted by the United States Senate and House of Representatives;

"Be it further Resolved, That the New Hampshire Legislature favors granting to all veterans holding an honorable discharge the privilege to reinstate their National Service Life Insurance regardless of their age or present health;

"And be it further Resolved, That the following amendments be included with any pending or future federal legislation concerning the National Service Life Insurance:

"I. That the limits of such National Service Life Insurance be increased from the present limit to the policy face value of twenty-five thousand dollars.

"II. That at no time may the value of said policy be reduced to less than twelve thousand five hundred dollars.

"III. That current dividends will be retained and applied into the rating as determined by the Veterans Administration.

"IV. That all premium costs will be adjusted into five-year periods of the age of policyholders.

"V. That it shall be optional for the policyholder to include his spouse in the amount of five thousand dollars as an insured.

"VI. That all beneficiaries must be legally notified when a request for a change of beneficiary is requested by the principal before such change is honored by the administrator.

"VII. That a reduction of premiums on existing policies be granted when the principal insured attains retirement at ages sixty-two and/or sixty-five.

"VIII. That a reduction of premiums is to be applied when the principal is required to retire due to total disability prior to ages sixty-two and/or sixty-five, as is now permitted under social security.

"IX. That it shall be permissible for any veteran to reinstate his or her National Service Life Insurance policy within two years after date of discharge from the armed forces or following the passage of the necessary legislation.

"X. That upon the expiration of the principal, a maximum sum of two thousand five hundred dollars will be allotted and made payable to the funeral director upon receipt of a bill of expenses and a copy of a death certificate.

"XI. That the balance of the face value of the policy will be payable in monthly allotments according to the age of the beneficiary and subsequent dependants until such payments exhaust the total of the remainder of the face value of the insurance.

"XII. That suicide should not be an exclusion.

"Now be it further Resolved, That certified copies of this concurrent resolution be forwarded by the secretary of state to members of the United States Senatorial and Congressional delegation from New Hampshire, the Clerk of the United States Senate, the Clerk of the United States House of Representatives, and to the President of the United States of America."

A resolution adopted by the City Council of Malden, Massachusetts, praying that the President prevent the closing of the Boston Naval Shipyard. Referred to the Committee on Armed Services.

A resolution adopted by the Sacramento County Central Committee of the American Independent Party, Sacramento, California, praying for an amendment to the election laws. Referred to the Committee on Rules and Administration.

By Mr. PASTORE (for himself and Mr. PELL):

A resolution of the Senate of the State of Rhode Island and Providence Plantations. Referred to the Committee on Agriculture and Forestry:

"S. 611

"Senate resolution memorializing Congress to review thoroughly and completely and hopefully phase out any farm price support program that might be contributing to rising food prices

"Resolved, That the members of congress of the United States be and they are hereby respectfully requested to review thoroughly and completely and hopefully phase out any farm price support program that might be contributing to rising food prices; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the Rhode Island delegation in congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Armed Services:

"H. 5865

"Resolution requesting the United States Department of Defense to designate Rhode Island waters as the Atlantic Fleet home port for the Trident class submarines

"Whereas, The United States Navy will implement the Trident class submarine as a major component in the United States Atlantic Fleet anti-submarine defense; and

"Whereas, The United States Atlantic Fleet has the heavy responsibility of preventing intrusion on our eastern boundary, protecting the shipping lanes to our European allies and supplying both the United States and NATO forces with oil, weapons and expendable supplies; and

"Whereas, Rhode Island waters and Naval installations play a significant role in the operations of the Atlantic Fleet; now, therefore, be it

"Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations hereby requests the United States Department of Defense to designate Rhode Island waters as the Atlantic Fleet home port for the Trident class submarines; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this Resolution to the Secretary of the United States Navy, the Chief of Naval Operations and to the Rhode Island U.S. Senators and U.S. Representatives in Congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Commerce:

"H. 5419

"Resolution memorializing the Congress of the United States to enact appropriate legislation for the uniform and coordinated observance of a year-round system of daylight saving time

"Whereas, A uniform and coordinated system of reckoning time throughout the several states is convenient and necessary for the proper and efficient carrying on of interstate commerce; and

"Whereas, By the 'Uniform time act of 1966' (P.L. 89-387; U.S.C. 15 section 260 et seq.), Congress provided for such a uniform and coordinated system, including the observance of Daylight Saving Time (except in those states which by law omit such observance) during the summer months, from 2:00 A.M. on the last Sunday of April until 2:00 A.M. on the last Sunday of October of each year; and

"Whereas, The benefits of Daylight Saving Time, in providing an extension of natural light into the evening hours, have been almost universally acknowledged, not only in the United States, but also in many foreign nations, some of which currently observe it on a year-round basis; and

"Whereas, The return each fall to Standard Time, whereby winter sunset occurs at 5:00 P.M. and earlier in most latitudes of the United States, causes an undesirable encroachment of darkness upon the latter part of the active day, requiring an unnecessary and undesirable drain upon valuable and increasingly scarce power resources to supply artificial light, creating conditions hazardous to vehicular and pedestrian traffic during a peak travel period, and offering unduly propitious conditions for violent and predatory criminal acts upon the streets and thoroughfares of many urban areas; and

"Whereas, The value of Daylight Saving Time as a conservation measure, reducing the consumption of fuel for power generation (and the concomitant effusion of pollutants), was recognized by the Congress in providing for year-'round observance of this time reckoning during the war emergency period from February, 1942, to October, 1945; and

"Whereas, Urgent current needs for conservation of energy sources, control of pollution, deterrence of street crime and reduction of the human suffering and property damage due to accidents combine to support the advisability of a permanent year-'round advance in the system of time reckoning; and

"Whereas, Resolutions substantially identical to this have been submitted for the consideration of the Legislatures of the several states comprised, in whole or in part, in the Eastern Time Zone, for the purpose of permitting and encouraging a uniform expression and representation to the Congress by the said states acting in concert; now, therefore, be it

"Resolved, That the house of representatives memorializes congress to enact appropriate legislation for the uniform and coordinated observance of a year-'round system of Daylight Saving Time; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the members of the Rhode Island delegation in the congress of the United States, the vice president of the United States and the speaker of the house of representatives of the United States."

A resolution of the Senate of the State of

Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"S. 347

"Senate resolution memorializing Congress to grant all veterans early retirement under our social security laws in accordance with their numbers of years of military service

"Whereas, Manuel Cabral, Jr., a resident of East Providence, Rhode Island has urged our congressional delegation to sponsor legislation authorizing all veterans to retire early under our social security laws in accordance with their numbers of years of military service, and

"Whereas, such plan would in a small way restore the years that these veterans spent in military service and give them an opportunity to pursue their own activities during an early retirement.

"Resolved, that this Senate memorialize congress to grant all veterans early retirement under our social security laws in accordance with their numbers of years of military service.

"Resolved, further that copies of this resolution be sent to our Congressional Delegation in Washington, D.C."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"H. 5150, SUBSTITUTE A

"Resolution memorializing Congress to enact legislation which would exempt certain amounts of income received from pensions from the Federal income tax

"Resolved, That the members of congress of the United States be and they are hereby respectfully requested to enact legislation which would exempt up to $5,000.00 of the income received from pensions from the Federal Income Tax. This exemption is to apply only to those persons whose entire income is derived solely from pension funds; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"H. 5761

"Resolution memorializing the Rhode Island delegation in Congress to support legislation which grants a Federal income tax credit to homeowners or renters who are 62 years of age or older and who earn $5,000 a year or less

"Resolved, That the Rhode Island delegation in Congress support legislation which grants a federal income tax credit to homeowners or renters who are 62 years of age or older and who earn $5,000 a year or less; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in Congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"S. 219

"Resolution memorializing Congress to enact the Mills' bill which provides for a $200 tax credit to parents who have children in private schools

"Resolved, That the general assembly of the State of Rhode Island and Providence Plantations hereby memorializes the Congress of the United States to enact the Mills bill which provides for a $200.00 tax credit to parents who have children in private schools; and be it further

"Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the members of Congress from Rhode Island."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Foreign Relations:

"S. 265

"Resolution memorializing Congress to extend the off-shore twelve-mile limit to two hundred miles

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to enact such legislation to extend the off-shore twelve-mile limit, so-called, to two hundred (200) miles from the continental coast surrounding this nation; and be it further

"Resolved, That the secretary of state be and he hereby is respectfully requested to transmit to the senators and representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution in the hope that they will exert every effort to effect its purpose."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Foreign Relations:

"H. 5323

"Resolution memorializing Congress to extend the off shore twelve mile limit to two hundred miles

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to enact such legislation to extend the off shore twelve mile limit, so called, to two hundred (200) miles from the continental coast surrounding this nation; and be it further

"Resolved, That the secretary of state be and he hereby is respectfully requested to transmit to the senators and representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution in the hope that they will exert every effort to effect its purpose."

A resolution the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Interior and Insular Affairs:

"S. 337

"Resolution memorializing the Congress and the President of the United States to establish a National Energy Commission

"Whereas, The recent curtailment of available public energy in Rhode Island serves to illustrate again the immediate need for the United States to set up a workable energy policy; and

"Whereas, There has been much lip-service given to the concept, and many have used its proposed development as a way of not facing the difficulties associated with the production, use and abuse of energy in our country; and

"Whereas, Here in the northeastern region of the United States, and specifically in Rhode Island, we cannot afford the luxury of waiting for these rational policies any longer; and

"Whereas, It is time some policies were established which would enable the general public to better understand the role of energy in their lives and the policy open to us; and

"Whereas, We need to know the probable trend of future energy prices, including the impact of this trend on the individual and on industry. We need to know the differences between resources in the ground and productive capacity and what it will take in capital, management, labor, and environmental costs to provide the desired capacity; and

"Whereas, We need to have the facts separated from the myths of the energy 'crisis'. For instance, will electricity really be in short supply in fifteen years? In five years? Will some sections of the country continue to experience heating-oil and gas shortages? Can the demand for energy be reduced? What solutions are available to us on a short-term basis—on a long-term basis? And

"Whereas, In brief, we need a well thought out, easily stated plan and policy for the production and use of energy. We do not have one now, at least not one that is readily defined and discussed, and we need one; now therefore be it

"Resolved, That this General Assembly of the state of Rhode Island hereby recognizes the need for this vital national energy policy; and be it further

"Resolved, That this general assembly respectfully requests and urges the President of the United States, the Congress and all other official bodies charged with the responsibility of determining one's needs to adopt such a policy as soon as possible; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the President of the United States and the members of Congress from Rhode Island."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on the Judiciary:

"H. 5824

"Resolution memorializing the congress of the United States to repeal the public law which makes the reading and writing of English a prerequisite to obtaining American citizenship and substituting in its place an oral examination

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to repeal the public law which makes the reading and writing of English a prerequisite to obtaining American citizenship and substituting in its place an oral examination; and be it further

"Resolved, That the secretary of state be and he is hereby respectfully directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Labor and Public Welfare:

"H. 5669

"Resolution memorializing Congress to provide funds for the construction of schools of nursing

"Whereas, Year after year the burden on Rhode Island's already overtaxed health care systems has increased; and

"Whereas, Because of this increase it is imperative that the State of Rhode Island be in a position to insure to the people of this state that an adequate number of properly trained nurses be available to serve those hospitalized; and

"Whereas, Congress has had the foresight to make matching funds available for the construction of new schools of nursing; and

"Whereas, Through the diligent efforts of the Statewide Community Planning Committee for the Study of Nursing and Nursing Education in Rhode Island, the Board of Regents for Education has approved the construction of a school of nursing at the University of Rhode Island; now, therefore, be it

"Resolved, That congress be memorialized and respectfully requested to make matching funds available for the construction of a school of nursing at the University of Rhode Island; and be it further

"Resolved, That the secretary of state be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Post Office and Civil Service:

"S. 421

"Resolution memorializing Congress to issue a stamp with the new Slater Mill Complex of Pawtucket, Rhode Island, on the Stamp

"Whereas, The evolution of the mill Samuel Slater built in 1793 marks an important era in American history; and

"Whereas, The birth of the industrial revolution in America which reshaped the face and fabric of the entire world took place at the Old Slater Mill; and

"Whereas, The Old Slater Mill is the first factory in the United States to use industrial machinery successfully; and

"Whereas, The New Slater Mill Complex has been expanded to include the Sylvanus Brown House, an urban textile worker's home which was carefully reconstructed; and

"Whereas, The Oziel Wilkinson Mill is scheduled to open next June with a replication of a 19th-century machine shop and blacksmith shop; now, therefore, be it

"Resolved, That the members of the Congress of the United States be and they are hereby respectfully requested to authorize the issuance of a stamp with the New Slater Mill Complex of Pawtucket, Rhode Island on the stamp; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the senators and representatives from Rhode Island in Congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Public Works:

"H. 5427

"Resolution memorializing Congress to study the feasibility of providing Federal funding for solid waste disposal projects

"Resolved, That the members of Congress of the United States are hereby respectfully requested to study the feasibility of providing federal funding for solid waste disposal projects; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 978. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful (Rept. No. 93–188).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. 1443. A bill to authorize the furnishing of defense articles and services to foreign countries and international organizations (Rept. No. 93–189), together with minority views.

By Mr. SPARKMAN (for Mr. STEVENSON) from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 1636. A bill to amend the International Economic Policy Act of 1972 (Rept. No. 93–190). Referred to the Committees on Finance and Foreign Relations for a period not to extend beyond June 20, 1973.

By Mr. BAYH, from the Committee on the Judiciary, with an amendment:

S. 1115. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs (Rept. No. 93–192).

By Mr. BAYH, from the Committee on the Judiciary, with amendments.

S. 645. A bill to strengthen interstate reporting and interstate services for parents of runaway children; to conduct research on the size of the runaway youth population; for the establishment, maintenance, and operation of temporary housing and counseling services for transient youth, and for other purposes (Rept. No. 93–191), together with additional views.

Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. Res. 108. Resolution authorizing additional expenditures by the Committee on Commerce for inquiries and investigations. Referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

David H. Popper, of New York, a Foreign Service officer of the class of Career Minister, to be Assistant Secretary of State;

Gerald F. Tape, of Maryland, to be the representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador;

Matthew J. Harvey, of Maryland, to be an Assistant Administrator of the Agency for International Development;

Kenneth A. Guenther, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank;

William B. Dale, of Maryland, to be U.S. Executive Director of the International Monetary Fund;

Charles R. Harley, of Maryland, to be U.S. Alternate Executive Director of the International Monetary Fund;

Hobart Lewis, of New York, to be a member of the U.S. Advisory Commission on Information; and

J. Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. SYMINGTON. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 868 in the grade of captain and below—822 permanent Regular Navy—748 of which are midshipmen—Naval Academy; 33 temporary Regular Navy; 5 permanent Reserves and 8 temporary Reserves, and in the Army, 244 appointments in the grade of major and below—includes distinguished military students; scholarship students and cadets graduating class of 1973 U.S. Military Academy.

Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. JOHNSTON (by request):

S. 1934. A bill to promote economic development of the territory of American Samoa. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 1935. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such agency. Referred to the Committee on Armed Services.

By Mr. PERCY:

S. 1936. A bill to provide for better control and reporting of political contributions and expenditures in Federal elections. Referred to the Committee on Rules and Administration.

By Mr. FANNIN:

S. 1937. A bill to amend the act of September 22, 1961 (75 Stat. 577), so as to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of certain Government-owned electric utility systems constructed and operated as a part of any irrigation system. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE (for himself, Mr. CURTIS, Mr. YOUNG, and Mr. BELLMON):

S. 1938. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974. Referred to the Committee on Agriculture and Forestry.

By Mr. MONDALE:

S. 1939. A bill to prohibit pyramid sales transactions, and for other purposes. Referred to the Committee on Commerce.

By Mr. ERVIN (by request):

S. 1940. A bill to establish a fund for activating authorized agencies, and for other purposes. Referred to the Committee on Government Operations.

By Mr. TOWER:

S. 1941. A bill to foster and promote the establishment, preservation, and strengthening of minority business enterprise. Referred to the Committee on Banking, Housing and Urban Affairs; and, if and when reported by that committee, to the Committee on Labor and Public Welfare, by unanimous-consent order entered May 23, 1972.

By Mr. FULBRIGHT (by request):

S. 1942. A bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the Protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam. Referred to the Committee on Foreign Relations.

By Mr. PACKWOOD:

S. 1943. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1935. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such Agency. Referred to the Committee on Armed Services.

TIME FOR REVIEW OF INTELLIGENCE OPERATIONS

Mr. PROXMIRE. Mr. President, on April 10, I first spoke about the role of the U.S. intelligence community in our Government and domestic life, At that time I talked about the historical need

for intelligence to overcome the barriers nations erect to the free flow of ideas and technology. I discussed the National Security Act of 1947 to determine just what Congress had in mind when this broad legislation was enacted. And then I went into the question of possible "spill-over" effects coming from the use of clandestine techniques overseas. In recent days, the Watergate story has unfolded in sufficient detail to shake all of us into concern about the dangerous consequences of domestic intelligence operations for political purposes.

My original speech also detailed the composition of the intelligence community and made certain recommendations regarding more efficient practices.

Let us now take a close look at what has become the most alarming aspects of the intelligence process—domestic and foreign programs that are called covert operations or "dirty tricks" and include espionage and subversion of foreign governments.

Nothing in this speech comes from classified sources. I have pieced together my information from public documents and open conversations with Government officials.

Since a great deal of the following analysis hinges on drawing distinctions between various activities, I must rely to some degree on language that has precise meaning within the intelligence community. Wherever used I will attempt to clarify the meanings of such terms as covert action or intelligence collection.

THE STRUCTURE OF THE CLANDESTINE SERVICES

The Central Intelligence Agency is divided into Directorates by function. Until recently, these were called the Directorate of Plans, the Directorate of Intelligence, the Directorate of Support and the Directorate of Science and Technology, or as abbreviated: DD/P, DD/I, DD/S, and DD/S. & T. standing for the four Deputy Directors serving under the Director of Central Intelligence and his Deputy Director. For the purposes of this speech, I will concentrate mainly on the DDP, that is, Directorate of Plans now renamed DD/O for Directorate of Operations.

Thus the CIA is several organizations under one roof. The DD/I—Intelligence—and DD/S. & T.—Science and Technology—deal with intelligence collection as opposed to intelligence operations. The DD/O—Operations—and its support elements in DD/S—Support—carry out covert action programs. There has been a great deal of discussion about the propriety of this arrangement linking the analysis and covert activities and I will deal with the arguments later.

Authority for approving and continuing programs and other activities that are sensitive—meaning the potentiality of embarrassment or compromise—rests with a Cabinet-level committee composed of representatives of the Department of Defense, Department of State, White House National Security Adviser, Joint Chiefs of Staff, and the Director of Central Intelligence. This informal committee which meets several times a month has been called by many names including the 54/12 Group, Special Group, the 303 Committee—named after a room number in the Executive Office Building—and more currently the 40 Committee after a national security decision memorandum with the same numerical designation.

In theory, proposals for covert action programs are presented to the 40 Committee after being worked out by the participating agencies at a lower level. Then the 40 Committee gives its approval or rejects the concept or requires modifications in the original plan. Most projects, however are well coordinated by the time they get to the 40 Committee.

The primary need for the 40 Committee and its authority to initiate covert action programs is the stated requirement to provide the President with methods of accomplishing foreign policy objectives without attribution to the United States.

We have come a long way from Secretary of State Stimson's comment that gentlemen do not read other peoples's mail. The modern world is far more complex now. More barriers to the flow of information have been erected. I believe that there are occasions when this Government must for its own protection use techniques that are by domestic U.S. standards extra-legal. But there must be adequate control over the exercise of these aspects of our foreign policy or we will find ourselves gripped in an interminable cycle of false information and foreign intervention. These controls have been painfully inadequate. For this reason it is necessary to take a hard look at what distinctions can be drawn between activities that are necessary for national security and also productive and those that create situations that actually erode our national security.

In practice, it appears that the 40 Committee mainly approves activities coordinated at lower levels. If a promising operation can be coordinated at a working level where the concept originates, it often rises through the intelligence community with little critical challenge until it arrives at the 40 Committee. There because it has been reviewed by the "experts" it is frequently approved. Result: a serious effect on U.S. policy.

Having the 40 Committee consist of high level officials is supposed to be a safeguard against the initiation of activities actually detrimental to the national interest. It is presumed but never stated that major decisions of the 40 Committee are then checked with the President. The reason for the lack of substantiation of this latter point is clear. The President is insulated from any direct association from such illegal activities so that in time of crisis such as a "blown"—exposed—mission, he can deny knowledge of the entire affair. Again and again this is the most important point of many covert action programs—the insistence that the President be insulated from any damaging effect, regardless of his prior knowledge or role in the command process. Thus when a crisis occurs, say with the U–2 affair, the President has the option of denying the whole thing and preserving his innocence by placing the blame on others. President Eisenhower chose to take responsibility for the U–2 incident, a move that many intelligence specialists criticized as unnecessary and a bad precedent. In my view, as I will develop later, President Eisenhower was absolutely right.

Once a decision is reached and approved by the 40 Committee and White House, the resources of the DDO or as it is sometimes called the Clandestine Services—CS—are put into action. These resources are enormous and consist of worldwide depots of equipment and arms, numerous communications networks, arrangements with front organizations for providing support, working associations with the military departments which can supply men, material, and the normal complement of case officers—the designation for DDO professional personnel as opposed to agents which are those recruited by case officers.

It can be said that the Agency—CIA—probably can carry out a middle- or low-level operation with more skill and speed than any other arm of the Government. There is less bureaucratic interference and the lines of communication are much quicker. With regard to high level operations of the size of an invasion, the CIA's record is marginal. But, paramilitary activities are a distinct part of the Agency's resources.

There is far less command and control of covert operations than should be the case.

Here is why:

First. The 40 Committee's control is only absolute in the sense of a final decision but not in the shaping of policies regarding the initiation of such activities or for that matter how they will affect the long-range interests of the country.

Second. There is a tendency for those in the business to fall into the mental state of acquiesence in the propriety and necessity of such operations and thus provide no effective restraint.

Third. In all of this, Congress plays absolutely no role. While Congress may be funding a certain international program, the 40 Committee could be deciding to impede that same program in a certain country for other reasons.

Fourth. Small operations have a way of becoming major operations even without 40 Committee oversight.

JUDGING THE RELATIVE IMPORTANCE OF INTELLIGENCE COLLECTION PROGRAMS

Intelligence comes from varied sources. It can be categorized in the following manner:

First. Open sources such as newspapers, periodicals, translated foreign literature, and radio broadcasts;

Second. Satellite derived intelligence used for mapping, targeting observation of military construction, industrial capacity communications, and military deployments;

Third. Technical collection techniques—intercept of signals, electronic emissions, communcations, and radar data;

Fourth. Human resources such as defectors, agents in place, interviews with selected travelers, immigrants, and foreign government officials.

It is often stated that the bulk of all intelligence comes from open sources that are refined and analyzed. In terms

of quantity this probably is true. The really significant intelligence, however, now comes from satellites and technical collection devices.

Reconnaissance activities provide high confidence data about military and economic questions of the highest importance such as missile deployments, submarine development or industrial construction. By far and away this is the most important category of intelligence information.

Somewhat below this in importance are the other technical programs which provide scientific data of interest for specialized purposes. Interrogating radar systems would be one example. Other signals might give information about missile characteristics or ABM developments. Intercept of communications, part of a category of intelligence referred to as Comint or Communications Intelligence, once was a very important source of information but with the countermeasures now available such as land lines and encoding devices, Comint is more difficult to obtain and process.

Human resources comprise this last category. Human resources refers to any traditional spy activities that involve the direct use of human beings as opposed to technical devices. The recruitment of foreign government officials, the espionage of military secrets by travelers, the forced entry into offices to obtain data, the establishment of spy rings, all are examples of human resource programs.

By any measure of cost effectiveness, human resources simply do not produce the quantity and quality of reliable data necessary for their justification. About 60 percent of the CIA budget continues to go into human resource programs.

The argument has been made that even though human resources provide little information of value compared to technical and satellite data, what they do provide in a few instances might be of the most significant and valuable of all—that of political or military intentions. Hardward programs can be observed by reconnaissance but a camera cannot look into a man's mind.

But factual data about intentions is so illusive and fragmentary that it is almost nonexistent. Knowledge of adversary intentions requires a source of reliable information at the highest levels of a foreign government such as the U.S.S.R. or People's Republic of China. Human resources of this quality and rank are rare indeed. We have heard about Colonel Penkovsky and certain other defectors and agents in place, but it is the consensus of many experts that high level human resources are few and far between, and provide a pathetically inadequate payoff.

DRAWING A DISTINCTION BETWEEN COVERT ACTION PROGRAMS AND INTELLIGENCE COLLECTION PROGRAMS

What is the difference between intelligence collection and covert action "cloak and dagger" programs? At times the distinction may be hazy. Both are done within the intelligence community but Congress can act to separate and define the two areas of activity.

Intelligence collected by covert means including the satellite, technical devices and human resources mentioned above qualifies as intelligence collection. It involves the acquisition by open and extralegal means of information determined necessary to national security. Requirements are established to guide this type of collection within given priorities.

The following are examples of selected information acquired by intelligence collection:

Photography, space and missile signals, economic data, power elite and political party data;

Military construction, deployments, research and development, troop movements;

Industrial capacity, communications capabilities, food production; scientific information; mapping, geological, climatic data.

In short the collection of all information that could possibly be useful to policymakers. The means of collection might be covert "cloak-and-dagger."

One distinction: With intelligence collection there is a conscious decision to obtain the information without influencing the source or its content. Such is not necessarily the case with covert action programs.

Covert action involves a more intrusive role than the passive acquisition of science or economic data or even the information supplied by agents in place. Covert action could involve any of the following types of activities:

Paramilitary operations in support of foreign governments or dissident forces; financial support for individuals, governments, unions, political parties or other internal organizations;

Operations in support of political allies such as acquiring politically damaging information or the creation of such information or the supplying of internal security techniques and equipment;

Exchange programs for social, economic or long term political reasons; economic manipulations of companies, governments, commodity supplies.

One characterization of all covert action programs is their deniability. They must be clearly separable from official U.S. Government sanction. Instead of pure collection of information, covert action programs are designed to influence future events or alter the expected course of events in foreign countries to the benefit of the United States.

ACCOUNTABILITY: ASSET OR LIABILITY?

The principle of a plausible deniability is critical to any covert operation. I relate to the capability of our Government to know what the CIA has been doing. If it were not a problem then operations could be carried out in the open. But since many operations would be considered either illegal, immoral, hostile, or be greatly embarrassing in the target country, they must be done without overt relationship to the U.S. Government.

There are certain "backstops" built into a covert operation. An American presence is kept at a low level.

Native personnel are used where possible. Third countries may be co-opted to participate and other devices used so as to preclude any tie in with the United States.

In the event that an operation is blown and it becomes known that some American has participated, there are two further ploys to use. First, the U.S. Government can disassociate itself from the blown operation by stating that it was not sanctioned. Arrangements then would have to made to see that the U.S. personnel involved could be provided assistance. In the meantime, all affiliation with the CIA would be denied. Such was the case with John Downey and Richard Fecteau held captive by the People's Republic of China since the 1950's.

As a second fall back position, in an extremely serious case, it may be necessary to admit U.S. responsibility but deny that the President had anything to do with it, thereby attempting to salvage his prestige and reputation. The choice then is up to the President whether he wants to admit responsibility or continue to bluff his way through the crisis. This situation occurred with President Eisenhower and the U–2 affair.

I think the whole notion of deniability should be reconsidered very carefully by Congress and all our Government. It is one that could get us into the deepest kind of trouble.

President Eisenhower, to his enduring credit, flatly refused the deniability option and manfully assumed responsibility for the U–2 flights, although in doing so he endangered vital negotiations at that time with the U.S.S.R.

This brings up the critical point. Should there be clear accountability by the President? Mechanisms have been established for foreign operations which protect the President from failures and embarrassment. He can shift the blame to other people or organizations. The CIA for example, has long been known as an organization willing to assume the public blame for operations approved by the President that ended in failure.

In this Senator's view there is never justification for a lie by anyone including, and I might say especially by, the President of the United States. Such deliberate, planned "official" lies undermine the credibility of the Government. The coverup becomes a way of life. It is a corroding compromise with integrity.

What is more, it is stupid because it frequently does not work. It is not believed and when it is exposed as a lie, the loss of faith in government is far greater then any gain.

In domestic affairs the use of "plausible denial" could be a most insidious antidemocratic political device. As in so many other areas of covert activities, the major fear is that a commonly accepted technique used abroad will become so successful that it is only an easy moral judgment away from application in the United States.

Six men sitting around a table week in and week out discuss various covert foreign operations. They are masters at the techniques of deception, intrigue, espionage, covert action. One day they receive a suggestion, couched in terms of national security that involves the use of these same techniques domestically. The suggestion comes from the White House, maybe even the President. They have all served the White House, regard-

less of its occupant for their entire lives. It is the center of power from which they draw their authority. It is the justification of their lives. How do they answer?

This fictionalized portrayal is not intended to be taken literally. But it makes the point. There are vast unrestrained powers within the executive department that may someday threaten more than some foreign nation.

One additional aspect of accountability needs to be explored.

It may be possible that the delegation of authority in such matters as intelligence collection and covert action programs has gone so far down from the President that he has no functional control over many of these programs. In the delegation of authority rests an immense commitment of trust. If subordinates are trusted and events seem to be moving well, a President could be insulated from those decisions taken in his name that have widespread and damaging consequences. I do not think this is a very realistic situation but it is an outside possibility.

I think we should be aware of this, because too few of us appreciate how very busy the President is, how involved he is in many areas, how distraught any President must become because the demands on his interest and his time are so enormous.

Congress has no way of knowing any of these things because Congress never has exercised any real control over the intelligence community. We have all thought that this was an area in which national security interests naturally limited congressional participation. We have left it to the experts. We have handled it with informal relationships and secret meetings and inadequate staff work. We have looked the other way. And we have paid the price.

We agonize over an appropriation of $1 million, and I do that as much as any. But we calmly let $4, $5, or $6 billion slip through our fingers without so much as one critical question on the floor of the Senate.

There are certain matters that pertain to the intelligence community that cannot ever be made public for to do so would be to endanger sources of information or techniques of collecting that information. Our potential adversaries could deny us that information if they became aware of its value to us. We must also protect the lives of the Americans serving overseas and their families from hostile retaliation.

The intelligence budget is not such a case. There is no sound reason why this budget must remain hidden from the public in aggregate terms.

There would be no security risk in letting the world know that the United States spends $5 or $6 billion on intelligence. It is a form of deterrence. It would tell our adversaries that we intend to find out the truth about any potential hostile actions on their part and that we are willing to spend great resources to do so.

Just as it was deemed important to let the U.S.S.R. and China know of our military strength as a deterrent to a surprise attack, so would it be prudent to tell them that we have other capabilities to guard our Nation. We need not say more than the size and general distribution of the intelligence budget by agency. We need not speak of missions or other sensitive matters. But we must reestablish the responsibility that Congress has in the formation and funding of foreign policy and above all else we must protect our domestic freedoms from any bureaucratic challenge from within the executive department. The danger is here. We cannot refuse to act.

THE NATIONAL SECURITY ACT OF 1947

WHAT DOES IT ALLOW

The first thing to be noted about the establishment of the CIA is that it is a part of the Executive Office of the President and as such reports directly to the President through the National Security Council and the Director of Central Intelligence which is a cabinet level post. Under the National Security Act of 1947, the CIA was given the duty of advising and making recommendations to the National Security Council and of correlating and evaluating intelligence relating to the national security and providing for appropriate dissemination. All of these duties are relatively passive. In no way can they be interpreted as authority for engagement in domestic operations or foreign operations. That is clear.

Further on in the same section, the act specifically states that the CIA shall have no "police, subpena, law-enforcement powers, or internal security functions." This is a broad and widespread prohibition. The meaning of "no internal security functions" is a blanket disapproval for any active domestic police-type functions.

After that prohibition, however, come three statements which are oblique by nature and subject to various interpretations. They need to be quoted in full for they constitute a possible justification for both domestic functions and foreign covert activities.

And provided further, that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

To perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

To perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

The first statement could be cited for justifying operations domestically and the following two could be used for justifying foreign operations or even domestic operations.

THE MISSING CHARTER

It is not possible to state with authority what interpretation the executive department has placed on these particular sections of the National Security Act of 1947 because subsequent interpretations have been done in secret. In fact, the CIA charter is not fully contained in the National Security Act of 1947 but is extrapolated from the act by a series of National Security Council intelligence directives after the passage of the act. These were, and remain, classified. Thus we are faced with a highly unusual situation. Congress has enacted a law with a set of prescribed relationships and duties for the CIA. And the executive department through the National Security Council has interpreted this law in secret. Whether this subsequent secret interpretation is allowed by the original act is in doubt. Whether the procedure of allowing secret interpretations and extensions of authority upon a congressional act is in doubt.

This can only be resolved by a court test, a review by the enacting committees and bodies of Congress of the original intent of the legislation, or by amending the 1947 National Security Act to prohibit extraneous interpretations or extensions.

It would be best for all concerned if the charter for the CIA was distinctly agreed upon by Congress and the executive department and at least in general language made public.

AN AMENDMENT TO THE NATIONAL SECURITY ACT OF 1947

In order to initiate a full examination of the proper role of the intelligence community in foreign affairs as well as domestic affairs, I now introduce a bill as an amendment to the National Security Act of 1947.

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

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

S. 1935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 102 of the National Security Act of 1947, as amended (50 U.S.C. 403), is amended by adding at the end thereof a new subsection as follows:

"(g)(1) Nothing in this or any other Act shall be construed as authorizing the Central Intelligence Agency to—

"(A) carry out, directly or indirectly, within the United States, either on its own or in cooperation or conjunction with any other department, agency, organization, or individual any police or police-type operation or activity, any law enforcement operation or activity, or any internal security operation or activity;

"(B) provide assistance of any kind, directly or indirectly, to any other department or agency of the Federal Government, to any department or agency of any State or local government, or to any officer or employee of any such department or agency engaged in police or police-type operations or activities, law enforcement operations or activities, or internal security operations or activities within the United States unless such assistance is provided with the prior, specific written approval of the CIA Oversight Subcommittees of the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives;

"(C) participate, directly or indirectly, in any illegal activity within the United States; or

"(D) engage in any covert action in any foreign country unless such action has been specifically approved in writing by the CIA Oversight Subcommittees of the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives.

"(2) As used in paragraph (1)(D) of this subsection, the term 'covert action' means covert action as defined by the National Security Council based on the commonly ac-

cepted understanding of that term within the intelligence community of the Federal Government and the practices of the intelligence community of the Federal Government during the period 1950 through 1970."

Mr. PROXMIRE. Mr. President, this amendment is designed to clarify the role of the CIA with regard to domestic activities. It has four provisions. First, it makes it clear that the National Security Act of 1947 itself or any subsequent interpretations of the act by the executive branch, be they classified or unclassified, shall not authorize the CIA to engage in police, law enforcement, and internal security functions by itself or in conjunction with other organizations. Although there is a similar provision in the National Security Act, subsequent interpretations of that act by the National Securtiy Council intelligence directives or other more loosely worded language in the National Security Act itself requires a reaffirmation—and I mean a public reaffirmation—of congressional intent.

A second provision would prohibit the CIA from providing assistance to other Government organizations engaged in police, law enforcement, or internal security activities. The obvious question to be dealt with here is the problem of normal, routine coordination between CIA and the FBI. This type of activity would be expressly approved on an ongoing basis but within distinct limitations by the CIA oversight committees of both houses.

The third provision of this amendment expressly prohibits the CIA from participating in any illegal activity within the United States, either directly or indirectly.

The fourth provision deals with the foreign activities of the CIA. It is remarkable that nothing in the National Security Act of 1947 directly authorizes the CIA to engage in covert foreign operations. Subsequent interpretations of the act have empowered the CIA to conduct such activities but the act itself is not explicit. The hidden charter for CIA is far more important in this regard than the National Security Act. But due to the classified nature of the hidden charter, Congress has not participated in the interpretation of the law it approved. Therefore, it is now necessary to define just what is the congressional intent of the act.

My fourth provision draws a distinction between the normal activity of intelligence collection and covert action programs. It would prohibit the CIA from engaging in any covert foreign action programs without the written prior approval of the CIA oversight committees of the House and Senate. The pattern for prior approval, for example, could be based on techniques worked out between the executive department and Congress such as exist for reprograming authority. I would also recommend that both Houses of Congress form one body with responsibility for CIA oversight.

WHY IS THE AMENDMENT NEEDED?

This amendment is necessary for the national security. I do not say this lightly. The purpose of the intelligence community is to insure that the highest policymakers have the knowledge and means to protect this country. It is a vital line of defense. But is there a possibility that the very instruments established to guarantee our national security could be used to subvert it?

Mr. President, this is the most chilling message of Watergate. The activities we engage in overseas have come home to roost. The techniques, the organization, the personnel, the equipment, the power to obtain information and influence foreign events have been turned to use domestically. Nothing could be more dangerous. Are we successful in rigging a few elections? In supporting a few friendly organizations? Bribing officials? Pressuring governments? Maybe, maybe not. But it is not worth the price if the same techniques become a more likely threat to our freedoms than any invasion.

Without proper controls we are in danger of falling prey to our own national security mechanism.

Is it far fetched to contemplate the illegal use of the FBI, CIA and the rest of the intelligence community against political opponents or any other faction within the United States? That is exactly what has been attempted. The FBI and CIA have wavered under the pressure. This is the most serious aspect of the Watergate crisis. It has gone so deep into the fabric of the Federal bureaucracy that even the untouchable agencies have been tarnished.

Fantastic? No, indeed, it is real and it is happening today. Firm steps must be taken to reestablish the confidence that should reside in the CIA and to eliminate the nightmare that someday as Sinclair Lewis wrote of the prospect of an American Hitler "It can happen here."

I have great admiration for the CIA and its Directors. It appears that they have resisted pressures of great intensity from the White House itself. That took a great deal of courage. It is for the sake of the CIA as well as the American people that I offer this amendment.

In closing, I would like to quote two remarks by former U.S. Presidents, each from a different era but both endowed with the insight that comes from a keen mind and a sense of American democracy.

On May 13, 1798, James Madison wrote to Thomas Jefferson stating—

Perhaps it is a universal truth that the loss of liberty at home is to be charged to provisions against danger, real or pretended, from abroad.

On hundred sixty-five years later another great President, Harry Truman, reflected on his administration:

For some time I have been disturbed by the way the CIA has been diverted from its original assignment. It has become an operational and at times a policy-making arm of the government. I never had any thought that when I set up the CIA that it would be injected into peacetime cloak-and-dagger operations. Some of the complications and embarrassment that I think we have experienced are in part attributable to the fact that this quiet intelligence arm of the President has been so much removed from its intended role that it is being interpreted as a symbol of sinister and mysterious foreign intrigue and a subject for cold war enemy propaganda.

Mr. President, nothing that I have said here today should be interpreted as condemnation of the CIA. The CIA has been under the direction of several Presidents. In many ways, the CIA has performed an invaluable service to our Government that could not have been done by any other agency. In its testimony before Congress on foreign weapons programs and in its estimates of capabilities and intentions, the CIA has presented remarkable unbiased analysis of the highest quality. This is an essential role.

But the CIA now must be protected from the executive department and our democracy must be protected from any directed misuse of the CIA.

To do less is to risk our heritage.

Mr. President, I am confident if my amendment becomes law we will provide that protection for the CIA and, more importantly, for our form of government.

By Mr. PERCY:

S. 1936. A bill to provide for better control and reporting of political contributions and expenditures in Federal elections. Referred to the Committee on Rules and Administration.

FEDERAL ELECTIVE OFFICE CAMPAIGN ACT

Mr. PERCY. Mr. President, the most tragic consequence of the recent disclosures of political corruption in Washington is the erosion of public confidence in elected officials and in the two-party system. Public trust in government has been seriously undermined.

It is, of course, vital to uncover all of the facts in the Watergate case and to have swift and impartial prosecution of the accused. But even after all this has been accomplished, our task will be far from completed. We will have to move to eliminate public cynicism about the political process.

One of the major problems at the heart of the Watergate scandal is big money in politics. We must revise and rework regulations governing campaign spending, as well as reexamine proposals that would require full disclosure of personal finances of public officials.

We are all familiar with the alleged abuses of campaign financing in 1972. Stories about suitcases full of money coming to Washington and funds filtering through foreign banks have been widely reported. We are also familiar with reports of the questionable use of funds by persons who openly attempted to interfere with campaign activities.

It is estimated that as much as $400 million was spent in all elections in 1972. up from $300 million in 1968 and $200 million in 1964. We must reduce the amount of money spent in elections and make the process more open to public scrutiny.

The Congress made a start in this direction in 1971 with passage of the Federal Election Campaign Act. It placed a limit of 10 cents per eligible voter on the amount that could be spent on media advertising and also required that contributions of more than $100 be made

public. But, obviously, a great deal more remains to be done.

Therefore, Mr. President, I am today introducing legislation to further control campaign financing. The legislation I am introducing today would do seven things:

First. It would eliminate the proliferation of campaign committees by allowing only one fundraising committee per candidate. All contributions and disbursements would flow through the one committee. This would simplify the procedures for tracing contributions and expenditures.

Second. Any contributions or disbursements in excess of $10 to or from a fundraising committee would have to be made by check. This would prevent untraceable cash from flowing through the political process.

Third. All contributions would have to be identified with the name, address, and social security number of the donor. This would make the task of identification of donors clear and precise.

Fourth. The fundraising committee would be required to regularly publish throughout the course of the campaign, the names and addresses of the donor and the amount contributed, as well as the names of those to whom funds are disbursed and the purpose of the expenditure. This would present for public scrutiny all sources of campaign funds and the uses to which they are put.

Fifth. An overall limitation on campaign spending of 20 cents per eligible voter would be fixed. Current law sets a 10-cent per eligible voter limit on media spending, but sets no limit on overall spending.

Sixth. A limit of $5,000 on individual contributions to a single candidate would be established. There should no longer even be the suspicion of big contributions influencing political decisions. This limitation would help to assure that no one individual would be the principal source of support to a candidate.

Seventh. To encourage contributions from a broader segment of the public, the tax credit for political contributions of $12.50 for a single person and $25 per couple in the current law would be raised to $25 for an individual and $50 for a couple.

In addition to submitting my own bill for consideration at this time, I would also like to take this opportunity to go on record as heartily endorsing other campaign reform proposals already introduced by my colleagues:

First. I endorse and support Senator CASE's financial disclosure bill which would require full financial disclosure by all Members of Congress, candidates for Congress, and congressional officials and staff receiving $22,000 or more per year.

Second. I urge passage of Senator SCOTT's bill calling for an independent Federal Elections Commission with responsibility for monitoring campaigns. Such a commission would have full power and authority to investigate and prosecute financial misconduct in Federal campaigns.

It is important that all Federal campaign reporting be under the jurisdiction of a single agency, rather than continuing the current, fragmented system under which reports of House, Senate, and Presidential campaigns go to separate bodies. There should be one independent body with overall authority to monitor and investigate all campaign spending in all campaigns.

Mr. President, if provisions such as these are enacted into law, we will have gone a long way toward insuring honesty and accountability in our political processes. We may also help to restore public faith in our public officials.

I am delighted that the Senate Committee on Rules and Administration will begin hearings on Wednesday on the whole subject of campaign finance reform. It is my hope that we will seize the moment created by the abuses of the 1972 campaign and move swiftly in the Senate to enact strong reform legislation.

Mr. President, I ask unanimous consent that the legislation referred to above be printed in full at this point in the RECORD.

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

S. 1936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Elective Office Campaign Act".

SINGLE CAMPAIGN COMMITTEE; CONTRIBUTIONS OF MONEY

SEC. 2. (a) Title III of the Federal Election Campaign Act of 1971 is amended by redesignating sections 308 through 311 as sections 310 through 313, respectively, and by inserting after section 307 the following new sections:

"SINGLE CAMPAIGN COMMITTEE

"SEC. 308. (a) No person shall make any contribution to or for the benefit of any candidate except by making that contribution to a political committee authorized by that candidate to receive contributions on his behalf.

"(b) No political committee shall receive any contribution or make any expenditure on behalf of a candidate unless it is authorized in writing by that candidate to do so.

"(c) No candidate shall authorize more than one political committee to receive contributions or make expenditures in connection with his campaign for nomination for election, or for election, to Federal office.

"CONTRIBUTIONS OF MONEY

"SEC. 309. No political committee shall receive a contribution, or contributions in the aggregate, from any person in excess of $10 other than in the form of a check drawn on the account of the person making the contribution. No political committee shall make any expenditure in excess of $10 other than by check drawn on the account of that committee and signed by the treasurer of the committee."

IDENTIFICATION OF CONTRIBUTORS AND RECIPIENTS OF EXPENDITURES

SEC. 3. (a) Section 301 of the Federal Election Campaign Act of 1971 is amended by—

(1) striking "and" at the end of subsection (h),

(2) striking the period at the end of subsection (i) and inserting in lieu thereof "; and," and

(3) adding at the end thereof the following new subsection:

"(j) 'identification' means the name, address, and—

"(1) in the case of an individual, his social security number, and

"(2) in the case of a person (other than an individual) the business and principal place of business."

(b)(1) Section 302(b) of that Act is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of that Act is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 304(b) of that Act is amended by striking "full name and mailing address (occupation and the principal place of business, if any) in paragraphs (2), (9), and (10) and inserting in each such paragraph: "identification".

REPORTING REQUIREMENTS

SEC. 4. (a) The second sentence of section 304(a) of the Federal Election Campaign Act of 1971 is amended to read as follows: "Such reports shall be filed on the first day of January, April, July, September, and October in each year, on the tenth day before the date on which any election is held and on the fifth day following that date."

(b) Section 304(b) of such Act is amended by—

(1) striking out "and" at the end of paragraph (12),

(2) redesignating paragraph (13) as (15), and

(3) inserting after paragraph (12) the following new paragraphs:

"(13) the identification of any individual who performs any service for the committee without compensation, together with his regular place of employment when not performing services for the committee, and a description of the services performed by him for the committee;

"(14) the identification of any individual who is employed by the committee or who, as a consultant or otherwise, performs services for the committee for compensation, together with the amounts received by that individual as salary, reimbursement of expenses, or other compensation, and that individual's next previous place of employment and his regular occupation; and".

LIMITATION ON EXPENDITURES

SEC. 5. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 614. Limitation on expenditures

"(a)(1) Except to the extent such amounts are increased under subsection (d)(2), no candidate (other than a candidate for presidential nomination) may make expenditures in connection with his campaign for nomination for election, or election, to Federal office in excess of the greater of 20 cents multiplied by the voting age population (as certified under subsection (e)) of the geographical area in which the election for such office is held.

"(2) The limitation on expenditures imposed by this subsection shall apply separately to each primary, primary runoff, general, and special election campaign in which a candidate participates.

"(b) No candidate for presidential nomination may make expenditures in any State in connection with his campaign for such nomination in excess of the amount which a candidate for nomination for election as United States Senator from that State (or for election as Delegate, in the case of the District of Columbia) might expend within the State in connection with his campaign for that nomination. For purposes of this subsection, an individual is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure on behalf of his candidacy for any political party's nomination for election to the office

of President. He shall be considered to be such a candidate during the period—

"(1) beginning on the date on which he (or such other person) first makes an expenditure (or, if later, on January 1 of the year in which the election for the office of President is held), and

"(2) ending on the date on which such political party nominates a candidate for the office of President.

"(c)(1) Expenditures made on behalf of any candidate shall, for the purpose of this section, be deemed to have been expended by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States shall, for the purpose of this section, be deemed to have been made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure shall be held and considered to have been made on behalf of a candidate if it was made by—

"(A) an agent of the candidate for the purpose of making any campaign expediture,

"(B) a political committee registered under section 303 of the Federal Election Campaign Act of 1971, the statement of organization of which sets forth the name of that candidate.

"(C) a member of the candidate's immediate family (within the meaning of section 608 (a) (2)),

"(D) any person authorized in writing by the candidate to make expenditures on his behalf, or

"(E) any other person, if the candidate knew, or had reason to know, that such person was making expenditures on his behalf.

"(d)(1) For purposes of paragraph (2):

"(A) The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(B) The term 'base period' means the calendar year 1972.

"(2) At the beginning of each calendar year (commencing in 1974), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Attorney General and publish in the Federal Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsection (a)(1) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(e) Within sixty days after the date of enactment of the Federal Elective Office Campaign Act, and during the first week of January 1974, and every subsequent year, the Secretary of Commerce shall certify to the Comptroller General and publish in the Federal Register an estimate of the voting age population of each State and congressional district as of the 1st day of June next preceding the date of certification.

"(f) No person shall make any charge for services or products furnished to, or for the benefit of, any candidate in connection with his campaign for nomination for election, or election, in an amount in excess of $100 unless the candidate (or a person specifically authorized by the candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitations set forth in this section.

"(g) The Comptroller General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such expenditure.

"(h) Any person who knowingly or willingly violates the provisions of this section shall be subject to a fine of $10,000 or to imprisonment for a period of not more than 1 year, or both."

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting "611, and 614."

(c) The table of sections for chapter 29 of such title is amended by adding at the end thereof the following new item:

"614. Limitation on expenditures."

LIMITATION ON CONTRIBUTIONS BY INDIVIDUALS

SEC. 6. Section 608(a) of title 18, United States Code, is amended by redesignating paragraph (2) as (4), and by inserting after paragraph (1) the following new paragraphs:

"(2) No individual shall make contributions in excess, in the aggregate, of $5,000 to any candidate or to the political committee authorized by the candidate to receive contributions for him, or otherwise for the benefit of that candidate in connection with any of his campaigns.

"(3) The limitation on expenditures imposed by this subsection shall apply separately to each primary, primary runoff, general, and special election campaign in which a candidate participates."

INCREASE IN TAX CREDIT FOR POLITICAL CONTRIBUTIONS

SEC. 7. (a) Section 41(b)(1) of the Internal Revenue Code of 1954 (relating to maximum credit) is amended by striking out "$12.50 ($25 in the case of a joint return under section 6013)" and inserting "$25 ($50 in the case of a joint return under section 6013)".

(b) The amendment made by subsection (a) shall apply to contributions the payment of which is made in taxable years ending after the date of enactment of this Act."

By Mr. DOLE (for himself, Mr. CURTIS, Mr. YOUNG, and Mr. BELLMON):

S. 1938. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974. Referred to the Committee on Agriculture and Forestry.

Mr. DOLE. Mr. President, the Agricultural Adjustment Act of 1938, as amended, requires the Secretary of Agriculture to conduct a referendum prior to August 1 of wheat producers as to whether they favor or oppose the wheat marketing qota he has proclaimed for the coming year.

The Department of Agriculture informed me this week that they will commence the printing of the ballots for this referendum soon. After due consideration that the Senate will take up the Agriculture and Consumer Protection Act of 1973 (S. 1888) next week, and that this program would suspend the requirement for this wheat referendum for 5 years, I am introducing, with the cosponsorship of Senators CURTIS, YOUNG, and BELLMON, a bill that will allow the Secretary of Agriculture to conduct this referendum at a later date. In the event a farm bill is not passed, a referendum is still required by October 15 or within 30 days after adjournment sine die.

The need for urgent action is obvious, and I shall urge prompt committee action so that this legislation may be returned to the floor next week for passage.

By Mr. MONDALE.

S. 1939. A bill to prohibit pyramid sales transactions, and for other purposes. Referred to the Committee on Commerce.

Mr. MONDALE. Mr. President, today I am introducing legislation designed to protect the consumer public from what is rapidly becoming the "consumer fraud of the 1970's"—the pyramid sales operation.

Last year, I introduced similar legislation, aimed at ending these fast-growing practices. Since then, I have consulted extensively with a variety of Government and industry groups, in particular with the National Association of Attorneys-General. In my own State of Minnesota, Attorney General Warren Spannaus has been a leader in the crackdown against fraudulent pyramid sales operations. His leadership—and the need which he and many others have expressed for strong Federal legislation to aid them in their struggle against pyramid sales schemes—has been vital in this field.

In the world of consumer fraud, the faces change but the vice remains the same. The Wisconsin Supreme Court has accurately described today's pyramid sales operation:

> However long the scheme lasts, it will infallibly leave a greater or lesser crowd of dupes at the end with no opportunity to recoup their losses because the bubble has at last burst. It contemplates an endless chain of purchasers, or, rather, a series of constantly multiplying endless chains with nothing but fading rainbows as the reward of those who are unfortunate enough to become purchasers the moment before the collapse of the scheme. While contemplating large gains to the original promoters and early purchasers it necessarily contemplates losses to the later purchasers; losses increasing in number with the greater success of the scheme. . . .

That description of chain selling was made in 1906. Nearly 70 years later, we find ourselves in the midst of an epidemic of vicious chain selling enterprises, which William J. Casey, former Chairman of the Securities and Exchange Commission, estimated last fall had taken over $300 million in investment money from the American public.

The operation of pyramid selling schemes has many, often complex variations. However, the basic scheme follows a recognizable general pattern.

The organization through which pyramid selling operates is composed of a number of different marketing levels. Consumers make an initial investment in one of the lower levels in the organization. For the money paid, they are given an inventory of the product which the organization is ostensibly organized to promote. The retail value of this initial inventory is usually considerably below the cost of the investment required.

These initial recruitments are made at promotional meetings, which are themselves an objectionable feature of these schemes. A wide variety of deceptive,

high-pressure sales techniques are used to recruit new investors, including the planting of shills in the audience, who prominently display wads of large bills and promise the potential investor that the road to easy riches is at hand.

In one pyramid sales operation, those trying to recruit new members are advised to "buy a Cadillac, assure everybody you're making a fortune, hand out big checks at opportunity meetings, advise people they better get in fast because only a few slots are left." Prospective investors are bombarded with professionally staged selling talks from these shills, with the result that potential investors cannot make a rational choice.

Once the initial investment is made, the investor is encouraged to move up along the various marketing levels of the company—investing more money at each step—on the promise that he will be able to share in the allegedly lucrative amounts of money to be earned through the recruitment of still others to join the scheme. In the pyramid sales operations, it is made clear at the promotional meetings that the real "opportunity for riches" comes not from selling the product or service ostensibly promoted by the operation, but rather from inducing others to join.

As the Securities and Exchange Commission states in its complaint against "Dare To Be Great," one of a number of pyramid selling operations promoted by Mr. Glenn W. Turner:

> As part of said scheme the defendants through Dare To Be Great purport to market a series of tape recorded, self-improvement courses, which are designated "Adventures" I, II, III, and IV. The Marketing of said courses is but the vehicle by which defendants involve the purchasers therein in their centrally directed, nationwide, pyramid-selling scheme, whereby said investors are induced by the promise and expectation of fantastic income to invest their money for the right to introduce others who will in turn be similarly induced by the defendants to invest and bring still other investors into the pyramid . . .
>
> An investor at the Adventure III level is induced to pay an aggregate of $2,000 primarily upon the promise of an opportunity to share in profits derived from his introduction of other investors that the defendants recruit either at the Adventure I, Adventure II, or Adventure III level. An investor at the Adventure IV level is induced to pay an aggregate of $5,000 primarily upon the promise of an opportunity to share in profits derived from his introduction of investors that the defendants recruit at any Adventure level.

In this operation, an investor who wishes to rise to the top marketing level must pay an aggregate of $5,000. Of that amount, a total of $3,800 goes to previous investors who are paid huge fees for recruiting others to their ranks. In another similar operation—Holiday Magic—a person wishing to attain the top marketing rank—"general distributor"—must pay $4,000, of which $3,000 goes to the previous "general distributor" who "sponsors" the new person wishing to attain this rank.

The motivation all along the chain, therefore, becomes that of recruiting new bodies to join the chain, thereby reaping the large amounts of money supposedly to be derived from this recruitment of those further along the chain.

As with any chain selling device, however, promise and performance are usually very different. Although a certain number of individuals who are into the chain at an early stage do make money—occasionally large amounts of money—the essential vice of these operations is that of any chain referral scheme: There are simply not enough bodies to keep the chain in motion.

Thus, if one person recruited six "friends" into his scheme, and if this friend obtained six more friends, and if this process were repeated for a total of nine times, the number of people in the chain would total 10,077,696. Obviously, this is a process which cannot be sustained. Unfortunately, however, those who enter this operation after the first few steps in the chain find that out only after a substantial investment of money.

There is no doubt that the net effect of these types of promotions results in large losses to the consumer public. The Pennsylvania Bureau of Consumer Protection obtained information from Dare To Be Great, Inc., concerning their operation in Pennsylvania. They concluded that only 26 percent of the money invested in Dare To Be Great by Pennsylvania residents had been recouped by investors—only $356,700 out of $1,358,300. In addition, a New York deputy attorney general who investigated Koscot International, another one of Mr. Turner's enterprises, reported that of 1,604 distributors and subdistributors in New York State, only 79 had earned more than $5,000 during the year under study and only 10 had earned more than $20,000. This was in an operation in which every investor was promised—before he invested—that he would make at least $100,000 per year.

The investigator in New York reported that if all the people in the New York program were to make the promised $100,000 per year, "at the end of the first year at least 150,000 new distributorships would have to be created and at the end of the second year New York alone would have to have 150 million distributors."

These pyramid sales operations are a major consumer problem which largely remains unsolved today. The vice chairman of the Consumer Protection Committee of the National Association of Attorneys General, in a letter to me, called these operations "perhaps the most serious pending consumer fraud problem." Bruce Craig, assistant attorney general in Wisconsin, stated in a letter to me that—

> It has been by personal experience, gained from contacts with many other attorneys general of their assistants, that these chain schemes have caused more concern among state enforcement officials than any other form of white collar offense.

At both the State and Federal levels, there have been significant steps taken to combat the problem.

Indeed, the operations of Glenn Turner—once the largest and most "successful" of the pyramid sales operators—have largely been halted as a result of a recent settlement of claims arising against his corporations. Under this settlement, 75,000 claimants would divide about $3 million, after Mr. Turner had turned his existing assets into cash.

However, the terms of this settlement were the results of complex negotiations and lawsuits which may prejudice the rights of many people defrauded by Mr. Turner to the full amounts which they deserve.

In addition, for each Glenn Turner whose operations are halted as a result of long and complex litigation or other proceedings, other pyramid sales operations appear which are equally vicious and which together are taking an ever-increasing toll on the American consuming public.

Federal Trade Commission action against William Penn Patrick, whose "Holiday Magic" group of companies is now the largest operating pyramid sales scheme, has consumed 3 years with no final resolution yet achieved. The complexities of this litigation point to the need for a clear, prohibitory Federal statute to help eradicate the pyramid sales problem.

While Federal agencies have pursued actions against the major pyramid operations with diligence, the statutes under which they operate often preclude swift, effective action to eliminate the pyramid sales device and provide full individual recovery.

In addition, State attorneys general have begun vigorous enforcement against some of these pyramid operations. Approximately 20 States currently have laws dealing with the pyramid sales problem, and 42 States have begun some legal action against one or another of Mr. Turner's enterprises. Over half a dozen States have legal action pending against the "Holiday Magic" group of companies, which is now the largest pyramid sales scheme currently transacting business in the United States.

In Minnesota, Attorney General Warren Spannaus has vigorously pursued pyramid sales companies which have taken approximately $4 million from Minnesotans since 1970. Last fall, the attorney general obtained convictions against Holiday Magic and two of its local distributors in the first criminal case which has proceeded to trial.

Yet, despite his success in obtaining injunctions and criminal convictions, Attorney General Spannaus has written me of the need for Federal action:

> Although we have been highly successful, the efforts of this office have not eradicated the pyramid sales problem in Minnesota. Bordering states have different types of multi-level and pyramid sales regulations or prohibitions, and in some cases, have no legislation at all. The companies we have stopped in Minnesota move to North Dakota, or some other neighboring state, and lure our citizens across the border. To fully protect the Minnesota investor, Federal action is necessary . . . Each month new pyramid sales and multi-level distribution schemes are developed. Unquestionably, there is a need for uniform Federal legislation which will protect all consumers from the evils of pyramid sales distribution. I consider the need for this legislation to be immediate.

This percent need for Federal action is shared by others who have been active in fighting pyramid sales organizations.

Dean W. Determan, vice president for

Government and Legal Affairs for the Council of Better Business Bureaus, stated in a letter to me that—

While the Federal Trade Commission and the Securities and Exchange Commission are both taking actions in this sphere of business activity, their rules and orders are directed against individual companies and promoters, and each action takes a long time to accomplish.

And Douglas R. Carlson, assistant attorney general in Iowa, has written me that—

As soon as a company is run out of one state it then increases its activities in other states and may even form an additional corporation and go back into the state banned in, forcing that state to bring additional litigation against each new corporation brought into existence. This type of individual state attack has also resulted in a situation where such companies are now concentrating their activities in states which have no prohibitory legislation against their activities. Many companies are now conducting heavy drives to fly, but or otherwise induce residents of other states to travel into states their activities are not prohibited in, there to be given the company's sales pitch.

There exists a definite need for effective Federal legislation to alleviate this problem.

Any such Federal legislation, however, must be aimed squarely at the fraudulent pyramid sales operation, and not the many legitimate corporations which sell products or services using commissions, door-to-door selling techniques, or legitimate franchise arrangements.

The Council of Better Business Bureaus has developed a number of yardsticks by which to separate the legitimate from the fraudulent multilevel sales corporation.

Among these are whether the company promotes retail sale of its product, or whether it stresses unending recruitment of distributors; whether there are promises of high potential earnings made; whether the company requires more than a minimal initial inventory at relatively low cost to become a distributor; and whether the firm will guarantee in writing that any products ordered but not sold will be bought back by the company within a reasonable period of time for a certain percentage of the price paid.

The basic vice of the fraudulent pyramid sales device is the combination of limited or minimal emphasis given to sales of products or services to the consuming public—as distinguished from resale between various levels of the pyramid sales operation—and the heavy emphasis on the alleged profitability to be derived from recruitment of other "bodies" to join the endless chain.

The legislation which I am introducing today imposes criminal and civil penalties on those fraudulent pyramid sales operators who prey on the public with unfounded presentations of future earnings through endless chain promotions.

This legislation would provide for a fine of up to $10,000 or imprisonment for up to 5 years, or both, for those selling or attempting to sell a participation in a pyramid sales scheme.

In addition, any person who induces another person to participate in such a scheme shall be liable to that person for twice the amount of the consideration paid, and recovery of court costs and reasonable attorney's fees.

Pyramid sales schemes are defined by the proposed legislation as including any plan or operation for the sale or distribution of goods, services, or other property which contains any provision for increasing participation in the plan, through a chain process. This chain process is further defined to include payment of valuable consideration for the right or opportunity to either receive compensation for introducing one or more additional persons into participation in the plan—each of whom receives the same or a similar right or opportunity—or to receive compensation when a person introduced by the participant introduces one or more additional persons into participation in the plan—each of whom receives the same or a similiar right or opportunity. In this definition, payments based on sales at retail to ultimate consumers are specifically excluded from coverage as an illegal activity.

This language seeks to isolate out the fraudulent pyramid sales operation, while not affecting the hundreds of legitimate corporations which do business using commission arrangments or franchise organizations, in which the primary aim is sales to the consuming public, rather than recruitment of additional persons into an endless chain system.

The proposed legislation also provides that either the Department of Justice or the chief law enforcement officer of any State in which an illegal pyramid sales practice has occurred may seek injunctive relief in the U.S. district courts.

This combination of remedies—prosecution by the Department of Justice of criminal violations, action by an aggrieved person to recover double damages plus costs and legal fees, and suits brought by either Federal or State authorities to gain injunctive relief—affords the variety of procedures needed to protect the consumer public and offer relief to those who have been defrauded.

The injunctive relief provisions are particularly important in view of the tendency of many pyramid sales operations to deluge a State with a quick, massive sales attack. Unless State or Federal officials can gain quick injunctive relief, consumers will be defrauded of millions of dollars before the plan can be forced to stop operating in that State.

The legislation I am offering today meets the need for a tough but flexible statute to end these practices which take millions of dolars from American consumers each month. By providing a variety of remedies, and by defining pyramid sales schemes to prohibit only those operations which use fraudulent or improper practices, it offers hope of a quick end to this recurring national consumer fraud problem.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

I also ask unanimous consent that a number of recent articles on pyramid sales operations be inserted at this point in the RECORD.

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

S. 1939

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

SECTION 1. As used in this Act—

(a) The term "sale or distribution" includes the acts of leasing, renting, or consigning.

(b) The term "goods" includes any personal property, tangible or intangible, real property, or any combination thereof.

(c) The term "other property" includes a franchise, license, distributorship, or other similar right, privilege, or interest.

(d)(1) The term "pyramid sales scheme" includes any plan or operation for the sales or distribution of goods, services, or other property which contains any provision for increasing participation in the plan through a chain process, whereby a participant pays a valuable consideration for the right, privilege, license, chance, or opportunity—

(A) to receive compensation for introducing one or more additional persons into participation in the plan, each of whom receives the same or a similar right, privilege, license, chance, or opportunity; or

(B) to receive compensation when a person introduced by the participant introduces one or more additional persons into participation in the plan, each of whom receives the same or similar right, privilege, license, chance, or opportunity.

(2) The fact that the number of persons who may participate may be limited, or that there may be conditions affecting eligibility in the plan, does not change the identity of the plan as a pyramid sales scheme.

(e) The term "compensation" includes payments based on sales, when such sales are made to persons who are also participants in a pyramid sales scheme or are purchasing to become participants in such a scheme, but does not include payments based on sales at retail to ultimate consumers.

SEC. 2. Whoever, in connection with the sale or distribution of goods, services, or other property by the use of any means or instrumentalities of transportation or communication in interstate or foreign commerce or by use of the mails, knowingly sells or offers or attempts to sell a participation or the right to participate in a pyramid sales scheme shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

SEC. 3. (a) Any contract made in violation of section 2 of this Act is void and any person or persons who knowingly induce another person to participate in a pyramid sales scheme shall be jointly and severably liable to that other person in an amount equal to the sum of —

(1) twice the amount of consideration paid; and

(2) in the case of any successful action to enforce such liability, the costs of the action together with a reasonable attorney's fee, as determined by the court.

The district courts of the United States shall have original jurisdiction of any action brought under this section. An action under this section may be brought within two years from the date on which such consideration was paid.

(b) In any case where two or more persons induce another person to participate in a pyramid sales scheme and thereby incur a liability under this section, the amount which such other person may recover from any or all such persons is limited to the amount referred to in subsection (a).

SEC. 4. Whenever it appears that any person is engaged or is about to engage in any act or practice which constitutes a pyramid sales scheme, the Attorney General of the United States or the chief law enforcement officer of the State in which the act or practice occurred may bring an action in the appropriate United States district court to enjoin such act or practice. The district

courts of the United States shall have original jurisdiction of such actions and shall provide appropriate relief. Upon a proper showing, the district court shall grant a temporary restraining order, or a preliminary or permanent injunction without bond.

SEC. 5. Payments for sales demonstration equipment and materials furnished at cost for use in making sales and not for resale, provided that the total cost thereof does not exceed $100, shall not be prohibited by this Act.

SEC. 6. This Act does not annul, alter, or affect the scope or applicability of the laws of any State relating to pyramid sales schemes or similar distribution systems except to the extent that such laws are inconsistent with the provisions of this Act, as determined by the Attorney General of the United States.

PYRAMID SALES ARE NOW CHIEF CONSUMER FRAUD HERE

(By Grace Lichtenstein)

James Green is an energetic black civil servant in his 40's who signed on with a sales outfit called the P.R.I.C.E. Club in July, 1971. He had visions of finally making "big money." Today, James Green is $5,000 in debt and his life savings are gone. He is another victim of the pyramid sales scheme.

Pyramid sales—those get-rich-quick business propositions that work on the chain-letter principle, involving an ever-increasing number of participants—are currently the number one consumer fraud in the metropolitan area.

Consumer protection officials in New York, New Jersey and Connecticut say that despite mounting adverse publicity in dozens of states, including a $3.5-million suit here against a company called Holiday Magic, the schemes are simply too alluring for hundreds of gullible investors to resist.

"We explain to people that it's a fraud, that they'll probably lose money, that they'll wind up cheating their friends, and then we get all through, they still say, "I'm going to try it," says Howard J. Rubin, staff attorney for the New York City Consumers Affairs Department.

The department has identified at least 19 companies now allegedly involved in pyramiding here in the city. "There's a new name every week," declared Bruce C. Ratner, the department's law-enforcement chief. "Nearly a third of our staff is bogged down with this."

And in Connecticut and New Jersey, officials also report a growing pyramiding problem. Last month New Jersey obtained $696,700 in restitution for residents who lost money in Glenn W. Turner's "Dare To Be Great" program, a motivational course. Mr. Turner also created Koscot Interplanetary, a cosmetics company like Holiday Magic.

Furthermore, the experts say that the pyramiding companies, having been hurt among white middle-class potential investors by bad publicity, are now concentrating with great success on blue-collar and white-collar blacks and Puerto Ricans.

In several of the operations, investigations have turned up alleged frauds-within-frauds, involving, among other things multiple bank loans and planned bankruptcies.

The story of the P.R.I.C.E. Club is, in some ways, typical of many unpublicized pyramiding companies.

The club was formed in Massachusetts in 1970 as a discount buying club, offering $10 yearly memberships that supposedly would entitle consumers to fat discounts on merchandise in selected stores.

Under this scheme, potential investors are told they can make huge sums of money for an initial investment of up to $5,000. They buy "distributorships"; to make back their investment, they must each sign up still lower-level distributors, and so on. At the bottom of this infinite pyramid are the salesmen selling membership cards in the club (or in the case of other pyramid schemes, cosmetics, gasoline additives, clothing, wigs, etc.).

The basic pyramid scheme has been labeled inherently fraudulent by almost every consumer protection official in the country. Virginia H. Knauer, the White House consumer adviser, explained why in a recent speech:

"The bubble bursts just like the old chain letter. The problem is that within a short period of time mathematically one runs out of people [to sign up]. Two [original distributors] carried to the 29th power equals the approximate population of the United States."

In Massachusetts, P.R.I.C.E. Club quickly came under surveillance by the Attorney General. But before any legal action could be taken, the club declared bankruptcy in March, 1971, and left the state.

That same summer, P.R.I.C.E. Club Inc. headed by a Long Island entrepreneur named Roy Jaeger, became active in New York, working in almost the same way as the Massachusetts club.

Potential investors like James Green were invited to "opportunity meetings"—sales sessions, usually held in respectable hotels, in which frantic pitchmen described the pot of gold awaiting distributors.

James Green (that is not his real name) said he was told he could make $4,000 in three months for an initial investment of $105 just for selling membership cards. Soon, he was lured into a bigger investment for a distributorship.

Mr. Green did not have the required $2,500 in his savings account. That was no problem, the club officers told him, because First National City Bank was writing personal loans for just such investments.

In fact, the August, 1971, club newsletter advertised such loans saying that "after thorough investigation" the bank had found the club to have "definite value." City-bank loan applications were prominently displayed at "opportunity meetings."

Mr. Green and at least 17 others got Citybank loans. Last week, a bank spokesman said that the bank "didn't know" the club was involved in pyramid sales. "We did not know it was a fraud. Should we investigate the proceeds of every loan?" the spokesman asked. He added that the club had been recommended to the bank as a good outlet for loans by one of the bank's "good customers."

With his loan, and subsequent loans, Mr. Green and other distributors enthusiastically went about luring friends, relatives and colleagues into investments. They also tried to line up additional stores at which members could get discounts. They were promised a cut of all commissions paid by the store to the club on member sales.

According to Mr. Green and other distributors, all of whom asked to remain anonymous because of their embarrassing financial predicament, a black man named Arthur Moore, the club's sales manager, played a major role in lining up investors, about 80 per cent of whom were black.

By January, 1972, the club was having difficulties. Members complained that the discounts they were getting were tiny; distributors were not getting their commissions.

In June, 1972, the club filed a Chapter XI petition in bankruptcy court, a procedure that allows a debtor to retain possession of his company. By this time, according to John Snyder, a Brooklyn man who is president of the distributors' association, there were about 700 major and minor investors in the scheme.

At the same time, Mr. Jaeger's lawyer, William J. Henry, negotiated a deal turning over operations of the old club to a new, separate one, P.R.I.C.E. Club Ltd., headed by William J. Peters.

Thus, the new club was able to continue to solicit without paying renewals and collect commissions from stores without paying anything to the distributors, whose contracts were with the old club. The old club was finally adjudicated bankrupt last November.

The distributors attempted to get help from the bankruptcy referee, Edward J. Ryan, and from consumer agencies by charging in person and in letters that the bankruptcy had been planned all along, just as it had been in Massachusetts, that Mr. Jaeger and others had somehow made $600,000 in funds disappear, that the new P.R.I.C.E. Club was swindling them out of commissions and that the old club had used a false business address.

The letters to Mr. Ryan were never answered, according to Mr. Snyder.

QUESTION OF JURISDICTION

Consumer protection agencies offered the distributors little relief, saying they were not sure they had jurisdiction over the case. When the distributors complained to Attorney General Louis J. Lefkowitz, they were told to try District Attorney Frank S. Hogan. Mr. Hogan's office told them to try United States Attorney Whitney North Seymour Jr. Mr. Seymour's office told them to try the Federal Bureau of Investigation. The F.B.I. is now looking into the case.

The city's Consumer Affairs Department sent form-letter replies to two letters. Mr. Ratner, the law-enforcement chief, explained that the department felt it would have only a slim chance of getting refunds from a bankrupt company.

"Our strategy was to get the biggest [pyramider] and make an example of it," he said, referring to the city's suit against Holiday Magic.

Roy Jaeger, the old club's president, now lives in Florida. Attempts to find him there were unsuccessful and his lawyer, Mr. Henry, was unavailable.

The old club apparently did list a false address on its court papers—320 East 23d Street. Neither Mr. Jaeger nor the club is listed as a tenant in the modern high-rise apartment building now, and the managing agent, Goodstein Building Corporation, said the building has never had such tenants.

NEW CLUB'S STAND

Mr. Peters, head of the new club, says multilevel distributionships no longer are being sold. He says the old club's distributors could start selling memberships again if they wanted to, but have instead made an attempt in the bankruptcy court to get their money back. The distributors say Mr. Peters will not honor their cards unless they sign a new agreement with him.

"I have no legal obligation to them," Mr. Peters said in a telephone interview.

Mr. Moore, the old club's sales manager, is now president and a major stockholder in a new discount buying outfit, the Diamond Club, that says it does not use multilevel sales. Mr. Moore says he personally lost $18,000 in the P.R.I.C.E. Club. But he added, "It's a tax loss." He has $60,000 invested in the Diamond Club.

As for James Green, there no longer seems a pot of gold at the end of the pyramid rainbow. "We thought it would work." he says now. "We were so naive. We were so gullible."

Alexander H. Rockmore, lawyer for the bankruptcy trustee, summed up the entire bankruptcy case by saying, "The whole thing smells."

Mr. Rockmore said that the bankruptcy court could have done hardly anything to help the distributors because, along with other creditors, "under the Bankruptcy Act, they're all equally stuck." The court, "should have gone deeper" in investigating the deal that turned operations from the old club over to Mr. Peter's new club, he said.

Of the victims, Mr. Rockmore concluded sorrowfully: "Unfortunately, the world is full of saps."

CITY STUDIES COMPLAINTS

The New York City Department of Consumer Affairs is investigating complaints about the following companies allegedly using pyramid sales:

Action Industries (fuel additive), Alexander Taylor (clothes), Amperiprise (home cleaning products), Bestline (soap products) Bob Cummings Inc. (vitamins), Cash-chek (buying club), Dare To Be Great (motivation course), Futuristic Foods, Galaxy Foods, Golden Products (household items), Guardiante (fire and burglar alarms), Holiday Magic (cosmetics), Koscot (cosmetics), P.R.I.C.E. Club (buying club), Princess Club of America (hosiery and cosmetics), Regency Ltd., Sta-Power (fuel additive) and Steel (fuel additive).

According to the department, one parent company, U.S. Universal Inc., owns Holidays Magic, Ameriprise, Sta-Power, Alexander Taylor and Bob Cummings. Koscot and Dare To Be Great are both Glen W. Turner enterprises.

MONEY GAMES IN WASHINGTON

(By Rudy Maxa)

Getting rich, a sweet and ageless topic, was the subject of J. C. Sorrell's oratory one night last month. Speaking to an Arlington motel meeting room filled with people, pudgy, bubbly J. C. brought his listeners to their feet, chanting and screeching for all the money they could make by playing the game J. C.'s way. The next day I called Sorrell and asked him to elaborate on his business, him being a lecturer on getting rich and all.

"Business?" asked a surprised-sounding Sorrell. "I'm a self-employed air conditioning repairman."

Was he talking about air conditioning repair the night before at the Arlington motel meeting room? (J. C.'s kind loves to speak in motel meeting rooms.)

"Let me put you on hold for a minute," Sorrell said, sounding a little edgy.

Then a woman came on the line and asked if Mr. Sorrell could return the call because he would be on another line "for a couple of hours."

J. C. Sorrell forgot to return the call. J. C.'s kind often forgets to return calls when uncontrolled publicity threatens.

The get-rich-quick urge is alive and doing quite well in America thank you. Perhaps it is the none-too-subtle message of our advertising which says you can (and should) have everything immediately—and you only have to pay for it in parts. Perhaps it is the peculiar American impatience with having to wait for anything be it a fine dinner or the next flight. Maybe it is feeling that so many people have so much . . . except you hamstrung by inflation, taxes and grubby necessities.

Whatever the reason, an on-the-run way of doing business has emerged to cater to anyone—undereducated or overeducated, financially desperate or financially comfortable—who feels that some fast money would sure make things better. This method of doing business is called pyramiding: an individual invests in a company that grants him the right to recruit more people into the company. For his recruiting he then collects a fat reward.

Most companies that have the look of a pyramid about them work out of area motels. Company names can be changed without having to repaint a sign on an office door, rent is paid only as space is needed, no listed phone is required. And mobility is no problem for these men in flashy, double-knit suits, unborn-calfskin boots and bejeweled hands which weave dreams of easy money.

Favorite targets of pyramid hustlers are:

Warehousemen from Beltsville who have found that a high school diploma doesn't go far.

Young marrieds from the inner city who want a larger, safer apartment for their children.

Arlington computer programers who have decided the future is not in instructing machines.

But Bethesda GS–16s have been snagged, too, and consumer agencies' files bulge with tales of little folks on fixed incomes who borrowed, invested and lost big money on a passel of promises and glorious predictions.

The problem is national, and now even international. The Department of Consumer Affairs in New York City says pyramid schemes are the No. 1 consumer fraud in the city's metropolitan area.

Forty eight state attorneys general have done battle with one pyramid company or another. But the frays have been frustrating ones for the prosecutors while the nationwide take for the pyramiders runs well into the hundreds of millions of dollars.

The reason few pyramid companies have ever been once-and-for-all closed down is that most states (and federal agencies) are not equipped—either with enough manpower or specific laws—to deal with pyramids' outlandish ways of doing business. And it is difficult to prosecute companies that can change their names and officers like restaurants changing tablecloths.

The son of a South Carolina sharecropper is generally acknowledged as the person who raised pyramiding to the level of a worldwide art. His name is Glenn W. Turner and he likes hamburgers. He also likes to tell people that he is a millionaire and, heck, with his hare-lip, perforated eardrum, flat feet, false teeth and toupee, if he can make it . . . no reason you can't.

Close to 75,000 people agreed with him and invested millions in his two major companies, Koscot and Dare To Be Great. The Securities and Exchange Commission closed down DTBG and various state courts whittled away at Koscot.

But it is a comment on the universal lure of the pyramid to note that Dare To Be Great is perking along like a good multinational in Europe and in South America. Turner now rents a ballroom in the Caracas Hilton, hires a translator and tells crowds south of the border about the good, moneyed life. Australia, which has welcomed other pyramiders, beckons.

Back home in the States, Turner is in more than a bit of legal difficulty, but he is still organizing and inspiring companies, promising he will not pyramid, only retail products. His latest sally is called "Welcome To Our World," a nationalwide chain of "mind spas." Similar in concept to health spas, these establishments try to rejuvenate the mind, for a yearly fee, naturally—and may make Glenn W. the Vic Tanny of right-thinking.

The story of another Turner-inspired company operating locally, and the stories of other games in town that have offered so much to so many, are still being played out in motel meeting rooms across the country. You have to be there to learn of them; J. C. Sorrell, and others who play by his rules, don't often return your calls.

BESTLINE'S LINE

(By Rex Rhein)

I met a young man at a party who tried to convince me I could double my income with "part-time" work. My new friend was a staff scientist at the Smithsonian Institution—with a Ph.D.—and it was a physicist who had originally interested him in this "amazing deal," he said, where one "makes money by making other people successful."

The financial possibilities are so unbelievable, he told me, that he was considering giving up his current position at the museum to work on it full time.

It sounded a lot like Glenn Turner's "Dare To Be Great" self-improvement plan. My new friend had even printed on his calling card: "Greatness consists in trying to be great" (—Albert Camus). But he assured me it wasn't Dare To Be Great." This was a company called Bestline, and its genius was Bill Bailey, who wasn't at all like Turner. Bailey had even won the Horatio Alger Award. (People like Bob Hope and Norman Vincent Peale have won this award," he said to my blank stare. "It goes to people who foster enterprise.")

A doctor at the party said he could use an outside source of income "if times get tough" (I wondered when times got tough for a radiologist) and both of us were invited to a meeting at the Ramada Inn in Bethesda the following weekend to learn all about it.

There were more than 100 people in the crowded room when I arrived that Friday night, a mix so varied it even included one man with a beard wearing a turban.

Inside, a slide show was beginning, interspersed with lectures on Bestline—a company based in San Jose, Calif., that makes and sells cleaning products.

Bill Bailey's fleshy face flashed at us from the screen. His voice, sounding like someone chewing bubble gum, told us that "We need hundreds of thousands of people to sell products to millions of people who need them."

They seemed like good products—phosphate-free and biodegradable. But why was my host so enthusiastic about them? Then Bailey told us that people no better than we "actually earn $2,000 to $3,000 a month" as Bestline distributors.

Selling soap? Would a scientist think of dropping his life's work to sell soap?

He might if the price was right and I learned, when the lights went on, that there were brainy guys all over the room who thought it was. One was a former teacher and principal, who told us he had earned $24,000 a year in bonuses alone, for better than $175,000 worth of retail sales. It didn't even count his commission on all those sales, which could run as high as 60 per cent if he sold it himself, or as little as 8 per cent if his "organization" did all the work. But that's at least $14,000; maybe a lot more.

We learned there was a dentist in Baltimore who had earned a $30,000 bonus. (That's for $200,000 in sales, earning commissions of at least $16,000.)

Suddenly there were people popping up all over the room telling about the bonuses they'd made. I could feel the impact on the crowd: Wow! They can do it! We can make it too!

I almost didn't hear one of the area coordinators tell us, offhandedly, "I don't want to give the false impression that everyone in this room will earn a $30,000 bonus. . . ." No. Mostly, I heard their enthusiastic exclamations of how good it is to have a lot of money. One of them told us how he'd sent his aged mother to Italy last summer.

My host turned to us after the show ended and said excitedly: "See what I mean? Listen, the best part is the management and executives' meeting at nine tomorrow morning. That's when they really explain how you make money." The doctor and I promised to be there.

The Ramada Inn had a deserted look when I arrived at 9:15 the next morning. Saturday morning. Only about half of those who'd been to the previous evening's session had showed up, I noticed, as I quietly took a seat in the rear of the room. Chuck Ferrarese, the area coordinator for Maryland and D.C., was drawing on the blackboard with a piece of chalk, explaining how we could earn $17,000 a year for "one or two nights a week" work.

We had to invest money to become Bestline

"distributors." We bring people to meetings like these (for "one to two nights'" work). Enough "join the company" that we recoup our investment. Then we continue to earn money from the recruiting efforts of the ones we had sponsored, who recoup their investment by bringing people in, etc., etc., etc.

The investment was $3,700, and we were encouraged to borrow it. About 90 per cent of Bestline's distributors borrow the money to "come in" to the company, Chuck said.

Wait a minute, I thought. Isn't it illegal to borrow investment capital? Well, yes it is, on stocks and bonds and down payment loans. But I learned it isn't illegal to borrow to "buy business inventory." In fact, the laws encourage you to borrow money to start a "business" by giving you tax breaks on interest. The government itself even makes "small-business loans" for such purposes.

The "inventory" is soap, of course. Bestline products. Soap, waxes, household and industrial cleansers, even some cosmetics. But it won't take up much space, Chuck told us. The entire $3,700 shipment "takes up the space of a Volkswagen bus."

Payments would amount to $100 to $140 a month, he said. We weren't to let that worry us. Being in debt would only spur us on to working harder to build up our "organizations" and pay it off. He said he paid his off in only six months.

When I expressed my misgivings about the whole thing to my "sponsor," he seemed genuinely puzzled by my failure to grasp the simple arithmetic involved.

"Listen," he said, "everyone can make it. Dodo Joe—with bad teeth and bad breath—can make it. All he has to do is bring down enough people to these meetings. The presentation sells them." I said I'd be ashamed to bring friends and acquaintances, to such meetings. They'd likely lose their $3,700 and wind up with a Volkswagen bus full of soap they couldn't sell because they had trusted me.

Chuck was offended at my thinking. Bestline wasn't a pyramid, he told me, because it limits the number of active distributors it will authorize to one for each 5,000 population by state. (That's very roughly about 40,000 Bestline distributors in the U.S. Tupperware, by comparison, has only about 250).

Eventually, I pointed out, the field would be saturated with Bestline distributors and the last ones to come in wouldn't recoup their investments.

"We can't bring in enough people faster than the population is exploding," he assured me.

The unlucky ones at the bottom of the chain would just have to learn to sell soap. But the field hasn't begun to fill up yet, they both emphasized. I wouldn't have to learn the soap business.

Last year the company boasted $100 million worth of sales, and it's only eight years old.

Its investors are essentially promised they won't have to get their hands dirty (if that's the right expression for selling soap). Their "organizations" will endlessly enhance their earnings.

But the basic pitch is the same as it is in all pyramids: the lure of large incomes for very little effort. Easy money.

On Monday I checked the Better Business Bureau of Washington's file on Bestline. Sure enough, the Federal Trade Commission had ordered Bill Bailey and the other officers of the company to "cease and desist" their marketing program in 1971.

FTC's complaint said the program was based on "the exploitation of others who have virtually no chance of receiving a return on their investment and who have been induced to participate by misrepresentations as to potential earnings." This was a violation of the FTC Act.

Rather than face the charges in court, Bailey and the other Bestline officers agreed to the FTC's "consent" order. The order doesn't require them to admit they did anything wrong. It says stop doing it in the future. If they didn't, they were liable to a $5,000 fine for each violation.

Well, I wondered, why was Bestline still marketing its soap with the pyramid technique? Why had the FTC failed to follow up its consent order with legal action against the company?

The FTC has, indeed, followed Bestline's compliance, I learned. In the process, to date, the company has been given every break.

The commission has "monitored" Bestline in the last two years by getting a copy of the "opportunity meeting script" along with all promotional films and literature and judging whether these were in compliance with the FTC consent order.

FTC's judgment, rendered in late February of this year, was that Bestline's current marketing program fails to comply with the order.

The next step is for FTC to put manpower into finding specific violations. Since the agency has been "inundated with complaints" about Bestline lately, these should not be hard to find.

The reason FTC's compliance section has not done this before is that it has been waiting for the commission's verdict on the marketing program. Now, Bestline has been warned twice, and presumably is in a weaker position, legally, if a case goes to court.

The last I heard from my "sponsor" was a call some weeks later with the news that his friend, the radiologist, had joined Bestline as a distributor. "He's so turned on it's not even funny."

I didn't think it was funny either.

Ameriprise Surprise: All Was Not as It Seemed

There is a photograph of local university professor Alfred Hoyte and his wife Marie in the November issue of Ameripress, the slick, in-house publication of the Ameriprise company. They are standing together, clean cut, smiling hesitantly, under a headline which reads "Top Ten Distributors—1972." They are listed among the company's top money makers.

But now, a few months later, the Hoytes speak bitterly of their involvement in Ameriprise, a company whose distributors are supposed to sell home cleaning products and whose vice president is actor Bob Cummings.

In the begats of the pyramid business, Ameriprise is out of U.S. Universal ("The sun never sets on U.S. Universal," I was told), one of the oldest companies that can apparently thank the pyramid way of doing business for its existence.

Its nationwide cosmetic firm, Holiday Magic, is now eight years old and is the company Glenn Turner worked for before beginning his own wildly successful cosmetic pyramid company, Koscot, in 1967.

"If Turner had stayed with us, he wouldn't be in trouble now," said a U.S. Universal employee recently, a dubious assumption at best, since, in a January, 1971, complaint, the FTC held that Holiday Magic "operates in the nature of a lottery, engages in false, misleading and deceptive practices including misrepresentation of earning potential."

The Hoytes' experience with Universal's newer company, Ameriprise, was that the selling of home cleaning products was secondary to recruiting new investors. As the business was outlined to them, an individual could become a master distributor for $3,000, receiving in return $4,500 in retail products and a 50 per cent buying discount on products.

The top level of the pyramid is that of general distributor. To become a general, and thereby be permitted to bring in other generals for almost a $4,000 commission, a master must attend two training schools ($400) and submit a $3,000 check to be held in escrow until he has replaced himself with another master.

It is a complicated system, but one that can make almost anyone rich, according to Lillian Wheatle, a company trainer who told me I could work only 15 hours a week and bring in three generals to earn $10,000 a year. Or I could recruit six generals and make $22,000. Or I could quit my job, recruit full-time and bring in one head a month for an annual income of $44,000. Plus I would then have 12 masters who would want to become generals and would have to pay me for the privilege. Oh, yes, there's the commissions from retail sales by my recruits, too.

"It just goes on and on and on," Lillian Wheatle told me brightly.

It did not go on and on for the Hoytes, who realized six months after they had joined Ameriprise that all was not as it had seemed.

"The essential misrepresentation is that you're told you can make $5,000 a month selling retail but there's really no chance to do that," Hoyte says. "There's a meeting every night in which your instructor general whips you into bringing other people in. You have to answer to him if you don't."

Besides investing several thousand dollars to have the right to sell home care products, the Hoytes were convinced by Ameriprise to establish a regional training center, at the suggestion of Ameriprise. They spent $12,000 refinishing the top floor of a downtown office building with the verbal understanding they would receive one per cent of all D.C. sales and that the company would soon buy the facility from them.

Hoyte says he received several hundred dollars in commissions but he still has a year's lease on the offices to pay off. Training goes on in area motels, without benefit of the Hoytes, who are now out of Ameriprise but in debt.

"My mistake was when I looked at the thing it looked quite logical and quite fair on paper," Hoyte remembers regretfully. "But it's not like it is on paper. The people don't really make the money."

Camelon—Far From Camelot

Glenn W. Turner has news for those business magazines that called him the "pyramid king:" he is going straight, no more head-hunting businesses.

The sharecropper's son has traveled a rocky road since his first company appeared in 1967. Then, the flagship company of Turner Enterprises was Koscot, a cosmetic company that let an investor sell cosmetics and, mostly, recruit other salesmen for a healthy fee.

In 1970, Koscot was overshadowed by Dare To Be Great, the motivation course. By the time DTBG was closed down in the summer of 1972, Turner's followers had come to know the pyramid game the same way some truck drivers know the interstate highway system: by heart.

It didn't matter that Koscot and Dare To Be Great were on the decline, it didn't matter that Turner was beleaguered with lawsuits, just give a pyramid player a marketing plan and a company name and he'd run with it.

In a dizzying series of diversifications, Turner's chief lieutenants in the field set up companies that obtained their products and recruiting impetus from Corporate Consulting Services, a Florida company headed by Turner's brother. Another company hired Turner to consult the splinter companies across the nation. In that way he neatly excluded his new offspring from the legal problems, while assuring himself of an income from consulting his former employees.

Now those splinter companies have disbanded and the Turner family is coming together under one name again. The company

is Camelon and its regional vice president is Dave Sullivan. Both Sullivan and one of Turner's closest corporate advisors say Camelon is finally what Turner has worked for all along: a legitimate, honest-to-goodness, this-is-the-real-thing . . . retail sales organization. No headhunting, no pyramiding, jut an efficient retail sales company with Glenn Turner as inspiration.

Camelon is headed by Harry Atkinson, a weather-beaten, pot-bellied former career sailor called "Uncle Harry" by Turner's home office crew in Orlando because he is Turner's uncle. Turner does not own a share of the stock in Camelon, a company representative says, though he is expected to consult and encourage Camelon's growth.

"There's nothing colorful about this company, nothing you could write to make people want to turn the page," says Sullivan, a handsome, tight-lipped fellow who is in charge of recruiting a sales force in Delaware, Maryland, D.C. and Pennsylvania. "Our company is based on truth and honesty."

Sullivan is sitting in a dimly-lit, bordello-red suite at Arlington's Hospitality House motel. He says he used to be a beer-drinking railroad worker in Ohio before someone introduced him to Dare To Be Great. When the operation was shut down in Ohio, Sullivan moved eastward and helped recruit in Baltimore. When DTBG was put out of business nationwide, he ran his own company which was connected to the company run by Glenn Turner's brother.

"When I was in the railroad I never stayed in a motel, let alone a suite," Sullivan says with a trace of Buckeye awe.

He begins to explain Camelon to this reporter who in the past has been skeptical of some of Sullivan's business dealings. He wants to make the reporter understand that Camelon could give people a real chance to make that long leap to wealth and happiness.

Sullivan says Camelon markets cosmetics, fire alarms, cookware, vitamins, home cleaning products and mink accessories door-to-door or through home party presentations. Products are sold through three levels, beginning with the position of a salesman, who receives a 25 per cent buying discount and is usually hired by a sales representative.

A sales representative enjoys a 30 per cent buying discount on products. For this right he pays Camelon $600. About half of that total covers sales training in Washington, the other half covers the cost to the company to keep the sales rep on the books. Nobody, Sullivan says repeatedly, receives a fee for bringing a sales rep into Camelon.

The third and highest level in Camelon is that of a senior sales rep, who pays another $600 (for a total investment of $1,200) and enjoys a 40 per cent discount in buying products from the company. The $600 covers a week of training in Florida, Sullivan says, all expenses paid except transportation.

A senior sales rep must also replace himself (by bringing in another sales rep for no commission), Sullivan says, though one of Turner's legal advisors who is familiar with the Camelon marketing program disputes that point. The replacement factor is not a requirement, he says. Further, a sales rep can move up to the position of senior rep by generating a $4,800 volume in retail sales, thereby obviating the additional $600 charge.

Currently Sullivan and his associates (such as air conditioning repairman J. C. Sorrell) are recruiting salespersons in the same high pressure weekend meetings that characterized previous Turner-controlled or Turner-inspired ventures. But it is too soon to tell if Turner has succeeded in setting his course for retail waters or whether the legal sins of his old companies will be visited on Camelon; recruiting has just begun. Sullivan assures critics that soon all the current recruiters will be out on the street selling door-to-door, just like the recruits.

One attorney who has had extensive dealings in litigation against Turner says he is wary: "It looks to me like Camelon is a short form for chameleon which is the same old Turner just turned another color," comments James Joseph.

But Turner's supporters say if Camelon is given a chance to get off the ground its detractors will see that it is strictly a retail sales organization on par with, say, Avon or Tupperware. If that is so, and if Turner brings his tremendous ability to persuade people to follow him to bear on Camelon, any Turner disciple will tell you it will be the fastest growing company in America.

DOC PROMISES SPEC-31 CAN MAKE YOU RICH

Not all of Turner's disciples are still plugged into his corporate world in Orlando as Sullivan of Camelon is. Some, like thin-haired, but handsome "Doc" Holiday, left Turner and his legal problems and are now trying to play the pyramid game without invoking Turner's name or spirit.

A year ago, Doc, aka Robert Holondak, Richard Holliday or Charles Hallenack, according to court records, held crowds of thousands in his hands at Washington's Sheraton Park Hotel as he preached Dare To Be Great to audiences culled from a five-state area. He was one of the best crowd managers Dare To Be Great had, and Doc was often saved for the all-important "close" part of the program, that time when a sponsor would ask his guest to write out that hefty check.

Now Doc Holiday is co-owner of Spec-31, a young firm that claims to be operating in 10 states. Nine people attended a recent meeting at the Hospitality House motel in Arlington. Four were brought there after answering "yes" to the same question Doc used to ask strangers in the old days: "How would you like to be rich?"

Doc talks in spurts. He machine guns phrases such as "makingmoneyquick" and he pauses, not at the end of sentences, but between challenges, as in: "Can you?" "Make the kind of income you've only dreamed about?" His patter is smooth, but a bit too well-rehearsed, an observation heightened by watching a man who once would not consider a room of only nine people worth his time; his presentation is geared toward large crowds, not modest gatherings.

Spec-31, the guests learned, stood for Security and Protection for Everyone in the Community, the 31 represented 31 good reasons why everyone should buy the Spec-31, a box that looked like a small stereo receiver with an antenna protruding from the center of the top.

When switched on, Spec-31 senses movement of a mass within a pre-adjusted radius, as wall as the presence of smoke and heat. The burglar alarm (sensing movement of mass) relies on radar; the fire alarm (sensing smoke and heat) relies on a heat-sensitive device separate from the main unit.

Burglars and fires are dealt with in the same way: a loud siren blast. Options include a device that can dial a pre-programmed telephone number and report trouble.

Following a film detailing the anatomy of a typical home fire—in which a handsome couple and their two children burn as effortlessly as bacon—Doc explained the business. For an investment of $3,000 an individual receives a demonstration unit and a two-day sales training course. Following completion of the course, the investor becomes a "sales consultant" with the right to sell a Spec-31 retail for $880, earning a commission of $200.

But why do all the work youself? Doc asked. Hire a few salesmen and consider the possibilities: a salesman sells one Spec-31 per week and you split the $200 commission. Hire four salesmen and you take home $400 weekly. Hire 10 and you pull down $48,000 a year. What could be easier?

And one more thing. Apparently Doc is not yet convinced there is no future in selling the right to sell. As a bona fide Spec-31 sales consultant, you can earn a "finder's fee" for bringing in other investors. That fee is $1,200—or the equivalent commission for selling six Spec-31 units door-to-door. As any pyramid veteran worth his training knows, that's something to think about.

By Mr. ERVIN (by request):

S. 1940. A bill to establish a fund for activating authorized agencies, and for other purposes. Referred to the Committee on Government Operations.

ESTABLISHING A FUND FOR ACTIVATING AUTHORIZED AGENCIES

Mr. ERVIN. Mr. President, I introduce, by request, a bill to establish a fund for activating authorized agencies, and for other purposes.

This legislation was requested by the General Services Administration and I ask unanimous consent to have inserted in the RECORD a letter from the Aging Administrator of the General Services Administration explaining the need for its consideration and enactment.

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

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., April 5, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith, for referral to the appropriate committee, a draft of legislation "To establish a fund for activating authorized agencies, and for other purposes." A similar proposal, submitted to the 92nd Congress on November 24, 1971, was introduced by Senator McClellan on December 15, 1971, as S. 3026.

The General Services Administration provides, on a reimbursable basis, administrative support services to a continually changing roster of newly established commissions, committees, task forces, boards, and small agencies, the funding of which is not otherwise provided for.

The experience of GSA with these entities reveals a recurring problem—a lack of access to an initial fund source to enable them, during the interim period immediately following their authorization and the time their appropriations become available, to begin carrying out their assigned missions. The hiatus problem with which these bodies are now obliged to cope, arises from the delay inherent in the budget and appropriation processes. However caused, time is lost to the point of jeopardizing in some instances the meeting of prescribed time limitations. We cite as a recent example of crippling delay the establishment of the Aviation Advisory Commission (P.L. 91-258, approved May 21, 1970), required to present its report and recommendations by not later than January 1, 1972. Appropriations were not enacted for the funding of this Commission until May 25, 1971.

"We believe it desirable to remedy by legislation the funding dilemma which confronts these types of organizations in their early stages. The draft bill submitted herewith would achieve the needed result by authorizing the establishment of a fund for activating authorized agencies. The fund would be administered by GSA which currently performs administrative support services for more than 40 small commissions and committees. Advances from the fund would be subject to approval by the Director of the Office of Management and Budget.

So as not to authorize advance funding of a newly created organization for an indefinite period, the draft bill includes a pro-

vision not contained in S. 3026, 92nd Congress, limiting the period for advance funding to one year, and prohibiting advances to any organization for which the Congress has denied funds.

The draft bill is by no means intended to encourage the proliferation of small boards, commissions, and other Federal organizations, but merely to alleviate a difficult funding situation which arises when such a new organization is legally established.

We urge prompt introduction and enactment of the draft bill.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation to the Congress, and its enactment would be in accord with the program of the President.

Sincerely,

ARTHUR F. SAMPSON,
Acting Administrator.

By Mr. FULBRIGHT (by request):

S. 1942. A bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the Protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to enable the United States to contribute its share of expenses of the International Commission of Control and Supervision in Vietnam.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State to the President of the Senate dated May 18, 1973.

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

S. 1942

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for the payment by the United States of its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam dated January 27, 1973.

DEPARTMENT OF STATE,
Washington, D.C., May 18, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith for consideration by the Congress a draft bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision in Vietnam.

The proposed legislation would implement the Agreement of January 27, 1973 on Ending the War and Restoring Peace in Vietnam Article 18 of that Agreement established an International Commission, composed of representatives of Canada, Hungary, Indonesia and Poland, and imposed significant responsibilities upon that Commission for supervision of many important aspects of the Agreement, including the ceasefire, the return of prisoners, and the conduct of elections. A protocol to the Agreement specifies that each of the four parties to the Agreement will defray twenty-three per cent of the Commission's costs and that each of the four Commission members will contribute two per cent.

The enclosed draft bill would authorize the appropriation to the Department of State of such funds as may be necessary to pay the United States' share of the Commission's expenses under the formula contained in the relevant protocol to the Paris Agreement. The proposed legislation is virtually identical to Public Law 88-468, which authorized appropriations for United States contributions to the International Commission for Supervision and Control in Laos. Because the U.S. financial responsibility under the Agreement is expressed as a percentage of an unknown total, it would not be practicable to specify a dollar amount in the proposed legislation. It is estimated, however, that United States contributions to the Commission during the fiscal year 1974 will not exceed $4,-800,000. After enactment of the bill it is our plan to seek 1974 apppropriations for U.S. contributions to the Commission under the Department of State Appropriations Act heading "Contributions to International Organizations," which is applicable to organizations for which contributions have been authorized by treaty or Act of Congress.

The strengthening of the role of the International Commission of Control and Supervision and the assurance that it would have sufficient personnel to perform its functions were major objectives of the United States in the final round of negotiations leading to the January 27 Agreement. Our continued commitment to an effective international commission will be an essential ingredient in the realization of a lasting peace in Indochina. Accordingly, we urge that the Congress give the proposed legislation early and favorable consideration.

The Office of Management and Budget advises that enactment of the enclosed draft bill would be in accord with the President's program.

Sincerely,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

By Mr. PACKWOOD:

S. 1943. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CASCADE HEAD SCENIC RESEARCH AREA

Mr. PACKWOOD. Mr. President, I rise today to introduce legislation to establish the Cascade Head Scenic-Research Area. This legislation proposed to extend the boundaries of the existing Siuslaw National Forest to encompass what is known as the Cascade Head-Salmon River area.

On the Oregon coast lies a very unique and scenic ecosystem, an area relatively untrammeled by man, where scenic and esthetic values have been maintained. This is known as the Cascade Head-Salmon River area, a delicate ecosystem, which if it is not saved, may readily become just another overdeveloped area, devoid of animal and marine life and the unequaled pristine and natural state which has thus far been left intact. This is the only remaining estuary on the Oregon coast which has not yet been subjected to the ravages of our highly mobilized and industrial society. Here remains a land yet untouched by the scourges of civilization, still free of the commotion of the masses. There is danger, however, that the area may not be maintained much longer in its present state of relatively pristine beauty. Increasing pressure for residential and commercial development have brought to the attention of growing numbers of citizens the necessity for preserving this area in its present state, of maintaining values which are becoming increasingly lost to the mechanization, industrialization, and commercialization of our society.

Under this bill, the area known as Cascade Head and the Salmon River estuary and associated wetlands would be managed under a comprehensive management plan developed by the Secretary of Agriculture, a plan which would involve the public in the planning process. The area would be designated a scenic-research area and would have, as the name implies, the objective of preservation of scenic, scientific, historic, and educational values. Another very important aspect of the bill is the citizen's advisory council which would be established by the Secretary of Agriculture. The Secretary of Agriculture would consult regularly with the council as well as cooperate with State and local agencies concerning the responsibilities for zoning, planning, wildlife management, et cetera. Because of the importance of citizen involvement, I feel this council to be a significant part of the bill as relates to any management decisions the Secretary of Agriculture may make.

There are special subareas designated in the legislation. These subareas would have specific management provisions and are broken down into six separate but interrelated biological units. They are known as estuarial and associated wetlands, lower slope, timberlands, headlands, the coastline, and sand dune and spit, and will be managed according to the needs and objectives which will best enhance the respective areas. Cascade Head itself projects out into the Pacific Ocean, a huge promontory nestling in the ocean mist on a day "socked in" with fog, and basking in the sunshine on those rarer days when the Oregon coast enjoys a gentler season. The Headland is 1,600 feet high, the highest point in the area, and the mouth of the Salmon River, at sea level, is the lowest point. The total acreage of what is to be designated the Cascade Head Scenic-Research Area is approximately 8,500 acres. The topography ranges from tidal marsh to the typical rugged characteristics of the coast range.

What makes this legislation particularly different from other protective measures is that this bill allows man and nature to coexist; this bill is precedent-setting in that it would insure the preservation of the area and at the same time allow man a unique place in the ecosystem. Within the measure is provision for management of the various subareas insuring the compatible exist-

ence of special scenic and scientific values and wildlife with human use and occupancy. Attempt is made to further a more sensitive relationship between man and his adjacent environment, an objective not specifically given reference in other bills of similar nature which come before the Congress.

We seek to show that in fact man need not desecrate his surrounding environment by virtue of his being a part of it. Rather, he can enjoy the ocean headlands, rivers, streams, estuaries, forested areas, recreational and scientific facilities, and at the same time lend himself to enhancement of these parts. The protection we seek for Cascade Head does not preclude man, but rather offers him a role, one which will involve him in the decisionmaking processes for management of the area and will offer man a chance to increase his understanding of the very sensitive balance between estuarial and surrounding lands.

Another point of interest in this legislation is that the Secretary of Agriculture may acquire the estuarial lands and associated wetlands which are so inherently necessary to the balance of the ecosystem. Action to acquire these lands would, however, be taken only following public hearings. Additional subareas would be managed with careful regard to their biological content and would be acquired only with the consent of the respective owners; however, specific provision is made that there shall be no changes in use of those subareas outside the estuary which would substantially alter the manner in which the lands were used and maintained on June 1, 1973. In this manner, we seek to provide the necessary care and protection for the area and avoid any upset of the sensitive biological interchange of the estuary. It is imperative that adequate thought be given the natural integrity of the areas in question and the way in which man is to fit into that environment. This bill addresses that immediate problem. Again, the uniqueness of the "scenic research" designation lies in the special attempt made to involve the public, to provide for public research and education of the public about the ecological resources and values of a natural area.

An identical bill is being introduced in the House by Congressman WYATT, and I am hopeful that both the House and the Senate will see fit to move expeditiously to enact this precedent-setting legislation to insure the proper management of this area. It goes without saying that the Cascade Head-Salmon River area is worthy of the best protection we can offer it.

Mr. President, I ask unanimous consent that the legislation I am introducing today be printed in the RECORD.

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

S. 1943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide for the public outdoor recreation use and enjoyment of certain ocean headlands, rivers, streams, estuaries, forested areas, recreational and research-scientific facilities and areas in the State of Oregon by present and future generations and the conservation and study of scenic, scientific, historic and other values contributing to public awareness and appreciation of such areas, and to promote a more sensitive relationship between man and his adjacent environment, there is hereby established, subject to valid existing rights, the Cascade Head Scenic-Research Area (hereinafter referred to as "the Area").

SEC. 2. The administration, protection, development and regulation of use of the Area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best contribute to attainment of the purposes set forth in this Act.

SEC. 3. (a) The boundaries of the Area, and the boundaries of the sub-areas included therein, shall be those shown on the map entitled "Proposed Cascade Head Scenic-Research Area" dated June 1973, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture: *Provided,* That, from time to time, the Secretary may, after public hearing or other appropriate means for public participation, make adjustments in the boundaries of sub-areas to reflect changing natural conditions or to provide for more effective management for the purposes of this Act.

(b) As soon as practicable after the enactment of this Act, the Secretary shall, with provision for appropriate public participation in the planning process, develop a comprehensive management plan for the Area. Said plan shall prescribe specific management objectives and management controls necessary for the protection, management, and development of the Area and each of the sub-areas: *Provided,* That within the Area, the following sub-areas shall be established and shall be managed in accord with the following primary management objectives which shall be supplemental to the general management objectives applicable to the entire Area:

(1) Estuary and Associated Wetlands Sub-area: An area managed to protect and perpetuate the fish and wildlife, scenic, and research-education values, while allowing dispersed recreation use, such as sport fishing, non-motorized pleasure boating, water fowl hunting, and other uses which the Secretary determines are compatible with the protection and perpetuation of the unique natural values of the sub-area. After appropriate study, breaching of existing dikes may be permitted within the area.

(2) Lower Slope-dispersed Residential Sub-area: An area managed to maintain the scenic, soil and watershed, and fish and wildlife values, while allowing dispersed residential occupancy, intensive recreation use, and agricultural use.

(3) and (4) Upper Timbered Slope, and Headlands Subareas:
Areas managed to protect the scenic, soil and watershed, and fish and wildlife values while allowing extensive recreation and research-educational activities and timber harvesting activity and associated road development which does not significantly interfere with the purposes of the area.

(5) and (6) Coastline, and Sand Dune-Spit Subareas:
Areas managed to protect and maintain the scenic and wildlife values while allowing extensive recreation and research-educational activities.

SEC. 4. The boundaries of the Siuslaw National Forest are hereby extended to include all of the lands not presently within the national forest boundaries lying within the area as described in accordance with section 3 of this Act.

Notwithstanding any other provision of law, any Federal property located within the area added to the Siuslaw National Forest by this Act may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary of Agriculture. Any lands so transferred shall become part of the Siuslaw National Forest.

SEC. 5. (a) Subject to the provisions of subsection (b) of this section, the Secretary is authorized to acquire lands, waters or interests therein wtihin the area by donation, purchase, exchange, or otherwise.

(b) Within all subareas of the area except the estuary and associated wetlands subarea, the Secretary may acquire lands and interests only with the consent of the owner so long as the owner uses the land for substantially the same purposes and in the same manner as the lands were used and maintained on June 1, 1973. The Secretary shall publish, within 90 days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in land use or maintenance for the nonfederally owned lands within the area. Within the estuary and associated wetlands subarea the Secretary may acquire lands and interests without the consent of the owner at any time, after public hearing.

SEC. 6. Notwithstanding the provisions of subsection 6(a)(1) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903, 16 U.S.C. 4601–9(a)(1) moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of any lands, waters, or interests therein within the area added to the Siuslaw National Forest by this Act.

SEC. 7. The lands within the area, subject to valid existing rights, are hereby withdrawn from location, entry and patent under the United States Mining Laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

SEC. 8. (a) The Secretary shall establish an advisory council for the Area, and shall consult on a periodic and regular basis with such council with respect to matters relating to management of the Area. The members of the advisory council, who shall not exceed eleven in number, shall serve for the individual staggered terms of three (3) years each and shall be appointed by the Secretary as follows:

(i) A member to represent each county in which a portion of the Area is located, each such appointee to be designated by the respective governing body of the county involved;

(ii) A member appointed to represent the State of Oregon, who shall be designated by the Governor of Oregon;

(iii) Not to exceed eight members appointed by the Secretary from among persons who, individually or through association with national or local organizations, have an interest in the administration of the Area; and

(iv) The Secretary shall designate one member to be chairman and shall fill vacancies in the same manner as the original appointment.

(b) The members shall not receive any compensation for their services as members of the council, but they shall be reimbursed for travel expenses and shall be allowed, as appropriate, per diem or actual subsistence expenses.

(c) The Secretary shall, in addition to his consultation with the advisory council, seek the views of other private groups, individuals, and the public, and shall seek the views and assistance of, and cooperate with all other Federal, State, and local agencies with responsibilities for zoning, planning, migratory fish, waterfowl, and marine animals, water and natural resources, and all non-profit agencies and organizations which may contribute information or expertise

about the resources or management of the Area or its resources, in order that the knowledge, expertise and views of all agencies and groups may contribute affirmatively to the most sensitive utilization of the Area and its various sub-areas, for the benefit of the public, now and in the future.

SEC. 9. The Secretary shall cooperate with the State of Oregon and political subdivisions thereof in the administration of the Area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Oregon or any political subdivision thereof of its rights to exercise civil and criminal jurisdiction within the Area consistent with the provisions of this Act, or of its right to tax persons, corporations, franchises or other non-Federal property, in or on the lands or waters within the Area.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 40

At the request of Mr. BROCK, the Senator from Tennessee (Mr. BAKER), the Senator from Florida (Mr. CHILES), the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS), the Senator from Montana (Mr. METCALF), the Senator from Georgia (Mr. NUNN), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Virginia (Mr. SCOTT), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 40, a bill to reform the legislative budgetmaking process.

S. 268

At the request of Mr. JACKSON, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 268, the Land Use Policy and Planning and Assistance Act of 1973.

S. 978

At the request of Mr. EASTLAND, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 978, to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful.

S. 1147

At the request of Mr. DOMINICK, the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 1147, to amend the Occupational Safety and Health Act of 1970.

S. 1326

At the request of Mr. WILLIAMS, the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. MONDALE), the Senator from Nevada (Mr. BIBLE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Wyoming (Mr. MCGEE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from California (Mr. CRANSTON), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 1326, the Hemophilia Act of 1973.

S. 1604

At the request of Mr. BROCK, the Senator from Nevada (Mr. BIBLE), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 1604, a bill to prevent discrimination on the basis of sex in housing.

S. 1605

At the request of Mr. BROCK, the Senator from Utah (Mr. BENNETT), the Senator from Nevada (Mr. BIBLE), the Senator from Kansas (Mr. DOLE), the Senator from Alaska (Mr. GRAVEL), the Senator from Florida (Mr. GURNEY), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of S. 1605, a bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit.

S. 1749

At the request of Mr. MONDALE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1749, to provide continued rail transportation in rural America.

S. 1816

At the request of Mr. PASTORE, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 1816, to amend the Wool Labeling Act of 1939.

SENATE JOINT RESOLUTION 70

At the request of Mr. WILLIAMS, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of Senate Joint Resolution 70, to authorize the President to proclaim annually the last Friday in April as "National Arbor Day."

APPOINTMENT OF ADDITIONAL CONFEREE

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senator from Missouri (Mr. EAGLETON) be appointed as an additional conferee on the part of the Senate on the committee of conference to be held on the bill (H.R. 7447) the Second Supplemental Act, 1973.

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

SENATE CONCURRENT RESOLUTION 28—SUBMISSION OF A CONCURRENT RESOLUTION CALLING FOR A MORATORIUM ON RAILWAY ABANDONMENTS

(Referred to the Committee on Commerce.)

Mr. HUMPHREY (for himself and Mr. MONDALE) submitted the following concurrent resolution:

S. CON. RES. 28

Whereas the American people, in the early days of our Nation's history, made generous grants of land, including the mineral rights of such land, to American railroad companies in order to stimulate the growth and development of the then unsettled rural parts of our Nation; and

Whereas the pursuit of a more balanced national growth and development pattern in the United States has been declared by the Congress as a matter of the highest priority; and

Whereas the President and Executive branch of the Federal Government has indicated concurrence in the pursuit of this goal; and

Whereas it has been acknowledged by both the Legislative and Executive branches of Government that revitalization of rural America and our Nation's smaller communities is essential to the successful attainment of this goal; and

Whereas the continued availability of rail transportation services and facilities within rural America today are absolutely essential to the continued economic and social viability of those communities and industries located within this part of our Nation; and

Whereas wholesale abandonments of rail service are being permitted within rural areas, which is causing major disruptions in the commerce and movement of goods and services produced and required in such areas; and

Whereas little is known about the overall impact that these abandonments are having on future growth and development of such areas: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Federal Interstate Commerce Commission, in cooperation with the United States Department of Transportation and other appropriate departments and agencies of Federal and State governments, declare a moratorium on all further abandonment of rail service or railways until such time as appropriate studies and analysis can be made concerning the adverse impact that such abandonments are having on the areas and commmunities served by rail transportation. As a part of these studies and analysis, recommendations should be submitted to the Congress, the executive branch, and to the Interstate Commerce Commission regarding what actions might be taken to continue such rail service where it is essential to the continued growth and development of the regions and communities largely dependent upon such service.

SENATOR HUMPHREY CALLS FOR MORATORIUM ON RAILWAY ABANDONMENTS UNTIL JUNE 30, 1974

Mr. HUMPHREY. Mr. President, I am today submitting a concurrent resolution on behalf of myself and my colleague from Minnesota, Senator MONDALE, expressing the sense of the Congress that a moratorium be declared on any further abandonment of rail services or facilities within the rural and metropolitan regions of the United States until at least June 30, 1974, in order to provide time for appropriate investigations to be conducted to determine what might be done to continue such transportation services, where needed.

As was pointed out in the report of the Senate Committee on Commerce on "The Surface Transportation Act of 1972":

The rail industry currently has made line abandonments one of its major tools to cut

its costs. . . . However, a line's contribution to a railroad's profits should not be the only test by which to justify the line's continued existence.

The same considerations that led the Federal government, as well as state and local governments, to aid in the initial construction of the Nation's rail system apply today and must be kept in mind. To stop the vital flow of commerce by cutting off transportation may spell the death of the affected communities. From the government's point of view, the social and economic costs and benefits to those dependent on the railroads must be brought into the calculation of whether or not to continue rail services.

Mr. President, since 1920 the Interstate Commerce Commission has permitted over 60,000 miles of railway to be abandoned. Almost 14,000 miles of trackage has been abandoned in the last 10 years alone.

Rail transportation for many of our Nation's smaller communities and industries located in rural areas is the only mode of bulk transportation available. Discontinuance of this service to these communities means their certain demise.

If we are serious in our commitment to pursuing a more balanced national growth strategy in this country and in revitalizing our Nation's rural areas and smaller communities as a part of such a strategy, then we must take a closer look at the importance of continued rail transportation to their future growth and development.

Mr. President, this is just one more example of how this Nation has failed to analyze the total effect of various policies on the overall balanced growth and development of the country and failed to plan with these interrelationships clearly in mind.

We now have several Federal programs to provide assistance in expanding jobs and industry in rural areas and in our smaller communities. Many more have been proposed. Yet, in other parts of our Government we not only permit, but also encourage abandonment of rail service, which often is vital to the successful operation of the very businesses that we are trying to help with other Federal programs.

Such inconsistencies in purpose are too often found within our public and private decisionmaking process and steps should be taken to minimize such conflicts.

Mr. President, abandonment of railway trackage is creating serious economic and social problems for many Minnesota communities. If a moratorium can be declared on these abandonments, ways and means might be found to continue rail service to them. We need time to study these questions including possible subsidies to the railroads themselves in order to continue service where needed.

SENATE RESOLUTION 123—SUBMISSION OF A RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. MONDALE. Mr. President, events of recent months have highlighted perhaps more starkly than ever before the dangers of the widening gulf between the executive branch and the legislative branch. Faced with unprecedented Presidential use of impoundment and claims of Executive privilege, we in Congress have often found ourselves unable to obtain the vital information we need on a wide variety of policies affecting the Nation.

We have been faced with continued attempts by the Executive to usurp power from the legislative branch and increasing inability to effectively focus public attention on the dangers of the usurpation of our congressional prerogatives. In addition we have seen that, even within the executive branch, Cabinet and executive agency officers face an increasing inability to make and coordinate within their own jurisdictions.

The events surrounding the Watergate affair have revealed the dangers inherent in the ability of a few men on the White House staff—responsible to no one, mostly without the sobering experience of electoral politics, and beyond the reach of Congress—to control policy. Hopefully, these events will lead to a rethinking of the respective roles of the legislative and the executive branches.

As part of this rethinking, we should attempt in as many ways as possible to increase Congress' ability to conduct meaningful dialogue with those officials in the executive branch in whose offices responsibility for policymaking decisions should rest. This attempt should focus on keeping both Congress and the Cabinet officers and agency heads in better touch with each other.

By making those executive branch figures whose confirmation by the Senate is required by law more accountable to the people—through the Congress—we will enable the balance of power to shift away from a White House staff of a few unelected and unresponsive men and reassert the proper role of the Congress and the Cabinet officers.

As a first step in this direction, I am submitting today a Senate resolution to provide for the establishment of a "Question and Report Period," somewhat analogous to that in use in many Parliamentary systems around the world.

This is neither a new or a radical idea. It was given notice by the first Congress, which in creating the Office of Secretary of the Treasury, declared that "he shall make report and give information to either branch of the legislature either in person or in writing" as either House might require. Indeed, during this first Congress, Cabinet officers appeared before the House 8 times, and before the Senate 14 times.

In 1864, a select committee of the House and in 1881, a select committee of the Senate recommended the right to the floor of both Houses for Cabinet officers both to answer questions and to participate in debate. In 1912, President Taft, in a message to Congress, made virtually the same recommendation. And throughout the 1940's and 1950's, Senator Estes Kefauver championed the idea of a "question hour" and first introduced legislation of the type I am introducing today.

Nor does this proposal affect the constitutional doctrine of separation of powers. The Constitution clearly gives the President the power to "require the opinion in writing of the principal officer in each of the executive departments upon any subject appertaining to the duties of their respective offices." This proposal would not diminish this right in the slightest. It merely would allow the legislative branch the ability to add an additional dimension to the role of these executive officers—that of spirited and productive dialog with members of the legislative branch.

The proposal does not call for the subpenaing of Executive officers to appear before the Senate. It is framed in terms of "requests" to appear, because the central thrust of this proposal is to increase—rather than decrease—the dialog between and mutual responsibilities of Cabinet-level officers and the Senate.

Under terms of this proposal, the heads of executive departments and agencies would be requested to answer orally, both written and oral questions propounded by Members of the Senate. Such a question period would occur at least once every week when the Senate is in session, and would last for no more than 2 hours. Senators would submit written questions to the committee having jurisdiction over the subject matter of the question, and if the committee approves the question, it would be transmitted to the head of the department or agency involved, with an invitation to appear before the Senate.

The Committee on Rules and Administration would also receive a copy of the question, along with a request for allotment of time in a question period to provide for the answering of the question. The Rules Committee will determine the dates and length of time of each question period, and will allot the time in such period to the department or agency head who has indicated his readiness to answer. To conserve time and consolidate questioning in subject-matter areas, any one question period shall be taken up by questions approved by one committee.

In the latter half of each question period, oral questions may be asked, but they must be germane to the subject matter of the written questions. The time in this latter hour will be equally controlled by the chairman and ranking minority member of the committee which has approved the questions.

Senators will be given advance notice at least 2 days before the question period by printing of the time of each question period and the written questions to be answered in the RECORD, and the proceedings of the question period will be printed in the RECORD.

In addition, the resolution provides that question period proceedings may be televised and broadcast on radio live. In an era of mass communication, it is important to provide for both print and electronic media coverage to insure wide dissemination of the proceedings conducted under provisions of this resolution.

During the early 1940's, Walter Lippmann noted that—

The two branches of Government (executive and legislative) will quarrel endlessly at the expense of the Nation, depriving it of the unity it needs and the collective wisdom

it should have, as long as the responsible men at both ends of Pennsylvania Avenue deal with one another suspiciously and at arm's length.

Never has that remark been more true than today. And never has there been the need for a regularized procedure during which Congress can question the policies of the executive branch, and the executive branch's responsible officers can defend their proposals and actions. Essential to this process is its openness. In contrast to congressional investigative committees, the entire Senate—not just a few Senators—will be able to question and hear the executive branch's defense.

Hopefully, this system of close questioning of Cabinet-level officers will result in Cabinet posts being filled with men and women whose responsibility for defending articulately the proposals or actions of an administration will lead to a greater involvement for those individuals in formulating the policies and actions of their departments.

Most importantly, this resolution will enable Congress and the people to secure the Nation's right to have free and open debate on the central policies guiding our Nation.

Perhaps President Nixon best described both the aura and the importance of the question period device, after he had witnessed the British House of Commons Question Hour in 1969:

It was an inspiring and compelling experience, one for which I am deeply grateful. And it was an experience in which I came away with a deep appreciation and respect for the ability of the British parliamentarian to stand up during the Question period and answer so effectively. I believe that your Question period is much more of an ordeal than our press conference.

Whether or not such a procedure is an ordeal, it is without doubt a most effective means of visible communication between the executive and legislative branches. My proposal will not—and was not designed to—replace or supplant any of the valuable committee procedures now available to this body. In fact, the proposal, as I have outlined it, specifically preserves for committees the right to approve questions before they are brought to the attention of the Executive officer whose answer is requested by a Senator.

Rather, this proposal is designed to give the Congress—and the American people—the right to information concerning important policies and actions of the executive branch, in a forum carefully controlled by time and germaneness so as to insure that productive questioning results.

When Senator Kefauver proposed question-period legislation in the mid-1940's, the support of the American people for this idea was clearly evident. A Gallup poll conducted in the fall of 1943 showed 72 percent in favor of the proposal, and only 7 percent opposed.

Clearly, this idea has new and more crucial relevance today. The faith of the American people in their Government has fallen steadily. According to a Harris poll conducted last November, only 27 percent of the American people have "a great deal of confidence" in the executive branch of the Government—a drop from 41 percent in 1966.

We must stop this decline of trust in Government. We must, at this crucial juncture in relations between the executive and legislative branch, attempt to restore both Congress' power to know and the power of Cabinet officers—rather than White House staff—to formulate policy and publicly defend that policy.

The resolution which I am introducing today is certainly not the entire solution to this monumental problem. But without it, the trust of the American people in their Government may continue to erode. And as the late Adlai Stevenson noted:

Public confidence in the integrity of the government is indispensible to faith in democracy; and when we lose faith in the system we have lost faith in everything we fight for.

We must begin restoration of this public trust in Government. And, as a select committee of the Senate noted in 1881, the question period may enable us to begin this task:

This system will require the selection of the stongest men to be heads of departments, and will require them to be well equipped with the knowledge of their offices. It will also require the strongest men to be the leaders of Congress and participate in debate. It will bring these strong men in contact, perhaps into conflict, to advance the public weal, and thus stimulate their abilities and their efforts and will thus assuredly result in the good of the country.

Mr President, I ask unanimous consent that the text of this resolution be printed in the RECORD at the conclusion of my remarks.

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

S. RES. 123

Resolved, That Rule X of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. There shall be held in the Senate, on at least one day in any one calendar week in which the Senate is in session a question and report period, which shall not consume more than two hours, during which heads of executive departments and agencies are requested to answer orally, written and oral questions propounded by Members of the Senate. Each written question shall be submitted in triplicate to the committee having jurisdiction of the subject matter of such question, and, if approved by such committee, one copy shall be transmitted to the head of the department or agency concerned, with an invitation to appear before the Senate, and one copy to the Committee on Rules and Administration with a request for allotment of time in a question period to answer such question. Subject to the limitations prescribed in this paragraph, the Committee on Rules and Administration shall determine the date for, and the length of time of, each question period and shall allot the time in each question period to the head of a department or independent agency who has indicated to the committee his readiness to deliver oral answers to the questions transmitted to him. All written questions propounded in any one question period shall be approved by one committee. The latter half of each question period shall be reserved for oral questions which shall be germane to the subject matter of the written questions by Members of the Senate, one-half of such time to be controlled by the chairman of the committee which has approved the written questions propounded in such question period and one-half by the ranking minority member of such committee. The time of each question period and the written questions to be answered in such period shall be printed in two daily editions of the Record appearing before the day on which such question periods is to be held, and the proceedings during the question period shall be printed in the Record for such day. Live television and radio coverage of proceedings authorized under this paragraph shall be permitted. The Committee on Rules and Administration shall make all appropriate arrangements and establish appropriate procedures for providing such coverage."

AMENDMENT OF AGRICULTURAL ACT OF 1970—AMENDMENTS

AMENDMENT NO. 174

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted amendments, intended to be proposed by him, to the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

AMENDMENT NO. 175

(Ordered to be printed, and to lie on the table.)

Mr. CASE (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1888, supra.

AMENDMENT NO. 176

(Ordered to be printed, and to lie on the table.)

Mr. KENNEDY (for himself and Mr. CASE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1888, supra.

AMENDMENT NO. 178

(Ordered to be printed, and to lie on the table.)

Mr. MONDALE. Mr. President, I am today submitting an amendment to S. 1888, the Agriculture and Consumer Protection Act of 1973.

The purpose of my amendment is to provide for an advance payment to producers in the event that market prices fall below "target" prices established under the new farm bill. It would authorize the Secretary of Agriculture to advance to producers, as soon as practicable after the beginning of the second month of the marketing season for wheat, feed grains, and cotton, an amount equal to 65 percent of the Secretary's estimate of total payments, if any, necessary to meet the requirements of the target price guarantees for each commodity.

Under the 1970 Agricultural Act, producer receive preliminary payments after July 1 of each year. However, under the proposed farm bill, farmers would not receive payments if market prices are low, in the case of wheat until December, in the case of corn until the following March, and in the case of cotton until the following January.

The purpose of S. 1888 is to assure the production of adequate supplies of food and fiber to consumers by insuring producers against losses if their expanded

production results in prices below the target prices set forth in the bill. If market prices rise above the target prices, the cost to the Government will be nothing. If prices fall below the target prices, the consumer will reap the advantage; and the persons meeting the consumer's needs for food and fiber will have been protected against the price effects of excess production.

I fully agree with this approach, and I believe that S. 1888 is a legislative achievement which can benefit farmers and consumers while reducing the costs of Federal agricultural programs to the Treasury.

In the event that farm prices fall well below target levels, however, I am concerned that the delay in providing payments to producers could result in unnecessary costs to farmers.

My amendment would enable farmers to receive 4 months earlier 65 percent of the estimated total payments they are entitled to under the committee bill. This advance, in the event market prices drop, would permit farmers to obtain credit on more reasonable terms, repay loans earlier, and save on interest costs. Thus the amendment is fully consistent with the target price concept embodied in S. 1888 in that it does not guarantee any payments to producers apart from the difference between market and target prices. It would not incur additional costs to the Treasury, and would help to encourage expanded production for consumers.

In summary, I believe inclusion of this amendment in S. 1888 would help to strengthen the effectiveness of the bill and would benefit both farmers and consumers.

Mr. President, I ask unanimous consent that the full text of my amendment be printed at this point in the RECORD.

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

AMENDMENTS NO. 178

On page 13, line 15, insert "(1)" immediately after "(c)".

On page 14, line 15, strike out the quotation marks.

On page 14, between lines 15 and 16, insert the following:

"(2) The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under paragraph (1) of this subsection as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer will be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments."

On page 24, between lines 24 and 25, insert the following:

"'(2) The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under paragraph (1) of this subsection as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer shall be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments.

On page 24, line 25, strike out "(2)" and insert in lieu thereof "(3)".

On page 26, line 4, strike out "(3)" and insert in lieu thereof "(4)".

On page 31, line 10, strike out the quotation marks and insert in lieu thereof the following: "The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under the foregoing provisions of this paragraph as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer shall be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments.'"

AMENDMENT NO. 179

(Ordered to be printed, and to lie on the table.)

Mr. PEARSON. Mr. President, I am today submitting an amendment to S. 1888 which will restore the grant programs for rural water systems operated under the authority of the Farmer's Home Administration. I am fully aware that we have traveled this road within the past few weeks. I believe, however, that this amendment meets many of the administration's objections, will continue the Senate's position of fiscal restraint, and at the same time meet the unique and pressing needs for water systems in rural America.

This amendment very simply changes the language of the Consolidated Farm and Rural Development Act dealing with grant authority for rural water and waste facility construction and planning. It authorizes and directs the Secretary to make grants for waterworks and comprehensive planning for water systems. The language referring to water systems is mandatory and does not permit discretion on the part of the Secretary. At the same time, the authority to make grants for waste treatment construction and planning is continued, but is in the form of authorizing language and is not necessarily mandatory.

In addition to this change in the language, the amendment reduces the total authorization for water and waste facilities grants from $300 million to $50 million, and for comprehensive planning from $30 million to $5 million. In terms of mechanics, the amendment adds a new section numbered 818, and in no way affects or alters any other provisions of S. 1888.

On April 5 of this year, the President vetoed H.R. 3298 which would have required the restoration of rural water and sewer grant programs. His veto was upheld by the House of Representatives. In his veto message, the President emphasized several aspects of that bill which he found unacceptable. Among these were the excessive level of the authorization, the fragmented administrative structure of Federal sewage programs, and the congressional mandate imposed upon the Executive.

My amendment modifies the programs in several respects and meets most of these objections. First, it substantially reduces the total authorization from $330 million to $55 million. This reduced authorization should also be compared with last year's total appropriation for water and sewer grants which was $150 million. Enactment of this measure will recognize the importance of fiscal restraint, and presents the administration with an extremely realistic figure. The authorizations are, in fact, designed to closely parallel the actual spending levels for water system grants over the past few fiscal years. Total grants for water, waste, and combined water waste systems were approximately $44 million in fiscal year 1972. Prior to the termination of the grant program in fiscal year 1973, nearly $30 million had been obligated. Actual expenditures for water systems alone was slightly more than $20 million per year during fiscal year 1970–72. These figures are indicative of the realistic nature of the amendment. Some room is allowed for future growth, but on the whole, the authorization is a bare bones figure designed to provide for existing needs.

A second objection of the administration to the previous bill, the duplication in administration of sewer programs, is also met by my amendment. The administration contends that the Water Pollution Control Amendments of 1972 contain sufficient authority to cover the needs of waste treatment in rural areas. Now that the courts have provided the money for the implementation of this act, I am willing to accept the argument. Administrative coordination and planning probably should be consolidated in a single agency. Although it might be necessary to mandate the expenditure of sufficient funds in rural areas by the EPA, that agency seems to me to be the appropriate means for administering waste treatment programs. As a result, my amendment does not direct the expenditure of funds for waste treatment or construction. It does retain authorizing language, however, in order to provide sufficient flexibility in the case of future needs.

Mr. President, the long and often tortuous battle which we fought on H.R. 3298 requires strong justification for covering some of the same ground again. Let me review the reasons why it is imperative for Congress to continue support for rural water system grants under the authority of the Farmers Home Administration.

The Aiken-Poage Act of 1965 established a program within the Farmers

Home Administration which provided grants and loans to rural communities for planning and development of water and sewer systems. The rural water district program is operated in the open country and in some cases in unincorporated towns. It provides improved water service to farmers, other rural residents and rural schools. In many States such as my State of Kansas, the program has been used very successfully in parts of the State where farmers have difficulty developing their own water supplies because of poor water quality or scarcity of water sources.

These programs have made effective use of both loans and grants from the Federal Government. Loans are helpful, but cannot bear the burden alone. Grants are uniquely essential for rural water districts and must be continued. First, rural water districts have abnormally high costs in relation to the number of customers served. In other words, because there are relatively few people in a given water district, it is virtually impossible to pay for the cost of developing the district through user fee charges. Moreover, a district will often exclude those who live in geographically remote areas because of the cost of extending lines to their homes. The district often views the return on the investment as insufficient to cover the pay back requirements of the loans. This means that exclusive reliance on loans will often lead to programs designed to meet financial requirements, but which exclude coverage for those who need help the most.

The need for additional financing was recognized by the administration in the President's veto message. Moreover, help for sewer programs is provided under the Water Pollution Control Act. The administration stated that grants for high priority projects in rural areas would be given special attention. Accepting this statement, the administration is telling us that sewer systems may have Federal grants but water systems may not. No justification is ever given for this inconsistency.

Grants, then, are essential for water programs as well as sewer programs. Provisions are made for waste treatment grants in the Environmental Protection Agency, and I believe that provisions should likewise be made for water systems in the Farmers Home Administration. Farmers Home is particularly well suited to continue its administration of this program. The administrative structure, which includes an agent in most counties in rural areas, is well established to provide necessary technical expertise and advice. The unique local nature of water districts can benefit from the administrative structure of this Federal agency. Local-Federal cooperation is, then, provided by the local water district, which plans and works with Federal officials who are on the spot and capable of giving necessary direction.

The administration, however, in opposing H.R. 3298, stated that rural water and sewer programs are a local responsibility. I find the argument particularly unacceptable since the Aiken-Poage Act was the statement of a specific congressional intent that these programs, because of the extreme need, were in fact national responsibilities which had to be attacked from a national perspective.

Finally, the administration has suggested that general revenue sharing is available as an alternative means of financing rural water and sewer grants. I believe that we all have considerable difficulty in accepting this argument. Revenue sharing was not envisioned by Congress as a substitute for existing programs. It was widely hailed by the President, among others, as a means of reducing existing local financial pressures. This will not be true if the Federal Government continually abandons programs for which it has been picking up the tab and in turn suggests that the States use revenue sharing funds.

It is possible that general revenue sharing can be used to pick up some of the slack from these programs. Local counties, cities, and townships, however, simply do not receive enough funds through revenue sharing to meet the existing needs for water systems. Some States can conceivably use revenue sharing for this purpose. My State of Kansas this year, in fact, deemed rural water systems of such vital importance that the legislature apportioned $750,000 out of the general fund for rural water districts. It would be very shortsighted, however, to assume that this will continue indefinitely in the future. We cannot assume that States will continue to bear this financial burden in the future. The provision of funds in Kansas, for example, was viewed as strictly an emergency measure designed to meet temporary needs.

Mr. President, rural water systems remain in dire need, and no immediate help appears available. I believe that with this amendment the Senate can continue to express its position that grants are essential and do so within the confines of administration objections to our previous efforts.

AMENDMENT NO. 185

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted amendments intended to be proposed by him, to Senate bill 1888, supra.

ESTABLISHMENT OF A FEDERAL FINANCING BANK

AMENDMENT NO. 177

(Ordered to be printed, and to lie on the table.)

CONGRESS SHOULD ACT ON PRICE FREEZE IF ADMINISTRATION WILL NOT

Mr. MONDALE. Mr. President, I am today introducing an amendment which I intend to add to the first appropriate bill coming before the Senate.

The amendment would impose a 90-day across-the-board freeze on all prices, rents, and consumer interest rates, and direct the President to use the time to develop and implement a long-term program to control inflation.

The phase III program of voluntary controls has clearly been a colossal failure. Yet Watergate has apparently so paralyzed the administration that it is unable or unwilling to admit its error and tighten up controls. If the President will not act, Congress must step in. We cannot continue to tolerate inflation rates of 10 to 20 percent and more.

Wholesale prices in the first quarter of this year increased at an annual rate of 21.1 percent, while consumer prices rose 8.6 percent—the highest rate of inflation in 22 years. During the same period, corporate profits reached their highest level in history, increasing by 25.9 percent over last year's first quarter mark.

I shall seek to attach this freeze amendment to a bill now pending on the Senate Calendar setting up a Federal Financing Bank (S. 925), and to legislation increasing the ceiling on the Federal debt. The debt ceiling bill must be passed by Congress and signed by the President by June 30, when the present temporary debt ceiling expires.

The amendment would not freeze wages and salaries. However, the present 5.5 percent guideline for wage increases would continue to apply, and the President would retain full authority under the Economic Stabilization Act to enforce this standard on a mandatory basis during the freeze period.

Salaries of working men and women have borne the brunt of the administration's inflation control program, while prices and corporate profits have skyrocketed at a record rate.

Over the last 6 months average real weekly earnings have actually gone down. First-year wage increases in labor contracts negotiated in the first quarter of this year averaged only 5.3 percent—below the 5.5 percent phase III standard.

In my opinion it would be unfair to force working Americans to remain behind in the race against inflation, and therefore I believe that moderate wage increases must be permitted simply to keep pace.

The distinguished chairman of the House Ways and Means Committee (Mr. MILLS) and the distinguished Senate majority leader (Mr. MANSFIELD) both called for tighter wage and price controls in speeches last week. My amendment is intended to serve as a vehicle for the kind of action they and many others in the Congress believe is absolutely necessary.

It is true that a freeze imposed by Congress would be a blunt instrument, and that the executive branch might be able to impose controls more effectively. However, the administration has lacked the will to take effective action. At the very least, a vote to impose a freeze in the Senate may prod the administration into taking effective action on its own.

The text of the amendment I shall offer to S. 925 follows. If the debt ceiling bill comes up first, the amendment will be submitted again as an amendment to that bill. The amendment follows:

AMENDMENT NO. 177

At the end of the bill insert the following:

SEC. 20. The Economic Stabilization Act of 1970 is amended by inserting after section 203 the following new section:

"§ 203A. Freeze on prices, rents, and consumer interest rates

"(a) Notwithstanding any other provision of this title, all prices, rents, and consumer interest rates are hereby frozen at levels no

higher than those prevailing on June 4, 1973. The President may, by written order stating in full the considerations for his actions, make adjustments with respect to prices, rents, and consumer interest rates, in order to correct gross inequities.

"(b) The President shall, not later than 90 days after the enactment of this section, and after consultation with the Congress and with representatives of labor, business, farmers (including family farmers), and consumers, issue orders and regulations replacing the freeze with a firm, fair, and equitable long-run control program to—

"(1) stabilize prices, rents, wages and salaries in order to reduce inflation; and

"(2) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth."

EMERGENCY PETROLEUM ALLOCATION ACT OF 1973—AMENDMENTS

AMENDMENT NO. 180

(Ordered to be printed, and to lie on the table.)

Mr. PEARSON submitted an amendment, intended to be proposed by him, to the amendments in the nature of a substitute, proposed by Mr. JACKSON (for himself and Mr. RANDOLPH) to the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

AMENDMENTS NOS. 181 THROUGH 183

(Ordered to be printed, and to lie on the table.)

Mr. BARTLETT submitted three amendments, intended to be proposed by him, to the amendment No. 145, proposed by Mr. JACKSON (for himself and Mr. RANDOLPH) to Senate bill 1570, supra.

AMENDMENT NO. 184

(Ordered to be printed, and to lie on the table.)

Mr. BELLMON submitted amendments, intended to be proposed by him, to Senate bill 1570, supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 127 TO S. 1248

Mr. CHURCH. Mr. President, I ask unanimous consent that the name of the distinguished Senator from West Virginia, (Mr. ROBERT BYRD) be added to the long list of those cosponsoring amendment No. 127, the so-called Case-Church amendment requiring congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam, to S. 1248, a bill to authorize appropriations for the Department of State, and for other purposes.

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

Mr. CHURCH. Mr. President, I ask unanimous consent that the name of the distinguished senior Senator from New Mexico (Mr. MONTOYA) be added to those cosponsoring amendment No. 127, the so-called Case-Church amendment requiring congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam, to S. 1248, a bill to authorize appropriations for the Department of State, and for other purposes.

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

AMENDMENT NO. 155 TO S. 1888

At the request of Mr. BAYH, the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. TAFT), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), the Senators from West Virginia (Messrs. RANDOLPH and ROBERT C. BYRD), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Michigan (Mr. HART), and the Senators from Illinois (Messrs. PERCY and STEVENSON) were added as cosponsors of amendment No. 155, intended to be proposed by Mr. BAYH to S. 1888, The Agriculture and Consumer Protection Act of 1973.

AMENDMENT NO. 163 TO S. 1888

At the request of Mr. BAYH, the Senator from Delaware (Mr. ROTH) and the Senator from New Hampshire (Mr. (MCINTYRE) were added as cosponsors of amendment No. 163, intended to be proposed by Mr. BAYH to S. 1888, The Agriculture and Consumer Protection Act of 1973.

NOTICE OF HEARINGS ON BILLS TO CODIFY, REVISE, AND REFORM THE FEDERAL CRIMINAL LAWS

Mr. MCCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures will hold open hearings on June 12, 13, and 14, 1973, to continue our project on bills to codify, revise, and reform the Federal criminal laws. The hearings will commence each day at 10 a.m. in room 2228, Dirksen Senate Office Building. Areas to be covered in this series include national security, general codification, Indian law, jurisdictional concepts, insanity defense, and obscenity provisions.

Additional information on these and further hearings is available from the subcommittee in room 2204, Dirksen Senate Office Building, telephone 202–225–3281.

ANNOUNCEMENT OF OPEN HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION, SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that open hearings have been scheduled by the Subcommittee on Parks and Recreation at 10 a.m. on June 20, 1973, in room 3110, Dirksen Senate Office Building, on the following bill:

S. 1296, to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes.

NOTICE OF HEARINGS ON S. 1083—EXEMPTING BLACK POWDER FROM LICENSING AND PERMIT PROVISIONS OF THE ORGANIZED CRIME CONTROL ACT

Mr. BAYH. Mr. President, I wish to announce that the Judiciary Committee will hold hearings on S. 1083, a bill to exempt black powder from the licensing and permit provisions of title XI of the Organized Crime Control Act. This bill would remove restrictions on commercially manufactured black powder intended to be used for sporting purposes in antique firearms. S. 1083 would not affect the strict existing criminal penalties for the misuse of explosives, including black powder and igniters, adopted by Congress in 1970.

This hearing, which I will chair, will be held on June 12, 1973, at 9:30 a.m. in room 4200, Dirksen Senate Office Building. Witnesses invited to testify include representatives of the Justice and Treasury Departments; Hon. Gary Butler, State representative, Lawrenceburg, Ind.; Lt. Col. Vaughn K. Goodwin, president, National Muzzle Loaders Association; Richard Corrigan, president, North South Skirmish Association; Dr. C. R. Gutermuth, president, National Rifle Association; and J. Paul Barnett, northern vice president, and Al Cors, Jr., southern vice president, Indiana Sportsmen's Council, South Bend, Ind.

Any person who wishes to submit a statement for the record should notify Mathea Falco, staff director and chief counsel of the Juvenile Delinquency Subcommittee at 225–2951.

NOTICE OF HEARINGS ON S. 821—THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1973

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary is continuing its hearings on S. 821, the Juvenile Justice and Delinquency Prevention Act of 1973. Last year, the subcommittee held 4 days of hearings on S. 3148, which I introduced in the 92d Congress. In this session, we have held 3 days of hearings on S. 821, a slightly revised version of S. 3148, which I introduced on February 8, 1973.

S. 821 is designed to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency.

The hearings, originally scheduled for May 14 and 15, have now been scheduled for June 8 and June 26, 1973. The June 8 hearing will be held in room 2228, Dirksen Senate Office Building, at 9:30 a.m.; the June 26 hearing will be held in room 1318, Dirksen Senate Office Building, at 10 a.m.

Witnesses scheduled to testify on June 8 are: Richard Velde, Associate Admin-

istrator, Law Enforcement Assistance Administration; Stanley B. Thomas, Acting Assistant Secretary for Human Development, Department of Health, Education, and Welfare; and Justus Freimund, Director of the National Capitol Office, National Council on Crime and Delinquency. Witnesses scheduled to testify on June 26 are: Jerry Wurf, international president, American Federation of State, County, and Municipal Employees, Washington, D.C.; Hon. Richard Hatcher, mayor, city of Gary, Ind.; Hon. Jerry J. Miller, mayor, city of South Bend, Ind., accompanied by Patrick Gallagher, director, Department of Public Safety, South Bend; Hon. Robert Pastrick, mayor, city of East Chicago, Ind.; William E. Aull, president, YMCA of Honolulu, Hawaii; and Dr. Cecily C. Selby, national executive director, Girl Scouts of America, New York, N.Y.

Any person who wishes to submit a statement for the record should notify Mathea Falco, staff director and chief counsel of the subcommittee at 225–2951.

NOTICE OF HEARINGS ON VETERANS' PENSIONS

Mr. HARTKE. Mr. President, I would like to announce that the Veterans' Affairs Subcommittee on Compensation and Pensions chaired by the distinguished Senator from Georgia (Mr. TALMADGE) will hold hearings on veterans' non-service-connected pensions commencing at 10 a.m. on Monday, June 18 in room 412 of the Russell Senate Office Building.

The hearings will cover the effect on veterans' non-service-connected pensions of social security legislation enacted last year, the adequacy of the current assistance levels as well as administration proposals. Specific legislation which will be considered by the subcommittee includes S. 275, which would increase the maximum income levels and provide a general 8 percent increase in the pension program which would have the effect of offsetting pension decreases suffered by veterans as a result of last year's social security legislation. My colleagues will recall that a virtually identical bill, S. 4006, was passed by the Senate unanimously on October 11, 1972, but was not acted upon by the House of Representatives. Additional bills which will be considered by the subcommittee are S. 176, S. 1574, and S. 1915. Any person wishing to appear or submit a statement for the RECORD should contact Guy H. McMichael III, general counsel of the Veterans' Affairs Committee.

NOTICE OF HEARING ON S. 422, S. 1141, S. 1901, S. 1927, AND S. 1928

Mr. HATHAWAY. Mr. President, the Subcommittee on Coinage and Minting of the Committee on Banking, Housing and Urban Affairs will commence hearings on S. 422, S. 1141, S. 1901, S. 1927, and S. 1928 at 2 p.m. on June 6 in room 5302, Dirksen Senate Office Building.

All persons wishing to testify should contact Mr. Edward A. Sokol, room 5300, Dirksen Senate Office Building; telephone 225–7391.

NOTICE OF HEARINGS ON COAL POLICY ISSUES

Mr. JACKSON. Mr. President, on June 6, 7, and 8, 1973, the Senate Interior Committee will hold hearings on coal policy issues. These hearings, previously announced on May 7, are to be chaired by Senator JENNINGS RANDOLPH, Democrat, of West Virginia, an ex officio member for the Senate's national fuels and energy policy study.

Domestic coal-based energy supplies are an essential and critical element of a national energy policy for the United States. Coal and synthetic fuels from coal represent long-term alternatives to oil and gas imports.

Progress toward the goal of national energy self-sufficiency will depend on our ability to extract and use our vast coal resources in environmentally acceptable ways. However, to no small extent, this objective can only be achieved by a planned and specific national strategy designed to enable coal to achieve a greater role in meeting our country's future energy needs.

The witnesses expected to appear at these hearings are:

WEDNESDAY, JUNE 6—10 A.M.

The Honorable ROBERT C. BYRD, U.S. Senator from West Virginia; and Dr. Ralph E. Lapp, Quadri Sciences.

2 P.M.

Arnold Miller, president, United Mine Workers of America; and John Kilcullen, National Independent Coal Operators Association.

THURSDAY, JUNE 7—9:30 A.M.

Dr. Joseph M. Marchello, chairman, Department of Chemical Engineering, University of Maryland; and the Honorable Robert Fri, Acting Administrator, Environmental Protection Agency.

1:30 P.M.

Edison Electric Institute Panel: D. Bruce Mansfield, president, Ohio-Edison Co.; Dr. John Craig, Southern Services, Inc.; Manard Smith, president, Smith, Zinger Meteorologic Services, Inc.; and John McCormack, Environmental Policy Center, Washington, D.C.

FRIDAY, JUNE 8—9:30 A.M.

Panel: National Coal Association—American Mining Congress—John Philips, president, Eastern Gas & Fuel; E. W. Littlefield, president, Utah International; Edwin R. Phelps, president, Peabody Coal Co.; Edward P. Leach, Bethlehem Steel Co.; and John Corcoran, president, Consolidation Coal Co.

FRIDAY 11 A.M.

The Honorable Stephen A. Wakefield. Assistant Secretary for Energy and Minerals, Department of the Interior.

These hearings are being held as part of the Senate's National Fuels and Energy Policy Study. They will be convened in room 3110 of the Dirksen Senate Office Building at the indicated times. Interested or affected parties desiring to file statements for the record are requested to structure their submissions to be responsive to the committee's question and issue list which is attached. Submissions must be transmitted to the committee, in 10 copies, by June 30, 1973.

Mr. President, I ask unanimous consent that a background paper and policy issues regarding these hearings be printed at this point in the RECORD.

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

BACKGROUND PAPER AND POLICY ISSUES—HEARINGS ON THE FACTORS AFFECTING THE USE OF COAL IN PRESENT AND FUTURE ENERGY MARKETS

(National Fuels and Energy Policy Study, Committee on Interior and Insular Affairs, United States Senate, June 6, 7 and 8, 1973)

On Monday, May 7, 1973, Senator Henry M. Jackson released a background paper, prepared by the Congressional Research Service, entitled, "Factors Affecting the Use of Coal in Present and Future Energy Markets." This Committee Print (Serial No. 93–9) is to serve as the basis for hearings of the Senate's National Fuels and Energy Policy Study, being conducted by the Committee on Interior and Insular Affairs, pursuant to S. Res. 45 (92nd Congress). In the Chairman's memorandum of transmittal, the Chairman stated:

"Coal, to a greater extent than any other domestic energy resource, has felt the impact of economic, social, and political change in the past quarter century. The fortunes of coal have been affected by such diverse factors as the dieselization of railroads, the advent of nuclear power, the incidence of black lung disease and the Federal management of the Mandatory Oil Import Program. More recently, expanded concern for the quality of our environment has confronted coal with a series of new and difficult challenges.

"Despite a history of uncertainty coal remains an increasingly critical element in our national energy picture. The fact that the United States has a three hundred year reserve of coal at today's rates of consumption is particularly ironic because the role of coal in our energy supply system is actually declining. If coal is in fact our most abundant energy resource, why has it played a diminishing role in meeting our energy needs? What can be done to use more coal, thereby relieving some of the pressures on other energy sources?

"It seems clear that a concerted effort by both the Congress and the Executive Branch is required if coal is to meet more of our growing energy needs in environmentally acceptable ways. There are serious public policy issues affecting coal's future which must be resolved, and sooner rather than later. The purpose of this report is to identify these issues, to describe the impact of present and proposed public policies on coal's economic position as an energy source, and to suggest the potential of coal in meeting our energy needs."

Hearings are tentatively scheduled to commence on June 6, 1973. Witnesses, and individuals submitting statements for the record, are requested to organize their statements according to the following general questions and specific policy issues. Witnesses are requested to respond to the indicated general questions, at the time of their appearance, and file detailed responses to the other questions and issues, for the record. Other interested or affected parties desiring to make their views known, are requested to file their statements, in 10 copies, for the record, by June 29, 1973.

GENERAL QUESTIONS

1. What is a realistic role for coal as a domestic energy supply, including its potential availability, under various assumptions, through the year 2000?

2. In the formulation of a National Energy Policy (to achieve the objectives enunciated in response to question 1), what are the general policy questions and issues that should be addressed, and what specific policy changes would you recommend for their resolution, with regard to—

a. coal reserves, including their location, quality, and availability;

b. Federal leasing policies (also, see question 3);

c. coal production practices and regulations (also, see question 4);

d. coal transportation practices, including freight rates and the availability of freight cars;

e. coal utilization (also, see question 5);

f. manpower requirements, including sources of manpower and productivity;

g. economic factors, such as tax and pricing policies and capital requirements (also, see question 7);

h. Federal research programs and priorities (also, see question 6); and

i. other areas of concern?

3. What *specific* policy issues are associated with current Federal policies governing the leasing of coal resources on the public lands, under such statutes as the Mineral Leasing Act of 1920? What specific action might be undertaken for their resolution?

4. What are the *specific* policy issues arising from implementation of the Federal Coal Mine Health and Safety Act, as amended? What specific action might be undertaken for their resolution?

5. With regard to implementation of the Clean Air Amendments of 1970—

a. What strategies are available to the Federal government, generally, and EPA, specifically, for achieving the air pollution control requirements established by the States to achieve the national primary (health) and secondary (welfare) ambient air quality standards on the prescribed time schedules?

b. What are the implications and policy issues resulting from enforcement of the time schedules in the State plans of implementation and the Federal new source performance standards for available energy supplies, generally, and coal, specifically? What specific actions might be undertaken to mitigate any resultant economic disruption, while still achieving timely implementation of the Clean Air Act, as amended?

6. From the standpoint of the future use of coal in an environmentally acceptable way and in increased quantities, as an alternative to oil imports—

a. What should be the national priorities on coal related energy technologies and where are the opportunities to accelerate current research activities?

b. Considering both government and industry activities, what should be their respective roles in order to assure the timely development of new energy technologies?

c. What institutional arrangements and Federal policy changes are needed to achieve the objectives stated in response to questions "a" and "b"?

7. With respect to economic factors affecting coal, what problems and issues stem from current Federal economic policies and practices? What specific actions might be undertaken for their resolution?

ADDITIONAL STATEMENTS

ECONOMIC STRENGTH AND NATIONAL SECURITY

Mr. GOLDWATER. Mr. President, on the steps of the Archives Building is this inscription: "What is past is prologue, study the past." Ret. Gen. Ira Eaker has drawn upon his knowledge of the past to write a very provocative column which I ask unanimous consent to be printed in the RECORD. I do this because sometimes it is difficult for us to remember that everything that is going on today has gone on before. Times change, but men do not. We should study the past.

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

ECONOMIC STRENGTH AND NATIONAL SECURITY

(By Ira C. Eaker)

There is a definite relation between the economic well being of a nation and its national security. There is no better modern example of this than Great Britain. In the first half of this century she controlled the balance of power in the world, as she demonstrated in two World Wars.

After World War II, as the Empire broke up, as she became a welfare state, when London no longer was the financial center of the free world, reliance for British security passed to NATO and the strategic-nuclear umbrella of the U.S. When the British pound was no longer the stable, controlling currency in the world, Britain had to rely upon allies for her security.

It may be well, therefore, in fact it may be imperative, that we examine the status of the economy of the United States in relation to its security. Only a facist or communist state can dictate the portion of its national resources which will be allocated to its military strength. In a free society, only a stable economy will long support a strong military posture.

Economically, there is one favorable index for the U.S. Currently its gross national product exceeds that of the other economic power centers in the world. The GNP of the U.S., at the end of last year, was slightly more than a trillion dollars. The GNP of the Soviet Bloc (Warsaw Pact) countries was $645 billion. That of Western Europe was $640 billion; Japan's was $200 billion and Red China's was $120 billion. This tremendous lead in productivity accounted for the fact that the standard of living in the U.S. was the highest in the world by a wide margin. The U.S. has, however, elected to spend its superior wealth on the welfare of its people instead of maintaining superior military strength. The proposed '74 budget allocates 48% of the national budget to welfare programs; while but 28% is for defense.

If the GNP of Western Europe and the Soviet Bloc were combined, it would exceed that of the U.S. by 25%. That may have been what Khrushchev had in mind when he boasted that the USSR would bury the U.S. economically. That combination of Soviet and Western European economies could be accomplished by "Finlandization," or threat of nuclear blackmail. Military conquest would not be necessary.

There are some disturbing signs that the economic superiority of the U.S. may soon cease. Foreign trade represents a danger signal. Ten years ago we had a favorable balance of foreign trade by about $10 billion. Now, our foreign trade balance shows a deficit of more than $12 billion.

Our greatest present danger economically, however, lies in the depletion of our natural resources. At the turn of the century we were self-sufficient in most strategic materials. In the intervening years the profligate, spendthrift use of these resources in a rapidly expanding industrial economy, plus two World Wars, have largely exhausted our surplus strategic materials. Today, we must import 67 of the 72 strategic materials required for defense weapons and to support a war economy.

Oil represents the most critical strategic item now in short supply and the deficit is rapidly growing worse. In 1973 our oil imports will cost $6 billion and it is estimated that it will reach $30 billion by 1985.

The Arab countries and Iran possess 45% of current oil production in the world and 60% of the oil reserves. The U.S. uses 40% of the world's production of petroleum. The USSR is self-sufficient in oil and all strategic materials.

It is ominously significant that Russia now controls, through its alliance with the Arab states, two-thirds of the oil requirements of Western Europe, nine-tenths of Japan's needs and 25% of U.S. requirements. When she gains dominance of the sea lanes by 1975, as she will if current rates continue, she can control this vital oil supply not only at its sources, but its distribution as well.

NO GOOGOL DOLLAR BUDGET

Mr. PROXMIRE. Mr. President, once in a while we—the Government, all of us who are part of it—should stand back to see what we have spent. That might make us think twice even when authorizing necessary expenditures.

Someone who has done that for us is a free-lance writer, Frank L. Remington. In a piece published by the Milwaukee Journal on May 25, Mr. Remington takes dead aim by helping us visualize a million dollars, a billion dollars, a trillion dollars.

I would not spoil the piece by reciting its salient points, but this one fact ought to whet our appetites—to read it, not to spend it. He writes that:

In the first 150 years of its existence [that is until 1939], the federal government spent only $157 billion.

Need I even say that the Congress put a limit on this coming year's spending of $268 billion?

It is very simple to make mistakes when handling gigantic figures. Mr. Remington, a distinguished writer, proves my point when he writes:

Let's be fanciful and suppose that every man, woman and child in the United States and Canada is a millionaire with an income of $100,000 a week or considerably more than $5 million apiece a year. The combined annual income of the population of the two countries at this fantastic rate would total about $1 trillion.

To come up with that total, the annual income of each person in the two countries would have to be $5,000 a year, not $5 million. But what is a thousandfold error among friends?

We should think twice here in Congress to avoid three-zero errors that can cost all of us taxpayers through the nose.

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

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

WHAT'S IN A NUMBER? QUITE A BIT IN A BILLION

(By Frank L. Remington)

President Richard M. Nixon will probably go down in history as the first "trillion dollar" president. In eight years Nixon and his government will probably spend considerably more than a trillion dollars. Nixon is the 37th chief executive. It is estimated that his administration will spend as much in one year as the first 30 presidents combined. In eight years in office, George Washington's expenditures amounted to less than enough to operate the 1973 government for less than half a day.

Now that our Gross National Product has

surpassed the $1 trillion a year mark, many of us might be wondering if we are about to run out of numbers. Not at all. Although we now operate in the trillion dollar class, we have barely scratched the surface so far as numbers are concerned.

Most of us find that amount of money to be beyond the realm of our imagination. Indeed, the majority of us find it difficult enough to grasp the significance of a mere $1 million.

Just how much is a million (1 followed by 6 zeros)? It looks like this: 1,000,000. Since our government speaks mostly in billions these days a mere million must be insignificant, indeed. Yet, only about three-quarters of a million days have elapsed since Julius Caesar ruled the Roman Empire.

SEVEN WEEKS TO FINISH JOB

Try counting a million $1 dollar bills and you'll really appreciate what a huge chunk of cash it is. Counting at the rate of 60 bills a minute for a full eight hour day, five days a week, it will take you almost seven weeks to complete the task. Just half a million automobiles lined up bumper to bumper would extend from Boston, Mass., to Miami, Fla.

Now, how much is a billion, or a billion dollars, in familiar terms? First, a billion is one thousand million. Our national debt right now is more than $400 billion. At $100 a week, a man working 192,307 years could accumulate a billion dollars—before taxes!

Or look at it this way. If you'd started in business in the year A.D. 1 with $1 billion capital, and if you had managed your business so poorly that you lost $1,000 each day, in 1972 you still would have enough capital left out of the original billion to continue in business, losing $1,000 a day for about another 770 years, or around the year 2745. And our government owes more than 400 times that amount!

Suppose you have acquired $1 billion, and take it in $1 bills so you can fondle it and count it. If you were 40 years old when you started to count, and assuming that it was possible for you to be so occupied 24 hours a day, seven days a week, you would be about 72 years old by the time you completed the task—counting at the rate of one bill a second.

A STACK OF BILLS 125 MILES HIGH

Of course, accumulating a billion $1 bills in one place would be quite a feat in itself. If laid end to end, a billion $1 bills would encircle the earth nearly four times. Or if you'd prefer to stack them one on top of the other, they'd make a pile about 125 miles high!

Let's approach the visualization of a billion from a different angle, forgetting money for a moment. Suppose you take a billion kitchen matches and lay them side by side. How far would they stretch? A mile or two? No, indeed. They'd stretch from Nashville, Tenn., to San Francisco, Calif., or roughly 2,500 miles.

Now that we have a hazy conception of a billion, we might try to take on a trillion. How much is a trillion dollars? It looks like this in figures: $1,000,000,000,000, and consists of a thousand billion.

From the time of George Washington's first presidential inaugural in 1789 through 166 years to the spring of 1955, the United States Government spent about $1 trillion—most of it in the last 16 years of the period. Indeed, in the first 150 years of its existence, the federal government spent only $157 billion, and in the next 16 years expended $843 billion.

How can we possibly imagine a trillion dollars? Suppose we look at it from the standpoint of $1,000 bills. A million dollars in crisp new $1,000 bills laid one on top of the other would make a stack eight inches tall. A billion dollars worth of $1,000 bills would stack up into the sky 110 feet higher than the Washington Monument. And a trillion dollars worth of the same $1,000 bills would stretch 125 miles into the air.

Let's be fanciful and suppose that every man, woman and child in the United States and Canada is a millionaire with an income of $100,000 a week, or considerably more than $5 million apiece each year. The combined annual income of the population of the two countries at this fantastic rate would total about $1 trillion.

In inches, how far is it around the earth at the equator? A trillion inches? Not nearly. In fact, if you traveled to the moon and back 30 times, the distance you'd cover would just about add up to one trillion inches.

DIFFICULT CONCEPT FOR MOST OF US

Yes, a trillion of anything is pretty difficult concept for most of us to grasp. But a trillion is nothing compared to a quadrillion (1 followed by 15 zeros). Since man first began to talk, it is estimated that he has spoken about a quintillion 1 followed by 18 zeros) words. That includes all filibusters, campaign gobbledygook, baby talk and the ravings of such persons as Adolf Hitler and Howard Cosell.

It is estimated that there are close to a sextillion (1 followed by 21 zeros) grains of sand on an average beach. How many electrons there may be in the universe is anyone's guess, though it might be a quindecillion (1 followed 48 zeros), a vigintillion (1 followed by 63 zeros) or even a googol (1 followed by 100 zeros).

The term "googol" was coined by Edward Kasner, an eminent American mathematician. One day he said to his 9 year old nephew: "Give me the first word you can think of for the largest number you can possibly thing of." Without a moment's hesitation, the youngster replied, "A googol." Since then the word has become standard in modern mathematics.

A GOOGOLPLEX IS LARGER STILL

Possibly the number of raindrops that have fallen since the earth began does not even approach a googol. Maybe a million years in the future, a googol raindrops will have fallen. Nobody knows. One thing is certain, though: A googol is trivial indeed compared to a googolplex, which is 1 followed by a googol of zeros.

Now, a googolplex is estimated . . . but let's not go into that. A googol and a googolplex are beyond our comprehension. Most of us have a hard enough time trying to envision a billion and a trillion.

Politicians, however, have little trouble spending billions of dollars, though it is hoped they won't run the national debt up to a trillion dollars. Perhaps the reason they spend so much is that they don't comprehend big figures. A billion dollars more or less probably doesn't faze them, especially in an election year when they orate several billion words around the country.

If big numbers, particularly in regard to the national debt, worry us too much, perhaps our solution would be to make a safari to Africa and maybe take up residence with the Hottentots. Their vocabularly doesn't include words for numbers higher than three. Ask a Hottentot how many fingers he has and he'll answer "many." It's much simpler that way—and there are no worries about googols and googolplexes.

SOME PERSPECTIVE ON WATERGATE

Mr. SCOTT of Pennsylvania. JOHN J. RHODES, Republican Congressman from Arizona, writing in Friday's New York Times, puts Watergate in perspective. He says succinctly and eloquently that all Republicans should not be condemned for the actions of a few persons not elected to public office. This is true. What is also true, as Congressman RHODES points out, is that "for every person in the Republican organization who had anything to do with Watergate, there were literally thousands who worked tirelessly and honestly to reelect the President and elect Republican candidates." I ask unanimous consent that this excellent article be printed in the RECORD.

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

SOME PERSPECTIVE ON WATERGATE

(By John J. Rhodes)

WASHINGTON.—It began slowly and built into a crescendo which has consumed the attention of virtually everyone in Washington and millions of Americans around the country. At first, it was dismissed as a petty burglary, an isolated incident. Now, it is a raging controversy which has threatened to paralyze the normal machinery of Government.

I am referring to Watergate—the illegal entry last fall of seven individuals, among them employes of the Committee for the Re-Election of the President, into the headquarters of the Democratic National Committee. This incident has blossomed into a full-scale scandal, complete with charges and countercharges. And as the President himself admitted, "The inevitable result of these charges has been to raise serious questions about the integrity of the White House itself."

Of course, the only responsible position to take, regardless of party affiliation, is unequivocally to reject the attitude which led to the Watergate break-in. Over the past several weeks, many leading Republicans in the Congress and around the country have urged an immediate and full investigation of the facts. The 1972 Democratic Presidential candidate, Senator George McGovern, has publicly stated, "Republicans have been among the most effective voices calling for full disclosure of all the facts."

Watergate must be resolved without delay. Far too much time has been spent on this senseless crime at the expense of the normal business of Government. That has been, in my judgment, the real tragedy of Watergate: It has distracted us from many of the important issues which face our country. We must get on with the vital work before us.

Watergate must be resolved, but it must also be placed in some sort of a realistic perspective. Watergate was, as the President has said, "a series of illegal acts and bad judgments by a number of individuals." This should not mean condemnation of the political system. "It was the system," the President said, "that has brought the facts to light and that will bring the guilty to justice." I, for one, believe this.

All those who had anything to do with Watergate—regardless of their position—must be fully prosecuted and, if found guilty, punished as reqired by law. Future generations must know that we cannot condone this type of senseless and reprehensible activity.

The process is now under way which will result in full disclosure if it is scrupulously followed. We must see to it that this process proceeds unhampered. But now we must move on to other matters—vital matters of great importance to our people and to the world, whose consideration cannot longer be postponed.

Politics is full of good and honest men and women. For every person in the Republican organization who had anything to do with Watergate, there were literally thousands who worked tirelessly and honestly to re-elect the President and elect Republican candidates. No one party holds a monopoly on integrity, no entire party should be

penalized by the actions of one group of individuals. There has never been any allegation that the Republican National Committee or any of its functionaries were involved in any way in Watergate.

Similarly, there is no evidence at this point to directly implicate President Nixon in the series of Watergate wrongdoings. In lieu of evidence, it is unfair to condemn the President, or his entire Administration. As Senator William Proxmire recently asked on the floor of the Senate: "Does not the President have the same simple right that every other American has to be innocent until proven guilty?"

I am proud to be a Republican because I believe in the principles of the Republican party. One of these principles was handed down by Abraham Lincoln, the first Republican President. President Lincoln said over a hundred years ago: "Let the people know the facts and the country will be saved."

The facts of Watergate will be displayed to the people of America. And America, once again, will have been saved, by the good judgment of an informed people.

PERMANENT EMERGENCY

Mr. CHURCH. Mr. President, Justice Jackson wrote in the 1952 steel seizure case that:

Power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers.

The United States has been in a state of emergency since 1933; it is time that Congress retrieved those powers that slipped away over the last 40 years; it is time to end outdated emergency rule. That is what the bipartisan Special Senate Committee on the Termination of the National Emergency is investigating.

An excellent article on the work of the special committee appears in the May 19 issue of the New Republic. In order that other Senators may have the opportunity to read it, I ask unanimous consent that it be printed in the RECORD.

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

PERMANENT EMERGENCY

Of a recent issue, a congressman, trying to drum up alarm in the House, said, "This is no ordinary crisis." How could it be? The country has been in a state of emergency since at least 1933, beginning with FDR. President Truman declared another emergency in 1950 (still with us) and signed the National Defense Production Act, which kept the economy on quasi-war footing. Then Mr. Nixon in 1971 was forced by declining monetary reserves and an unfavorable balance of trade to declare a third emergency, which justified his putting a surcharge on imports. Congress never approved or removed it.

The Special Committee on the Termination of the National Emergency which the Senate set up last year to look into this historic accumulation is finding that the deeper it digs, the larger the doubt that *it* can be terminated. Committee aides have found hundreds of extant extraordinary powers that Congress has yielded, but never codified, for times of war or national emergency. An air force computer bank, probably the one the government has programed for Apocalypse, has scanned the US code and turned up 580 special powers.

For instance during any national emergency the President may take over the airwaves. The Communications Act of 1934 does not describe the kind of emergency this has to be or how long it may last; nevertheless, every station license can be waived or revoked.

"When he considers it in the national interest," the President may also send members of the armed forces to any republic (it doesn't *have* to be a republic) in North, Central or South America (or, under certain conditions, any other country) "to assist in military matters." By executive order, moreover, any populated area in the US may be declared a military zone under martial law. Intended for use in World War II, this statute could be used to revive the Emergency Detention Act, which Congress thought it abolished two years ago.

Under the National Defense Production Act, due to expire in 1974, the President can "allocate materials," which in practice has meant stockpiling strategic metals each year. In the last quarter of 1966, as Vietnam heated up, President Johnson was requiring steel producers to set aside for defense six percent of their output, copper producers 18 percent, and aluminum producers 13 percent. But the President is empowered also to take over industrial plants to assure needed supplies and munitions, and he can fine businessmen up to $10,000 and jail them for a year.

Then there is the loan guarantee program, based on a 1959 executive order which in turn derived its authority from the national state of emergency declared in the Korean war. In the last 15 years, *The New York Times* recently reported, the Pentagon has used this executive order to make $85.9 million in outright grants to defense contractors, without the approval or knowledge of the secretary of Defense. That amount does not include an early 1971 bail-out of Lockheed (which Congress did *not* know about)—a $1 billion boost of contract prices of the C–5A and the Cheyenne programs. The government has also bought stock in some defense companies.

The President need not declare a new national emergency with each new executive order; he need only refer to an earlier one or make reference to some antique war-time statute like the Trading With the Enemy Act of 1917—the law invoked by President Johnson in 1968 when he put emergency restrictions on overseas investments.

The 580 ways to deal with emergencies that criss-cross the US code ought to be sorted out as quickly as possible. But as the current debate on the President's war powers makes clear, the problem is not wholly legal. Politics abhors a vacuum, a point that was made by Justice Jackson in the steel seizure cases of 1952: "A crisis that challenges the President, equally, or perhaps primarily, challenges Congress . . . We may say that power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers."

ONE SPECIES, MANY CULTURES

Mr. PERCY. Mr. President, the Ninth International Congress of Anthropological and Ethnological Sciences will be held in Chicago from August 28 through September 8, 1973. As many as 3,000 scholars from more than 100 countries are expected to participate in this major intellectual event. Already 85 sessions have been scheduled and more than 1,000 papers received.

The theme of the Congress is "One Species, Many Cultures," and is based on the thesis that the well-being of mankind depends upon recognition and respect for group differences. In pursuance of this theme, there will be a number of cultural events including a specially commissioned opera by Gian Carlo Menotti, an ingenious presentation of the main musical styles of various regions of the world, an American folk concert sponsored by the Smithsonian Institution, a major new film entitled "The Ethnography of World Dance," exhibits of paintings and photographs from around the world, an anthropological film festival, an arts and crafts fair featuring work of U.S. and Canadian Indians, and an anthropology book fair.

There will also be a "Study of American Culture" conducted during the Congress by a commission of scholars from every part of the world. The study will be conducted in 20 Chicago ethnic communities which are preparing for it by developing documentary videotapes about themselves and their problems with the cooperation of University of Illinois Chicago Circle faculty members and students. After viewing these documentaries, the scholars will go into the communities for public meetings with the local people to discuss the community situation in its broadest perspective.

Dr. Sol Tax, the distinguished anthropologist of the University of Chicago, has spent over 2 years organizing the Congress and has developed new approaches which are unique to congresses of scholars and which are designed to make participation in the Congress more meaningful and useful than is often the case. For example, he has scheduled precongress conferences in Chicago and other American cities to increase interchange among scholars of particular discipline. Human biologists and physical anthropologists will gather at Wayne State University in Detroit, ethnologists and museologists in Milwaukee, social anthropologists in Oshkosh, and so forth.

Another precongress conference will bring together 15- to 18-year-olds from all parts of the world to explore youth's role in the world. Educational and social activities are planned to develop a sense of community and friendship, to gain knowledge and respect for other cultures, and to share ideas on contemporary issues in relation to the future of the species.

To enhance the value of the Congress to participants, papers and astracts are already being made available to attendees and participants in advance of the meetings. Therefore, sessions will be devoted solely to discussion. Mutual exchange will be further enhanced by a simultaneous translation system from and into English, French, German, Russian, and Spanish, supplemented by a secondary translation system to assist those who know none of these five languages. Translation will be provided by wireless headsets, and there will be no loudspeaker system so that, with the headset in place, one can hear one's own language without the distraction of loudspeaker noise.

Another innovation is a major publishing effort which will produce as many as 100 books of the papers and discussions which will in fact "update" anthropology and which will be repeated in future congresses at 5-year intervals.

The Ninth International Congress of Anthropological and Ethnological Sciences will be a major event for scholars. I believe it will set a new standard and establish a new style for international congresses.

WHY IS PHASE III SUCH A FAILURE?

Mr. PROXMIRE. Mr. President, the fact that phase III is a dismal failure is obvious. The question is why. There are many reasons, including the incredibly timed change in policy last January and the undue permissiveness of the regulations. A further reason, which has not received enough attention, is the abysmally poor administration of the program. No program will work unless those who administer the program are seriously trying to make it work. Conversely, even a poorly designed program such as phase III can be made at least partially effective through competent and vigorous administration.

Two recent newspaper articles, one by Art Pine in the Baltimore Sun and the other by James Gannon in the Wall Street Journal have now exposed the administrative problems associated with phase III. I ask unanimous consent that these articles be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit A.)

Mr. PROXMIRE. Both articles stress that the much publicized "stick in the closet" with which Secretary Shultz repeatedly promised to "clobber" those who failed to comply with phase III has remained in the closet. There has been not one single significant action under phase III to roll back an excessive price or wage increase. I repeat, not one single significant action.

At one point during phase II the Price Commission was ordering price rollbacks at a rate of three or four each week. Under phase III there have been none. The professional staff of the Cost of Living Council is demoralized and the enforcement personnel supplied by the Internal Revenue Service are frustrated. Staff efforts to conscientiously conduct a successful program are being ignored or vetoed by those in charge.

A new and crucial test of phase III presently faces the Cost of Living Council. The steel industry has announced plans for a 5-percent price increase this month. Steel is the classic example of an oligopolistic, administered price industry. This is the type of situation in which Government action to hold down prices is most needed. If phase III fails this test we can abandon all hope for progress in reducing inflation.

EXHIBIT A

[From the Wall Street Journal, May 30, 1973]

PHASE III UNUSED STICK IN THE CLOSET

(By James P. Gannon)

WASHINGTON.—Somewhere in the White House, there is supposed to be a closet with a stick in it.

The "Stick in the Closet" is the Nixon administration's catch-phrase for the standby powers it has to hit unions and companies which flagrantly violate the quasi-voluntary Phase 3 wage and price controls.

Treasury Secretary George P. Shultz first referred to the stick on Jan. 11, in unveiling the change from the mandatory Phase 2 controls to what he called the "voluntary" Phase 3 curbs. Seeking to distinguish the revamped Phase 3 controls from the voluntary wage and price guidelines of the Kennedy-Johnson years, Mr. Shultz conjured up the "stick in the closet" image and warned that "people who don't comply voluntarily are going to get clobbered."

Inasmuch as this is a time of feverish searching into White House closets, which contain plenty of skeletons if nothing else, it seems timely to ask: Whatever became of the stick?

What seems clear now, after more than four months of the Phase 3 program, is that the stick is more a rhetorical tool than a practical anti-inflation weapon. Nixon administration economic policy-makers, led by Mr. Shultz, believe strongly in basic supply-and-demand strategies to control inflation, rather than in any selective punishing of scapegoats who sin against the wage-price commandments. The mere existence of Mr. Shultz's shillelagh apparently was meant to serve as a deterrent to a possible widespread surge of follow-the-leader type price increases that might follow the expiration of Phase 2 controls.

To be sure, the Phase 3 stick has been rhetorically brandished by Nixon administration economic officials with great vigor and frequency. Alarmed by the widespread reaction that the switch to Phase 3 was actually an abandonment of meaningful controls, Mr. Shultz and his cohorts verbally swing the stick in an effort to restore some of the controls program's damaged credibility.

MR. SHULTZ' WARNINGS

Only a day after he unveiled the Phase 3 program, Mr. Shultz, who didn't like newspaper headlines that said the White House had "scrapped" controls, summoned a small group of newsmen to his Treasury office to say that the Phase 3 closet contained not only a stick, but a shotgun, a baseball bat and an arsenal of other weapons. And the government wouldn't hesitate to use them, Mr. Nixon's economic policy architect warned.

In the days that followed, as price indexes began ringing inflationary alarms, the administration kept talking a tough controls strategy. William Simon, the new No. 2 man at the Treasury, warned that "Phase 3 is going to get tough if toughness is warranted." Mr. Shultz even strode into that corporate lions' den, the prestigious Business Council, to warn that "someone will get clobbered" if the price and wage rules are broken. "If any of you want to offer yourselves up as that juicy target," the Cabinet officer told the businessmen, "we'll be delighted to clobber you."

So, much has been heard of the stick in the closet. But very little—almost nothing—has been seen of it.

That's not because everything on the inflation front is going swimmingly, of course. As everyone from housewives to purchasing agents knows, the pace of price increases since the Phase 3 program began has been the worst since the Korean war inflation of 1951.

Wholesale prices in the first three months of Phase 3 soared at a seasonally-adjusted annual rate of 21.2%. Forget for a moment the stunning 37.3% annual rate of gain in prices of farm products, processed foods and feeds, and look just at that segment of the economy that ought to be most susceptible to persuasion by the "stick in the closet"—industrial prices. In that three-month period, wholesale quotes of industrial goods zoomed at an annual rate approaching 15%, the steepest in 22 years.

The industrial price escalation reflects sizable markups on steel, nonferrous metals, oil, coal, gasoline, textiles, machinery and many other basic goods. The price of lumber has gone up so much under Phase 3 that, if the White House had to go out today and buy a new stick to put in the closet, it would cost nearly 23% more than in January.

But who has been "clobbered"? Despite the price outbreak, there hasn't been a single case of a company feeling the whack of the Phase 3 stick. The general level of wage settlements under Phase 3 has been much more stable than prices; still, there have been numerous settlements exceeding the admittedly fuzzy 5.5% wage standard, but not disciplining of Labor chieftains, either.

Administration men cite various moves as evidence that there really is a stick, but the evidence isn't very persuasive. In March, reacting to climbing fuel prices, the Cost of Living Council reimposed limited mandatory price controls on 23 oil companies. But it has already begun relaxing these in the face of shortages that the companies contend are worsened by the price curbs.

Under political pressures that included a march on Washington by homebuilders, the Cost of Living Council seven weeks ago held public hearings on the soaring price of lumber. Despite the implication that it would stiffen lumber price controls, the Council hasn't followed the hearings with any such action; it is still studying the situation.

As pot roast became a luxury and housewives began boycotting the butcher, the White House took another action that's more symbolic than real; placing price ceilings on beef, pork and lamb at a time when those prices were at historic highs. By locking the barn after the inflationary stampede, the administration again demonstrated its reluctance to tighten controls in any way that really puts the squeeze on anyone.

Currently, the administration faces what may be the crucial test of the whole stick-in-the-closet idea. In the midst of the worst industrial price inflation in two decades, the steel industry, led by U.S. Steel Corp., has served up a 4.8% price hike, effective June 15, on about 45% of the industry product line, principally sheet and strip. Now the ball is in the Cost of Living Council's court, where officials are studying the situation.

In the Kennedy-Johnson era, steel price hikes prompted anti-inflationary sticks to emerge from the White House closet even though there wasn't any direct price-control program. Several times during the 1960s, steelmakers trooped down to the White House to have their allegedly greedy knuckles rapped by wrathful Presidents. It became a sort of ritual dance in which the steelmakers stuck their necks out, took a couple of licks, then retreated halfway, leaving everybody with the feeling that something had been accomplished.

There's no way to predict how the Cost of Living Council will handle the steel-price bid. But it's fair to say that if it doesn't do anything to forestall or reduce a price hike that's bound to ripple throughout the economy in coming months, the stick in the closet can be put down as a myth.

A DEBATABLE ISSUE

There's room for debate over whether the stick really ought to be wielded with force and frequency, of course. A case can be made that now is the crucial time for the administration to demonstrate that it won't allow inflation to get out of hand and that it's willing to whack a few scapegoats. This might restore public confidence.

Administration men argue another case: that beating the lumber industry, oil men or farmers over the head with a price stick isn't going to solve supply tightness in lumber, oil or meat. The administration's anti-inflationary strategy is to find ways to boost production or imports of products that are under heavy demand pressure.

The administration, in fact, seems ready to accept a considerable degree of price upturn in a period of strong demand, such as the present. Prices, Mr. Shultz likes to tell listeners, have an essential rationing function to perform by allocating scarce supplies among those willing to pay what the traffic allows.

Thus, classic supply-demand economics is dominating the administration's policy today and probably will as long as Mr. Shultz, an ardent free-market disciple, remains in charge. It's difficult to fit a punitive stick

into that philosophical closet. After all, if a businessman is only helping to ration a scarce commodity among all those customers lined up at his door, should he be walloped for it?

Maybe the administration economists are right in their judgment that a general demand-pull inflation can't be effectively and equitably controlled by application of the stick. But if the stick is any more than a rhetorical wand, now's the time to prove it. If not, they ought to quit kidding everybody about the contents of that closet.

(NOTE.—Mr. Gannon, a member of the Journal's Washington bureau, covers economic affairs.)

[From the Baltimore Sun]

DESPITE RAGING INFLATION, STICK IS STILL IN THE CLOSET

(By Art Pine)

WASHINGTON.—Phase 3 of President Nixon's economic controls program is heading toward its fifth month of operation with no sign of serious enforcement, and strong evidence of bureaucratic disarray.

Despite soaring industrial prices, with inflation raging at a 22-year record pace, the administration has yet to use the so-called "stick in the closet" that it earlier said was essential to give the program teeth.

There is widespread agreement, both by outside economists and by many officials within the program itself, that the overall administration of the controls has been too lax to enable the effort to be effective.

A series of interviews, involving outside analysts, government officials and others closely associated with the administration's controls effort shows that:

Although inflation has reaccelerated to an extraordinary pace in recent months, the Cost of Living Council still has not taken a single significant action under Phase 3 regulations to roll back prices or wages.

IRS FRUSTRATED

The Internal Revenue Service, which is charged with enforcing the program, feels frustrated by restrictions and unable to act effectively. Officials say its reports of apparent violations have gone largely unheeded.

The Phase 3 regulations, both those issued originally and others drafted since January 11, are regarded by authorities as so weak and ambiguously worded that they contribute to making enforcement more difficult.

The Cost of Living Council during Phase 3 has been rife with indecision and bureaucratic delays. Insiders now report a huge backlog of wage cases, with files actually "lost" in the overall mix-up.

The lax administration has seriously damaged morale within the Phase 3 staff. As a result, many experienced officials either have resigned or are seeking new jobs—leaving junior, untrained staff members in their place.

These developments are denied by officials in charge of the Cost of Living Council, who insist that administration of the program under Phase 3 is just as aggressive and effective as it was under Phase 2.

John T. Dunlop, the council's director since the start of Phase 3, told a Senate subcommittee hearing last week that the administration was operating "as vigorous an enforcement program as I know how."

However, knowledgeable sources within the operating sections of the Phase 3 program, as well as others with insights into the controls effort, say the enforcement program is so weak that it effectively is non-existent.

These sources view the situation as undermining the entire anti-inflation program. "There is no doubt," asserts one knowledgeable analyst, "that a more vigorous enforcement would have resulted in a lower rate of inflation."

The visible deterioration from Phase 2, which was universally acclaimed as a model for any wage-price program, is widely being attributed to two distinct, but closely related factors:

SHULTZ' UNWILLINGNESS

First, the ideological conviction of the Nixon administration that controls are harmful to the economy—and the unwillingness of George P. Shultz, the Secretary of the Treasury, to continue them with any vigor.

Second, the outlook and policies of Dr. Dunlop, who openly opposes stringent enforcement of specific wage-price standards in favor of heavier reliance on more traditional anti-inflation remedies.

Dr. Dunlop, who is widely recognized as an expert labor mediator, appears to have had some success so far this year in persuading large unions to moderate their wage demands despite new pocketbook pressures from rising rices.

However, those who are familiar with his work as director of the Cost of Living Council say his interest in labor problems has proved to be a virtual preoccupation, leaving him little time to spend on the price side of the program.

A frequently heard assessment from knowledgeable sources is that "John wants to run the labor side out of his back pocket—without any interference. But as for prices, he either doesn't understand them or isn't interested."

The absence of vigor in the overall enforcement program comes in the face of an extraordinary resurgence of inflation in recent months—not just in farm prices, which are not under controls, but in industrial prices as well.

In the three months following the start of Phase 3, wholesale industrial prices soared at a staggering annual rate of 14.8 per cent—their sharpest rise since Korean war days. Retail prices of non-food items also have spiraled.

The impression given by the administration last January—and welcomed by most outside analysts—was that the government would move promptly to wield its enforcement "stick," if only to maintain credibility in the program.

Key officials have insisted repeatedly that Phase 3 is no weaker than Phase 2, despite outsiders' impression. Dr. Shultz has warned many times that if companies raise prices excessively, "They are going to get clobbered."

VIOLATIONS OCCURRING

There is general agreement among outside analysts that some violations have occurred. While no one outside the council has specific pricing figures for individual companies, price rises in many industries have far outstripped costs.

However, council records show that despite the surge in price increases, the administration has not ordered the rollback of a single major price rise under Phase 3 regulations. Virtually all actions so far have been leftovers from Phase 2.

Yet Internal Revenue Service officials say they have submitted dozens of cases of specific violations of Phase 3 regulations which apparently have gone unheeded. Agents cite some 35 to 40 cases involving major companies.

CHALLENGED ONLY ONE

Council action on the wage side has been scarcely more vigorous. Apart from Mr. Dunlop's personal jawboning on wage contracts, the administration has formally challenged only one settlement—and still has not acted finally on it.

Those familiar with the program say action on other cases has been bogged down by inefficiency and delay, which have resulted in large backlogs. Insiders report at one point some 400 pay cases were "lost" from computer files.

And wage settlements outside the unionized sector of the economy reportedly have gone virtually unmonitored.

By contrast, during the height of Phase 2 the Price Commission was ordering rollbacks at a rate of three or four a week—with a substantially lower rate of inflation—while the Pay Board pared back hundreds of big wage boosts.

Those in charge of the Phase 3 program insist that price increases have not yet been severe enough to justify any rollbacks, and even maintain that any more stringent enforcement would only exacerbate the supply shortages throughout the country.

Mr. Dunlop told a Senate subcommittee last week that price rises at the wholesale level so far have been "totally within the bounds allowed by the economic stabilization program."

And Roy L. Ash, director of the Office of Management and Budget, insisted recently that recent price increases have been so moderate, in aggregate, that had Phase 2 remained in effect prices still would be able to rise by another full 1 per cent before bumping into restraints.

These contentions, however, are dismissed as "ridiculous" by outside analysts familiar with the problem. Private economists also say the supply problem has not been nearly so widespread as to preclude stricter enforcement.

Even apart from the number of rollbacks and other actions, however, there is evidence that the administration has limited the scope of the enforcement program by narrowing its policing efforts as well as its requirements.

Sources in the Internal Revenue Service say their agency's manpower has been channeled by the council primarily toward making surveys of overall industries, with little emphasis on tracking down specific violations.

Of the five sectors of the economy still technically under mandatory controls—food, construction, petroleum, health services and red meats—authorities concede that all but the last two have received only scant attention.

TOKEN ACTIONS

The Internal Revenue Service has made extensive checks of meat-price compliance and hospital fee increases. However, the meat-price checks have produced only a few token actions, and hospital cases have been settled informally.

According to enforcement officials, those sectors of the economy not under formal controls—which the White House said originally would be spot-checked for "voluntary" compliance—have been largely ignored.

To many outside observers, a significant part of the overall enforcement problem lies in the wording of the Phase 3 regulations, which analysts say is so weak and ambiguous that it makes policing that much more difficult.

The administration recently made a show, for example, of imposing new regulations requiring large corporations to notify the government in advance whenever a price rise would push the companywide average 1.5 per cent over base.

HAS LOOPHOLE

Unlike similar long-term pricing agreements during Phase 2, the new regulations place no limit on price increases for individual products—a loophole that many economists charge gives big companies virtual free rein.

Robert F. Lanzillotti, a member of the Price Commission during Phase 2, says the new measure provides "so much latitude that it's going to be hard, unless there's something flagrant, to find a violation."

Similarly, the restrictions imposed on petroleum companies this past spring were so liberal and weak-worded that analysts generally dismissed them as little more than "cosmetic" action.

And the ceilings placed on red meat prices last March were imposed at a level where the prices reached their peak. With normal changes in supply and demand, sellers have had wide latitude here, too.

Even more fundamentally, however, authorities both in and outside government say the wording of individual regulations is ambiguous—a factor they say makes it difficult to nail violators except in the most flagrant cases.

Internal Revenue Service officials agree. "The vagueness of many of the regulations makes them hard to enforce," says one well-placed official in the agency's enforcement branch.

Revenue service authorities say the ambiguity in the language is so serious that it often leaves field agents foiled. "If a company challenges us now," one admits, "we often are unable to respond to them with any real certainty."

Council sources say Edward F. Preston, chief of the revenue service compliance effort, has repeatedly complained to Dr. Dunlop, both about the problem with the regulations and the lack of follow-up by the council.

TO NO AVAIL

However, his efforts apparently have been to no avail.

To many observers, however, the lack of vigorous enforcement of the wage-price regulations is merely one facet of a broader reality—that the administration simply does not want a tough controls program at all.

Despite numerous staff proposals whenever new problems arise, insiders say council higher-ups repeatedly have rebuffed most suggestions for toughening the program, and delayed others until it was too late.

USUALLY TOO LATE

"Our entire attitude seems to be to wait long enough and see if the problem goes away," complains one frustrated Cost of Living Council staff member. "Whenever we do finally take action, it's usually too little and too late."

The council hierarchy, for example, flatly rejected efforts by the agency's Office of Price Compliance to stiffen the quarterly reporting form on which industries submit their cost-pricing data, even though it could aid enforcement.

"Every time we suggested making it tougher, we lost," laments one key official. As it turned out, the Phase 3 version of the form was delayed until the middle of this month—too late to update first-quarter information.

UNTIL LAST MOMENT

The council held off until the very last moment before moving to impose meat-price ceilings—a delay which many economists felt made the action an ineffective one.

Action reimposing prenotification requirements on large companies was delayed almost until after the recent industrial price spurt had peaked—and then was taken primarily to head off speculation that the administration was about to impose a freeze.

Despite skyrocketing lumber prices early last February, the council never did impose price restraints on the forest products industry (although prices have begun declining in recent weeks).

BELATED EFFORTS

And the administration's belated efforts to unsnarl the critical boxcar tangle have been criticized as too late and ineffective.

Indeed, critics note correctly that many steps announced at the beginning of the program have been either carried out half heartedly or delayed beyond most reasonable expectations.

The administration's highly-touted "advisory" committees on labor-management problems and food industry pricing have met only infrequently at best, with their actions kept secret, despite stiff laws requiring full disclosure.

And the special Health Advisory Committee that was have been set up at the start of Phase 3 to monitor medical cost trends still has not even been appointed, despite continuing inflation in that sector.

The combination of deliberate unaggressiveness and bureaucratic chaos reportedly has seriously eroded morale within the council—prompting several key officials to begin seeking jobs elsewhere.

The downgrading was bad enough last January, when middle-level officials of the Cost of Living Council (which before then had been primarily a coordinating group) systematically pushed out old Pay Board and Price Commission staff members.

But sources familiar with the program say the deterioration has been exacerbated by the promotion of largely inexperienced "Yes-men" into key slots within the council—further weakening the agency's aggressiveness.

ALMOST NOBODY LEFT

"The guys who were GS–14 staff aides last year are running the program now," says one outsider with close contacts within the council. "There's almost nobody left to challenge anything, to push for any new idea."

Along with the other problems, critics point to another factor in the apparent misfortunes of the Phase 3 wage-price program—the inexperience of Dr. Dunlop in conducting any kind of public policy.

The council director, a long-time labor mediator accustomed primarily to backroom union bargaining, has virtually closed the Phase 3 program off to the public and members of Congress, refusing to reveal key policies and actions.

SHUNS PUBLIC APPEARANCES

Unlike his predecessor, C. Jackson Grayson, former chairman of the Price Commission, Dr. Dunlop shuns most public appearances—a trait not generally regarded as a plus in a program that depends so much on public support.

However, what disturbs many critics more profoundly is Dr. Dunlop's often-stated belief that he is free to take virtually any action he wants to without accountability to the public.

The council director recently told a group of reporters that he deliberately allowed the railroad unions to misrepresent the size of the wage settlement they agreed to in order to help them sell it to the rank and file.

FELT NO OBLIGATION

He said he felt no obligation as a public official to disclose the correct wage figure even now, as long as continuing the misrepresentation would contribute to labor peace.

Such untraditional views on policymaking—along with often-cited instances in which Dr. Dunlop has berated audiences as being unlikely to be able to grasp what he was saying—have effectively deprived the program of a needed selling force.

In fact, the director's treatment of outsiders interested in information about the program has sparked repeated criticism from many senators and congressmen. The situation is said to be viewed s a "major problem" by Dr. Dunlop's public affairs aides.

The haphazard administration of the Phase 3 program has prompted widespread complaints from the business community, which has criticized the new regulations as so vague that they effectively are confusing.

CONSUMER LESS SECURE

Consumers also apparently feel less secure under Phase 3 than they did under the Phase 2 program. A Gallup poll last week showed that Americans still view inflation as the No. 1 problem, despite the Watergate.

More importantly, in the wake of the recent deterioration of the controls program, many analysts now are apprehensive about the outlook for inflation, which they say has started to spiral again in part because of Phase 3.

For one thing, the recent refusal of B. F. Goodrich rubber workers to accept contract terms agreed to by Goodyear labor leaders has cast new doubt on Mr. Dunlop's personal ability to hold down wages by individual jawboning.

For another, the increase in business activity to the point where many industries are pushing close to capacity has brought new concern about demand-pull inflation—a development which the controls will be powerless to hold.

LAST OPPORTUNITY

To many economists and wage-price analysts, the administration will have one last opportunity to regain some of its credibility in the program—by rolling back part of the 4.8 per cent price increase just announced by steel firms.

Council officials insist that the agency will pick up some of its enforcement after the filing of the second-quarter pricing reports, and that some additional actions may be taken as meat-price violations show up.

John B. Connally, the former secretary of the Treasury who is now a special adviser to the President, is said to be pushing for a visible tightening of the Phase 3 controls in an effort to bail out the anti-inflation program. It is not yet clear whether he will succeed in that behind-the-scenes fight.

However, most outside analysts predict that barring another policy reversal by the administration, there probably will be no major change in the tone and tenor of Phase 3—that the program will continue essentially as is.

Meanwhile, analysts say, the program is deteriorating and the administration's options in the wage-price field are becoming more and more limited. And if prices are not held down, labor may not sit still.

CRIME AND VIOLENCE IN THE BUILDING TRADES UNIONS

Mr. FANNIN. Mr. President, in this Congress and preceding Congresses, I have sponsored and cosponsored various amendments which would have the effect of limiting the power of labor leaders over their members and the general public. Those amendments are referred to the Senate Labor Committee where they are permitted to die without even the benefit of hearings. It is only those bills supported by organized labor which reach the floor.

Our fundamental labor laws favor the building trades unions and further legislation commonly known as common situs picketing is now in the mill.

The current issue of Reader's Digest contains the first of a series of articles on crime and violence in the building trades unions.

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

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

THE TYRANNY OF TERRORISM IN THE BUILDING TRADES

(By Charles Stevenson)

At 6:40 p.m. last September 20, in suburban Miami, a fusillade of bullets splintered the doorway of the Upthegrove family's heavy-construction business. "Oh, God, don't move, anybody!" screamed office manager

Yvonne Upthegrove. Under fire were her husband, Lingo, and his brother Howard.

The family had been victims of a campaign of terror for nearly a year, ever since setting up their operation independent of the union. On Thanksgiving Day, 1971, the brakes of a huge crane were mysteriously tampered with, and its 3,000-pound boom dropped 30 feet, fracturing Lingo's skull. He was unconscious for a week. Next month the boom fell again, requiring costly repairs. Someone had poured acid on its brake bands. One incident followed another. Shortly after the family borrowed to buy a used $85,000 truck crane, a grinding compound was poured into one of its engines. Damage, nearly $6,000. The same thing was done to the firm's floating pile driver. Another crane was firebombed and a security guard's car burned up. Threatening phone calls have come night after night.

After the office was shot up, local police called in the FBI, but federal officials decided it was outside their jurisdiction. So life goes on, precariously. "We're not giving in," says Yvonne Upthegrove. "We work hard and pray we'll survive."

The chilling fact is that case histories of similar terrorism are being recorded in city after city across our land. Today, many building-trade unions are getting away with wholesale shakedowns of contractors, while stealing from and cheating their own members. And as these labor bosses carry out a cost-kiting methodology of featherbedding, slowdown, strike and more-pay-for-less-work, they are pricing their unions out of business. Yet companies who offer workers open-shop competition are subjected to strong-arm treatment. It is often difficult to know where the drive for closed-shop unionism ends and the shakedown begins. In either case, hidden costs are added to the construction industry's already unconscionable cost inflation.

The violence has reached epidemic proportions because our laws—both unenforced and inadequate—allow terrorists and racketeers to hide out in unions, engaging in "legitimate" labor disputes.

Look what has transpired in this one state of Florida.

Get the Word. Five years ago, Joseph Georgianni, a college student, died after a bomb exploded under a crane he was guarding at a Miami Beach building site where non-union men were working. But to date, the case remains an "open homicide" and no one has been charged with the crime. In fact, through all the years of intensifying violence, seldom has any culprit gone to jail.

Across Florida, at Marco Island on the west coast, 75 to 100 union hoodlums ganged up on seven non-union men digging trenches at a condominium construction site in May 1972. They grabbed a deputy sheriff's gun and struck him on the head with a foot-long pipe wrench. They also beat the workers, injuring one man severely. They broke three of his ribs, poured steel shavings into his eyes, and made threats to "cut off his hands and put them in his back pockets." His name was withheld from news accounts for fear of reprisal.

Twenty-six attackers were arrested, but none has been prosecuted, and only 12 will be brought to trial. According to one law-enforcement officer, it is just another incident in a continuous stream of violence at Marco Island. The union "claims" the island and, in the past two years, there have been 15 to 20 instances of non-union construction equipment being damaged or destroyed.

Why such brutality? Simply "to give the man the word," say federal investigators. Some contractors "get the word" in a hurry.

In Miami, for example, builder Maurice G. Bellows basked in labor peace without employing a single union worker—after he agreed to contribute $150 a week to Joseph John Fischetti, who, with Teamster big shot Donald F. Gillette, arranged to obtain a $12,000 payoff from him.

It is quite another matter for those who fail "to get the word."

In 1969, R. Pete Mathews, president of Mathews Corporation, tried to have his own non-union crew erect a hangar at the Fort Lauderdale International Airport. A gang of 30 to 40 men pulled Mathews' crane operator from his machine, injuring him. When Mathews went to the operator's aid, he was himself beaten up. John W. Lloyd, a trade-association director who photographed the action, was also beaten and had to be hospitalized. Only by hiring his own guards and equipping them with dogs was Mathews able to complete the job.

"Despite witnesses, photographs of assailants and a list of their auto licenses," he says, "I could get no action out of local authorities. They shrugged it off as just another labor dispute in which they did not want to become involved."

All too often, officials throughout Florida are reluctant to tangle with powerful union bosses. And federal lawmen find it extremely difficult to halt violence, even when they are sure it is being used as a device to extort.

"Our problem is that violence alone, however heinous, is not now a federal offense," says Dougald D. McMillan, chief of the U.S. Department of Justice Strike Force against organized crime in Florida. "To make a federal case we must prove an actual payoff or payoff demand—and the labor racketeers are smart enough to seldom demand; they just lay on the pressure until the contractor comes across. Of course, some contractors are as willing to buy 'sweetheart deals' as union racketeers are to sell them."

Even when extortion and bribery are proved, penalties may be light. After convictions were brought in in the case of Bellows, the Miami apartment builder, the federal court fined the men only $4000, and sentenced them to six months. In another case the judge imposed a one-year sentence, then immediately suspended it. Many contractors thus find it more expedient to pay off than to fight. Those who resist do so at grave risk.

TRAVELING STRONG-ARMS

In Broward County, Fla., Richard Nell, a twice-convicted felon, operates Local 675 of the International Union of Operating Engineers. Its 2000 members average $15,000 a year. Nell receives a salary and allowances of more than $50,000, a Cadillac, a European vacation for himself and his wife. In addition, for $2, he got union real estate currently valued at more than $20,000.

None of the union rank-and-filers can solicit his own work or even change jobs without Nell's permission, and those who fail to do Nell's bidding may find living hard. Sworn testimony attests to cruel beatings, threatening phone calls, shotgun blasts fired into one worker's home, physical attacks on employes of nonunion companies, and damage and destruction of expensive equipment. When the wife of one of Nell's thugs agreed to tell a grand jury what she knew about beatings and sabotage, a savage pummeling changed her mind.

At least five times in two years, judges across the state have ordered Local 675 to abstain from violence—ineffectually. On Lincoln's Birthday in 1970, several hundred of Nell's strong-arm men squared off against employes of L. E. Meyers & Co. at a construction site in Hallandale, just south of Fort Lauderdale. Nell insisted that *his* men—not Meyers' men, members of another local—should be digging the trenches for electrical conduits. A guard was holding the intruders at bay with a gun when four policemen arrived and ordered him to put his gun away. Whereupon the job superintendent was beaten, rocks were showered on workmen and police alike, equipment was set afire and autos were overturned. Before police reinforcements arrived, the crowd had dispersed but the contractor had suffered some $50,000 worth of damages.

Thirteen persons were injured, including four severely beaten policemen. Yet not one arrest was made by the local police despite the fact that injured officers were able to clearly describe some of their assailants. A state attorney's investigation resulted in indictments against five persons, but no convictions were obtained.

As the mob quit Hallandale, further instructions sent them racing that same day over to Fort Myers. There at the site of a $1.4-million public-housing apartment project, they staged a repeat performance. They wrecked the construction office, firebombed a crane, and lashed the construction superintendent with a chain so that he ended up a hospital case. Amid threats of further violence, Nell brought in pickets. The purpose was to force the local open-shop prime contractor, Cassius Peacock, to fire his own steadily employed workers and hire union men instead.

The labor boss warned everyone away from the Peacock job so no one, union or non-union, dared touch it. But Paul Prendergast, a union-shop engineering contractor headquartered in Fort Lauderdale who had been driving the pilings for these apartments, was determined to complete his subcontract. So he asked his own field superintendent, 44-year-old Earl Lassitter, to operate the machinery and finish the work. Result: when Lassitter showed up at next work site—on the Fort Lauderdale beach—one of Nell's goons gave him such a going-over with leather gloves that he suffered a permanent hearing loss, and since has had to wear a hearing aid.

When Edward Deeson, a member of Nell's union for 19 years, was subpoenaed to give eyewitness testimony of the beating, he was fined $450 by the local (later rescinded by the International Union of Operating Engineers) for not "cooperating" in discussing his testimony beforehand with Nell and the union.

"What do I have to do for some labor peace?" Prendergast implored Nell. The answer: fire Lassitter and Deeson. When Prendergast refused to, he was harassed and sabotaged that he had to close his main yard at Fort Lauderdale, hide his machinery, and stop contracting in any area where Nell's thugs are in control.

These facts are on record, from a civil suit brought last year against Nell's union by Lassitter. The jury warded Lassitter $1.25 million damages, but none of this has fazed Nell. His local has appealed the decision.

AX AND TORCH

One of the most flagrant cases of terrorism involves Richard Spreen. He wanted to construct a large new facility adjacent to his Volkswagen dealership in West Palm Beach, but when union bids far exceeded his budget, he went ahead with mostly nonunion men. In retaliation, union bosses mobilized some 1500 men to march on his project. Although warned of a planned confrontation, the sheriff and his deputies were unprepared for a mob of that size.

As one wave of men flattened a high chain fence, another poured onto the metal roof of the new structure and ripped it with axes seized from construction equipment. Other platoons used heavy girders as battering rams against concrete walls. Bands of men set fire to construction trailers and trucks. Then they swept into the enclosure, where Spreen had parked rows of brand-new VWs and Audis to protect them when he had learned of the demonstration. They used sledgehammers first, then gasoline, then the torch. An hour and a half later nothing was left but the smoking remains of 60 automobiles—12 of them destroyed completely.

When a grand jury began looking into the holocaust, intimidation and threats were so blatant that the National Guard was called up. The boss of a union involved, Joey Giardiello, was indicted for conspiracy to bring about the riot. As witnesses were subpoenaed for pre-trial examination, Giardiello and other union men sat outside the prosecutor's courthouse office and intercepted them. "Where the hell you think you're going?" he called. "Come over here and sit down a minute."

At his trial, Giardiello was acquitted by the jury. Of course 50 people arrested, many were freed because witnesses failed to make identification. Others pleaded guilty to lesser charges and were given fines or probation. Of the 12 convictions in the hard-core cases, all are free pending appeal.

There was an uproar in the press. Businessmen, contractors and nonunion workers journeyed to the state capital to plead for laws to make such violence a criminal act, and to enforce the clause in the state constitution which guarantees the right of a man to work whether he belongs to a union or not. But the legislature, in the face of a powerful union lobby—in one instance 300 labor officials at a hearing—refused to act, as it has time and again.

This mockery of law and order is a death knell to the cause of free men—union members or not—who are trying to earn a living. "For three months after the riot, customers were afraid even to bring a car in for repairs," Spreen says. "My working capital was so reduced that I felt it best to sell the business and get out."

Florida is not the only state affected. How many businessmen and contractors will be forced to sell out in cities across the country? How much more property must be destroyed in Ohio and Michigan and Colorado? How many more people shot at, beaten or maimed, before public outrage demands that union terrorists be brought to justice?

Clearly, in the face of weak and ineffective state law and local enforcement, the federal government must be permitted to step in and protect contractors and their employes from the abuses of unbridled union power. Declares Florida Sen. Edward Gurney: "What has happened in my state and elsewhere indicates a need for protection from hoodlums, arsonists and killers. It is time for Congress to consider legislation which will stop such actions, so as to help responsible union leaders, and to preserve the rights of contractors and their employes, both union and non-union."

SOUTHEAST ASIA'S FUTURE

Mr. CHURCH. Mr. President, I ask unanimous consent that Ambassador Charles W. Yost's pertinent article on the future of Southeast Asia, recently published in the Christian Science Monitor, be printed in the RECORD.

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

THE FUTURE OF SOUTHEAST ASIA

(By Charles W. Yost)

NEW YORK.—The United States now has been involved in Southeast Asia for almost 20 years, ever since it moved in to replace the French in 1954. In this prolonged involvement on the mainland of Asia, nearly 50,000 American lives have been lost and well over $100 billion dollars have been spent.

Yet the three peoples the U.S. moved in to protect, the South Vietnamese, Laotians, and Cambodians, are today in a far greater state of turbulence, division, anguish, and insecurity than they were in 1954. And the U.S. whose involvement was motivated by fear of Chinese Communist takeover, is now on excellent terms with the People's Republic, which shows no sign of any intention to expand southward.

Henry Kissinger is meeting in Paris this week with Hanoi's Le Duc Tho in an effort to firm up the agreements concluded there in January. It is probable that their conversation, though no doubt of a highly civilized character, will be more or less a dialogue of the deaf, in which each will be talking past the other.

The conception each side has of the Paris agreements is radically different from that of the other. It was of course only on the basis of that ambiguity that the accords could be concluded.

All that was really agreed was that U.S. troops be withdrawn and U.S. prisoners released. As for the rest, Hanoi continues to be determined to take over the South and to control parts of Laos and Cambodia, until that end is achieved. The U.S. Government, on the contrary, still seems determined to prevent the ouster of the present rulers of these countries.

Before the U.S. addresses any further ultimata to Hanoi, either during this week's conversations in Paris or subsequently, it would be well to rethink once again what its real interests in Indo-China are in 1973.

The Nixon doctrine, though vague in its provisions, seemed to provide that the U.S. would not henceforth intervene directly in combat in east Asia unless its friends were attacked or threatened with attack by a major power, presumably China. Yet it is obvious the U.S. does not expect any such attack to occur in Indo-China in the foreseeable future.

The rationale of "Vietnamization" and of the January Paris agreements was that the Saigon government, after 19 years of U.S. aid and eight years of U.S. combat support, should now be able to hold its own, if it is ever to do so.

The Paris agreements have been violated from the first day of both North and South Vietnam, and will no doubt continue to be. The agreements do not contain, however, any mandate to the U.S. or anyone else to enforce them unilaterally.

These reflections might lead Americans of simple minds to conclude that the U.S. no longer has any overriding national interest in remaining militarily in Indo-China, that it does remain primarily because of emotional hang-ups on the part of its leaders, and that if it tries to enforce the Paris agreements militarily it may reinvolve itself in Indo-China for another period of years. This is the last thing the American people want.

The House of Representatives has just voted to cut off funds for bombing in Cambodia, America's most conspicuous present military involvement, and the Senate is expected to follow suit. A just-published Gallup poll reports that 57 percent of those asked disapproved of the U.S. bombing in Cambodia and Laos, that 59 percent thought that such bombing would lead to America's getting involved again with U.S. troops, and that 76 percent thought that any further U.S. military action in Southeast Asia should be subject to congressional approval.

As one who has been concerned with Southeast Asia off and on since 1945, it would in my judgment be overwhelmingly in the interests of the U.S. and of the three Indo-China states that the U.S. immediately cease and henceforth refrain from any military action in their territories.

The ultimate decision in Vietnam, whatever it may be, will not affect America's vital interests. It has long since overpaid any debt of "honor" it may have had to Saigon.

The Laotians, in their inimitable way, which might be described as government by anticlimax seem about to sort out their own affairs quietly. Whatever happens to the Lon Nol government, the tormented Cambodian people will profit by the prompt restoration of peace.

The pro-American ex-Foreign Minister of Thailand, Thanat Khoman, has said publicly that it would be in the interest of both Thailand and the U.S. that the U.S. air bases there be closed down.

The future of Southeast Asia should be a Southeast Asian future. If the U.S. would at long last complete its withdrawal, there would be no serious external danger in the foreseeable future—neither from China, the Soviet Union, nor anyone else. The North Vietnamese, after 30 years of war and their continued obsession with the South, will not long be able to dominate other parts of that peninsula.

What will emerge will, from the U.S. point of view, be untidy, odd and Asian, but it will in no real sense threaten U.S. security.

SPECIAL EDUCATION: A NEW STORM CENTER

Mr. DOLE. Mr. President, in the past several years there has been increasing emphasis on equality of educational opportunity for all children. National attention has been focused on improving the education of the Nation's more than 7 million handicapped children. In referring to handicapped children I mean hard of hearing, deaf, visually handicapped, speech impaired, mentally retarded, seriously emotionally disturbed, crippled, or other health impairments, realizing that children with any of these problems require special education and related services.

Even though a growing number of State legislatures have subsidized programs for handicapped children in public and private schools, the shortage of qualified personnel to provide special education services has made it difficult for schools to establish or expand programs for handicapped children.

In looking at the accomplishments made possible in my own State of Kansas I cosponsored the "Education of the Handicapped Amendments of 1973" as Kansas needs our continued commitment to educational opportunity for handicapped children. This act, which has brought together Federal programs of assistance for the education of handicapped children, has served our Nation well.

Much has been done in the area of special education—much has been written and said on this subject, but after reading an article that was recently brought to my attention it is clear that we need assurance that performance will not lag behind concepts, resolutions, and legislation.

The following article, "Special Education: A New Storm Center" by Bart and Andrew Barnes printed in the May 29, 1973, issue of the Washington Post, is a clear example of problems still faced by handicapped children and their families. I ask unanimous consent that this article be printed in the RECORD.

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

SPECIAL EDUCATION: A NEW STORM CENTER

(By Bart Barnes and Andrew Barnes)

For 13-year-old Kenny, his early years in the public schools of Prince Georges County were successful, despite a visual handicap

that made it hard for him to see anything at a distance or outdoors in daylight.

There were times when his vision problem made it difficult for him to keep up with the rest of the class, particularly when blackboard instruction was being used. But overall his grades were satisfactory. School officials assured his parents that he was a bright child.

That was until a year ago this month. In May 1972, a school psychologist, the director of special education for the Prince George's schools and the director of pupil placement called Kenny's parents in for a conference.

They were terribly sorry, they said, but Kenny's handicap was such that he could not benefit any more from the public schools of Prince George's County.

No longer would there be a place for Kenny in the school he'd been attending and there was no program of special education that he could benefit from. Kenny's parents were told to send him to a private school, but he was denied admission at the two Virginia schools to which he'd been referred. One said it had no program suitable for him and the other said it could not assure his safety.

For the last year, Kenny has remained at home and has received no formal education at all.

Throughout the United States, there are an estimated 1 million children of school age, who, like Kenny, have been excluded from the public schools because of a physical, emotional or mental handicap.

They are among an estimated 7 million handicapped children of school age in the United States, one in every 10. They suffer from impairments ranging from profound mental retardation to minimal learning disabilities.

It's estimated that to educate all of them to their fullest potential would cost up to $10 billion a year for highly specialized teachers, equipment and programs.

Yet in courthouses and statehouses across the nation, it is being argued increasingly that America's handicapped children are entitled, as a matter of basic constitutional right, to just such an education. In a landmark decision, a federal judge in the District of Columbia has ruled precisely that. There is similar litigation pending in at least 20 states.

Educators say the impact of that decision and of legislation at the federal and state level affecting handicapped children is potentially as great as the Supreme Court's 1954 decision outlawing school segregation.

Of America's 7 million handicapped children, an estimated 40 per cent are now receiving some form of specialized educational service; the remaining 60 per cent are not, according to Alan R. Abeson, of the nonprofit Council for Exceptional Children.

Hundreds of thousands of them are confined to institutions where they receive little or no training, not even in such basic functions as feeding and clothing themselves.

There are people like Milbert, 16, confined at Rosewood State Hospital outside of Baltimore since he was 10 years old, the victim of minimal brain damage at birth, deafness and hyperactivity.

At the age of 6, he was classified as "educable" at the University of Maryland Hospital. For one academic year, the Baltimore public schools sent a teacher to his home periodically for tutoring. But after a year, the teacher decided that Milbert was "not ready to be taught" and stopped coming.

Over the next few years, Milbert's mother was able to teach her son to print his name, address and telephone number, but because of a family crisis the boy was sent to Rosewood in 1966.

After one term at the school there, he was ruled "disruptive" and once again "not ready to be taught . . ."

His parents were informed that he would receive no further instruction. Three years later, his mother took leave without pay from her job to visit Milbert on a daily basis at Rosewood to try to teach him herself. She found he had regressed substantially, could no longer write at all and, despite repeated efforts, she was unable to teach him.

There are people like Andy Corwin, 23, with a keen mind, but afflicted by a condition of cerebral palsy that makes it almost impossible to control the muscles in his right hand and arm. Corwin is a college graduate but he remembers others he went to school with at a school for the handicapped in Massachusetts who simply withdrew, as he says, "into the world of the crippled."

"Handicapped" can mean a variety of things: blindness, withered limbs, emotionally disturbed to the point where a child is unable to function in a normal classroom. It can mean an inability to communicate or to understand and carry out directions for reasons ranging from an organic defect to brain damage at birth.

It can mean mental retardation, so profound that a child has no measurable intelligence quotient and is barely able to lift his head, or so slight that with extra help at school a child can be taught to be a functioning and contributing member of society.

But no matter how severe or slight the handicap, it's the opinion of the people like Abeson and the Council for Exceptional Children that all people with handicaps are entitled as a matter of right to whatever education will best equip them to cope with their environment. That can mean, Abeson says, learning how to read or learning how to feed yourself—but whatever it is, it must be provided at public expense.

"We hold," says Abeson "that there is no such thing as an ineducable child."

For Kenny of Prince George's, who suffers from cataracts in both eyes, and Milbert of Baltimore, the issue is heading towards a resolution in federal court. They and 18 other handicapped children are asking the court to order the state to provide them at public expense with an education suited to their needs.

In his decision in Washington last August, U.S. District Judge Joseph C. Waddy bluntly informed the D.C. School Board that lack of money was not an excuse for failing to provide special education for any child needing it.

"The inadequacies of the District of Columbia public school system," the judge said "whether occasioned by insufficient funding or administrative inefficiency cannot be permitted to bear more heavily on the exceptional or handicapped child than on the normal child."

In addition to the lawsuits on behalf of the handicapped pending throughout the nation, there were 800 bills introduced in state legislatures during 1971–72 dealing with education for handicapped children.

Approximately 250 of those measures were enacted.

At the federal level, legislation is pending in both the House and Senate to require the federal government to underwrite 75 per cent of what it costs to educate a handicapped child over and above the cost of educating a nonhandicapped child.

What it boils down to, said August W. Steinhilber, director of Federal and Congressional Relations for the National Association of School Boards, a group that looks after local school interests at the federal level, is that the "local schools boards could have the legal obligation to provide specialized services for children based on their needs."

This, he said, would be a substantial departure from the basic philosophy, underlying most school systems today. That philosophy, he said, has been "you teach to the mean, to the median of the class; you're teaching to the average student. But as part of your regular program you don't necessarily provide specialized services."

Traditionally, says the Council for Exceptional Children's Fred Weintraub, "schools have been for those students who fit in. The ones who don't fit in have to fend for themselves."

It was in 1969, 15 years after the Supreme Court decision outlawing racial segregation in the public schools, that the parents of two retarded children in Utah took the state to court when it refused to provide a public education for them.

In handing down his decision, Judge D. Frank Wilkins adopted language virtually identical to that used by the Supreme Court in Brown vs. Board of Education.

"Today it is doubtful that any child may reasonably be expected to succeed in life if he is denied the right and opportunity of an education."

Segregating the two retarded children from Utah's system of public education, the judge said, "can be and usually is interpreted as denoting their inferiority, unusualness and incompetency. A sense of inferiority and not belonging affects the motivation of a child to learn. Segregation, even though perhaps well intentioned, under the apparent sanction of law and state authority has a tendency to retard the educational, emotional and mental development of children.

There have been similar outcomes in lawsuits in Pennsylvania and Michigan as well as the Waddy decision last summer in Washington.

In Pennsylvania, the state agreed to a court order in the fall of 1971 stipulating that no laws would be applied "which would postpone, terminate or deny mentally retarded children access to a publicly supported education, including a public school."

That order followed the filing of a suit by the state's Association for Retarded Children and a trial before a three judge panel.

Central to the argument at the trial was the contention that education "must be seen as the continuous process by which individuals learn to cope and function within their environment. Thus, for children to learn to clothe and feed themselves is a legitimate outcome achievable through an educational program."

Last October in Michigan, others amounted to denial of "equal protection" under the 14th amendment.

Children with learning, social, mental or physical handicaps, he said, have a right to a public education.

Partially for children who are poor and black, the consequences of being misdiagnosed as retarded or handicapped when they are not can be as severe as being excluded from school, says Stanley Herr, the lawyer who argued the suit against the D.C. School Board that resulted in Judge Waddy's decree last summer.

Cultural biases built into standardized testing and unilateral on-the-spot diagnoses by teachers have, in part, been the causes of such misdiagnoses, Herr argued. The result is that children who are not retarded are assigned to "inferior special education programs which tend to propel children toward the self-fulfilling prophecies of failure."

Under Judge Waddy's decision of last summer, children who are assigned to special education classes are now entitled to certain procedural safeguards, including independent testing and a hearing.

There are other children, argues the Council for Exceptional Children's Weinraub, who do have learning disabilities that could be corrected. The problem is they are never diagnosed.

"You remember the kid in school you knew wasn't dumb but somehow couldn't learn to read?" Weintraub said. "He was one of the gang in the first grade. By the third grade he was a little bit behind everybody else. By the fourth grade, he was getting into trouble and by seventh grade, he was spending most of his time in the principal's office. It could be a learning disability, maybe one that reverses the letters 'b' and 'd' or one where he sees a five-letter-word as five separate letters, not a single word. But a kid like that needs help, not necessarily for all 12 years, maybe only for two years or six months."

And, says Herr, there have been others in Washington and elsewhere who are simply diagnosed as handicapped and excluded from school because they are discipline problems. (Under the Waddy decree, such children are entitled to a hearing and due process before being excluded.)

It was just such a child, an 11-year-old named Gregory that got Herr into the case in the first place. When Herr first met him, Gregory had been out of school for three years, expelled by his principal for throwing spitballs. He had an IQ of only 39, the principal said. He could come back to school only when he behaved himself—and when there was a class small enough to accommodate him.

For the next three years, Gregory's mother heard from the school once. A secretary called to announce Gregory would be graduating next week from sixth grade. Wouldn't his mother like to come? After informing the secretary that Gregory had not been attending classes for three years, she didn't hear from the school again.

"I began to wonder just how retarded he really was when he could take three buses across town to get to my office," Herr said. "So I had him tested. He was reading at his grade level."

Gregory is now back in school.

GENOCIDE: THE SUPPRESSION OF HOPE

Mr. PROXMIRE. Mr. President, the crime of genocide is linked to the suppression of hope. Hope is essential for any kind of corrective action. Without hope of success, change for the better, a man might believe that there is no use for him to seek help. Despair feeds upon itself. If a man feels that a situation is hopeless, it subsequently could become hopeless.

Consider this description of the situation confronting prisoners in a concentration camp. The novelist, Elie Wiesel, describes a group of Jews who had just arrived the previous day, but had already witnessed and heard about the unbelievable acts of atrocity which took place there.

What is meant by the word "unbelievable"? If an act seems unbelievable, then one is forced to choose between believing it or closing one's eyes to reality. Wiesel describes the choice facing the prisoners:

Those absent no longer touched even the surface of our memories. We still spoke of them—"Who knows what may have become of them?"—but we had little concern for their fate. We were incapable of thinking of anything at all. Our senses were blunted; everything was blurred as in a fog. It was no longer possible to grasp anything. The instincts of self-preservation, of self-defense, of pride, had all deserted us. In one ultimate moment of lucidity it seemed to me that we were damned souls wandering in the half-world, souls condemned to wander through space till the generations of man came to an end, seeking their redemption, seeking oblivion—without hope of finding it.

Mr. President, I urge the Senate to ratify the Genocide Convention soon. This act would give hope to the people of this Nation and the world that the United States will rise to stand with the 75 other nations which have vowed to protect man's dignity against the crime of genocide. If the United States rises up against this crime, no future historian shall charge us with expedient evasion of the issue. Future generations will point at U.S. ratification and say that we still spoke of the past victims of genocide—"Who knows what may have become of them?"—and that we showed our concern for future victims by ratifying the Genocide Convention.

WATERGATE

Mr. PEARSON. Mr. President, Mr. Alf Landon was recently interviewed by the U.S. News and World Report on the subject of Watergate and its impact on the Presidency and the American political system. Mr. Landon's comments were most perceptive and I thought extremely valuable. Therefore, I ask unanimous consent that this copyrighted interview, published May 21, 1973, be printed in the RECORD.

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

WATERGATE: "THE STABILITY OF OUR SYSTEM WILL NOT BE AFFECTED"

(Interview with Alf M. Landon, Former Presidential candidate)

One of the nation's elder statesmen—a student of the Presidency—sizes up the Watergate case in its historical perspective. Mr. Landon was interviewed by "U.S. News & World Report" in his office in the capital city of Kansas.

Alf M. Landon, of Kansas, was the only Republican Governor to win re-election in 1934, when Franklin D. Roosevelt and the "New Deal" were at a peak of popularity. In 1936, Mr. Landon was the Republican nominee for President. He lost to Mr. Roosevelt—carrying only two States. Since then, he has been active and highly respected in State and national politics. Today, at age 85, he is busy directing his radio stations and oil properties—and keeping close tabs on national affairs. He rides horseback almost every day.

At TOPEKA, KANSAS—

Q. Governor Landon, what do you think will be the impact of the Watergate scandal on the office of the Presidency?

A. I don't think it will have any impact on future Presidents. A recent corollary of what's happening now was President Lyndon Johnson's withdrawal as a candidate for re-election because of his lack of credibility on the Vietnam-war issue. It had no crippling effect on the next President.

I think history shows that what happens in one Presidency does not affect the office of the President itself.

Q. Has the Presidency ever passed through a crisis of this magnitude before?

A. I think you'd have to go back to the impeachment proceedings against President Andrew Johnson by the House of Representatives a century ago, and the failure of the Senate—by one vote—to convict him. That probably was the peak of crises involving the President.

Q. Was Andrew Johnson able to govern effectively in what was left of his term thereafter?

A. No, I think he was not.

Of course, other factors were very definitely involved there. Primarily there was the fact that he was following the policies of President Lincoln in trying to heal the wounds of the Civil War. This didn't suit the anti-South radicals in the Senate—the extreme Republicans who wanted to punish the South and were not willing to settle along the broad outlines of the Lincoln policy for reconciliation, as Andrew Johnson was trying to do.

Q. Would you say that the present Administration is going to face a problem of this sort, even after the Watergate scandal has passed out of the news?

A. I don't think so. It depends entirely, however, on the results of the investigation which the President has initiated and the legal steps he vigorously supports. The ultimate verdict on how the Presidency is affected will rest on how thoroughly this sordid affair has been explored and the guilty ones prosecuted. So far, there has been no proof that the President was personally involved.

There are no issues involving national unity or national purpose in the Watergate case or its ramifications. The issues there involve law and order and moral standards. Americans are not divided on maintaining those. They are divided on whom to trust and who let down whom. That is temporarily elusive. But the facts are in the process of being clearly established by our customary judicial processes and a senatorial investigating committee.

EARLIER SCANDALS: "MORE PERSONAL"

Q. Did scandals of the past such as those in the Administrations of Warren G. Harding in the 1920s and Ulysses S. Grant in the 1870s prove to be serious in their impact?

A. Not on succeeding Presidents. And, of course, those involved entirely different factors than Watergate does—a more personal kind of corruption, crookedness and loot.

Q. The Gallup Poll results suggest that a majority of Americans apparently feel that scandals such as Watergate are going to happen no matter which party occupies the White House. Does this indicate cynicism on the part of the American people in their regard for the Presidency?

A. Yes, I think that has to be conceded. There is a growing cynicism toward the Presidency, just as there's a growing cynicism toward business leadership and what is called the "Eastern establishment" in government and business.

Q. Do you feel that the mass impact of press and television could endanger public confidence in the Presidency?

A. No, I think the impact comes more quickly and goes more quickly than before. Instead of waiting for the revelations of future historians, the news media concentrate on what is current—so it comes and goes more quickly.

Q. Will Watergate reinforce demands for curbing some of the presidential powers that have accumulated in recent years?

A. Well, that would call for a complete reversal of the trend that started back during the "New Deal," based on the philosophy that the best government is the one that governs the most. It continued under the so-called "Fair Deal" and the "New Frontier" and the "Great Society."

That's how this centralization of power in the Presidency developed, with Congress repeatedly delegating its authority to the President not only in domestic but in foreign affairs.

Q. Do you think that the willingness of Congress to relinquish authority is changing?

A. Yes. Even those "liberals" who advocated centralization of power are now seeing the end result. In 1936, I pointed out exactly what was going to occur when I talked about the centralization of power in Washington—the short-circuiting of the State governments by encouraging municipalities

to deal directly with the Federal Government in Washington.

Now this long march of what was called "liberal" legislation is reaching a point which appalls some of those who advocated that kind of legislation, and they're beginning to call for a reversal. They see how far the Congress has gone in yielding power, not only in permitting a planned economy by the Federal Government but things such as the Gulf of Tonkin Resolution which President Johnson interpreted as giving him a free hand to assume the guardianship of all Asia.

What we have today as a result of that trend of the last 40 years are big government, big business and big labor—and individuals don't count for much.

I HOPE CONGRESS ASSERTS ITS ROLE

Q. Does Congress have the power to reverse that trend?

A. To reverse that whole process is going to be quite a problem, but I hope the Congress does assert its constitutional role and does act responsibly to begin the process of reversal.

This is a real opportunity to begin such a reversal, because we have now a President who is himself committed to a decentralization of power that has too long accumulated in Washington. Mr. Nixon's so-called "New Federalism" is an encouraging move toward returning more authority and responsibility to State and local governments.

Q. What are the primary lessons to be learned from the Watergate scandal?

A. The primary lesson, I guess, is how presidential arrogance rises as power accumulates. Certainly Frankin D. Roosevelt showed that arrogance, and so did Lyndon Johnson.

Q. Can a President hope to keep a rein on the people who are working directly for him as the executive branch keeps growing continually in size and power?

A. Certainly not. The Government becomes so large that it is impossible for a President to have the time and the means to look into the activities of the men who are supposed to carry out his policy.

What has happened is that we have followed a philosophy of centralizing power in the Government for the last 40 years. In doing that we have eliminated the checks and balances between Congress and the President and between Government and the people.

We have reached the point where people are being ruled by decisions made by the President and enforced by Government bureaucrats. And his decision becomes the economic policy that rules our country and individuals.

Q. With all of this, does there remain a basic faith in our system of government among the American people? Will it survive this crisis?

A. Yes, it will survive in the long run—very definitely. What has happened may have some adverse effect on immediate attitudes, until there is a final verdict from a complete and thorough and satisfactory investigation.

This spectacular drama of personal power changing hands because of lawless acts and plain dumb campaign tactics—in the midst of a highly successful national Administration—is so extraordinary that it has a plain meaning: That sort of thing is always counterproductive in any form of human endeavor.

However, once again, the stability of our political system is demonstrated. And, in the end, that stability will not be affected.

CONGRESS AWAKENS

Mr. CHURCH. Mr. President, over the last week or two, the legislative branch of Government has awakened from its long sleep, and has begun to realize that its rightful constitutional role in formulating national policy, whether it be foreign-security or domestic, is essential and necessary if this country is to function with wisdom and foresight and compassion. Not only wisdom, but a revival to our whole system of government is long overdue. As the New York Times editorialized, "The revival of the constitutional system checks and balances through an awakened Congress offers hope for ultimate restoration of the Nation's damaged political health."

I ask unanimous consent that the New York Times editorial of May 20 be printed in the RECORD.

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

CONGRESS AWAKENS

Although the worst may be yet to come in the Watergate crisis, the news from Washington is not all bad. While the Executive slips into deeper disarray, a rejuvenated Congress has begun to move with remarkable determination and unity of purpose to restore the balance of power that the Founding Fathers had perceptively prescribed to check excesses of any branch of the Federal Government.

The turnabout began week before last, when a heretofore acquiescent House voted 219 to 188 to forbid the transfer of defense funds to finance the bombing of Cambodia, refusing—in the words of the measure's sponsor, Representative Addabbo of New York—to be "the rubber stamp of legitimacy the President has asked us to be."

Three days later, a Senate Appropriations subcommittee endorsed the same ban, extending its restrictions to Laos as well as Cambodia. On the same day, the Foreign Relations Committee added an amendment by Senators Case and Church to a State Department authorization bill that would forbid the use of funds for United States military involvement anywhere in Indochina without specific prior Congressional authorization.

The sweeping prohibitions of the Case-Church amendment were then in effect inserted into the fund transfer measure by the full Senate Appropriations Committee in a unanimous vote which saw perennial supporters of the President's Indochina policies swing to the opposition.

Finally, the Foreign Relations Committee voted 15 to 0 for a war powers bill that would forbid the President to wage undeclared war anywhere for more than thirty days without Congressional approval.

Responding to the shopworn plea that Congressional action threatened to undermine the American position in renewed negotiations in Paris, the Republican leadership apparently has been successful in delaying final Senate action barring the use of funds for the Cambodian bombing. But Mr. Nixon and his chief foreign policy adviser have been put on unmistakable notice that the time is fast running out when the President will be able to commit this country to hostilities in Indochina or anywhere else without consulting Congress.

The revival of the constitutional system of checks and balances through an awakened Congress offers hope for ultimate restoration of the nation's damaged political health.

A JOINT RESOLUTION PASSED BY THE UTAH STATE LEGISLATURE

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the RECORD a joint resolution dealing with the development of southern Utah.

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

HOUSE JOINT RESOLUTION NO. 11

A joint resolution of the 40th legislature of the State of Utah, memorializing the President of the United States, the Secretary of the Interior, and the Congress of the United States to promote and facilitate the development of southern Utah

Be it resolved by the Legislature of the State of Utah:

Whereas, the development of the Kaiparowits Coal Project and the Lake Powell Recreation Area are important elements in the economic growth of Utah and Southern Utah in particular; and

Whereas, the counties of Southern Utah directly affected by these developments have been declared by the Federal Government to be economically depressed areas (with a 14% unemployment factor); and

Whereas, the Federal Government has already studied the feasibility of full development in this area and found it economically sound; and

Whereas, private enterprise has signed contracts and is ready to develop the area as soon as the Federal Government and the Secretary of the Interior in particular permit; and

Whereas, in the past numerous promises have been given regarding Federal permission and assistance in the development of these two areas of Southern Utah; and

Whereas, at the present time, many Kane County residents have to travel an unnecessarily long route of over 400 miles to the county seat because of non-existent or inadequate roads; and

Whereas, the American people are traveling more and overcrowding the existing accessible national parks and recreation areas; and

Whereas, tourism is a major factor in Utah's economy, demanding proper facilities and accessibility for our scenic attractions; and

Whereas, ninety percent of Lake Powell is in Utah with less than ten percent of accessibility from Utah.

Now, therefore, be it resolved, by the Legislature of the State of Utah that we call upon the President of the United States, the Secretary of the Interior, and the Congress of the United States to honor past commitments made, to take a positive view toward the future, and to further and to assist in the development of this potentially rich, economically depressed area.

Be it further resolved, that the Legislature of the State of Utah call upon the Congressional Delegation from the State of Utah to work avidly for the implementation of this resolution.

Be it further resolved, that the Secretary of State of Utah, be, and is hereby, directed to send copies of this resolution to the President of the United States, the Secretary of the Interior, to the Senate and House of Representatives of the United States and to the Senators and Representatives representing the State of Utah in Congress.

SOUTH VIETNAM'S CIVILIAN PRISON SYSTEM

Mr. KENNEDY. Mr. President, I ask unanimous consent to include at this point in the RECORD the American embassy's letter to the study mission, an attached memorandum on American support of South Vietnam's civilian prison system, recent articles from the New York Times, and the Washington Post, a letter on the torture of university and high school students in South Vietnam,

and some recent reports on political prisoners prepared by the American Friends Service Committee.

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

EMBASSY OF THE
UNITED STATES OF AMERICA,
Saigon, Vietnam, April 3, 1973.

MR. JERRY M. TINKER,
Staff Consultant, Subcommittee on Refugees, Office of Senator Edward M. Kennedy, U.S. Senate, Washington, D.C.

DEAR MR. TINKER: The Ambassador has asked me to reply to the request for information contained in your letter to him of March 15, 1973.

Before going into the specific areas you refer to, I would like to point out that under the Paris Agreement the "return" of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities. Though the Agreement expresses the hope that agreement on this matter will be reached within ninety days after the ceasefire date, no absolute time limit is imposed. I think it is important to note that a substantial number of civilians loyal to the GVN are detained by the communists, though they admit only 200. The question of the return or accounting for these people is therefore linked with the release of communist prisoners now held in GVN jails.

You express the fear that conversion of civilian detainees to common criminal status will exclude them from coverage under the agreement. The Prisoner Protocol, however, clearly states in Article 8(b) that "The detaining parties shall not cause their return to be denied or delayed for any reason, including the fact that captured persons may on any grounds, have been prosecuted or sentenced." Though it will of course be more difficult to identify persons covered by the agreement if they are mixed in with common criminals, their legal status under the agreement is not affected. The GVN has offered to release any civilian detainee the communists name as belonging to their movement.

Your letter also asks for information in two broad areas: the prisoners themselves and the GVN's prison system. I will address the first question in this letter. I have attached a memo from USAID which was written in response to my request which covers the second area in great detail. You might also contact the staff of Congressman Moorhead's Subcommittee of the Government Operations Committee for information concerning these problems. That Subcommittee conducted hearings on this subject, I believe, in 1970.

Drawing on official GVN statistics and conversations with various GVN officials who are responsible for the prison system and internal security problems, the Embassy estimates that there are at present no more than 22,000 civilians of all types being held. This includes two broad categories: common criminals (thieves, smugglers, etc.) and those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive. This second category is further divided into those detained because of communist-related activities and all others. Though we do not have precise figures, we estimate that the GVN now detains at least 12,000 civilians sentenced or ordered detained because of communist-related activities, somewhere between 500 and 1,000 noncommunist dissidents, such as Madame Ngo Ba Thanh and her group and various student leaders, and around 4,000 sentenced common criminals.

The approximately 12,000 communist-related detainees were, until recently, divided into "communist criminals" and "An Tri detainees." Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc., committed as a part of their participation in the NLF's struggle to overthrow the GVN. There were 4,088 "communist criminals" on the GVN rolls as of December 31, 1972. "An Tri detainees" are persons detained because they are "considered dangerous to national defense, national security and police order" (Decree Law 004 1966 and Decree Law 020 1972). An Tri detainees are incarcerated on the order of the Prime Minister after passing through a non-judicial administrative process wherein both the burden of proof and the procedural safeguards are somewhat less than those which obtain in the military courts.

On the other hand, the penalties imposed are generally less severe. An Tri detainees need not be accused of committing a specific criminal act, evidence of participation in the Viet Cong infrastructure, or of actively supporting the Viet Cong being sufficient.

Before and since the ceasefire, the GVN has been converting A and B category "An Tri" detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging. Categories A and B are those detainees whom, according to the GVN, held important positions in the Viet Cong Infrastructure down to hamlet level. All the C level detainees, who are considered "low level supporters" have been released since Tet. These numbered around 5,000. The number of A and B level detainees as of December 31, 1972 was 9,316.

During the long course of the Vietnam conflict, people from every area of the country have been arrested. The ratio of persons detained from any particular province to that province's population varies with the average level of NLF political-terrorist activity and the vigor of the GVN local government's security activities. Neither we nor the GVN have kept records that would allow such a ratio to be computed. According to the latest complete figures (December 72) available to the Embassy, 19,156 persons were being held at Provincial Correction Centers, and 20,501 at the five National Correction Centers at Con Son, Chi Hoa (Saigon), Tan Hiep, Thu Duc and Dalat (juveniles). These figures include 5,777 military prisoners, 3,877 unsentenced communist suspects, and 7,918 unsentenced common criminal suspects. This reflects the situation prior to the release of 5,680 convicts at Tet, and the release of 1,193 prisoners on Farmer's Day, March 26.

The physical condition of prisoners varies, of course, from individual to individual. As you can see from the attached memo from USAID, much of our assistance to the correctional system has gone into improvements in medical and sanitation facilities. According to the final reports submitted to the Public Safety Division by its provincial public safety advisors before it was disbanded, the medical and sanitation situation in all the GVN's correctional institutions is now adequate to preserve the health of the inmates.

You may be particularly interested in the question of deliberate mistreatment of inmates, especially in light of recent press accounts concerning the crippled prisoners who were recently released by the GVN. We cannot disprove that mistreatment of inmates has occurred; some with little doubt has. However, our coverage of the correctional system over the past several years has been comprehensive enough to enable us to say with some certainty that there is no widespread or systematic mistreatment of inmates. The simultaneous existence of a very low ratio of guards to inmates, comparatively insecure prisons, and the low escape rate would seem to indicate this. With regard to the crippled prisoners, we have a very detailed report on their history compiled by Dr. Brown who formerly served as medical advisor to the GVN Corrections Directorate.

We will be happy to forward a copy to you if you feel it would be of use to the Committee.

I hope this information provided by this letter, and the attached memo, will be of use to you. If you have any further questions, or want us to expand upon or to clarify any of the points included, please write me directly. I shall do all I can to be of service.

Sincerely,

RAY A. MEYER,
Second Secretary.

EXHIBIT 2

MARCH 22, 1973.

To: Mr. Ray Meyer, Embassy POL/MIL
Thru: Mr. H. E. Kosters, USAID/ADCCA
From: Robert B. Brougham, SA/ADCCA
Subject: Enquiry on USAID/CORDS Support of GVN Civilian Prison System.

As requested on page two of Mr. Tinker's letter of 15 Mar to Ambassador Bunker, there follows a brief summary of that support which USAID and MACV/CORDS have provided to the Directorate of Corrections. Inasmuch as it appears that Mr. Tinker was after specifics of the involvement in construction of facilities, details of AAC and AIK funding have been listed. If additional information is required, please let me know.

BACKGROUND

The Directorate General of Corrections was first organized on January 13, 1960, and then changed to the Directorate of Corrections (DOC) on July 25, 1966. U.S. advisory assistance to DOC began in 1961 with the part time services of one Public Safety advisor from USAID. From this time until early 1967 when the function became a part of Civil Operations and Rural Development Support (CORDS), MACV, as a result of a general reorganization of the US effort, support to the DOC was minimal. The present Corrections Centers Project was established in FY 67. The project was introduced not only to assist the DOC to develop an effective corrections system but because of USG interest with respect to prisoners of war captured by US forces and turned over to the GVN for confinement.

U.S. ADVISERS

In FY 67 one full time advisor was provided under this new project. In FY 68 the advisory staff was increased to two advisors, which level was maintained through FY 72. In FY 73, one full time advisor was present up to the signing of the cease-fire agreement in January 1973. The Corrections Centers direct hire staff was augmented by Public Safety Detentions Advisors on detail from the National Police Support Project. Advisory duties performed by this staff included those associated with regular prison operation as well as such specializations as fishing, agronomy, animal husbandry and medical welfare.

Programs of vocational training, recreation and industries also were developed.

The last direct hire advisor, a medical doctor who for the past two years had served as medical advisor to the DOC in matters of health, sanitation, humanitarian care and welfare of prisoners, discontinued his visits to the prisons to observe conditions at the time of cease-fire agreement when advisory services were halted.

In FY 72 a six-man team from the US Bureau of Prisons was brought aboard under a PASA to assist in all aspects of penology and rehabilitation, including vocational training, records, identification of prisoners, etc. This team was reduced to three members and ulti-

mately phased out after the cease-fire agreement was signed in January 1973.

PARTICIPANT TRAINING

Participating training for DOC personnel was provided as follows: one in FY 68, six in FY 70, twenty in FY 71, and twelve in FY 72.

COMMODITY SUPPORT

Dollar funding provided through the Corrections Centers Project for commodities as follows:

FY 67 $62,000; FY 68 $676,000; FY 69 $690,000; FY 70 $41,000; FY 71 $17,000; and FY 72 $107,000.

Additionally, excess equipment was transferred from RMK–BRJ plant at Con Son Island to the Con Son Correctional Center. This was generally heavy duty equipment (crawlers, dump trucks, etc.). The value of this equipment was $852,000 (original acquisition value).

AMERICAN AID CHAPTER (AAC) PIASTER BUDGET SUPPORT

A substantial amount of piaster funding has been provided as supplemental support to the DOC through the AAC of the national budget. Principally these funds were used in maintenance, repair, renovation, and construction of facilities as well as certain operating supplies and services. A summary of the funding for each year and identification of the major items which it provided is listed below.

CY 67 VN$30,000,000 (REVISED)

Construction vocational training shop, Tan Hiep	$500,000
Construction kitchen & vocational shop, Thu Duc	2,500,000
Construction Phan Thiet Prison	7,000,000
Construction Dalat Prison	10,000,000
Construction Dinh Tuong Prison	1,000,000
Construction Hospital, Chi Hoa	3,000,000
Locally manufactured vocational training equipment	4,800,000

CY 68: VN$116,000,000 (REVISED)

Operating supplies and services	1,754,000
Construct replacement kitchens at:	
Chi Hoa	5,000,000
Phong Dinh	4,000,000
Replace hospital/dispensary/patient wards at:	
Chi Hoa	9,120,000
Quang Tin	1,500,000
Quang Tri	1,250,000
Darlac	1,500,000
Ninh Thuan	1,360,000
Phong Dinh	1,736,000
Bac Lieu	1,500,000
An Xuyen	1,017,000
Quang Nam	270,000
Kontum	336,000
Darlac	400,000
Dalat	4,000,000
Renovate prison centers at:	
DOC Headquarters	226,000
Chi Hoa	2,000,000
Con Son	350,000
Quang Tin	350,000
Binh Thuan	545,000
Pleiku	488,000
Phu Yen	322,580
Ba Xuyen	289,000
Bac Lieu	316,000
Chau Doc	350,000
Kien Giang	476,000
Quang Ngai (kitchen, housing quarters, vocational shop, defense system, general repairs)	6,300,000
Gia Dinh (Adm. Office, repair housing quarters)	3,750,000
Construct re-education center Binh Thuan	5,500,000
Construct nursery Thu Duc	$1,000,000
Construct housing quarters at:	
Tan Hiep	4,400,000
Quang Tri	1,721,000
Thau Thien	3,880,000
Quang Nam	3,819,000
Quang Tin	2,248,000
Binh Tuy	1,800,000
Long An (housing quarters, patient wards, dispensary)	3,217,000
Kien Hoa	390,000
Thu Duc (Cell B)	4,000,000
Construct work shops at:	
Thu Duc	1,040,000
Quang Tin	500,000
Binh Dinh	650,000
Darlac	500,000
Ninh Thuan	646,000
Tay Ninh	444,000
Binh Long	483,000
Binh Tuy	417,000
Kien Tuong	580,000
An Xuyen	497,300
Bac Lieu	494,300
Vinh Long	543,000
Chau Doc	498,000
Kien Giang	425,000
An Giang	550,000
Dalat Reformatory	9,557,000
Miscellaneous construction:	
Walls at DOC Headquarters	247,000
Watchtowers at Con Son	135,000
Defense system at Ninh Thuan	200,000
Defense system at Kien Tuong (Phase I&II)	639,000
Guard house at An Xuyen	188,000
Defense system at Bac Lieu	197,000
Defense system at Chau Doc	200,000
Latrine at Khanh Hoa	500,000
Latrine at Darlac	190,000
Pilot center at Dalat	633,000
Additional construction costs Dinh Tuong Prison	56,000
Additional construction costs Phan Thiet Prison	1,273,000
Equipment for vocational training and industrial arts	11,265,000

CY 69: VN$40,000,000 (REVISED)

Operating services and supplies	$2,200,000
Construct kitchen and renovation, Long An	1,100,000
Construct kitchen and renovation, Tay Ninh	1,736,000
Construct kitchen and wall, renovation, An Giang	3,319,000
Construct dispensary and renovation, Ba Xuyen	2,500,000
Construct prisoner quarter, bathroom, kitchen and sewerage system, and renovation, Bac Lieu	4,830,000
Construct dispensary and renovation, Go Cong	1,500,000
Renovation Vinh Long	479,000
Construct dispensary Vinh Long	979,000
Construct kitchen, Bien Hoa	2,580,000
Construct kitchen, Kien Giang	973,000
Construct warehouse, Quang Nam	246,000
Renovate defense system, Quang Nam	262,000
Construct compound walls, Kien Giang	376,000
Renovate blockhouses, Vinh Long	357,000
Tools for carpenter shop, tailor shop, nursery and metal shop at provincial correction centers	6,195,000
Generators	2,985,000
Blankets & mats for national & Provincial centers	6,720,000
Beds, mosquito nets and mattresses for dispensaries at Ninh Thuan, Bac Lieu and and Phong Dinh	105,000
Medicine chests at national & provincial centers	36,000

CY 1970: VN$27,000,000 (PROGRAMED)

Operating supplies and services	$3,000,000
Educational materials (books, paper, pencils)	2,010,000
Handicraft supplies and materials	1,960,000
Vehicle accessories for automotive vocational shops	1,000,000
Paint	1,000,000
Equipment and material for Dalat Juvenile Reformatory (cool weather uniforms, sneakers, books, toys and sporting equipment)	8,400,000
Vocational hand tools	1,730,000
Kerosene stoves for 41 centers	5,000,000
Beds, mattresses and mosquito nets for 20 dispensaries	2,000,000
Equipment for prisoner motivation research and development (PA system, protections equipment, cameras and film)	900,000

CY 71: VN$25,000,000 (PROGRAMED)

Educational materials for national & provincial centers	2,000,000
Handicraft training materials for national and provincial centers	1,960,000
Clothing for detainees at Dalat Juvenile Reformatory	2,300,000
Clothing for detainees at Tan Hiep Special Center	800,000
Blankets, sleeping mats and raincoats at:	
Dalat	356,000
Tan Hiep	250,000
Paints	400,000
Contract services for maintaining electrical systems, water pumps, generators & vehicles	2,558,000
Books, magazines and leaflets for the Increased Correctional Effectiveness Program (ICE)	500,000
Playground equipment, Dalat	40,000
Materials for musical program development for ICE	600,000
Training aids, other support requirements	2,880,000
Materials for educational/vocational training, Tan Hiep	110,000
Equipment for vocational training at national & provincial centers	1,792,000
Equipment for vocational training, Tan Hiep	40,000
Dental equipment, national centers	1,600,000
Instruments for musical program development for civil education program	2,000,000
Generators, Dalat	30,000
Projectors/screens, Dalat and Tan Hiep	130,000
Recreation equipment, Dalat and Tan Hiep	172,000
TV set, amplifiers and wire broadcasting systems at:	
Dalat	80,000
Tan Hiep	180,000
National and provincial centers	2,782,000
Construction materials/equipment for waiting house, Chi Hoa	1,440,000

CY 72: VN$69,000,000 (PROGRAMED)

Recreational/educational aids/materials for vocational training	$4,125,000
Blankets, mats raincoats for inmates	9,880,000
Repair and maintenance, POL and transportation	15,070,000
Materials to increase the correctional offset program	1,790,000
Animal husbandry program	1,105,000
Training	3,600,000

Construction materials, Saigon Correction Center Hospital	$3,000,000
Repair materials (cement, rebar, tile, etc.)	9,000,000
Support materials for psywar battalion program Con Son	4,000,000
Water system, Con Son	2,000,000
Purchase seeds for agronomy program at centers	300,000
Tools, handicrafts projects	4,100,000
Tools, Bang Son program	4,130,000
TV sets and broadcasting system	2,000,000
Tools, automotive shops	500,000
Electric fans for prisoners	500,000
Tools for support psywar battalion program	2,000,000
Boat engines for Con Son	1,200,000
Tools for agronomy program	700,000

CY 73: VN$50,000,000 (PROGRAMMED)

These funds were obligated February 21, 1973, and are committed to be expended for the purposes outlined in the GVN National Budget for CY 1973, Title 34, Chapter 511, Project No. 710–353.

ASSISTANCE-IN-KIND (AIK) FUNDS

In addition to the AAC funds detailed above, AIK funds have been used in the Corrections Centers Project. Most significant use of these funds was in 1971 for the following:

Construction of three 96-cell isolation units, Con Son	$47,200,000
Goats for animal husbandry program, Con Son	2,900,000
Renovation and construction of isolation cells, Thu Duc	687,000

EXHIBIT 3

[From the New York Times, Mar. 3, 1973]

FOUR SOUTH VIETNAMESE DESCRIBE TORTURE IN PRISON'S TIGER CAGE

(By Sylvan Fox)

SAIGON, SOUTH VIETNAM, March 2.—A group of recently released political prisoners, reportedly spirited into Saigon secretly, described today how they were beaten, tortured and ultimately crippled during years of confinement at the Government's island prison on Con Son.

One of them, a young man, in describing his year-long detention in the tiny cells that have come to tbe known as tiger cages, said: "During that time not a single day passed that we were not beaten at least once. They would open the cages and they would use wooden sticks to beat us from above. They would drag us out and beat us until we lost consciousness."

The prisoners' stories, told in a hospital room to which they had been brought by friends and relatives, reflected the plight of thousands of political prisoners held by the Saigon Government who have become the forgotten people of the Vietnam cease-fire agreement.

LARGE GROUP UNAFFECTED

While the accord provides for the exchange of a small number of political prisoners identifiable as belonging to one side or the other, no provision is made for the thousands of non-Communist, anti-Government prisoners held by Saigon because it considers them politically dangerous.

No one is certain how many the Government holds. Some estimates put the figure at 20,000 to 30,000; others go as high as 200,000.

Saigon says it holds only about 5,000 "political prisoners," who, as captured Communist civil servants, come under the provisions of the Paris agreement on the return of civilian detainees. The Communists say they hold only 200 such prisoners. Each side disputes the other's contention.

No provision of the accord appears to cover those held by Saigon who are non-Communist and anti-Government and who do not want to be handed to the other side but merely want their freedom.

The four former prisoners interviewed today said they were members of a group of 124 released on Feb. 16 from Con Son, which is about 60 miles off the Southern coast.

CENTER OF CONTROVERSY

The island became a center of controversy in 1970 when two American congressmen revealed the existence of the tiger cages, small concrete trenches with bars on top, in which five to seven prisoners were cramped in a space about five feet wide, six feet long and six feet deep.

The former prisoners said they were flown to Bien Hoa, about 15 miles northwest of Saigon, and held in a police station there until Feb. 21, when they were released with orders not to go to Saigon. However, at least 11 were brought here by friends and family and deposited in the relative—if temporary—safety of a Saigon hospital.

Those interviewed assumed they had been released because they were disabled and sick; all said they were convinced they would soon be rearrested.

A Government spokesman, told of the interviews, said he could not comment without knowing the identities of those involved. He said he did not know of any recently released political prisoners.

According to the former prisoners, they had each spent about five years in custody without being tried or granted a hearing.

They denied they were Communists, although two said they were supporters of the Communist-led National Liberation Front.

One who said he was neither a Communist nor a supporter of the front was a slightly built, round-faced man aged 23 who described himself as a Buddhist activist. He said he was a student at the Hung Dao high school in Saigon at the time of his arrest in December, 1967.

He said he was picked up by the police along with friends who, like him, had been active in what he called the anti-Government "Buddhist struggle movement."

Asserting that he was unable to walk as a result of his treatment while in custody, he related that after his arrest he was taken to the national police headquarters in Saigon and "beaten and tortured on and off for a whole year."

He described the torture as being beaten with sticks "until I vomited blood or until the blood came out of my eyes or ears," having soapy water forced into his nose and mouth, and being subjected to electric shock.

His torturers accused him of participating in anti-Government activities, he added, and "said they tortured us to punish us."

MANACLED AND SUSPENDED

Another form of torture employed by the police, the young man said, was to manacle prisoners' hands behind their backs, then hang them from the ceiling by the manacles until they lost consciousness.

After a year in custody in Saigon, he said, he was taken to the Chi Hoa Prison in Saigon and installed in what was known as "the movie house" because it was "like a big box and it was dark like a movie theater."

"There they chained our feet and attached the chains to a pole," he continued. "There were between 50 and 100 prisoners. We had nothing to lie on, and it was filthy and dirty and cold. Every day they would open the door and send in a bunch of common criminals who would beat us with sticks and kick us."

Describing life in the tiger cages, the young man said that several prisoners died but he could identify only one by name.

A week after the Congressmen went to Con Son, he said, the inmates were put in what he called the stables—a row of structures that had housed water buffalo.

"During the time we were kept in the stables they continued to beat us viciously," he said. "One of my friends, Tran Van Tu, suffered a broken arm. Another man, Nguyen Ngo Thuong, was ferociously beaten on the head."

In December, 1970, the former prisoner related, he and about 80 other sick and disabled prisoners were flown back to Chi Hoa. "I guess I was going crazy at that time," he added, saying that he was also paralyzed.

He remained in Chi Hoa until June, 1971. The treatment, there was better at that time, he said, though "once in a while they would beat us just a little."

In June, 1971, he and others at Chi Hoa were informed that they were being returned to Con Son.

"We tried to resist," he said, "saying we were still sick and needed more time to recover. We told them many of us still could not walk and many were still very sick."

But, according to his account, the jailers responded by bringing in the policemen and common criminals who threw teargas grenades into the cells. "We all choked and lost consciousness," he said.

They were put on a ship to Con Son. By then the old tiger cages had been replaced by new ones built by an American contractor and paid for by the United States.

The former prisoner said that while the cages were about the same size as the old ones, each cage housed only one person. As a result, he added, "the jailers would not beat us from above but would open the steel bars, jump in and beat us."

DIET: RICE AND WATER

Throughout 1972 and in the first two months of this year, he said, his daily food ration consisted of "a few spoonsful of rice and a little water."

"The most recent beating took place last Jan. 6 in Row A and B of the tiger cages," he said. "About 70 prisoners were seriously injured then." He explained that the beatings occurred "because we asked for more food and more water."

According to the former prisoner, a man named Le Van An was beaten to death in one of the mass beatings last May. He also asserted that in the beating Jan. 6 a Buddhist monk named Thich Hanh Tue was beaten almost to death.

"The prisoners asked that the monk be given treatment," he said, "but they ignored the request and a few days later he died."

When he and the others were released, the young man related, most were transported to various parts of the country, but 25, including him, were kept at Bien Hoa.

Other prisoners at the Saigon hospital corroborated the account with only minor personal differences. All told of torture, beatings and malnutrition.

"Each of us went through a similar ordeal," a 38-year-old former prisoner commented.

[From the Washington Post, Jan. 18, 1973]

POLITICAL ARRESTS EXPECTED

(By Peter Osnos)

SAIGON, January 17.—President Thieu has given his province chiefs wide latitude to make political arrests after the coming cease-fire and has also empowered them to "shoot troublemakers" on the spot, reliable South Vietnamese sources said today.

Wherever possible, American sources added, those arrested are to be charged with common crimes instead of political ones because, it is acknowledged, the prisoners are easier to deal with that way. The Communist demand for release of all political prisoners has been a sticking point in the Paris negotiations and the government's intention,

sources said, is to keep the number of prisoners down, at least on paper.

Thieu's hard line is in keeping with his conviction that, after the cease-fire, his government will remain at war with the Communists by all means short of big-unit firepower. "The Communists are preparing to destroy the cease-fire," a Thieu aide warned a gathering at Kientuong Province yesterday.

Government officials in the provinces say they have been told the Communists will violate the cease-fire with terrorism and assassinations and they must be ready to protect themselves.

Thieu's response to this danger is evidently to harass and intimidate known and suspected Communist sympathizers, as they have been for years.

The province chiefs have been instructed, South Vietnam sources said, that the only condition of the arrests is that local prosecutors be informed within 24 hours. Once that is done, the sources said, the suspects can be detained for as much as six months.

Because of the vagueness of the way it is worded and the uncertainty of how the situation after the cease-fire will develop, South Vietnamese officials have no clear idea of how the authority to "shoot troublemakers" will be interpreted.

During his one-man presidential campaign in 1971, Thieu gave police officials permission to shoot anyone causing a "disturbance," but the threat was never carried out. Recently, Thieu authorized police to shoot thieves caught in the act, but that, too, has never been done, as far as is known.

The broad arrest powers given to province chiefs apparently differ from past practice in that there is to be no direct coordination from Saigon, as was the case, for example, with the campaign of arrests after last spring's Communist offensive. Top-level American officials, who say they are informed even on the most sensitive aspects of Thieu's preparations for the period after the post cease-fire, insist that there is no similar national plan for widespread political arrests.

They did acknowledge, however, the existence of a plan called F–6 that went into effect after the start of North Vietnam's Easter offensive and was again carried out when a cease-fire appeared immiment in October. They said the plan finally expired just before Christmas.

The number of civilians arrested in organized, military-style sweeps was 26,000, according to one senior U.S. intelligence source, of whom 14,000 have been released.

What set F–6 apart from routine political arrests was its scope and the change in the standing practice that had required three separate accusations of a suspect before he was picked up. Under F–6, now ended, only one accusation—a casual denunciation by an aggrieved neighbor, for instance—was all that was needed for an arrest.

Government critics have charged that the arrests were often used as a means of extortion by police, who then sold the prisoners their freedom. There are also recurring substantiated reports of harsh interrogations and even torture.

Phoenix, which was revised by the Central Intelligence Agency in 1967 and is now under the direction of the Vietnamese police Special Branch, will apparently continue unchanged after the cease-fire.

It is not known as yet whether province chiefs will again have to obtain three accusations of Communist links before arresting civilians, but Vietnamese sources believe there will be virtually no restrictions placed on what is done in the name of political security.

The number of political prisoners at present is thought to be around 30,000. The Communists say there are several hundred thousand.

EXHIBIT 4

THE TORTURE OF UNIVERSITY AND HIGH SCHOOL STUDENTS

(NOTE.—The following is a text of a letter to Father Chan Tim, Vice-Chairman of the Committee Campaigning for Improvement of the Prison Regime in South Vietnam, with whom the Subcommittee on Refugees Study Mission conferred in March.)

CHI HOA,
June 12, 1972.

DEAR FATHER: Up to this afternoon, the total of university and high school students arrested is more than a hundred and among them we know about 70 by name. The majority are still held at the Headquarters of the Municipal Police. All have been savagely tortured. All have had to be carried on stretchers to their cells after interrogation. Electric torture, forced drinking of soapy water, the implanting on needles in the tips of ten fingers—these are the current methods. The condition of the students now at the Headquarters of the Municipal Police is scarcely different to that of the students at the National Institute of Agronomy two years ago. Miss Nguyen Thi Yen, after a night of torture on June 9, 1972, lay unconscious. The student, Trinh Dinh Banh could neither walk, nor eat. The police had to spill milk on him forcing open his mouth. The student Vo Thi Bach Tuyet had small mice and lizards dropped on her body. All this has been reported by students who saw these deeds with their own eyes and who have just been transferred from the Municipal Police Headquarters to Chi Hoa. Taking advantage of the confusion due to the military situation and, in consequence, of the present absence of public interest in the student problems, the government has increased its arrests, its repression and its more and more savage torture.

So far as the 30 university and high school students at Chi Hoa are concerned, the government intends to report them to the prison island of Con Son. Not long ago, the Venerable Nguyen Van Nai, one of the students arrested during the campaign against the election of the single candidate Nguyen Van Thieu was reported to Con Son without any trial.

We know that there will be university and high school students on the next boat leaving for the island. Even the families of imprisoned students have suffered repression. On the morning of June 9, 1972, two relatives coming to see students were arrested at the prison gate and imprisoned. It was even a security officer of the prison who provided that information and perhaps in a few days we will have more details.

Faced with these repressive measures, with imprisonment and with torture, we entreat you to ask leaders of the churches to intervene, if possible, by raising their voices, in the hope of being able to restrain the acts of the government. We ask you to protest in the press, and to ask other priests and teachers, especially Professor Trung and Father Can to write articles in our defence. Because of our difficult circumstances, we cannot write to all our teachers, and if you are able to see them, please give them our greetings. We hope with all our hearts that you will do everything possible at this time to help us. As for the future, shall we be still at Chi Hoa, able to write to you occasionally. Or shall we lie in the tiger cages of Con Son listening to the howling of the waves and seeing only four walls of the prison, imagining that they are the walls of our Faculty lecture rooms?

Dear Father, accept our warmest wishes for your good health.

(Name and signature omitted.)

EXHIBIT 5

REPORTS AND LETTERS FROM THE QUAKER TEAM IN QUANG NGAI PROVINCE, VIETNAM, 1972

Since 1968 the Quaker Service Team in Quang Ngai Province of South Vietnam has paid frequent visits to the local prison and the prison ward of the province hospital. Besides attending urgent medical needs, they have distributed medicines regularly to patients with long term problems and provided an infant feeding program (canned milk, soap, vitamins) for children jailed with their mothers. In July, 1970 Dr. Marjorie Nelson gave testimony to the House Sub-Committee on Government Operations of the evidence of maltreatment and torture she and other members of the Team had observed. In July, 1972 Marge Nelson is remembered by a 35-year-old woman in the hospital ward; a Team member observes: "Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it." For years the Team has witnessed first-hand the effects of torture, and more recently, an increase in its use. In August, 1972, one member of the Team wrote to the home office of the AFSC in Philadelphia, "the police repression due to the new martial law and the mass numbers of people being arrested and tortured is at an all time high in Vietnam" and urged, "We should report truthfully and in detail what we know about this situation in the same manner we report civilian war casualties."

The main job of the Quaker Team has been to operate since 1967 a Rehabilitation Center, which is supported by the American Friends Service Committee. Free medical and nursing care, physical therapy and artificial limbs are provided each year to over 800 people, without regard to religion, political views or income, though the Center accepts only civilians for treatment. Soldiers and veterans are given priority at other rehabilitation centers. About 80% of the patients treated at the Center are old men, women and children.

Two themes especially have filled the letters from the Quaker Team in Quang Ngai to the Philadelphia office: anguish at the U.S. government's insistence in pursuing the war and prolonging the suffering, and admiration for the courage, spirit and ingenuity of the patients and staff at the Center. About three-quarters of the patients have war-caused injuries. In 1971 the Team issued a statistical summary which reported, "Of those patients willing to state clearly which party in the war caused their injury 69% placed responsibility with the Allied forces (U.S. and ARVN) and 31% indicated that the NLF caused their injuries."

With similar care the Team has recorded their experiences with the prison: To report truthfully. Following are reports of the Quaker Team of their recent (1972) knowledge of treatment of prisoners. Some of the letters discuss the difficulties the Team have encountered in their dealings with prison authorities, both Vietnamese and American. In April Team visits to the province prison were stopped. In August the Team received a letter from a province official expressing some regret that he could no longer approve of work which served only to heal the enemy.

Correspondence and reports from Quang Ngai are dated and numbered according to the Philadelphia AFSC office filing system. To protect people who might suffer retaliation from the authorities, names are changed.

The first document was prepared in October, 1972 by Jane and David Barton, Field Directors, Quaker Service, Quang Ngai, and is "an overall impression" from the AFSC

staff and medical personnel who have examined prisoners. Following this summary, reports and quotes from letters are presented in chronological order. To protect people who might suffer retaliation from the authorities, patient/prisoner names are changed.

REPORT FROM THE FIELD DIRECTORS, QUAKER SERVICE, QUANG NGAI: PRISON CONDITIONS, QUANG NGAI, VIETNAM, OCTOBER 1972

For the past five years the American Friends Service Committee doctors and team members in Quang Ngai have made medical visits to the Quang Ngai Prison. There has also been a diet supplement program for women being detained with their young children. Medical visits have also been carried out at the prison ward of the Quang Ngai Province Hospital. At the same time many prisoners requiring surgery, prostheses, and physical therapy have been referred to our Rehabilitation Center for treatment. Due to this involvement with the prison situation in Quang Ngai, American Friends Service Committee team members have been able to gather many first-hand accounts from Vietnamese people who have been confined, interrogated, and tortured. American Friends Service Committee doctors and medical personnel have examined many patient/prisoners whose injuries appear to be directly related to the tortures they describe.

The following information was gathered from first-hand reports of prisoners and from observations made by AFSC staff in Quang Ngai concerning conditions of confinement, interrogation, and torture at the Province Interrogation Center, the Quang Ngai Prison, and the prison ward of the Quang Ngai Province Hospital:

1. Prisoners explained that during interrogation they were forced to drink large amounts of water mixed with whitewash (lime), soap, or salty fish sauce. When their stomachs became bloated, the interrogator jumped on their stomachs. One AFSC doctor examined several patients who had "petit mal" seizures and memory lapses. He felt this was due to brain damage caused by the drinking of such toxic material.

2. Prisoners also told an AFSC doctor that they were often forced to lie on a table and if a prisoner didn't respond to questioning properly, the interrogator would reach underneath his rib-cage and crack or break the prisoner's ribs. This same doctor examined and had X-ray evidence of several prisoner/patients with cracked or broken ribs.

3. AFSC doctors have examined any prisoners who have complained of internal aches and pains. These prisoners often had black and blue marks, open wounds, and raw skin showing on their bodies. The prisoners claimed the injuries were caused by general beatings to their bodies—especially to the back of their necks, bottoms of their feet, and chest—with club-like sticks. For instance, on two occasions an AFSC doctor examined prisoners with chest injuries. The prison officials claimed these two prisoners has fallen down a well, but the prisoners told our doctor that they had in fact been beaten.

4. AFSC doctors have witnessed prisoners, as many as fifteen women, having emotional fits or seizures. The prisoners convulse violently, froth at the mouth, and have muscle spasms. Other prisoners try to tie their arms and legs to some stable object and hold the convulsing prisoners down so that they won't hurt themselves. One doctor witnessed as many as five prisoners convulsing, thrashing, and yelling at the same time. These fits or seizures greatly puzzled AFSC doctors who had never seen similar seizures in the United States. AFSC doctors suspected that these prisoners had experienced emotional trauma and that these seizures were either an emotional release or a subconscious attempt to avoid further interrogation and torture. Two AFSC doctors have witnessed prisoners having hysterical reactions when electric lights were turned on in the room where they were allowed to examine the prisoners. Later it was reported that these prisoners had been tortured with electricity.

5. Prisoners have claimed that during interrogation police have molested them and hit them when they would not respond to questioning. One such case is that of Nguyen thi Lang* who was interrogated for nine hours before losing consciousness. When she regained consciousness her vagina was bleeding and continued to do so for several days. Afterwards, our medical staff treated her for hysterical fits. Then she was taken from the prison ward at the hospital back to the Interrogation Center where she says the interrogators banged her head repeatedly against a wall. Examination later of her X-ray by our medical staff showed a skull fracture and brain hemorrhage. As a result, John Talmadge diagnosed that this prisoner "suffers from persistent right-sided hemiplegia and, in addition, she manifests symptoms of a complex neurological disorder." He requested that this prisoner be transferred from the prison to the hospital for treatment but no action has been taken by the prison authorities.

6. As a result of confinement, many prisoners have contracted tuberculosis. These prisoners are rarely given any medical care. In fact, our doctors have seen many cases which they were not allowed to treat. The doctors have also noted that these prisoners were not isolated from the others, so that there was and still is much communication of TB among the prisoners.

7. The medical care given to prisoners at the Quang Ngai Interrogation Center, Quang Ngai Prison, and prison ward of the Quang Ngai Province Hospital is almost non-existent. No Vietnamese doctor or trained medical person sees any of the prisoners and there are few medicines stronger than aspirin available. In the past the AFSC doctor was allowed to make weekly visits to the Quang Ngai Prison but could examine only those patients the prison officials wished the doctor to see. The AFSC has never been allowed to visit any prisoners at the Province Interrogation Center but patient/prisoners from the Interrogation Center have been treated when they come to the prison ward of the hospital. Our doctors have had no control over the patient/prisoner's length of stay in the prison ward and many of them have been returned for further interrogation even though they were still diagnosed as seriously ill and under treatment. One example is that of Pham thi Tho*, whom our medical staff discovered had a "definite and unmistakable irregularity in the rhythm of her heart" which was symptomatic of a cardiovascular problem of potentially serious consequences. In addition the patient had a three-month old fractured femur due to a bullet wound and thus was unable to walk. Our medical staff wanted to remove the bullet from this prisoner's leg and to evaluate properly the cause of her serious heart condition, but the prisoner was returned to the prison and he was unable to treat her. In efforts to treat patients at the Province Interrogation Center, Quang Ngai Prison, and the prison ward of the hospital, the AFSC staff has continually been thwarted by a lack of cooperation and humanitarian concern on the part of the Saigon government and the American advisors.

8. Prisoners who are at the Quang Ngai Province Hospital for treatment are chained to their beds by prison guards regardless of their injury. In the prison ward of the hospital patients are chained two together as well as to the bed. There they are released twice daily to hobble together to the bathroom. Three patients receiving treatment at the AFSC's Rehabilitation Center—a paraplegic, an above-knee amputee, and a fractured femur case—were all handcuffed to their beds for periods of a year and a half to two years without knowing why nor by whom they were being held captive. They had never been to the Province Interrogation Center nor to the Quang Ngai Prison. The history of their arrivals at the hospital followed a similar pattern. They were all injured in "insecure" areas, taken to the American military hospital at ChuLai for emergency treatment, then moved to the Quang Ngai Province Hospital at which time they were immediately chained or handcuffed to their beds and never questioned by police or government personnel. Proper medical care, physical therapy, and prosthetic care for these prisoner/patients were severely hindered and their recovery prolonged by this practice of handcuffing and chaining them to their beds.

The Province Interrogation Center is located in Quang Ngai city but is a separate facility from the Quang Ngai Prison. There are always several hundred men and women prisoners at the Interrogation Center and well over a thousand at the Quang Ngai Prison. A safe estimate is that 90% of the prisoners in Quang Ngai are being held for political reasons. The severe interrogating and torturing takes place at the Interrogation Center. Most prisoners do not know the charges against them; they haven't had a trial; and they have no knowledge of the length of their jail sentence. CIA personnel in Quang Ngai have been observed frequently visiting the Interrogation Center and it is believed that they provide support and assistance to the Interrogation Center.

From numerous accounts one can conclude that the conditions of confinement, interrogation, and torture in Quang Ngai are repressive and harsh. Whereas much attention and concern has been focused on American Prisoners of War being held in North and South Vietnam, there has been relatively no interest in alleviating the suffering of the many thousands of political prisoners being held by the Saigon government. The United States must assume the major responsibility for these conditions since for many years now the United States has been financing and advising the Vietnamese institutions and personnel running the prison system for the Saigon government.

DAVID and JANE BARTON.

LETTER FROM THE FIELD CODIRECTOR, QUAKER SERVICE, QUANG NGAI, TO THE COMMANDER OF NATIONAL POLICE, QUANG NGAI, MARCH 21, 1972

To Commander of National Police, Quang Ngai.

Copies to Senior Province Advisor, National Police Advisor.

From Field Director, Quaker Service Rehabilitation Center, Quang Ngai.

DEAR SIR: This letter is written to inform you of a problem which makes our work at the Quaker Rehabilitation Center difficult. The American Friends Service Committee has a Rehabilitation Center in Quang Ngai in order to provide medical care, physical therapy, and artificial limbs to war-injured civilians regardless of their race, religion, or political views. Currently at our Center we are treating three patients who are handcuffed to their beds. The fact that these three patients are handcuffed to their beds and only released for short periods of time complicates our medical treatment of these patients, prolongs their recovery, and makes their living conditions disagreeable.

The most critical case concerns Tran, a paraplegic, who has been handcuffed to his bed on the Orthopaedic Ward of the Quang Ngai Hospital for 15 months. Because Tran is paralyzed from the waist down he has no control over his urinary and bowel functions. This incontinent problem is obviously

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*See *Notes on Some Prisoners Treated* . . . for more information and statement of medical staff.

complicated by his being handcuffed to his bed. Also as a paraplegic patient Tran has been trained to continually change his body position while lying in bed; otherwise he is likely to develop bed sores which are quite susceptible to serious infection. Such bed sores are a common cause of death among paraplegic patients. Being handcuffed to his hospital bed severely inhibits his ability to continually change positions thus increasing the likelihood of bed sores. A paraplegic patient should also exercise several times daily with his braces in our Physical Therapy Department if there is to be any progress in increasing the patient's chances for a longer, healthier life. Currently, he is only released for one or two short periods of time a day during the week to come to our Center for physical therapy. This is insufficient. Because of his paralysis Tran faces a daily struggle to survive and improve his chances for a longer, healthier life. For medical reasons and for reasons of human concern this man should not be handcuffed to his bed. Ever since arriving at the hospital, 15 months ago, he has been handcuffed to his bed not knowing why nor by whom he was being held captive.

This is the same case as with the other two patients who have also been handcuffed to their beds ever since arriving at the Quang Ngai Hospital. Both Le and PCT do not know why nor by whom they are being held. Le has had his left leg amputated above the knee and half his right foot amputated. He has been handcuffed to his bed for 11 months. He is staying at the Quaker Hostel. At the Rehabilitation Center he has been fitted for his artificial leg and he is now gait training before the leg is finished. PCT has been handcuffed to his bed on Ward C of the Quang Ngai Hospital for 13 months. He is currently receiving physical therapy at our Center because of the severe fractures to his leg and the resulting fixed knee. These two patients, Le and PCT, are also not released frequently enough to allow for proper medical, physical therapy, and prosthetic care. Because they are handcuffed to their beds except for the one or two brief periods they are released daily during the week their living conditions are uncomfortable and difficult.

As I think you can realize from these brief descriptions, the practice of handcuffing or chaining patients to their beds for long periods of time without their knowing why nor by whom they are being held causes many serious problems. I would like to respectfully request that this practice be discontinued immediately. I am most willing to be consulted and questioned further as to possible solutions to this problem.

DAVID PAUL BARTON.

REPORT FROM THE FIELD CO-DIRECTOR, QUAKER SERVICE, QUANG NGAI, JULY 30, 1972: WOMEN IN PRISON, QUANG NGAI, VIETNAM

Recently I have been making daily visits to the prison-ward at the Quang Ngai Province Hospital with AFSC medical staff. The ward is a small room where prisoners are brought from the prison or interrogation center. The selection of those prisoners who are allowed to go to the hospital seems to be entirely arbitrary. Some prisoners are gravely ill while others have minor complaints. "Important" or "dangerous" prisoners can never go to the hospital no matter how serious their illness or injury is. There are over two thousand political prisoners currently being held in Quang Ngai, but there are only eight beds in the prison ward. At two bodies a bed, that means only sixteen of these prisoners can be in the hospital at the same time. Even then they don't get treated. No doctor is assigned to or visits the ward. The nurse does change their bandages every few days, but the only medicine the prisoners are ever given is aspirin.

Many people who visit our rehabilitation center empathize with the legless children, but I identify most with women of my own age. I've felt particularly troubled at seeing the many young women prisoners at the hospital. These women are chained to their beds and chained together in pairs. Twice a day they are unlocked and released in order to go to the bathroom, but their ankle chains are not undone, so two of them must hobble and awkwardly drag their chains around together. Since I act as the doctor's interpreter, I talk with all the patients as we treat them. Some of the youngest women seem so sweet and naive; they even giggle and laugh a bit. Others are quiet and strong and a few look at me with hostility and hate. One young girl is now on the prison ward at the hospital because she rejected an ARVN officer. This ex-boyfriend had police friends and, in revenge, he told the police that the girl was a "VC." She was taken to the prison where they beat her and repeatedly banged her head against the wall. Later she was given electric shocks under her fingernails. She often blanked out and once when she awoke, she found blood coming from her vagina. Sometime during the torturing, she received nerve damage and she is now a hemiplegic; meaning that half of her body, the left half, is completely paralyzed from the neck down. Also, she has repeated seizures or fits during which she thrashes and convulses, foams at the mouth, and yells the things she must have told the police while she was tortured, such as, "I'm innocent. Ask my villagers, I'm not a VC." I've witnessed several of these seizures. The other prisoners seem to know when they are beginning and tie her legs and arms to the bed with soft bandages. The person who is chained to her tries to move away and someone else keeps the girl from swallowing her tongue. No one says anything. Nor is there a change in anyone's expression in the room. It seems as if the prisoners look on dispassionately, but I'm sure every scene like this increases the other prisoners' bitterness and resolve to struggle, It's well known that the best revolutionaries are made in prison.

Another woman on the ward can't lift her head. She was beaten all over her back and neck. The entire area is exposed raw skin and muscles and in some places the lacerations were so deep, they had to be stitched. Whenever I saw her, she was in a seated position with her head hung down. It wasn't until I saw her lying down that I noticed she was very pregnant; six and a half months she says. I wonder if the baby is alive.

An older woman on the ward called me over to look at herself and a fifteen year old girl. The young girl was totally vacant. She didn't hear or say anything. I kept looking at a necklace she was wearing made of round white stones. It's rare to see Vietnamese women in Quang Ngai with jewelry and it seemed particularly ironic that the police would beat this girl into a coma-like state without stealing or ripping off her necklace. She was a delicate girl in her white blouse and necklace and her hair tied back with a length of hospital gauze. The hot, soapy water the girl had been forced to drink was a toxic which has probably caused brain damage and memory lapses.

The thirty-five year old woman chained to this younger girl had also been beaten and tortured, but she was an oldtimer. She even knew Bac Si Mai (Marge Nelson, former team member/doctor) when Marge used to visit the prison. I thought, my God, Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it. I thought, too, about the years this woman has been in jail. Marge has returned to the U.S., married, finished a master's degree in public health, practiced medicine, had a baby, and talked and traveled in many countries. This woman hasn't gone anywhere or done anything. She says she has been a political prisoner for six years.

Somehow these women persevere, but I wonder if they can do it indefinitely. A Quang Ngai police official told a reporter friend of mine that the police are beginning a special campaign to pick up more women. They suspect that more women than ever are indirectly or directly working to oppose the Thieu government. I imagine that the torture and suffering we've seen at the prison and the prison hospital ward over the last five years is just a glimpse of a new era of struggle for the women of Vietnam.

JANE LEIDA G. BARTON.

LETTER FROM THE QUAKER TEAM IN QUANG NGAI, TO PHILADELPHIA AFSC, AUGUST 3, 1972

John, Phan and I have been visiting the prison ward at the hospital as a temporary alternative to our visiting the prison itself. There is no doubt that many of the prisoners have received cruel and inhumane treatment. Severe beatings or the forced drinking of soapy or white-wash water are the most frequent tortures. Presently we are treating a number of patients such as those I described in the article. Plus there are patients such as a woman who was shot through the chest and now has a lung abscess. Another girl had her leg set so badly, one leg is several inches shorter than the other. She now can't move the leg and thus could really benefit from physical therapy. The bullet which caused her injury is, of course, still in her leg. But worse, the young woman has a severe cardiac problem and without treatment may not have a long time to live. Because returning to prison or another beating might be fatal, we are trying to get her released though our hopes aren't high. Today we saw a new patient—a chained female prisoner who was crazy, reduced to nonsensical, bizarre behavior. The policeman-guard at the ward ridiculed and laughed at her, sarcastically asking us if we could help her. I suggested to him that she might be better if she had her freedom.

I think our visits to the ward have been "successful." The prisoners are interested in us and pleased we come. The most frustrating and sad aspect is that the prisoners come and go so quickly. One day we will see someone (such as a guy with pneumonia or bad case of TB) and arrive the next day with medicine, but the patient will be gone. Several of the women I wrote about have already been returned to the interrogation center. I felt fond of some and anticipated seeing them, but suddenly they disappear—their bed empty or replaced with a new prisoner.

LETTER FROM THE QUAKER TEAM IN QUANG NGAI, TO PHILADELPHIA AFSC, AUGUST 27, 1972

Prison Program Quang Ngai: A little history. In April we received a letter from the head of the prison saying we were not allowed to visit the prison anymore for "special reasons" which we assumed, and were also informed, was the result of general tightening of security. Then in June when we returned to Quang Ngai we inquired about the reasons for not continuing our work at the prison and wrote an official letter to the Province Chief. In the meantime John Talmadge and I began making visits to the prison ward at the hospital. As I've already written, we treated a lot of mighty sick people, none of whom were being seen by a doctor.

Torturing: While examining prisoners John and I were convinced that we saw what were the results of torturing. (1) John could determine some of this through physical examination. (2) On occasion John was able

to get x-rays to confirm certain injuries such as skull fractures, cracked ribs, etc. (3) This was corroborated with direct information from the prisoners who seemed very free to tell us about the treatment of the police, especially since there wasn't a policeman/guard around a lot of the time. Naturally, the team was most disturbed and angry over the entire situation—being kicked out of the prison, the total lack of medical treatment available to the prisoners, but most of all the torturing we felt the prisoner's had suffered. We decided as a team to take whatever cautious steps we could in Quang Ngai to try to correct the situation.

August 1: John, David Paul and I made a visit to see McBride, the Deputy Province Senior Advisor. We stated that the purpose of our visit was to inform him that in our work at the hospital we were seeing prisoners who we felt had been inhumanely treated and wished to bring these facts to his attention. We explained that in our work we prefer to work through Vietnamese channels and planned to see the Province Chief, but wanted the Americans to be aware of our dissatisfaction and intentions. In addition, we made sure that McBride understood the delicacy of our situation since we want to return to the prison and continue to work at the hospital. We told him not to speak to anyone on our behalf. McBride didn't have much of a response except to talk about the cruelty of Orientals. He said torturing "comes to them naturally. They're just not my kind of people." McBride assured us he would relay our conversation to Colonel Boman, the PSA.

August 9: The nurse and I were on our way to visit the prison ward when we were met by two policemen—one from the prison, the other from the interrogation center. They told us that the Quakers were not allowed to visit the prison ward at the hospital anymore. The reason was that since we no longer could see prisoners at the prison, the authorities felt we shouldn't be allowed to treat prisoners at the hospital either. One policeman said that the police and prison officials don't have "confidence" in the Quakers. He also mumbled something about not wanting the prisoners to talk to us. I didn't say much to the policemen at the time since I wanted to talk to the team first and felt, too, that the police were only conveying orders from "higher" up.

August 10: David Paul went to the Province Headquarters to try again to make an appointment with the Province Chief. They met in the hall and David said that we wanted to talk to him, Colonel Loi, about the prison situation. In essence, Colonel Loi's response was that he'd already written us a letter saying the Quakers could not continue to work at the prison "forever." Although David was polite and tried to get Colonel Loi to give him the reasons for his actions, Loi was gruff and curt with David. Loi also refused to meet us to discuss the matter personally.

That afternoon, after checking with the police-guards, John, David and I went to the prison ward at the hospital and spoke publicly to all the prisoners telling them that we were told we could no longer visit the prison ward. We said we were sorry we had to interrupt our medical treatments since we knew many of them were badly in need of medicine, but that we would try our hardest to persuade the authorities to let us continue our work. We were cautious and non-accusatory in what we said, but felt we owed an explanation to the prisoners as to why we'd suddenly terminated our daily medical visits.

August 11: Meeting with Boman: John, David and I met with Colonel Boman, the new PSA, to discuss three problems: (1) our desire to resume our medical visits to the prison, (2) our interest in continuing to work at the prison ward at the hospital, (3) the results of torturing we'd felt we'd witnessed. Colonel Boman spent a lot of time running down all the reasons why the Americans are ignorant of what is going on at the detention center and prison and why they can't change the Vietnamese system very much since the Americans are only advisors and must stay on good terms with their counterparts. Among our rebuttals was the comment that we felt that any country which could wage a war of the magnitude America has in Vietnam surely has the power and resources to change a local prison system. When we didn't seem to be getting anywhere with Colonel Boman, David Paul said that we were trying to work through the Americans and Vietnamese in Quang Ngai, but that if that didn't produce any results, we knew that the press would be interested in the problem and that we would also inform members of Congress. Colonel Boman winced a little and asked David if we were trying to scare him. David replied that we weren't. Quakers worked in the open and we did not want to do anything behind his back. We therefore were informing both the Americans and the Vietnamese about our observations about the treatment of prisoners, but that we were very disturbed over the situation so that if the Americans and Vietnamese couldn't do anything, we would act in ways we felt necessary to correct the situation as we saw it.

Letter from the Province Chief: We received the promised letter from Colonel Loi which thanked us for our past work "in this savage time of war which the communists have brought upon us." The letter went on to say, "We admire your concern for serving the people of Vietnam regardless of their color, race, religion, or politics" (a quote from our letter to him), "but those evil people who killed innocent people yesterday and today, who are treated by your organization, do not change their cruel attitude. I can not grant your request to return to work in the prison." The translation sounds a bit awkward, but even Vietnamese who read the letter were surprised at the bluntness of the implication made in the letter that by giving medical help to prisoners we were helping the communists.

Response from Colonel Boman: Late in the afternoon David Paul spoke to Boman again. Boman said (1) the Quaker prison program was definitely terminated (2) we would be allowed to make visits to the prison ward at the hospital (3) there would be an investigation by the Americans and the Vietnamese about our accusations that some prisoners are being tortured (4) that a Vietnamese doctor would begin making visits to the prison (the same way they do at the hospital, we thought). Colonel Boman elaborated on what Colonel Loi had given as reasons for our not continuing our work at the prison which basically focused on Loi's not liking the Quaker philosophy/politics. Boman quoted Loi as saying we spoke against the Saigon government. Colonel Loi also told Boman that he didn't understand why we wanted to visit the prison when our purpose for being in Vietnam was to do "orthopedic work." The only specific incident Loi mentioned to Boman was that once a Quaker worker told a prisoner that the VC had taken control of areas south of town and cut the highway so the hospital truck with medicines for the prisoners couldn't get through. David responded tactfully and fully to these accusations. For the second time. David explained to Boman the purposes of our work in Quang Ngai and the work of AFSC and Quakers in general. Colonel Boman listened and seemed somewhat understanding though not in agreement, with our ideas. He had also done a little research of his own and mentioned reading a file on Marge [Dr. Nelson] and some of her testimony. "She really criticized Quang Ngai up one side and down the other, but of course, when the Americans checked into her accusations they were all found to be untrue."

August 12: John and I visited the prison ward at the hospital to find that at least a third of the patients had been removed, especially the most seriously sick patients. In fact, only one prisoner who was really in need of treatment was left on the ward. The other prisoners all had minor ailments—"winds in their chests, heat in the stomach, etc." We were especially concerned to discover the two most seriously ill prisoners were no longer there—a woman with a serious heart problem and bullet in her leg and a young hemiplegic woman with a fractured skull. The police said that both these women, along with the other sick prisoners, were taken back for "further interrogation." Ironically, we had just written letters with John's signature, to the province Chief and head of the Interrogation Center asking for these two women to be released for medical treatment and that "further imprisonment will constitute a definite threat to their life and healh." It seemed obvious that now that the Quakers were allowed to visit the prison ward again the police had removed all the very sick patients. particularly those whom we might suspect had been tortured. We wondered if in the future the police would "screen" (more than they do already) those prisoners who would be allowed to go to the hospital and prevent many of those who needed medical help from seeing us.

August 14: David Paul and I confronted Boman once again to say that we'd felt "double-crossed." Once the Quakers were let back onto the prison ward at the hospital ward at the hospital, all of the seriously ill prisoners were removed. We gave him copies in English of the two letters we'd written about the two women prisoners who we felt were currently in danger by being back in the detention center due to their medical conditions. Boman did not make any promises to ensure that the police would not prohibit prisoners who need medical help from coming to the prison, but he did say he would check to see what the Vietnamese were doing about our requests of release of the two prisoners.

Presently: Colonel Boman is currently on vacation, so we've not had further word from him nor have we gotten a response to the letters about the women prisoners from the American or Vietnamese. Caroline or I have continued to visit the prison ward with the nurse since John's departure, but the prisoners allowed on the ward continue to only be those with minor complaints.

REPORT FROM THE FIELD CODIRECTOR, QUAKER SERVICE, QUANG NGAI: NOTES ON SOME PRISONERS TREATED IN THE PRISON WARD, QUANG NGAI PROVINCE HOSPITAL DURING AUGUST 1972

Pham thi Tho: (See following statement) 18 year old woman. Wounded in Mo Duc. Shot in the thigh and the bullet is still lodged in her leg. Her leg was set at the prison. A cast was on the leg for three months but there was a malunion so that one leg is two inches shorter than the other. While examining the patient, John Talmadge, of the AFSC medical staff there, discovered that she had a very irregular heart beat, in John's words "a cardiovascular problem of potentially serious consequence." This patient was in the prison-ward with a temperature for six days, also suffered from nausea, stomach ache, and back pains. She went back to the Province Interrogation Center once for three days but returned with fever and nausea. John Talmadge felt that some of these symptoms might be related to a mild heart attack. This prisoner had also lost muscle control of her foot and leg thus finding it difficult to walk. The AFSC physical therapist, Caroline Elliot, did exercises with the patient on the prison-ward. A bracemaker measured her foot and made her special surgical shoes,

but they have never been able to deliver them because the prisoner was removed from the ward. A Doctor An signed the hospital release form for this patient/prisoner but to our knowledge this doctor never visited the prison ward and never examined the patient. On the day our surgical nurse went to prepare this patient for an operation to remove the bullet from her leg, we were told we could no longer visit the prison ward at the hospital. Three days later after we lodged a protest, we were allowed back on the prison-ward of the hospital but this particular prisoner had been sent back to the Interrogation Center in spite of John Talmadge's letter fully explaining his evaluation of this patient's medical condition. Copies of this letter were sent to Colonel Boman, the Senior Province Advisor, and Ken Burns, advisor to the National Police and Vietnamese officials. Thus, they are aware of this prisoner's weakened medical condition. The guards at the prison-ward told us that this patient was a "prisoner-of-war" and had to go back to the Interrogation Center for further questioning.

Nguyen thi Lang: (See following statement) John Talmadge first saw this woman prisoner before visiting the prison ward. A physical therapist found out about the prisoner and brought her to the Center since the prisoner was continually having "fits." One of her complaints was of bleeding from her vagina. A vaginal examination was performed. Then the patient was returned to the prison. Later she was seen again on the prison-ward and she was still continuing to have "fits," as many as ten during the day and night. She was unable to move the right side of her body. Examination showed swelling on the top of her head because, she said, the police had banged her head against a wall. An x-ray was taken and confirmed that she had suffered a skull fracture with resulting paralysis to the right side of her body.

Young boy, 17 years old: Arrived at the prison ward from the Interrogation Center during the time we were not allowed to visit the ward. The boy's father came to the Rehabilitation Center to ask us to help because he had heard the Quakers were "kind." We went to the ward and the police guards were so afraid that the young boy was going to die that they let us in the ward. The boy had not gone to the bathroom for four days (urinated) and was in extreme pain. John Talmadge thought it was a block in the urinary tract but he wanted someone else's assistance on the problem, so Dr. Khai came and assisted in administering medication. Later, we were told that the young boy prisoner had been tortured with electricity attached to his penis.

Two young boys in same bed: One with a mine injury to his foot,[1] one with a lower leg wound. Both were treated with penicillin and given crutches.

Woman six months pregnant, 34 years old: Neck and back injuries attributed to beatings received at Interrogation Center. Also said she was forced to drink soapy (lime) water solution. On the prison ward for three days then returned to the Interrogation Center.

Woman, 32 years old: Bullet wound piercing her chest and lung. X-ray showed abscess on her lung from bullet wound. We treated with penicillin but the patient was returned to the Interrogation Center before recovery.

Old, wrinkled, skinny man: Extremely swollen neck. John Talmadge diagnosed it as a glandular infection/fever. Forced to return to the Interrogation Center because the police did not have enough handcuffs to lock him to a bed on the ward. We were able to give him a shot of Bicillin, a long-acting penicillin, ordered by John Ferger. We requested that this old man be returned to the hospital for treatment. We never saw him again.

Another old man with a strange paralysis: Unable to raise or move his arms; his legs were also partially paralyzed. Prisoner kept trying to move. Other prisoners on the ward fed and cared for him. Doctor and Physical Therapist puzzled by this paralysis and its cause. In about three days this man was able to stand and he gradually improved.

Man with TB: Deep cough, spitting up blood—tuberculosis. Suggested that this man go to the public health TB clinic for tests and treatment. He remained on prison ward for six days with the above patients before being taken for tests; then he was returned to the prison.

Young man, age 23: High fever and sweating. Doctor listened to him breathe and thought this prisoner had either TB or pneumonia. The doctor saw the patient at 5:00 PM but the next morning when the doctor returned to see the patient and give some medication the prisoner had been returned to the Interrogation Center. We requested that the prisoner return for treatment to the hospital but there was no response and the prisoner was never seen age.

Young girl with white-stone necklace: She had "petit mal" seizures and stared into space. She exhibited symptoms of loss of memory. She said she had been forced to drink a white-wash, soapy solution many times while being interrogated.

Young boy,[2] age 19: He had been shot through the palm of his hand which had become very infected and swollen. The prison guard brought the prisoner to the Rehabilitation Center three times for cleansing and treatment of the wound. Bicillin was injected and the infection cleared up thus saving his hand which otherwise would have had to be amputated because of the worsening infection.

Young girl with grey blouse: This prisoner said she had been forced to drink water mixed with lime/white wash solution after which the guards jumped on her bloated stomach. She said she had also been beaten with a heavy club. She complained of pain in her chest and stomach. On three occasions this prisoner was observed having fits.

Two young girls: General complaints of aches and chest pains. They had bruises. Both had several fits.

Strong, large woman, age 45: Also complained of chest pains. Among other tortures she specifically mentioned electricity. This woman had the most dramatic "fits" or "seizures" of all the prisoners. She would thrash violently, yelling and crying. Her entire body would rise in the air, her back arched, she would then come crashing down on her bed, sometimes causing the bed to move several feet with each violent heave. This woman's seizures would last approximately fifteen minutes.

Another older woman: This woman was chained to the above mentioned woman. This woman said she had been beaten with a club on her chest, neck, and face. Upon examination the doctor observed that her face was severely swollen, her chest and neck were bruised, and her chest x-ray showed cracked ribs. She also related that she had been forced to drink water with lime. This prisoner was unable to walk and had to be helped by other prisoners in order to go to the bathroom. This prisoner also related that she had known Doctor Marge Nelson when Doctor Nelson visited the Quang Ngai prison some four years ago.

Man who never said anything. This prisoner's expressionless, apathetic behavior was explained by other prisoners who said that he had been tortured and beaten so long and so many times that now he didn't know anything and was always in this semi-conscious state.

Crazy Woman: A fairly young woman with closely cropped hair. Totally nonsensical behavior, unaware of her surroundings. She moaned, moved her body rhythmically, chanted, smiled, and talked to no one. Other prisoners said she hadn't been crazy before she was put in prison. Upon examination she seemed to have nothing medically wrong with her.

JANE LEIDA G. BARTON.

[1] See letter of August 3, 1972 for more thoughts about this woman and Doctor Nelson.

[2] The prisoners with the asterisks by their descriptions were the only two prisoners remaining on the prison-ward of the hospital when the AFSC Team in Quang Ngai was allowed back on the prison-ward.

BUDGETARY REFORM

Mr. BROCK. Mr. President, one of the most important issues facing this Congress is the question of budgetary reform.

I have been pleasantly surprised at the remarkable public interest in this subject, which might, on the face of it, be thought too dry and technical to interest very many people. Such is not the case. I have travelled into all sections of the country in recent months, and nowhere do I go without finding a high degree of awareness of the issue, and sophistication in understanding it.

The people do care about budget reform. They want, indeed, they demand, the Congress to exercise its rightful and proper authority over their tax dollars and how they are spent.

Several major pieces of legislation have been introduced, by myself, and by Senator ERVIN, and by Senator SPARKMAN, among others, and the Committee on Government Operations has been holding hearings in the hope of coming up with a comprehensive bill that will work.

Concurrent with this legislative activity, there has been a high degree of activity among the public.

The U.S. Chamber of Commerce, for example, has undertaken an extensive public information campaign on this subject, and has done a superb job in enlisting public support for new budget laws.

I was also interested to note that the Chairman of the Board of Governors of the Federal Reserve System, Arthur F. Burns, chose the topic of budgetary reform as the subject for the commencement address he delivered at the George Washington University last month.

Because of this eminence in the field of economics, his remarkable expertise on governmental budgetary matters, and even more importantly the cogency of his remarks on that occasion, I believe it would be beneficial to this body and to the people if his address were printed in the RECORD.

I ask unanimous consent that it be so printed in the RECORD.

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

REFORM OF THE BUDGET

I deeply appreciate the privilege of addressing this graduating class, for—despite the difference in our ages—I feel that we have much in common. Both you and I have spent some years in the lively atmosphere of a uni-

versity. Both you and I have been concerned with problems of economics, finance, and administration. Both you and I, as residents of this fascinating city, have had the opportunity of observing at close range the understanding, selflessness, and compassion that government officials usually bring to their daily tasks; but we have also had the disquieting experience of witnessing some abuses of governmental power.

As graduates of this School of Government and Business Administration, you are embarking on your careers at a moment in history that is fortunate in numerous respects. Our nation is again at peace, the economy is again prospering, the number of good jobs is expanding rapidly, industrial strife is at a minimum, and civil order is returning to our schools and cities. By every reasonable criterion, so it would seem, you can—and should—look forward with confidence to the future of our country and its economy. And yet, if I read the nation's mood correctly, a spirit of unease and even frustration is now widespread.

There are numerous causes of the concern and skepticism with which many Americans, especially young men and women, now view the contemporary scene. But I believe that most of these causes can be captured in two broad generalizations. First, the American people have come to feel that their lives, their fortunes, and their opportunities are increasingly beyond their control, and that they are in large part being shaped for them by their government. Second, more and more Americans have also come to feel that their government lacks either the knowledge or the competence to make good on the promises that it holds out to the people.

It is this simultaneous dependence on government and diminishing confidence in government that is at the heart of the disquiet that so many Americans are experiencing. I wish I could say that this mood will pass quickly, but I cannot do so. Building confidence in social and political institutions is inevitably a long process, and it can only be accomplished if thoughtful citizens are willing to devote their minds and energy to the task.

When I was your age, the problem that particularly concerned university students was the periodic recurrence of economic depressions that wiped out business profits, caused widespread bankruptcy, and brought mass unemployment to wage-earners. This problem no longer afflicts our society on anything like its earlier scale; and we have made even more marvelous advances in conquering disease, prolonging human life, and reducing the drudgery of physical labor. We have made progress in these fields by diligent application of thought and reason—that is, by identifying each problem, diagnosing its causes, and seeking constructive solutions. It took the best effort of many thoughtful and earnest men to solve the problems that stirred social and political unrest in the past. And it will likewise require much thoughtful and earnest effort to regain the confidence in government which is so essential to our own and our country's future.

In my own profession of economics I have seen large advances in knowledge and also substantial improvements in the application of this knowledge to public policy. I can assure you that those who participated in these developments have found the experience richly rewarding. And it is precisely because you graduates may be able to contribute to the improvement of our political processes that I want to discuss with you today one of the issues that has brought us much trouble and agony in recent years—namely, the need to achieve rational control over the Federal budget.

Those who administer the affairs of government share a common problem with business executives: no private enterprise and no government can do everything at once. Both must choose among many desirable objectives, and the degree to which their efforts prove successful depends largely on their skill in concentrating available resources on those objectives that matter most. That is the very purpose of budgets. The fact that the Federal budget has in recent years gotten out of control should therefore be a matter of concern to all of us. Indeed, I believe that budgetary reform has become essential to the resurgence of our democracy.

Fortunately, political leaders of every persuasion are by now convinced that Congress must change its procedures if it is to exercise effective control over the Government's domestic and international policies. The old debate between free-spending "liberals" and tight-fisted "conservatives" is dying away. For the most part, liberals as well as conservatives realize that the level of Federal spending, and whether it is financed by taxes or by borrowing, have a powerful effect on jobs, prices, and interest rates.

In the Employment Act of 1946 Congress declared it to be the responsibility of the Federal Government to "promote maximum employment, production, and purchasing power." The authors of this legislation were well aware that a stimulative fiscal policy can be useful in taking up slack in the economy, and that a restrictive fiscal policy can help to cool an economy that is overheating. Yet, despite the prosperity that our nation has generally experienced since the enactment of that statute, budget deficits have greatly outnumbered surpluses. Experience has thus demonstrated that failure to attend properly to governmental priorities leads to excessive fiscal stimulus, and that this in turn is more apt to produce inflation than jobs.

Recognizing this fact, the Congress is now seeking a way to determine an overall limit on Federal outlays that will be rationally related both to expected revenues and to economic conditions. This is essential not only to achieve overall stabilization objectives, but also to enable Congress to play its expected role in determining national priorities. Early in this session of Congress, Senator Mansfield disclosed that all of the newly elected Senators had written to him and to Senator Scott urging reform of the budgetary process because "Congress has the obligation to set priorities . . . and present procedures do not in fact achieve that aim." Their unanimous conclusion was that the "first step toward establishing priorities has to be setting a ceiling on appropriations and expenditures;" and that unless this is done at an early stage of each session, the Congress is "not really budgeting at all."

The budget that the President recommends to Congress at the beginning of each session is the product of a systematic process aiming to establish an overall limit on outlays and to determine priorities within that limit. This process, however, has no counterpart in the Congress. Instead, Congressional decisions that determine the ultimate shape of the budget are taken by acting separately—or at times by taking no action—on a hundred or more entirely independent measures. It is only after separate votes have been taken on housing, education, defense, welfare, and whatnot that we can put the pieces together and discover what kind of a budget has emerged.

Thus, members of Congress now vote for or against cleaner air, for or against better schools, and for or against a host of other good things that Government can help to provide. But they have no opportunity to vote on what total outlays should be, or whether an appropriation for a particular purpose is needed badly enough to raise taxes or to make offsetting reductions in other appropriations. Yet choices of this type are far more important to the electorate as a whole than the single proposals on which Congressional voting takes place.

This fragmented consideration of the elements that make up the budget is largely responsible for an almost uninterrupted succession of deficits. Since 1960, we have had a deficit in every year except 1969. Some of these deficits have occurred because of efforts to use the Federal budget as a means of stimulating a lagging economy, but for the most part we have allowed deficits to happen without plan or purpose.

Both the Legislative and Executive Branches of the Government have from time to time recognized the need for reform. In 1946, for example, Congress included provisions for better budget control in the Legislative Reorganization Act, but the experiment was abandoned after a brief trial. Expenditure ceilings enacted for fiscal years 1969 and 1970 again proved ineffective since they could be readily adjusted to accommodate increases in spending. These rubbery ceilings did, however, help to prepare the ground for more meaningful reform. When the President called for a rigid limit of $250 billion on outlays for fiscal 1973, both the House and the Senate accepted the expenditure ceiling. But they were unable to agree on a method for reducing the previously enacted spending authority so that the $250 billion limit could in fact be realized.

Actions subsequently taken by the President to hold outlays for fiscal 1973 to $250 billion have been criticized on the ground that impounding of funds enables the Administration to substitute its priorities for those established by the Congress. Concern over possible usurpation of Congressional prerogatives is entirely understandable. However, this controversy should not divert our attention from the broad political consensus that has already emerged on the need to limit outlays. If the Congress does the job itself, there will be no occasion in the future for the Administration to cut billions out of authorized outlays in order to achieve the overall level of spending that Congress agrees is appropriate.

Although last year's efforts to impose a legislative budget ceiling proved disappointing, they did prompt the Congress to ponder closely the need for budgetary reform and to create a Joint Study Committee on Budget Control.

This Committee has made excellent use of the brief time it has been in existence. In a recently released report, it recommends specific and practical procedures by which Congress could control the level of Federal outlays, the priorities among programs, and the size of any deficit or surplus. Bills to carry out these recommendations have now been introduced in both the House and Senate, with support from all members of the Joint Committee, as well as others in the Congress.

It would seem, therefore, that prospects for meaningful budget reform are now very good, perhaps better than at any time since the Budget and Accounting Act of 1921. I find the Joint Study Committee's recommendations most encouraging, but I also think that they need to be supplemented with systematic and frequent review of the effectiveness of Federal programs.

Traditionally, officials in charge of an established program have not been required to make a case for their entire appropriation request each year. Instead, they have had to justify only the increase they seek above last year's level. Substantial savings could undoubtedly be realized by zero-base budgeting, that, is by treating each appropriation request as if it were for a new program. Such budgeting will be difficult to achieve, not only because of opposition from those who fear that it would mean loss of benefits they now enjoy, but also because it would add heavily to the burdens of budget-making. It may be, therefore, that Congress will rely initially on procedures that ensure reappraisal of each program only every two or three years. But whatever form it takes, a

method must be found for screening out programs whose costs clearly exceed their benefits, while assuring a satisfactory level of performance for programs that contribute significantly to the general welfare.

The day is past—if indeed, it ever really existed—when only the well-to-do need concern themselves with economy in government. Perhaps there was a time when those who benefited from the status quo could block social reform by inveighing against governmental spending. But today Big Government is no longer a slogan for appealing to some and frightening others. For better or worse, it has become part of our lives. And those who would use government as an instrument of reform have perhaps a larger stake in eliminating wasteful programs than those who resist change.

We have passed the point where new programs can be added to old ones and paid for by heavier borrowing. With the economy expanding vigorously, with inflation persisting stubbornly, with our balance of payments in serious trouble, with two devaluations of the dollar just behind us, we clearly cannot afford to continue large budget deficits, it is sobering to reflect that in spite of the President's determined efforts to hold down Federal spending, the budget he orginally presented for this fiscal year called for outlays that exceeded estimated receipts by about $25 billion.

In principle, taxes can always be raised to pay for more public services, but the resistance to heavier taxation has become enormous. If we count outlays by all governments, State and local as well as Federal, we find an increasingly large fraction of the wealth our citizens produce being devoted to the support of government. In 1929, total government spending came to about 10 per cent of the dollar value of our national output. Since then the figure has risen to 20 per cent in 1940, 30 per cent in 1965, and 35 per cent in 1972. I believe that most citizens feel that one-third of our national output is quite enough for the tax collector, particularly since the expansion in government outlays has not produced the kind of benefits they have a right to expect.

The key to rebuilding confidence in government is improved performance by government, and budgetary reform can move us powerfully toward this goal. Rational control of the budget by the Congress should improve our economic stabilization policies. It should facilitate judicious choice among governmental activities. It should improve evaluation of governmental performance. It should help us avoid abuses of power—whether they arise in the world of business, or labor, or government itself. And it should restore to the Congress some of the prestige that it has lost as a result of many years of neglect.

I trust that the members of this graduating class will join other citizens throughout the country to see to it that budgetary reform is carried out with the promptness and on the scale that this nation's interests require. Let us always remember that budgets are a means for promoting national objectives. For those of you who enter public service, better budgeting can offer more meaningful and rewarding careers. For all Americans, it can mean a rejuvenation of spirit as government becomes more responsive to our aspirations and more effective in fulfilling them.

MEAT PRICES, BOYCOTTS, ET CETERA

Mr. METCALF. Mr. President, at the end of April I received a letter from a valued constituent and friend who is a rancher in Montana. I have watched the protest against the escalating prices of beef and observed the inflationary rises in other products and would like to interject another eloquent statement from a beef producer. The letter came to every member of the Montana congressional delegation. It is a typical protest from the beef producers of Montana who are helping to supply meat to the American consumer. This is both an understanding and sympathetic approach to the problems of the consumer housewife and a plea for similar understanding and sympathy for the Montana rancher who raises the beef that eventually arrives on the tables of American consumers. As we proceed in the wilderness of phase III and the unfortunate price rises that have been permitted by this phase of Operation Phase Out, the plea of the farmer and the producer should at least be heard, and hopefully, heeded in the land.

I ask unanimous consent that the letter from the Keating Charolais Ranch be printed in the RECORD.

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

KEATING CHAROLAIS RANCH,
Molt, Mont., April 27, 1973.

Senator LEE METCALF,

DEAR LEE: There is a blizzard outside, drifts four feet and deeper everywhere. All of our vehicles are stopped and it is impossible to walk in it very far. We will probably lose many calves, but there is nothing that I can do about that until the storm abates and it does give me an opportunity to write to you about meat prices, boycotts, etc. I'm sure you are getting plenty mail on this.

It seems to me that those of us that are making our living from producing food don't make the right attack when we present our side of this issue. We admit that meat prices are high but rebut that other prices are correspondingly high or higher. We point out that the American consumer pays a smaller percent of his income for food than anywhere else in the world. We add that it is only fair that we should receive as much for our labor, capital and management as other businesses and craftsmen and that we are far behind them at even the present (high?) prices. At the end of our argument we point out how fickle prices and nature are and we need a reserve to withstand the disasters like what is going on outside right now. If Mrs. Boycotter was looking out my window right now she just might have some compassion for my problems but, it isn't likely.

However, she isn't looking out my window at a blizzard. She has her own problems. She may have no income except relief or a small fixed income. When prices go up it may be a real crisis for her. Other boycotters have good income by rancher standards but their standard of living as they see it, is threatened. Because food prices have stayed relatively low for so many years they have assumed that they always would and have committed themselves. Many things that we use to think as luxuries such as good houses with air conditioning, color TV, new cars, swimming pools, boats or campers, etc. they now consider as necessities. When their income went up, these are the things that they expected to buy with the additional money and they resent the fact that they might have to spend part of the increase for such a basic thing as food.

I feel that these two groups probably make up about 99% of the meat boycotters. They couldn't care less that my costs are going up, that a blizzard is killing my calves or that they already have lower food prces than anywhere else in the world. All that they know or care is that an unexpected food price increase has put a strain on their welfare and they don't like it. They want to strike back and a boycott that the news media has fostered seems like a good way to do it and get the lower prices back.

Now out part comes in. We've got to make these people understand that a boycott is against their own interests. This is the only way that we can reach them and I'm not sure how to do this. They mostly understand the law of supply and demand but it never worked very well for food production in the past, why should it now? We've got to get across to these people that agriculture now is in a whole new ball game. Demand and production are very close together and the producer is no longer at the mercy of the consumer for very long. World demand is up. Food prices lagged behind other production costs in the past because our efficiency went up but that will stable if it hasn't already. The thinking of the farmer-rancher has changed from the passive to the active. If the consumer isn't willing to pay enough for her food so that we can make a decent living compared to other segments of our society, for the first time we feel that we can and will change the supply of foodstuffs so that the law of supply and demand will work for us as well as against us. Let me illustrate with my own example.

Two partners and I bought and leased about 6,000 acres in John's [Cong. Melcher's] home area of Forsyth. When we bought it, it was developed enough so that we could run about 200 cows. With no bad luck we could wean about 180 calves that would weigh around 400 lbs. in the fall. We would have to sell these then as there was no feed to fatten them. The annual production would be 72,000 lbs. If we had felt that the price of calves would stay below 30c/lb we would have kept this program. However, at that time as we looked into the future we could see good demand, no price ceilings, or boycotts, so we decided to increase production. We installed a major irrigation system, bought a lot of fertilizer, a lot of big equipment and started an intensive cropping operation to raise feed and grain for cows. On this same place, with this system we feel that we can have enough cows to raise 2,000 calves and still have enough feed to fatten them to 11,000 lbs. We can raise production from 72,000 to 2,200,000 pounds or 30.55 times, provided that the price is right.

We are not committed to a cow-calf fattening operation yet and even if we were, we could always change if it looked like beef wasn't going to be profitable. I've jokingly told my partners that we ought to raise Christmas trees. No one could call them a necessity so we could charge what the market would stand, government wouldn't interfere, and consumers wouldn't boycott. Alternatives like malting barley interest us.

If Mrs. Boycotter tries she can drive the price down for a while. Supply will go up as we won't be buying breeding heifers for breeding stock. This will not last long. There will be no getting around it, eventually if she wants to eat meat she will have to pay for it. If she would rather spend her money for Christmas trees or drink beer, we will probably be able to accommodate her there too.

If one ranch has the ability to raise either 72,000 lbs. of beef, 2,200,000 lbs. or none and you multiply this times the millions of farmers and ranchers that have a new determination, it is easy to see that we really do have a new ball game.

One last point. Why am I writing this to you gentlemen? By your past actions you have shown that you understand what I have written and to at least a great extent, agree with it. I want to get a concrete example to you of an actual ranch that can raise a lot of beef, but doesn't have to. I want to get to you an example for the changing thinking that now is common in agriculture from

one of the farmer-ranchers. I feel that real life examples may be more valuable to you in your interchange with other influencial leaders, the city press, etc. than piles of papers with abstract theory. They should have some warning of what could happen to their food supply if they try to bend agriculture too far.

I want to thank you for reading so far and apologize for making this so long.

Sincerely,

TED KEATING.

KNOX COLLEGE COMMENCEMENT ADDRESS

Mr. PERCY. Mr. President, on June 2, 1973 I had the privilege of addressing the graduating class at Knox College in Galesburg, Ill.

After talking to representatives of the graduating class faculty, administration, and alumni, I found that the subject most on their minds was the same one that has absorbed official Washington for months—Watergate. Consequently, I devoted almost all of my speech to this overriding national concern.

In order that I might share with my colleagues my views on the Watergate matter and stress again the need for full disclosure of the facts in this case, I ask unanimous consent that the text of my address be printed in the RECORD.

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

COMMENCEMENT ADDRESS BY SENATOR CHARLES A. PERCY

I appreciate your invitation to return to Knox, although I am saddened on this occasion because of the recent passing of your distinguished president, Dr. Sharvy Umbeck. As the 13th chief executive of Knox, Dr. Umbeck deservedly achieved national renown. Perhaps the best assessment of his impact on your college during his 24-year tenure was offered by Dr. Hermann Muelder of your faculty, during the remarks he made at a memorial service for Dr. Umbeck. He said of Dr. Umbeck:

"No other president of Knox, certainly not in more than a hundred years, became so truly a national educational leader. That office in Old Main became one of the nerve centers connecting colleges and universities of this nation. There are numerous councils, associations, commissions, institutes, foundations, that could on this occasion testify to the important offices and services which he performed. But in such detailing we might lose our perception of his truly great academic statesmanship during that period in our history when the United States first made education a major federal responsibility. . . .

"A synopsis of the broad accomplishments of a man so important as Dr. Umbeck is almost certain to sound like the profile of an institution."

The evidences of Dr. Umbeck's leadership are all around us today, in the buildings, in the programs, and, most of all, in the people—a faculty and student body of unsurpassed quality in your history.

It is the subject of leadership upon which I wish to focus my remarks today. The members of this graduating class have devoted four years to developing the skills and the mental discipline that will eventually bring many of you into leadership positions in business, the arts and sciences, government and the professions. In Washington, where I work, the office of the President is the embodiment of leadership for the entire nation. It is the position to which our country—and often the world—turns for guidance in times of crisis.

It is no overstatement to suggest that the Watergate scandal that envelops us today represents a crisis of unparalleled proportions. It has eroded the confidence of the people in their governmental system, diminished the image of politics as a profession and crippled the executive arm of the government.

There is only one antidote for this poisonous situation—massive doses of the truth.

None of us is anxious to learn that our national ideals have been muddied and betrayed. But I believe we are strong enough to survive even the most chilling truths, and wise enough to learn from them. National pride and national unity will be hollow indeed if they are preserved only by shutting our eyes to the truth.

It would be best—for the nation and for the future of this Administration—if the leadership in the effort to get at the truth came from the top, from the White House, rather than being dragged out piecemeal by investigatory bodies or the press.

The President's 4,000-word statement of early last week is a step in that direction. It raises some new and profoundly disturbing questions, particularly those involving the use of national security as a justification for illegal government behavior. But it also appears to recognize the paramount need for full disclosure of the facts, and consequently it is welcome. I would strongly urge the President to supplement it with a further recounting of whatever additional knowledge he may possess of any aspect of Watergate.

Senator Barry Goldwater has forcefully suggested that unless the President leads the way on the Watergate matter, he will find it exceedingly difficult to provide meaningful leadership in other areas of national concern. I would certainly concur. For the stark facts about the President's position with respect to Watergate would seem to be these: Either he was completely unaware of activities being carried out in his name and ostensibly directed by some of his closest subordinates, or else he knew about them and at least did not express his disapproval.

Neither of these choices can be contemplated without dismay. But if there is a logical alternative, it is the President's responsibility to make it known to us. We must know the whole truth about Watergate and its allied abuses. Nothing less will do if we are to be successful in restoring confidence in our governmental system and in purifying our political system.

If Vietnam—and now Cambodia—have taught us nothing else, surely they have taught us that the price of national self-deception is high. When we ignore reality, nowever harsh, we do so ultimately at our own peril and expense.

But now, more than ever, we can ill afford to put our heads in the sand. The way in which we resolve our present crisis will define the depth of our commitment to ideals for which we often congratulate ourselves.

The shattering events and disclosures of recent weeks have dismayed all Americans, but they have been especially painful to those of us who call the Republican Party our political home.

It is not pleasant to discuss them. But I think it is time for both our party and our country to confront the unhappy truths of the connecting offenses that we call Watergate.

The first realities we must face are the dimensions of the Watergate crisis. Let us not deceive ourselves. This is not just another Washington scandal, or "just politics." Watergate is not a question of a White House aide accepting a vicuna coat or a deep freeze. It is not even comparable to the scandals of the Grant Administration a hundred years ago, or to Teapot Dome 50 years ago, which resulted in a single Cabinet officer being sent to prison.

Rather, Watergate represents a pervasive, unprecedented pattern of misconduct, impropriety and deceit throughout the highest reaches of government.

Even before the coming criminal trials have opened, before the Ervin Committee has heard a dozen witnesses, we have learned enough to know that Watergate is a national tragedy and a national disgrace. The onrush of revelations has included the following items:

The President's first Attorney General, who was also his re-election campaign manager and one of his closest advisers, has been indicted on criminal charges, including conspiracy to defraud the United States and to obstruct justice.

The President's first Commerce Secretary, who was also his chief fund raiser in four campaigns, has been similarly indicted on criminal charges. In the history of the Republic. only two other Cabinet officers have ever been indicted for a crime.

The President's second Attorney General, not sufficiently insulated from the Watergate revelations, felt compelled to resign.

The President's two closest White House aides have been forced to resign.

The President's White House Counsel, who supposedly conducted a presidential investigation of Watergate, has been forced to resign.

The President's hand-picked acting FBI director has admitted destroying evidence at the suggestion of the White House, and has resigned.

Last summer's break-in of Democratic National Committee headquarters was planned and partially executed by men associated with the White House and with the President's re-election committee.

White House personnel appear to have helped plan an elaborate espionage and sabotage campaign against Democratic presidential candidates during last year's primaries in order to influence their primary and convention selection processes.

The deputy director of the CIA has sworn that senior White House officials urged the Agency to assist in covering up the Watergate scandal over an eight-month period.

All charges in the Pentagon Papers trial have been dismissed because of unparalleled government misconduct, much of it originating in the White House. The burglary of Daniel Ellsberg's psychiatrist's office was engineered by White House personnel. A former top Presidential assistant has admitted his failure to report the crime.

At the request of the White House, high CIA officials provided technical assistance to the burglars, activity which seemingly went beyond the Agency's statutory authority.

In the midst of the government's prosecution of Daniel Ellsberg, the President met with the presiding judge in the trial, and had a subordinate offer him the directorship of the FBI.

A former White House official, using White House facilities, has admitted forging State Department documents in an attempt to defame a former President.

The former acting FBI director says that he warned the President last summer that top White House officials might be interfering with the Watergate investigation, a warning which the President has acknowledged receiving.

This is only a partial list, some say only the tip of the iceberg. But it tells enough to know that we are not dealing here with "corruption as usual." It tells us that we are confronted with the darkest scandal in American political history.

At first, last summer, most of us simply ignored the implications of the early Watergate disclosures. The White House strenuously denied the few initial indications that

Watergate was something more than an isolated, unauthorized incident. We believed these denials, perhaps partly because we so much wanted to believe them. By last fall, however, I had become sufficiently concerned to call for the appointment of an independent, "blue-ribbon" commission to investigate Watergate.

Then, this spring, as the evidence of high-level wrongdoing began to mount, we told ourselves that the President had been ill-served by some of his top appointees and closest advisers—men whose zeal and loyalty to the President apparently outweighed their judgment.

But now we know that it is much, much more than an isolated incident motivated by misplaced zeal. What has been happening behind the closed doors of the White House goes beyond "zeal," beyond "well-intentioned people falling into shady tactics," beyond "improper actions."

What has been revealed to us in recent weeks is that certain high officials have repeatedly demonstrated a contemptuous disregard for the law, for simple decency, and for the trust of the American people.

From within the White House itself, there has been a concerted assault on the most basic assumptions of democratic government. When it suited their purposes, some of the President's top appointees and advisers have felt free to bypass our judicial and electoral processes. They have made a mockery of the words "liberty and justice for all," and too often they have ignored the Constitution they swore to defend. Throughout it all, certain White House spokesmen have lied and misled us so often that now we are incredulous only when they tell the truth.

A great many of the President's personal appointees have misused the powers of his office, usually in his behalf. Acting in his name and with his authority, they have abused and deeply compromised not only the Presidency itself, but the Justice Department, the State Department, the Federal Bureau of Investigation, the Central Intelligence Agency, the Securities and Exchange Commission and the independent judiciary.

They have betrayed their fellow members of this administration—men like William Rogers, Henry Kissinger, Melvin Laird, George Shultz, Joe Sisco, your own trustee, and many others, who have labored long and hard in the best tradition of public service.

They have betrayed all those Americans who in 1968 and 1972 voted for Richard Nixon because he convincingly promised them vigilant adherence to a rule of law.

They have betrayed the millions of loyal Republicans to whom "integrity in government" is a cherished goal—Republicans who three times gave Richard Nixon their highest honor, and who gave his administration their faith and their untiring support.

They have betrayed our trust, our ideals and our heritage.

So it is not enough for the President simply to accept "responsibility" in the broadest, most imprecise sense of that word. It is not enough to lament the fact that crimes were committed in the name of a noble goal—protecting national security. As a number of American public opinion polls indicate, the President has not yet erased the confusion in the minds of most Americans as to how such widespread, serious misconduct—often on the part of his immediate subordinates—could have escaped his attention for most of a year. The nation can not turn away from such grotesque perversion of power until we understand how it could have happened, and, specifically, how it could have happened so close to the President of the United States. Until we do understand these things, we shall have little assurance that we can prevent future Watergates.

In 1968, Mr. Nixon promised an administration "open in its communications with the people." Now, more than ever, it is time to redeem that pledge. The President owes it to his country, his party and himself to continue to provide detailed explanations not only of what went wrong, and why, but how he could have remained oblivious to that which apparently was known to so many of the men closest to him.

There are many disturbing questions which only he can answer and which, until they are answered, will leave the White House and his entire administration under a darkening cloud of suspicion. He should be doing everything in his power to expedite full disclosure of every facet of Watergate. If each kernel of truth must be torn away from those who are hiding it, the effort to redeem our national honor could take years. And, in the meantime, it will be increasingly difficult to prevent paralysis from overcoming the government.

The Nixon administration has been badly scarred by the Watergate scandals, but Watergate need not immobilize it for the next three and a half years. The President clearly has the competence, the experience and the vision to accomplish much that is good, much that men everywhere yearn for. As proof of this fact, it is only necessary to remind ourselves of his bold and imaginative overtures to Russia and China, the SALT agreements, the withdrawal of American ground forces from South Vietnam, the return of our POW's, the settlement of the Berlin crisis, the peacemaking efforts in the Middle East and the end of conscription in this country.

The hour is late, but it is not too late for the President to regain the momentum he has lost and to fashion his place in history. He has recovered from adversity in the past, and he can do so again. But until he reestablishes the credibility and moral authority of his office, his capacity to lead, to persuade and to inspire will remain sharply impaired, both here and abroad.

The President can restore the faith of the American people in government, in his administration, and in himself—but only by being completely candid with them. He can secure the nation's trust if only he now will trust the nation with the whole truth.

Watergate is a searing chapter in our history, revealing as it does the distressing fallibility of men in positions of trust. But as this grisly story has unfolded, it has brought with it some reassuring message that we can usefully ponder today.

We have witnessed a demonstration of the fundamental strength of our institutions, which have shown their vigor and adaptability in the face of unprecedented attacks.

Our system of justice has proven itself flexible enough to resist efforts to subvert it. The principle that no individual is above the law has been tested and reaffirmed.

The American press corps has responded to threats to its freedom with a performance that embellishes its proud history.

The flow of excessive power to the executive branch has been reversed and Congress is beginning to regain its rightful place as a co-equal member of our tripartite system of government.

In essence, Watergate has taught us that the arrogant misuse of power will not go unchecked in a democratic system as carefully structured as ours.

That is a heartening thought for each of you to carry with you as you leave Knox. Few other societies in history have been able to make such a claim.

JOHN PAUL JONES, AMERICA'S FOREMOST NAVAL HERO

Mr. ERVIN. Mr. President, on April 28, 1973, Mr. and Mrs. John R. Parker, of Charlotte, N.C., presented to the State of North Carolina, at Raleigh, N.C., a replica of the bust of John Paul Jones by the famous French sculptor, Jean Antoine Houdon.

Colorful presentation ceremonies were held at the archives and history, State library building. The U.S. Navy honor and color guards presented and retired the colors. The U.S. Marine Corps Band played the National Anthem and the Navy hymn, "Eternal Father Strong To Save."

T. Harry Gatton, chairman, executive board, State department of archives and and history, presided; the Reverend B. Daniel Sapp, rector, Christ Church, Episcopal, of Raleigh pronounced the invocation; State Senator Julian R. Allsbrook, of Halifax County, read the joint resolution of the North Carolina General Assembly authorizing the Governor to accept the bust on behalf of the State of North Carolina; Armistead J. Maupin, president general, the Society of the Cincinnati of Raleigh, presented me; I made an address entitled "John Paul Jones—The Sailor Whom England Feared"; Thomas W. Alexander, president, North Carolina Society of the Cincinnati of Raleigh, introduced the donors, Mr. and Mrs. John R. Parker; John R. Parker, a lineal descendant of Willie Jones and a collateral descendant of Col. Robert Burton, presented the replica of the Houdon bust of John Paul Jones on behalf of himself and Mrs. Parker with some well-chosen words; Mrs. William Stanley and Miss Terry Long, Great-G-G-G-G-Granddaughters of Willie Jones, unveiled the bust; Gov. James E. Holshouser, Jr., accepted the bust on behalf of the State of North Carolina in appropriate remarks; and T. Harry Gatton accepted the custody of the bust on behalf of the North Carolina Department of Archives and History.

The grand master of the Free Masons in North Carolina and the worshipful master of the Royal White Lodge of Halifax, N.C., attended the meeting to honor John Paul Jones, who was made a Free Mason in St. Bernard's Lodge, Kilwinning No. 122, Kirkcudbright, Scotland, November 27, 1770; and the president general of the Society of the Cincinnati and other members of that society participated in the ceremony in honor of John Paul Jones, who was an original member of the Pennsylvania Society, and whose certificate of membership was signed by George Washington and countersigned by H. Knox on October 31, 1785.

The committee on arrangements for the meeting was composed of Superior Court Judge Francis O. Clarkson, general chairman, and the following additional members; Dr. H. G. Jones, State historian/administrator, office of archives and history; Mrs. Joye E. Jordan, assistant administrator, office of archives and history; Mr. Thomas W. Alexander, president, North Carolina Society of the Cincinnati; Mr. George London, the North Carolina Society of the Cincinnati; Mrs. Charles Hinton Silver, North Carolina Society of Colonial Dames; and Mr. Ray Wilkinson, chairman, Historic Halifax Restoration Association.

The sponsors of the meeting consisted of the following list of distinguished citizens:

The Honorable James E. Holshouser, Governor of North Carolina.
Mr. Thomas W. Alexander, President, North Carolina Society of the Cincinnati.
The Honorable Julian R. Allsbrook, Senator, Halifax County.
The Honorable Joseph Branch, Associate Justice, Supreme Court of North Carolina.
Miss Gertrude Carraway, Executive Board, State Dept. of Archives and History.
The Honorable Francis O. Clarkson, Judge of Superior Court.
Mrs. W. Dillon Chambers, State Regent, Daughters of the American Revolution.
Dr. D. W. Colvard, Chancellor, University of North Carolina at Charlotte.
The Honorable J. William Copeland, Judge of Superior Court.
Dr. Lyman Cotten, University of North Carolina.
Mrs. Elizabeth Henderson Cotten, Historian.
Mr. Jonathan Daniels, Editor and Historian.
Mrs. Chester Davidson.
Dr. Gordon S. Dugger, Executive Board, State Dept. of Archives and History.
Rear Admiral E. M. Eller, (U.S. Navy Ret.)
Mr. Joseph T. Fraser, Jr., Director, Pennsylvania Academy of Fine Arts.
Mr. Wilbur A. Garner, Master, Royal White Lodge, Halifax, N.C.
Mr. T. Harry Gatton, Chairman, Executive Board, State Dept. of Archives and History.
Mr. Rupert Gillett, Editor.
Mrs. Rupert Gillett, Author.
Dr. Fletcher Green, Executive Board, State Dept. of Archives and History.
Mr. Thorne Gregory, President, Branch Banking & Trust Co.
Mrs. J. Carter Goldsborough, Vice Pres. General, Daughters of the American Revolution.
Mr. Dennis H. Holliday, President, The Halifax County Historical Association.
Mr. Josh L. Horn, Chairman Emeritus, Executive Bd., State Dept. of Archives and History.
Mrs. Ernest Ives, Historian and Writer.
Mrs. Sallie Long Jarman.
Dr. H. G. Jones, State Historian/Administrator, Office of Archives and History.
Mrs. Joye E. Jordan, Assistant Administrator, Office of Archives and History.
The Honorable C. Kitchin Josey, Representative, Halifax County.
Mr. Berl M. Kahn, Grand Master of Masons in North Carolina.
Rear Admiral Herman J. Kossler, Commandant, 6th Naval District.
Dr. Hugh T. Lefler, Executive Board, State Department of Archives and History.
Mrs. Kauno Lehto, President, Colonial Dames in North Carolina.
Mr. George E. London, North Carolina Society of the Cincinnati.
Mr. Willie Jones Long, "Longview", Garysburg, N.C.
Mr. Hector MacLean, Chairman, North Carolina Bicentennial Committee.
Mr. Armistead J. Maupin, President General, The Society of the Cincinnati.
The Honorable Milton J. Read, Mayor, Town of Halifax, N.C.
The Honorable Dan K. Moore, Associate Justice, Supreme Court.
Mr. Edward W. Phifer, Jr., Executive Board, State Dept. of Archives and History.
Dr. Ralph Hardee Rives, Pres. N.C. Sons of the Amer. Rev. and Pres. Soc. War of 1812.
Mrs. Horace Robinson, Ex-President, N.C. Society for the Preservation of Antiquities.
Mrs. Mary Alston Rush.
Mrs. W. P. Sellers, III.
Mrs. Frank M. Shannonhouse, Jr.
Mrs. Charles Hinton Silver, Colonial Dames.
Mr. E. Frank Stephenson, Jr., Pres., The Murfreesboro Historical Association.
Mr. John Tyler.
Mr. Ray Wilkinson, President, Historic Halifax Restoration Association.

The program of the meeting contained an article entitled "Highlights of the Life of John Paul Jones," which was written by Mrs. Francis O. Clarkson, and which constitutes, in my judgment, the most accurate and excellent short statement of the career of this distinguished sailor.

I ask unanimous consent that a copy of the remarks of John P. Parker, Mrs. Clarkson's "Highlights of the Life of John Paul Jones," and my address be printed in the body of the RECORD.

There being no objection, the remarks, article, and address were ordered to be printed in the RECORD, as follows:

REMARKS BY JOHN R. PARKER

This is a momentous occasion for me. Seventy-odd years ago I first heard the name "John Paul Jones." And that has been a long time—in fact it was before I ever went to school and long before I ever studied history. I heard it first from my own Grandmother, Mrs. Mary Burton Alston, who was born at her Grandfather's home, "The Grove" in Halifax, N.C. in 1822, who heard it from her Grandmother, Mrs. Willie Jones, in whose home John Paul spent approximately twenty months prior to entering the Continental Navy.

When my Grandmother was left a widow, she came to live with my Mother in Smithfield, Virginia. I do not know when, for she was here when I was born and lived with us during the last fifteen years of her life. It was from her lips that I first heard of the long visit made by John Paul to her Grandfather's home. In fact, instead of telling us the traditional bed-time stories, she would often tell us of the events, still vivid in her mind, that happened at "The Grove"; of how John Paul received the name "Jones" from her Grandfather, and many other fascinating happenings, all of which were told her by her Mother, Sallie Welch Jones Burton and her Grandmother, Mrs. Willie Jones—truths handed down from Grandmother to Granddaughter and from Granddaughter to Grandson. I continued to hear them from the time I sat on her lap until she passed away in 1909. This truth has endured in my family for six generations, and is as strongly believed today as it was 200 years ago.

For as long as my Grandmother lived, she maintained a keen interest in, and admiration for our greatest Naval hero, and in 1905, at the age of 83, insisted upon accompanying the family to Cape Henry, Virginia, to watch from the Old Lighthouse the procession of ships pass, bringing the body of her favorite hero back to the United States, the country of his adoption, for re-interment at the Naval Academy.

Now, after a life-time of having heard these truths—nothing added; nothing deleted—it is with great pride and pleasure that Mrs. Parker and I present to the great State of North Carolina, a replica of the original Houdon bust of Captain John Paul Jones, replacing the one requested from Jones by my great-great uncle, Col. Robert Burton, member of the Continental Congress from North Carolina, as a gift to the State, alleged to have been destroyed when the State Capitol was burned in 1831.

HIGHLIGHTS OF THE LIFE OF JOHN PAUL JONES

(By Cama B. Clarkson)

The sun was about to set on September 12, 1779, as the *Bonhomme Richard* came down the Eastern coast of England. Young Captain John Paul Jones must have felt discouraged. From the beginning it has been one disappointment after another. Instead of the promised warship, he had been presented only an old French merchant ship to be outfitted by his efforts, even most of the crew itself picked up here and there. Of the seven ships with which he had set out from France about a month ago, all but two had deserted. And now, after sailing all around the British Isles with some successful skirmishes but never meeting the expected fleet of merchantmen, he was preparing to rendezvous in the waters off Flamborough Head before heading back to France.

Suddenly, around the promontory, he sighted the superior British frigate *Serapis* convoying a fleet of 41 merchant ships. With his inferior equipment, quick action was his only chance, so he began maneuvering his ship as close as possible to her. Of course, she opened fire and shelling began. Finally the *Bonhomme Richard* was completely crippled, her hold filled with water, half of her crew killed or wounded, almost all of her guns out of action and fires raging. British Captain Pearson called out: "Do you now surrender?" Captain Jones, as he began a last desperate effort, leading a boarding force shouted back: "I have not yet begun to fight."

After severe hand-to-hand combat it ended, a glorious victory, Captain Jones in charge of the *Serapis*, whose Captain and remaining crew were all now prisoners. His ship was sinking but her flag was still flying. So ended the most glorious sea battle of the Revolution, hailed all over Europe as one of the greatest single-ship actions in all history; its leader recognized everywhere as a naval genius and a man of unconquerable courage.

Who was this Captain? Born to Scotch people of little means, John Paul grew up on the Solway Firth, always yearning for a life at sea. Finally, at the age of twelve, as an apprentice, he sailed, first, to America where he saw his older brother, a tailor in Fredericksburg, Virginia. Then began a series of sea adventures in which he early exhibited his ability but which ended in December 1773 just off Tobago with a disastrous mutiny of his crew in which he killed the leader in self-defense. With local feeling high, he was advised to leave his ship and the islands.

Information of him during the next two years is largely by word-of-mouth. We know that his brother in Fredericksburg died in 1774. However, Paul had a friend, Robert Smith, living in Edenton, N.C. from the same part of Scotland, whose brother had presented John Paul for membership in the Masonic Order. Young Smith was a partner of Joseph Hewes, shipowner, merchant and Statesman, a man of influence in his state and country. Perhaps it was Hewes who advised the young man to go to Halifax, a small town up the Roanoke River, with some shipping but not like the international trade at Edenton—a good place to remain out of the public eye. Also, in Halifax lived Joseph Montfort, first and only Grand Master of Masons in America; one to whom a young Mason in distress could turn. What a low point this must have been for this young man—his career on the sea broken, if not destroyed; his name blackened by the accusation of murder.

It was then that he came into the warm friendship of Willie and Allen Jones, brothers, whose hospitality over the years was shared with many young people. These well-to-do planters of Halifax had studied at Eton and traveled abroad. In their homes young Paul met leaders of the Colonies. There he, too, became so aroused by that keen desire for the freedom of this country that in 1775 we find him applying, through Joseph Hewes, a North Carolina delegate to the Continental Congress and a member of the Marine Commission, for a Naval appointment, which was received in 1775.

There is an account of young Paul's leave-taking after a ball at "The Grove", the

beautiful new home of Willie Jones. When the latter asked him if he could be of further service to him, John Paul replied that there was only one favor he wished to ask, that he might be allowed to bear the name "Jones", promising to wear it with dignity and honor. Moved by this, his host removed his sword and gave it to him. It is believed that this is the service sword of John Paul Jones which bears the signs of much hand-to-hand combat. He never sailed in a worthy man of war, but, as he once said, "Men mean more than guns in the rating of ships." So, even with these inferior ships he managed to capture some sixty vessels from the greatest Navy of the world without once lowering his own flag.

His Naval success, especially the spectacular victory of the *Bonhomme Richard* over the *Serapis*, won for him honors at home and abroad. A letter from Franklin, our Minister to France, told him that all Paris and Versailles was praising his victory. When he visited Paris the next spring, there was a festival in his honor by the Masonic Lodge of the Nine Sisters and its members ordered a bust of Jones to be made by the famous Sculptor, Jean Antoine Houdon. King Louis XVI awarded him the Order of Military Merit, and in July, at the Court of Versailles, presented him with a gold sword. He received a letter of congratulations from General Washington for his brilliant victory, and Congress passed resolutions of appreciation and later ordered a gold medal to be made for him.

Following the end of the war and the dissolution of our Navy, he spent most of his time in Paris as U.S. Prize Agent in Europe. The fighting sailor had become the suave diplomat, conversing in their own tongue with the courtiers of France and Spain; at home in the drawing rooms of the nobility everywhere. About this time, he was pleased to receive a certificate of membership in The Society of the Cincinnati, which certificate, signed by George Washington, is now in his crypt at the Naval Academy in Annapolis.

But, he never lost his boyhood love of action at sea. When asked by Catherine of Russia to serve in her Navy, he consented, on advice of Jefferson, then Minister in Paris. For his victory over the Turks, Catherine created him Admiral and conferred on him the Order of St. Anne. However, his active service ended a little over a year later, due to intrigue and rumors spread against him by jealous officers of the Russian Navy. But, worse than this, his health was permanently undermined due to the severe exposure in the North Sea.

On his return to Paris he continued negotiations in the Capitals of Europe. He wrote several pamphlets—one in French—on the state of the French Navy, which Napoleon later considered so good that he had it reprinted. He wrote Jefferson and other leaders, urging a show-down with the Barbary pirates and relief for their American prisoners. Finally, an Act of Congress in 1792, authorizing him to deal with the Dey of Algiers, arrived in Paris, but too late.

He had died on the eve of July 18, 1792 at the age of 45. Just exactly a week before, he had attended a meeting of the National Assembly but his physical condition forced him to refuse their invitation to speak at length on the needs of the French Navy. That night, he had attended a dinner at the Cafe Timon where he had been toasted as "the coming Admiral of France." A full account of his last days was given to his sister in a letter from a friend, Col. Samuel Blackden, a planter of North Carolina, who, in Paris on business at this time, had been visiting him every day.

The American Minister to France, Gouveneur Morris, ordered that he be buried in the most private manner and at the least possible expense. M. Simonneau, the commissary, expressed his astonishment and said that a man who had rendered such signal services to France and America ought to have a public burial, adding that if America would not pay the expense he would pay it. This was done, as we can read today in the French Archives, in a most generous manner. The body was put into a lead coffin, as befitted a hero, carefully packed and sealed, ready for shipment at the request of the United States. The National Assembly appointed a delegation to attend the burial. Among the Americans was, of course, Col. Blackden, a pallbearer, but the American Minister was not present.

The period following his death is to us today hard to understand—the silence and inaction on the part of the United States. Though John Paul Jones had served the country of his adoption well, being the first to hoist Old Glory upon an American man-of-war, the first to receive a salute to it from a foreign power and the first to raise it upon a foreign ship of superior strength captured in battle; though he wrote in later years that he could never renounce "the glorious title of a citizen of the United States," this country seemed to have forgotten him. The only explanation is the critical condition of our Government at that time.

It was 1825 before a really factual biography was published by Col. J. H. Sherburne. He also uncovered the large unpaid balance in the United States Treasury due Jones and his men.

Years went by. The cemetery where Jones was supposed to have been buried was obliterated and it was not until 1899 that an intensive search began under Gen. Horace Porter, U.S. Ambassador to France, who wrote: "I felt a deep sense of humiliation as an American citizen in realizing that our first and most fascinating Naval hero had been lying for more than a century in an unknown and forgotten grave, and that no serious attempt had ever been made to recover his remains and give him an appropriate burial in the land upon whose history he had shed so much luster. Knowing that he had been buried in Paris I was resolved to undertake, personally, a systematic and exhaustive search for the body."

This search took five years and $35,000.00, a sum for which Col. Porter refused reimbursement. The account of the difficulties, frustrations and surprising discoveries which he encountered reads like a detective story. The extensive search of records finally located the cemetery, and with the assistance of the French officials, all was in readiness for the excavations. On April 7, 1905, the only lead coffin found without an inscription plate was opened. Thanks to M. Simmoneau's generosity, his hero's body had been well preserved in alcohol in the sealed casket. The body was taken to the School of Medicine, where examination by top scientists found that the outer measurements corresponded to the life-size bust by Houdon and the autopsy revealed the disease from which he had been known to suffer. All led to their conclusion: "Without forgetting that doubt is the first quality of all investigators . . . the body examined is that of Admiral John Paul Jones."

So, it was replaced, carefully, and carried to the American Church of the Holy Trinity. There it was kept until a squadron of American ships had arrived. A service was held on July 6, John Paul Jones' birthday, the church overflowing with leaders of many nations. Crowds lined the route of the procession afterwards to the railroad station, all heads bared in honor, not only of the French and American flags, but of the great hero who had loved and served both. French as well as American sailors bore his body to its resting place at Annapolis.

It is appropriate that we in North Carolina are today celebrating the reception of this bust of John Paul Jones, because in his lifetime, our bonds with him were very close. Men of North Carolina were there to help in times of need. When he came as a fugitive to our area he was given hospitality. When he, a newcomer to this country, wished to share in its fight for freedom, it was through the endorsement of a North Carolinan that he received his Naval appointment. And, in the last weeks of his life it was a North Carolinian who stayed by him to comfort and advise.

During his lifetime many prominent friends in America and abroad had asked him for copies of the bust by Houdon for themselves. But in 1789, Col. Robert Burton, a former member of the Continental Congress from North Carolina, requested one, not to keep, but to give to the State. This bust was sent by John Paul Jones. It was probably destroyed in June 1831, along with Canova's statue of Washington when the North Carolina capitol was burned. So, it is fitting that another North Carolinian, Col. Robert Burton's great grand nephew, has finally secured a copy of Houdon's bust, not for himself but to present to the State today.

John Paul Jones—The Sailor Whom England Feared

(Remarks of Senator Sam J. Ervin, Jr.)

The adventuresome career of America's most renowned naval hero, John Paul Jones, was the stuff of which legends are made.

His real name was John Paul. Born in Kirkcudbrightshire, Scotland, in 1747 of the marriage of John Paul, a Scottish landscape gardner, and a Highland lass, Jean Macduff, he was apprenticed to a shipmaster, and went to sea at the age of twelve.

From that time until shortly before 1774, John Paul followed the sea, making many voyages on trading ships between British ports and the American colonies and the West Indies, and several voyages on slave ships between the west coast of Africa and the islands of the Caribbean. For a brief interlude he served as a midshipman in the British Royal Navy.

During this period, owners of the ships on which he sailed imposed on John Paul constantly increasing responsibilities, and be acquired a profound knowledge of the wonders of the deep and an uncanny capacity to inspire and lead the strange breed of men who go down to the sea in ships.

After years in the employment of others as shipmaster, supercargo, first mate and captain, John Paul decided to go into business for himself. Having purchased the "Betsy" in England, he proceeded with her to Tobago, an island in the Atlantic off Venezuela, with which previous voyages had made him familiar. Here he expended the remainder of his meager resources for cargo for the "Betsy" and prepared to sail for England, where he expected to sell his cargo and pay the wages of his crew from its proceeds.

However, his crew mutinied. He killed their ringleader and abandoned the "Betsy". Being unwilling to languish for an indefinite period in prison while awaiting the convening of a court of admiralty to try him, he fled Tobago. A period of obscurity ensued in which he is reputed to have lived incognito in various places, including North Carolina and Virginia.

Be this as it may, Dr. Archibald Henderson asserts with positiveness in his history of North Carolina that about 1774 John Paul appeared at the headquarters of the mercantile and shipping firm of Joseph Hewes and Robert Smith in Edenton, North Carolina; that he convinced Hewes and Smith he had once been a shipmate of Smith's brother; that Hewes became interested in John Paul's story and probably elicited from him his identity; and that a sympathetic friendship ensued between Hewes, who was soon chosen to represent North Carolina in the Continental Congress and destined to sign the Declaration of Independence on her

behalf, and John Paul, which, as we shall see, was determinative of the latter's future career.

About this time John Paul became acquainted with Willie Jones, a wealthy planter, of Halifax, North Carolina, who afterwards became the leader of the followers of Thomas Jefferson in the state. A strong attachment ensued between the two men, and John Paul spent much time as a guest in the home of Willie Jones. Partly out of affection for Willie Jones and partly out of a desire to conceal his identity as the slayer of the ringleader of the mutineers on the "Betsy", John Paul chose the surname of Willie Jones to be his own, and was thenceforth known among men as John Paul Jones.[1]

After his election to the Continental Congress in 1774, Joseph Hewes became chairman of the committee on naval affairs, and in that capacity performed duties similar to those which devolved upon the Secretary of the Navy subsequent to the ratification of the Constitution. As a consequence, Hewes had much to do with the organizaton of the new Continental Navy, and his friend, John Paul Jones, appeared in Philadelphia in 1775 with a commission as a senior lieutenant in that Navy, which Hewes had procured for him.[2]

About this time Willie Jones presented John Paul Jones a sword, which Josephus Daniels informs us was in the custody of the Department of the Navy while he was serving as Secretary of the Navy under President Woodrow Wilson.[3]

In his new employment, John Paul Jones, who was soon promoted to a captaincy, commanded the "Alfred" and the "Providence". With these ships, he sacked British shore installations from Nova Scotia to the Bahamas, and harried British naval and commercial shipping throughout the western Atlantic, capturing or destroying many transports and other vessels. He was especially adept in eluding British men-of-war when he convoyed ships transporting supplies for the defense of New York or took the prizes he captured to American ports.

During this period, Captain John Paul Jones sometimes paid the crews of the "Alfred" and the "Providence" out of his own pockets, and was not reimbursed for so doing by the Continental Congress until after the Revolution.

On November 1, 1777, Captain Jones sailed for France as the Commander of the "Ranger", and on his arrival at Quiberon Bay, near St. Nazaire, the "Ranger" received a nine gun salute from Admiral La Motte Picquit, Commander of the French fleet. This was the first salute received by the American flag from a foreign power.[4]

During many months next succeeding his arrival at Quiberon Bay, John Paul Jones was authorized to employ the "Ranger" and other vessels assigned to him in any way he judged most likely to distress the enemies of the United States. Acting under this authority, he frightened England, which called him a pirate, by making daring raids upon British shore installations, and by harassing British men-of-war, privateers, and commercial ships off the coasts of France and the British Isles.

He took many prizes into French ports. The most famous of these was the British sloop-of-war "Drake", a vessel superior in fighting ability to the "Ranger", which he captured near Belfast, and compelled to accompany him to France.

Subsequent to this exploit, which made John Paul Jones a hero in France, Benjamin Franklin, the American representative in Paris, procured a dilapidated East India merchantman, which Jones renovated, armed with 42 guns, and renamed the "Bonhomme Richard" in honor of the pseudonym used by Benjamin Franklin as author of "Poor Richard's Almanack."

On September 21, 1779, the "Bonhomme Richard" overtook the British man-of-war "Serapis", a vastly superior vessel in fighting power, which was commended by British Captain Pearson, and which was convoying a fleet of about 40 commercial ships. Notwithstanding the disparity in the fighting strength of the two ships, John Paul Jones attacked the "Serapis" and one of the most famous sea fights in the annals of the world ensued.

The battle took place in the moonlight and lasted 3½ hours. The guns of the "Serapis" silenced the heaviest battery of the "Bonhomme Richard", and Captain Pearson asked if the "Bonhomme Richard" was surrendering. John Paul Jones replied: "No, I have not yet begun to fight."

John Paul Jones lashed the two ships together; led by him his crew boarded the "Serapis" and after a fierce hand-to-hand conflict, the "Serapis" struck its colors and surrendered.

The "Bonhomme Richard", which had been heavily damaged by the guns of the "Serapis", sank the following day, and Jones and his crew took the "Serapis" to France.

In recognition of his magnificent exploits, King Louis XVI of France gave John Paul Jones a gold-hilted sword, and decorated him with the Cross of the Institution of Military Merit, the first time it had been awarded to a non-Frenchman.

Subsequently, Congress authorized John Paul Jones to wear the French decoration, and bestowed upon him a gold medal of its own.

During 1780, Jones spent much time in Paris in an endeavor to have the "Serapis" refitted for sea duty. His effort proved unavailing, and he saw no more active duty during the Revolution.

In 1781, Catherine the Great of Russia invited John Paul Jones to aid her in the renovation of the Russian Navy, and pursuant to advice given him by Thomas Jefferson, Jones accepted the invitation, went to Russia and served for a time with the Russian fleet in its campaign against the Turks in the Black Sea.

Catherine the Great recalled him to St. Petersburg, and decorated him with the Order of St. Ann. After a time, he became ill, fell from Catherine's good graces, and went to Paris where he lived in retirement until 1792 when he died at the age of 45 years, and was buried in the St. Louis Cemetery for foreign Protestants.

The only friends who stood by him during his last illness were Jean-Baptiste Beaupoil, a former aide-de-camp to Lafayette, and a North Carolinian, Samuel Blackden, a retired Colonel of Dragoons.

His place of burial was forgotten for more than a century. At long last, however, his grave was discovered, his mortal remains were disinterred, escorted to America by a fleet of warships, and placed in a crypt in the Chapel at the Naval Academy in Annapolis.

It is almost 200 years since the North Carolina patriot, Joseph Hewes, procured a commission in the Continental Navy for America's greatest naval hero, John Paul Jones. Hence it is altogether fitting that on the eve of our nation's bicentennial, we honor him by presenting this bronze replica of the famous Houdon bust to the State of North Carolina. The original of this bust of John Paul Jones was modeled by Houdon in the spring of the year 1780, and was so dated under Houdon's signature. At that time, John Paul Jones was in his 33rd year, and the laurels he had won in the battle of the "Bonhomme Richard" against the "Serapis" were still green.

The bust was regarded by Jones' contemporaries as a good likeness. Madison wrote: "His bust by Houdon is an exact likeness, portraying well the characteristic features stamped on the countenance of the original"; and Jefferson noted that "Houdon's bust of him is an excellent likeness."

In January of 1789, Colonel Robert Burton, a former member of Congress from North Carolina, wrote to Governor Johnston, "As those men who have fought and bled for us in the late contest cannot be held in too high esteem, and as John Paul Jones is among the foremost who derived their appointment from this State who deserves to be held in remembrance to the latest Ages, I take the liberty of offering to the State, as a present, through you, its Chief Magistrate, the Bust of that great man and good soldier to perpetuate his memory. If you do me the honor to accept it, you will please send me a line."

To this the Governor replied, "I have had the pleasure of receiving your letter of the 28th of January, respecting the bust of John Paul Jones. I will readily accept it on behalf of the State, and will communicate your letter to the next Assembly, that they make such order as they think proper."

The North Carolina General Assembly does not appear to have taken action in respect to Colonel Burton's offer. Sometime in late 1790 or early 1791, Burton evidently wrote to John Paul Jones in Paris requesting that the bust be sent to him for presentation to the State of North Carolina.

Writing to Thomas Jefferson from Paris on March 20, 1791, Jones says: "You will observe that the Empress of Russia has decorated me with the great Order of St. Ann; and I have appeared with that order ever since. I must beg the favor of you to obtain and transmit to me, as soon as possible, the proper authority of the United States for my retaining the honor. . . . I am much obliged by the trouble you took in forwarding, before you left Europe, the busts I had promised to different gentlemen in America. Having lately received a letter from Mr. Burton, a former member of Congress, with whom I had the honor of being acquainted at New York, requesting my bust in behalf of the State of North Carolina, I have ordered Mr. Houdon to prepare and forward it by the first ship from Harve-de-Grace for Philadelphia; and as that bust will be decorated with the Order of St. Ann on the American uniform, this is one reason why I wish to be authorized by the United States to wear that order. I shall take the liberty of addressing the bust to you, to deliver it to the North Carolina delegates, who will be so good as to forward it to the Governor of that State."

There seems to be no record which makes it absolutely certain that the bust mentioned in Jones' letter to Jefferson and decorated with the Order of St. Ann, was ever forwarded to this country or presented to North Carolina. Circumstances strongly indicate, however, that Houdon's bust of John Paul Jones was presented to North Carolina, and that it perished in the flames on June 21, 1831, when the North Carolina Capitol at Raleigh was destroyed by fire.

The late Admiral Samuel Eliot Morison, of Harvard and the United States Navy, wrote that Jones had been "a young lieutenant with neither pull nor public, who rose to the top through sheer grit, guts, and merit. And he is justly considered our greatest naval hero of the American Revolution because, in addition to the battles that he won and the prizes that he took, he had correct views of

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[1] Archibald Henderson: North Carolina, the Old North State and the New, Vol. I, 356. See, also R. D. W. Conner: North Carolina, Rebuilding An Ancient Commonwealth, Vol. I, 319; and North Carolina Manual, 1913.

[2] Archibald Henderson: North Carolina, The Old North State and the New, Vol. I, 356, and Vol. II, 64.

[3] Josephus Daniels: The Wilson Era, 1910–1917, page 121, and The Wilson Era, 1917–1923, page 27.

[4] Josephus Daniels: The Wilson Era, 1917–1923, pages 121, 390.

naval strategy and foretold the day when the United States Navy would be the strongest in the world."

Even in our day of ballistic missiles and nuclear fission, what John Paul Jones wrote to Robert Morris, so long ago in 1776, is still true: "Without a Respectable Navy—alas America."

THE EXCELLENT MILITARY-CIVILIAN COOPERATION AT FORT CAMPBELL, KY.

Mr. COOK. Mr. President, during the recent Memorial Day recess Congressman FRANK STUBBLEFIELD and I, accompanied by the Under Secretary of the Army, the Honorable Kenneth Belieu, visited Fort Campbell, Ky. We were all most impressed by the leadership exhibited by Maj. Gen. J. H. Cushman and his staff as well as the enthusiasm and dedication of all civilian and military personnel of this important military establishment. We are equally proud of their accomplishments.

When the announcement was made last year that Fort Campbell had been selected as the permanent home of the 101st Airborne Division—Air Mobile, I visited this post with my good friend Senator HOWARD BAKER and was briefed on the construction program designed to provide the required facilities. We urged the Senate to authorize and appropriate the funds for the fiscal year 1973 military construction projects requested for Fort Campbell as well as those required for the design of a modern hospital and adequate family housing.

The Congress did well by Fort Campbell and I am pleased to report that Fort Campbell is doing well by the Congress.

A real start has been made on the construction of a permanent home for the 101st. Recruiting has gone well and I was assured that the division will be trained and ready on the date which has been scheduled by the Department of the Army.

In addition to these dynamic construction, recruiting, and training programs, I was introduced to a most effective civilian-military cooperation program. The Lower Cumberland Cooperative Improvement Council—LCCIC—as it is called, in a unique example of the cooperation that can be achieved within a regional grouping of political entities which cross county, State, and Federal boundaries. Membership includes Trigg and Christian Counties in Kentucky, Stewart and Montgomery Counties in Tennessee, and Fort Campbell, Ky. The main purpose of the LCCIC is to work toward an improved quality of life for its residents. The council has the enthusiastic support of its members and is making significant progress in its endeavors.

The LCCIC evolved directly from the close spirit of cooperation and good community relations that has always existed between Fort Campbell and the surrounding communities. Discussions on the formulation of the council began in the summer of 1972 when it became obvious that joint programs and discussions of regional problems would be mutually beneficial to the residents of the member communities. In addition, the impact of the rapid buildup of the 101st Airborne Division at Fort Campbell, beginning in April 1972, was of particular interest to the governing bodies surrounding the installation.

On September 15, 1972, a joint declaration was signed establishing the Lower Cumberland Cooperative Improvement Council. The 10 council members are the judges of the 4 counties and mayors of the 5 cities surrounding Fort Campbell, and the commanding general of Fort Campbell. A secretariat was also established, composed of designated representatives of each member, as the working body of the LCCIC.

The stated objectives of the LCCIC involve recreation, conservation, beautification, and cooperative solution of common problems. Specific areas of interest are:

First. Solid waste disposal.
Second. Outdoor recreation.
Third. Cleaning up the countryside.
Fourth. Community relations.
Fifth. Cooperative traffic control and safety.
Sixth. Medical cooperation.
Seventh. Human relations.

A significant problem throughout the LCCIC region is solid waste management. The elimination of open dumping, burning, and effective solid waste disposal has been a major problem. The LCCIC, with the assistance of the environmental Protection Agency, has adopted a long range cooperative program to systematically solve this problem. Implementation of the first phase is now underway.

The council has undertaken an "abandoned vehicle removal campaign" throughout the region. Cooperation is continuing between 4–H clubs, local organizations, and Fort Campbell to remove and dispose of all abandoned vehicles in the area. Over 3,000 vehicles have been removed from the LCCIC region in the last 8 months.

Trash cleanup campaigns have been underway in cooperation with local groups. The LCCIC recently participated in "Operation Concern" of the Five Rivers Resource, Conservation, and Development Association. A week-long cleanup in Stewart County—land between the lakes and Dover area—resulted in over 800 bags of trash and 111 automobiles being collected.

Fort Campbell has kept the LCCIC informed of field exercises in which off-post maneuver areas are used. This program has greatly assisted in keeping local citizens informed of the necessity for the exercises and has kept complaints—such as helicopter noise—to a minimum.

On June 13, 1973, the LCCIC will sponsor a meeting on the "economic impact of Fort Campbell on local communities." The LCCIC feels that such a meeting is desirable for businessmen and bankers to make them aware of the influence that Fort Campbell and the reconstituted 101st Airborne Division will have on their enterprises. Such information will allow them to better plan their future endeavors.

A plan for the exchange of information on recreational facilities and activities is being formulated. This program will make all residents fully aware of the recreation opportunities available throughout the region.

Meetings will be held to discuss methods of relieving traffic congestion throughout the LCCIC region. This problem has become especially acute in some areas due to the large number of personnel assigned to Fort Campbell and living off post.

Fort Campbell is about to embark on a recycling program of normally wasted materials—cardboard, newspapers, glass, cans. The LCCIC will be kept informed of the progress of these programs in order to identify potential programs which might be applicable in the local communities.

The LCCIC has been well received by both the civilian and military communities. The mutual benefits that can be derived by such a council are significant. It is anticipated that the LCCIC will greatly assist in maintaining good community relations between Fort Campbell and the local communities and greatly improve the quality of life for both groups.

In discussing the LCCIC with the Under Secretary of the Army, he shared my enthusiasm for the positive approach of the program. During our visit, he was pleased to note this new initiative in implementing a long-established army objective to "be a good neighbor" to surrounding communities. He informed me that the activities of the LCCIC are consistent with fostering the kind of relationships required to support our all volunteer army program. He noted particularly the council's efforts to enhance respect and cooperation between the Army and the civilian sector as well as their efforts to establish priorities for meeting mutual local needs. The Under Secretary of the Army also commented favorably on the apparent well-defined channels and communications established by LCCIC, and noted that the mutual goals established by this group appeared suitable for application in other locales.

Mr. President, the Congress has directed the military to develop an all-volunteer force. I am convinced that the military has launched a vigorous campaign to achieve this objective. In order to recruit this desired force, the military must be able to offer the individual modern housing, more privacy, as well as adequate recreational, medical, and commissary facilities for himself and when authorized for his dependents. We can all be proud of the excellent progress we find at Fort Campbell. It is up to us to see that the program continues on schedule.

I urge that the authorization and appropriation of funds for the fiscal year 1974 MCA projects requested for Fort Campbell be approved.

CUTOFF OF FUNDS TO CHANGE BOUNDARIES OF ANY REGION OR ABOLISH ANY REGION OF THE NATIONAL FOREST SYSTEM

Mr. MONTOYA. Mr. President, I wish to thank my colleagues for supporting Senator MANSFIELD, Senator Moss, and me in our efforts to cut off funds for

changing the boundaries of any region or abolishing any region of the National Forest System of the Forest Service at this time.

The planned transfer of the Regional Office of the Forest Service from Albuquerque to Atlanta, consolidating the regions involved, shocked citizens in my State of New Mexico and aroused strong objections from conservation groups in the entire southwestern area of the United States.

This original plan was apparently made without thought or intelligent consideration of the real needs of forest conservation or resource preservation in the southwestern part of the Nation. With five national forests, New Mexico's problems of timber management, grazing permits, and recreational facilities are unique and are completely different from those of the southeastern region. The Albuquerque Regional Office is essential to effective service for forest needs in New Mexico.

I notified Chief John R. McGuire of my strong objections to this move immediately, informing him that I considered it both illogical and ill advised.

The Department's response to me indicated "savings" as a primary rationale for the plan. Any attempt to effect savings in the operation of our national forests should be made only after serious and professional consideration of the viewpoints of all those who are directly concerned, and only upon the presentation of compelling evidence that the savings would be real and not another example of penny-wise and pound-foolish government.

I am convinced that regional consolidation of the Forest Service is a highly dubious method of saving, especially when the consolidation itself would require the expenditure of an estimated $2 million.

The cutoff of funds for making this move was necessary at this time. I trust it will be retained in conference. I urge the Senate conferees to stand firm in retaining the Senate prohibition against the use of these funds for abolishing or changing the boundaries of any region in our National Forest System.

THE RIGHT TO KNOW

Mr. PERCY. Mr. President, on May 31 Mr. HUMPHREY and I, together with cosponsors Mr. JAVITS, Mr. BUCKLEY, Mr. MATHIAS, Mr. STEVENS, and Mr. BROOKE, introduced a bill, S. 1914, which would authorize the continuation of Federal assistance to Radio Free Europe and Radio Liberty and would establish a Board for International Broadcasting to administer that assistance.

Our bill is based on the recommendations of the Presidential Study Commission on International Radio Broadcasting, a distinguished panel of academicians and public figures appointed by President Nixon on August 9, 1972, to review the Government's methods and mechanisms for providing support to the two radio stations. Charged with the task of submitting its recommendations on a priority basis in order to permit the drafting of appropriate authorizing legislation as early as possible in the present session of Congress, the study Commission vigorously pursued and completed its work ahead of schedule under the very able direction of its Chairman, the Honorable Milton S. Eisenhower, president emeritus of Johns Hopkins University.

The Commission's recommendations are based on the fundamental principle that all peoples have "the right to know" and on the assumption that genuine human understanding among all the peoples of the world is essential for peace. The Commission concluded that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, can contribute significantly to a climate of détente between East and West.

I believe that the Commission report, which has been published under the title of "The Right to Know," merits reading by every Member of Congress and by a wide public. The Senate Foreign Relations Committee has scheduled hearings on S. 1914 for June 12. In the days remaining before these hearings, it is my intention to insert into the RECORD sections of the Commission's report.

Without objection, I will submit for the RECORD at this time the summary of the report followed by Commission comments on the ideal and the reality of free movement of information and ideas.

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

SUMMARY OF THE REPORT

THE RIGHT TO KNOW

The Universal Declaration of Human Rights and the Constitution of the United Nations Educational, Scientific and Cultural Organization—subscribed to by many nations, including the Soviet Union and the United States—proclaim as a universal human right *the right to know*. The assumption in these international compacts is that one indispensable ingredient in a comprehensive program for peace is genuine human understanding among all the peoples of the world.

This noble philosophic concept is, however, not a reality. Two-thirds of the peoples of the world are denied the right to know—almost completely in some nations, less stringently in others. While we are concerned that all peoples should possess the privilege of complete and truthful information, the problem is acutely important in the Soviet Union and its area of hegemony, not only because censorship and other information controls are severe and unremitting, but also because that area represents one of the two great power centers of the world.

INTERNATIONAL BROADCASTING IN THE WORLD TODAY

International shortwave broadcasting is a medium of great and growing importance. It is the only means of communicating with large numbers of people without regard to borders; in the last two decades, worldwide shortwave broadcasting has increased fourfold.

The larger share of the increase has occurred in the communist world, despite the fact that in open societies such as the United States, Soviet and other communist information, news, representations and misrepresentations are amply available in the uncontrolled and free mass media.

Nevertheless, the Soviet Union, by the use of powerful transmitters, has increased its broadcasts not only to areas of the world under "censorship" but also to the free world, including the United States. Most broadcasts are official. Some purport to be "independent." Together, Soviet broadcasts alone are on the air in 84 languages for a total of approximately 1,900 program hours each week. The Eastern European allies of the Soviet Union also carry on a major effort by radio.

Because of the narrow limits within which the communist governments permit the introduction of foreign printed matter, films, and other information materials, the United States, the United Kingdom, France, Germany, and other Western nations must rely on radio broadcasting to Eastern Europe and the Soviet Union as virtually the only effective means of reaching the peoples there. Official foreign broadcasts, such as those of the Voice of America, are valuable in reporting international news and explaining official governmental positions. These broadcasts serve important purposes and should be continued.

THE SPECIAL ROLE OF RADIO FREE EUROPE AND RADIO LIBERTY

Radio Free Europe and Radio Liberty are unique in the entire spectrum of international broadcasting. They differ substantially from the official broadcasts of the United States and Western European nations. They operate essentially as a free press does in the United States. They too bring world news and interpretation into the Soviet sphere, but they devote a substantial portion of their broadcasts to news and essential background information about internal developments in and among the communist states. They correct misinformation or partial information offered by the internal mass media of the Soviet Union and Eastern European countries. Recently the phenomenon known as *samizdat*—typescript circulation of uncensored manuscripts—has added an important new dimension to the work of Radio Liberty (and also Radio Free Europe), which now diffuse these "self-published" materials widely to their listeners.

The stations are listened to regularly and appreciatively in the six countries under consideration: the Soviet Union, Czechoslovakia, Romania, Hungary, Poland and Bulgaria.

The Commission is convinced that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, actually contribute to a climate to détente rather than detract from it. Experience in the last few months has shown that "relaxation of tensions" on the government level does not necessarily lead to a relaxation of internal controls. In fact, since the summer of 1972, quite the contrary has occurred.

We therefore recommend that the stations be continued until the governments of the countries to which the stations are broadcasting permit a free flow of information and ideas, both internally and between the East and West.

ORGANIZATIONAL STRUCTURE

One of the main concerns of the Commission was to propose an organizational structure that would preserve the professional independence of the stations, while assuring that they do not operate in a manner inconsistent with United States foreign policy objectives. Such a structure should be strong and flexible enough to serve for the next decade, since it is unlikely that the free movement of information in the Soviet sphere will become a reality any time soon. When it does occur it will be time to consider termination of the stations.

The Commission recommends the creation by Congressional action of a *Board for International Broadcasting* as a public institution to receive appropriated funds for allocation to Radio Free Europe and Radio Liberty. The Board would in effect serve as a

nexus between the public, Congress, the Executive Branch, and the stations.

The Commission considered and rejected several alternatives: administration of grants by the Department of State; administration of grants by the USIA; merger of the stations with the Voice of America; and conversion of the stations into a single Federal agency. The Commission does not believe the stations could maintain their professional independence if directly linked to the Department of State or USIA. A merger with the Voice of America would practically eliminate the stations; and an agency status would likewise endanger their independence while eradicating their corporate identity and thus threatening their license agreements.

The Board for International Broadcasting as proposed by the Commission would include the following features:

The Board would receive Congressional appropriations and make grants to RFE and RL.

The Board would be responsible for assuring that the stations do not operate in a manner inconsistent with broad United States foreign policy objectives.

The Board would be vigilant on behalf of the professional independence of the stations, whose primary function is to promote a free flow of relevant information and interpretation to the Soviet Union and the nations of Eastern Europe.

The Board would be responsible for assuring that adequate fiscal controls are maintained and that funds are used in an effective and efficient manner for the purposes intended.

There would be seven directors of the new Board; five, including the Chairman, would be appointed by the President with the advice and consent of the Senate from Americans distinguished in such fields as foreign policy and mass communication. The other directors would be the chief operating executive of Radio Free Europe, Inc. and the chief operating executive of the Radio Liberty Commitee. They would be *ex officio*, nonvoting members.

The Board would have a minimum staff, drawing on the stations for much of its administrative support.

Headquarters of the new Board and the executive staffs of both stations should be located in contiguous space, preferably in the Washington, D.C., area.

POSSIBLE IMPROVEMENTS AND ECONOMIES

The Commission recommends continuing efforts by the new Board and the two private corporations to develop consolidations and improved cooperation at every point where this is feasible.

A potential area of consolidation is related to the urgent need of the stations for renovation and modernization of their facilities. This need is so critical that a start should be made at the earliest feasible time. But the Commission also urges that as soon as possible there be a comprehensive technical study of the feasibility of using joint broadcasting facilities designed to meet the needs of all broadcasting supported by the United States. The possibility of joint use of transmission facilities of VOA and the stations should be seriously considered, even though the functional integration of the stations with VOA should be rejected.

Long-range economies and efficiencies might also accrue from consolidating functions and space in Munich as well as at other locations where the stations have personnel and facilities.

FINANCING THE STATIONS

Radio Free Europe and Radio Liberty have, from their beginnings, been essentially American undertakings. Although many West European governments and leaders have widely endorsed the broadcasts of the two radios, direct public support of broadcasting operations by European governments could lead to confusion in *operational* policies. This could ultimately impair the effectiveness of the stations as free and responsible information media within the context of United States foreign policy objectives. The Commission therefore believe that the stations must continue to be financed mainly by United States appropriated funds.

There is, however, room for new or increased outside contributions, both American and non-American. Both stations conduct research which is the best of its kind available; it is of value to Western governments, universities and scholars. European governments should be solicited, therefore, to help support the research activities of both stations since such support would be separate from daily broadcast operations of the stations and would not lead to confusion in management and operation.

Private European contributions for all purposes should be sought vigorously. The Commission discussed this problem with the Chairman of the West European Advisory Committee for a Free Flow of Information (formerly West European Advisory Committee to Radio Free Europe). There are favorable prospects of some private financial help from European businesses and individuals but it would be unrealistic to assume that major sums will be collected.

If the principles affirmed in this report find support by the President, the Congress, and the people, the stations will be opening a new chapter in their mission and the episode of covert financing will have been put behind us. In these circumstances we think it possible that solicitation of private funds in the United States can be vigorously revived and broadened. This effort should be carried out by both radios jointly. We believe this task should now focus on a capital fund drive designed to underwrite the long-overdue program mentioned above for modernizing the technical equipment of the two radios. We strongly recommend that the President take the lead in a proposed capital fund drive by recommending an appropriation to provide the first 50 percent of the required capital fund and calling upon private citizens and the business community to match that grant over a three-year period.

The two radio corporations from the very beginning were largely financed by United States Government funds (through the CIA) and operated in the United States interest. Accordingly, the Commission strongly recommends an official United States Government recognition now of its obligation to assume the costs of the liquidation of the stations if the political situation at an undetermined date in the future would permit the discontinuation of their operations.

The ideal of free movement of information and ideas is firmly incorporated in recent pages of history documenting human progress. In America, in particular, belief in the right of man to know—to be adequately informed—is as basic as our belief in the right to self-government. A people can deal effectively with its common problems only if it is able, through a free, open, collective dialogue, to articulate crucial issues and to make decisions for their resolution. Similarly, in interstate relations, any opportunity to harmonize differences that arise among nations must be based on an initial understanding that human aspirations are not changed by dotted lines on a map. There are indeed differences in emphasis from people to people, but there are certain essentials that transcend national or ideological frontiers. For one, it is clear that a people uninformed or misinformed is a danger to itself and a potential threat to its neighbors. Thus, a precondition for world peace is international freedom of information.

These noble concepts, regrettably, are far from realization in large areas of the world. Poverty and ignorance alone substantially deny many peoples their right to knowledge. But others are robbed of this right by interference, more or less stringent, practiced by their governments—governments which plainly believe that a free flow of information and ideas among their peoples could lead to criticism and calls for internal reform.

The Commission believes that no free people can be indifferent to any restrictions on the right to know, wherever they may exist. We are convinced that responsible, peaceful action by Americans or others to convey truthful information to people living under various forms of information control, wherever they exist, should be encouraged.

Limitations on freedom of information existing in the Soviet Union and its area of political and military hegemony, however, merit extraordinary concern. The Soviet sphere constitutes one of the two great power centers of the world. The peoples of the Western Hemisphere and Western Europe have long and deep traditions of cultural and ethnic identity with most peoples of this area. Furthermore, this area is relatively well developed, composed of societies that have attained high educational and cultural levels and that possess advanced technical skills. They are, thus, naturally concerned and intensely interested in political as well as other important developments and issues, both in their own countries and worldwide. Yet today and for decades past they have suffered under pervasive systems of information control erected by their governments to deny them the most rudimentary access to "unauthorized" information and opinion. These systems apply to the domestic affairs of each country in the Soviet sphere, to the affairs of other communist countries, and to the affairs of the noncommunist world.

The visit of President Nixon to the Soviet Union in May 1972 symbolized a commendable improvement in official relations between East and West. Unfortunately, however, Soviet and other East European leaders have repeatedly stated that the principles of coexistence to not "offer possibilities of relaxing the ideological struggle."

Mikhail Suslov, the foremost ideologist of the Soviet Party Politburo, on June 20, 1972, announced a new ideological campaign within the USSR, emphasizing that in the present period of international detente and in anticipation of the Conference on Security and Cooperation in Europe intensified efforts must be made to prevent erosion of Soviet control over information. In his words:

In all our ideological work any relaxation of the struggle against reactionary bourgeois ideology is inadmissible. . . . The struggle precisely in the field of ideology, the field where there is not and cannot be any peaceful coexistence, has been sharpened considerably.

What is the practical impact of this campaign and countless earlier ones upon the Soviet and Eastern European peoples? Freedom to travel abroad continues, in most countries, to be rigidly controlled. Emigration, save for a few, is denied as a matter of principle by most of these governments. The most striking aspect of the current emigration of some Soviet Jewish citizens is not that there have been obstacles but that it has been permitted at all. Constitutionally established rights to free expression— that is, those rights guaranteed in the Soviet Constitution and the similar constitutions of the other communist states—continue to be rendered meaningless by the suppression of virtually every effort to exercise them outside the narrow limits dictated by the communist parties. Arrests, denials of employment, incarceration in mental institutions, exile, and even removal of citizenship are among the techniques of intimidation and repression employed. The citizenery

is discouraged from contact with foreign visitors. Foreign news and other informational materials are largely excluded; even the West European communist press is sometimes confiscated because of its treatment of so-called "complicated" issues—unduly candid descriptions of economic conditions in the Soviet sphere, complaints about continuing political trials in Czechoslovakia, or other deviations from Soviet foreign policy positions.

In many of the countries of the Soviet sphere, Radio Free Europe and Radio Liberty broadcasts are heavily jammed, although with only limited success. The Soviet government as well as some other East European governments also jam other foreign broadcasts, including the local language transmissions of the Voice of America. Jamming is, of course, contrary to international law. The Montreux International Telecommunications Convention, to which the USSR is a signatory, clearly prohibits such interference with international radio broadcasts.

We are pleased that this generally bleak picture has a few brighter spots. Dogged persistence has won for the populace some modest successes in their struggle for more information.

Since the late 1960's, circulation of what is called *samizdat* (self-published materials) has become a significant phenomenon in the USSR. Writing of all kinds—but especially that providing political and social information and opinion which the government will not permit to appear in print—circulates in handwritten or typescript copies. A persistent theme in these documents is the right and the need of Soviet citizens to debate freely their national problems, and the documents suggest a wide range of solutions. There is evidence that extensive reading of *samizdat* materials over the Radio Liberty network has attracted considerable audience interest.

In East Europe, some peoples have now achieved marginally greater freedom to travel abroad, to express new or unorthodox points of view about social, economic or political problems faced by their societies, and to read non-communist publications. And two governments, Hungary and Romania, no longer jam any foreign broadcasts.

More detailed descriptions of the impediments to the free flow of information and ideas to and within the Soviet Union and Eastern European countries are contained in two papers submitted at our request by the research staffs of Radio Liberty and Radio Free Europe, which the Commission believes merit attachment to this report (Appendix C). We asked the Department of State to review these papers. The Department found them to be compatible with its own observations.

Governments in Eastern Europe and the Soviet Union continue to enforce a substantial denial of the free circulation of ideas and information; and yet there remains a need—indeed, a great thirst—among the peoples of these countries for these precious commodities. Thus, the continuation of credible international radio broadcasting, the only means of communication that penetrates government censorship, remains as critical today as it has been in the past.

SHOULD WE HAVE A NATIONAL PRESS COUNCIL?

Mr. ERVIN. Mr. President, when Vice President Agnew issued his stinging criticism of the press a few years ago, he precipitated a wide-ranging debate on the proper role of the press, its responsibility and objectivity, and its relationship to Government. Since that time, the administration has been involved in a number of controversial and sometimes unprecedented acts which have been viewed as part of a deliberate and well-orchestrated plan designated to intimidate the press and destroy its credibility. Hearings before the Constitutional Rights Subcommittee in the fall of 1971 and early 1972 were designed as an effort to review press-governmental relations over the past few years. In part, they document the charges that have been leveled against the administration and its attitudes toward an independent and critical press. They also illustrate widespread public criticism and discontent over the way the press has been fulfilling its tasks.

While the conflict between the administration and the press has received great public attention, the press has also been devoting considerable attention to self-criticism. Whether prompted by the Vice President and other administration critics, or by widespread public dissatisfaction, or by internal forces, nonetheless the fourth estate has over the past few years been taking a good hard look at itself. This ferment has taken place largely outside the public eye. It has been marked by the establishment of journalism reviews, by the creation of "ombudsmen" such as Robert Maynard of the Washington Post, and by a great increase in debate wherever representatives of the press congregate with one another. While the press has been nearly unanimous in defending itself against administration critics, among themselves they are anything but united.

This is a healthy development. The first amendment imposes a great responsibility on the press to inform, to probe and to criticize government. If the press loses the confidence of the public, if it becomes weak and flaccid, a mere conduit for public relations handouts, an apologist for government, then it fails to discharge an essential role in the operation of our democracy.

One recent development which is designed to restore public confidence and improve press performance is the idea of a national news council recently proposed by a distinguished body gathered together under the auspices of the 20th Century Fund. The council, formally titled "Council on Press Responsibility and Press Freedom," will consist of nine public members and six representatives of the press. It will be chaired by Roger Traynor, former Chief Justice of the California Supreme Court.

The Council's responsibility is "to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and reports on issues involving the freedom of the press," to quote the report on the council by the 20th Century Fund. It will be entirely voluntary, and will have no formal enforcement powers. Its only function is to receive complaints, investigate them, and report its findings.

Mr. President, I ask unanimous consent that the full text of the report be printed in the RECORD at the conclusion of my remarks.

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

A FREE AND RESPONSIVE PRESS

(The Twentieth Century Fund Task Force Report for a National News Council)

The United States is now passing through an era marked by divisive, often bitter, social conflict. New groups have coalesced to assault the privileges of the established; new ideas have arisen to challenge the validity of the old. Stridency and partisanship, militancy and defiance are in the air.

Reporting the news has always meant telling people things they may not want to hear. In times of social conflict, this task is all the more difficult. Skepticism turns to cynicism. Detachment is too often perceived as hostility. The clamor to "tell it like it is" too often carries with it the threat to "tell it like we see it, or else." The Greeks were not alone in wanting to condemn the bearer of bad tidings.

Disaffection with existing institutions, prevalent in every sector of society, has spread to the media of public information—newspapers and magazines, radio and television. Their accuracy, fairness, and responsibility have come under challenge. The media have found their credibility questioned, their freedom threatened, by public officials whose own credibility depends on the very media they attack and by citizens whose own freedom depends on the very institutions they threaten.

A free society cannot endure without a free press, and the freedom of the press ultimately rests on public understanding of, and trust in, its work.

The public as well as the press has a vital interest in enhancing the credibility of the media and in protecting their freedom of expression. One barrier to credibility is the absence in this country of any established national and independent mechanism for hearing complaints about the media or for examining issues concerning freedom of the press. Accordingly, this Task Force proposes:

That an independent and private national news council be established to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and report on issues involving the freedom of the press. The council shall limit its investigations to the principal national suppliers of news—the major wire services, the largest "supplemental" news services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, and the nationwide broadcasting networks.

As a result of economic changes and technological advances, these few giant news organizations, with their unprecedented news gathering resources, now provide the majority of Americans with most of their national and international news. The Associated Press and United Press International, the two principal wire services, supply material to 99 percent of all daily newspapers as well as to most radio and television stations. Complementing these facilities are the major nationwide radio-television networks the national weekly news magazines, national newspaper syndicates, nationwide daily newspapers (the *Wall Street Journal* and the *Christian Science Monitor*), and the "supplemental" news services, increasingly comprehensive wire services sold to large and small newspapers by organizations such as *The New York Times* and jointly, *The Washington Post* and *The Los Angeles Times*.

This concentration of nationwide news organizations—like other large institutions—has grown increasingly remote from and unresponsive to the popular constituencies on which they depend and which depend on them. The national media council proposed by this Task Force will serve its purpose most effectively by focusing on the major national suppliers.

Publishers and broadcasters are justifiably suspicious of any proposal—no matter how well intended—that might compromise editorial independence, appear to substitute an outsider's judgment for that of responsible editors, ensnare newsmen in time-consuming explanations, or lend itself to the long-term undermining of press freedom. The press of the United States is among the best in the world and still improving, but it fails to meet some of the standards of its critics, among them, journalists. Moreover, a democratic society has a legitimate and fundamental interest in the quality of information available to it. Until now, the citizen who was without benefit of special office, organization, or resources had no place to bring his complaints. Until now, neither the public nor the national news media have been able to obtain detached and independent appraisals when fairness and representativeness were questioned. The proposed council is intended to provide this recourse for both the public and the media.

The Council is not a panacea for the ills of the press or a court weighing complaints about the responsibility of the press. With its limited scope and lack of coercive power, the Council will merely provide an independent forum for public and press discussion of important issues affecting the flow of information.

Editors and publishers may fear that a media council will stimulate public hostility; some even suspect that it might curtail rather than preserve their freedom. The core of the media council idea, however, is the effort to make press freedom more secure by providing an independent forum for debate about media responsibility and performance, so that such debate need not take place in government hearing rooms or on the political campaign trail. The Task Force unanimously believes that government should not be involved in the evaluation of press practices. The Task Force also recognizes that there is concern about the relationship of press council procedures to the confidentiality of news sources. It is convinced that the founders must address themselves to the issue of confidentiality in the charter and the Council must respect and uphold essential First Amendment rights by maintaining confidentiality of news sources and of material gathered in news production in its proceedings.*

The idea of a national council is not new. Sweden and Great Britain have had press councils for many years and one recently was set up in New Zealand. Britain's council, composed of private citizens and journalists, most closely resembles what the Task Force proposes.† Although the British council has not achieved all of its objectives in the past decade it has won substantial acceptance.

In the United States, a number of communities and one state—Minnesota—have in recent years established press councils. Some are no longer active; all appear to have been constructive regardless of their longevity, and experience has brought increasing accomplishment and decreasing mortality.

Significantly, the most recent and ambitious undertaking, Minnesota's, was initiated by a newspaper association. This development suggests that, as in Britain, opposition may be converted to neutrality and even support, as experience and objective observation dispel myths about the aims and operations of press councils.

Although the American Society of Newspaper Editors and other associations have failed to implement proposals for journalistic "ethics" or "grievance" machinery, investigations by this Task Force indicate that a substantial number of editors, publishers, and broadcasters will participate in a council experiment. As an editorial in the November 28, 1970, issue of *Editor and Publisher* observed: "Newspaper editors and publishers will never stand in the way of organizing such councils, but very few of them will be prime movers in setting them up."

The most frequently advanced proposal—a comprehensive nationwide press council on the British model—is impractical, if not undesirable, in the United States. The vastness and regional diversity of the United States, the number of individual publications and broadcasting stations, and problems of logistics and expense all militate against the formation of a comprehensive nationwide council. The weighing of one journalistic practice in New England against another in Arizona would present an impossible task. Nevertheless, individual newspapers and radio-television stations may find it useful to participate in regional, state, or local councils that are either now in existence or yet to be formed. This Task Force encourages the establishment of such councils. Several authorities have suggested that if such a comprehensive council eventually is formed, it will most likely evolve "from the ground up," possibly as a federation of local or regional councils. We urge that such councils be formed.

Accordingly, the Task Force makes the following recommendations for the establishment of a national council:

1. The body shall be called the Council on Press Responsibility and Press Freedom.

2. The Council's function shall be to receive, to examine, and to report on complaints concerning the accuracy and fairness of news coverage in the United States as well as to study and to report on issues involving freedom of the press. The Council shall limit its review to news reporting by the principal national suppliers of news. Specifically identified editorial comment is excluded.

3. The principal national suppliers of news shall be defined as the nationwide wire services, the major "supplemental" wire services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, nationwide commercial and noncommercial broadcast networks.

4. The Council shall consist of fifteen members, drawn from both the public and the journalism profession, but always with a public chairman. Both print and broadcast media shall be represented. No member shall be affiliated with the principal nationwide suppliers of news.*

5. A grievance committee, a subcommittee of the Council, will meet between eight and twelve times a year to screen public complaints. When appropriate, the committee and Council staff will engage teams of experts to investigate complaints.

6. The Council shall meet regularly and at such special meetings as shall be required. Its findings shall be released to the public in reports and press releases. Routine activities will be handled by a permanent staff, consisting of an Executive Director and professional assistants. The Executive Director should have significant journalistic experience.

7. Complaints about coverage by the designated national suppliers of news shall be handled according to procedures similar to those of the British and Minnesota press councils. Thus, the procedures will include a requirement that any complainant try to resolve his grievance with the media organization involved before the Council may initiate action on a complaint. Complainants will be required to waive the right to legal proceedings in court on any matter taken up in Council proceedings. It is expected that most complaints will be settled without recourse to formal Council action.*

8. Individuals and organizations may bring complaints to the Council. The Council may initiate inquiry into any situation where governmental action threatens freedom of the press.

9. Action by the Council will be limited to the public reporting of Council decisions. The Council will have no enforcement powers.

10. Where extensive field investigation is required, the Council may appoint fact-finding task forces.

11. The Council's executive offices shall be at a location designated by its members. Regardless of the ultimate location, the Council shall consider emphasizing its national character by scheduling at least some meetings on a rotating basis throughout the country.

12. The Task Force shall appoint a founding committee which will select the Council's original members, incorporate the Council, adopt its constitution, and establish the initial budget.

13. Terms of office shall be three years (with terms of charter members to be staggered on the basis of a drawing of lots); members shall be limited to two consecutive terms. Members must resign from the Council if they leave the vocational category which was the basis for their selection. On retirement of a Council member, the Council shall appoint a nominating committee made up of representatives from foundations, the media, and the public. The Council shall make the final selection from the choices presented to it.

14. The founding committee shall incorporate the Council and establish the initial budget for a minimum of three to six years. It is suggested that the annual budget will be approximately $400,000.*

15. The Task Force appoints Justice Roger Traynor, former chief justice of California, head of the founding committee and chairman of the Council.

16. The Council's processes, findings, and conclusions should not be employed by government agencies, specifically the Federal Communications Commission, in its deci-

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*Hereafter asterisk indicates point on which Richard Salant abstains.

† Immediately after World War II, Britain was shaken by political and social dissonance similar to that of the United States today. Press mergers, closings, and allegations of sensationalism and slanting of news generated public concern and debate in and out of Parliament. The result of this debate was a Royal Commission investigation. The report of the commission recommended, among other measures, the creation of a private press council, to hear and act on complaints about the press and to speak in defense of press freedom when appropriate. Broadcasting (then only the government-sponsored BBC) was excluded from the recommendation.

Newspaper proprietors deliberated at length and delayed action for months; then agreed to a council with no public members. In 1963, after further Parliamentary threats and another Royal Commission report, the present successful citizen-journalist council was established.

Twenty of the Council's twenty-five members are chosen by eight publisher and journalistic staff organizations; the remaining five are public members elected for fixed terms by the Council. The chairman is also a public member. (Lord Devlin, one of Britain's most prominent judges was the Council's first public chairman). The secretariat is composed of three professional journalists. The Council's only power lies in the publicity given its findings. Its expenses—slightly more than $70,000 a year—are borne entirely by national press organizations.

"Foreigners who study the British Press Council usually come away in a mixed mood of admiration and bafflement," according to Vincent S. Jones, former executive editor of the Gannet Newspaper Editors. "It ought not to work, they feel, but somehow it does."

sions on broadcast license renewals. Failure to observe this recommendation would discourage broadcasters from supporting or cooperating with the Council.

The national media council proposed here will not resolve all the problems facing the print and broadcast media, nor will it answer all of the criticisms voiced by the public and by the politicians. It will, however, be an independent body to which the public can take its complains about press coverage. It will act as a strong defender of press freedom. It will attempt to make the media accountable to the public and to lessen the tensions between the press and the government.

Any independent mechanism that might contribute to better public understanding of the media and that will foster accurate and fair reporting and public accountability of the press must not be discouraged or ignored. The national media council is one such mechanism that must be established now.

Mr. ERVIN. Mr. President, the proposal for a press council has provoked widespread debate within the press community. Those who support the idea argue that under the first amendment the responsibility for maintaining a fair, honest, and credible press belongs to the press itself, and not to any official governmental body. The great advantage of a council is to provide a disinterested forum within which to present and evaluate complaints about the press. This forum, armed only with the moral force of its own integrity, will go far to eliminate unjustified criticism, and to repair the damage done when reporting is shown to have been irresponsible. It is far better, supporters argue, to have a nongovernmental body do this than to permit pressures to grow for official oversight.

In opposition, many have argued that it is almost as bad to have private censorship as to have the Government engaged in press review. They see the council as an ill-disguised surrender to the demands of administration spokesmen who have been attacking the press, not for bias and lack of objectivity, but for disagreeing with the administration or not swallowing its statements uncritically. They argue that the press is not deficient in objectivity, but in zeal; that it has not played enough of an independent, critical role in reporting on Government. And they also deny that any group of men, no matter how prestigious, can be truly nonpartisan or objective when so much of the criticism of the press stems from disagreements provoked by the major controversies of our time. As George Reedy suggests, the only truly objective council can be one which is composed solely of people who agree with him—a council he concedes no one else will favor.

I sympathize with Mr. Reedy's position. I long have deplored the fact that my fellow Senators do not share my own sound views on all subjects. Such, however, is always the case in a society which prides itself on diversity and independent thinking. We would have it no other way.

Whatever one's views on the desirability of the news council, we can all support the fact that whether or not to have a press council is not a decision which is any of government's business. It is a matter left to the press and the public. But, under the first amendment, all citizens, even Congressmen and Senators may have views on the issue. I, for one, believe that despite the high motives of those who sponsor the creation of a press council, it is a bad idea. In my view, any inhibition on an individual's right to express himself is an infringement of the first amendment. No group of men, no matter how lofty and dignified, should be put in a position where they presume to pass judgment on how wisely or foolishly another has exercised his right to speak. The first amendment contemplates a welter of information and opinion, but no umpire to call fouls, and impose penalties; even moral ones. Free, open, robust, controversial debate is what the first amendment calls for. Even if it were possible to gather a group of totally objective, absolutely unbiased unswayable men—which it is not—we would not want such "philosopher kings."

Mr. President, for the further information of all who read the RECORD, I ask unanimous consent that a variety of articles commenting on the idea of a press council be reprinted in the RECORD.

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

BIRTH OF A MEDIA COUNCIL: "MONITORING" NATIONAL NEWS SUPPLIERS—2. QUESTIONS AND ANSWERS

(NOTE.—The National News Council proposal was discussed at a press conference accompanying release of the Report. Excerpts appear below.)

LUCY BENSON. As must be obvious, we all came together because of our deep belief in the free press' being the basic foundation of a free society, and in the public's understanding and trust in a free press and a free society being very necessary. We believe that the press and the public both have a very vital interest in establishing and maintaining the credibility of the press and in protecting the freedom of the press. We came to the conclusion that what was lacking in this country, among other things, in this particular instance, was some kind of national and independent mechanism or institution for examining issues concerning freedom of the press and for hearing complaints from the public about the media.

Our purpose in proposing the establishment of a media council—a press council—is to help make press freedom more secure by providing an independent forum for debate about the responsibility of the press, and the freedom of the press. It is very limited in scope. It applies only to the national suppliers of news: the major networks, the wire services, those newspapers which have news services which are widely used throughout the country, the two daily national newspapers—the listing of national suppliers in our Report. Furthermore, the Council is limited by the fact that it has no coercive power.

At first it seemed that the whole country is so big and so diverse—unlike Great Britain, which really in many ways is a homogeneous country—that we couldn't see how we could manage to deal with the entire print press and other media throughout the country. We came up with the idea of putting emphasis on the national suppliers. Once we had gotten through this thinking process, things fell into line much more easily. Details about the nature of the Council are in the Report.

Q. The press release says you urge the formation of this Council, but the impression is this is a definite intention. Is it?

M. J. ROBRANT. The Task Force proposed a working (founding) committee, made up of some members of the Task Force and some foundation representatives. They are engaged in implementing the Task Force report. The next stage is the establishment of a council.

Q. Will this be funded entirely by the Twentieth Century Fund?

ROSSANT. No, there will be a consortium of foundations.

Q. Have you gotten enough commitments to be absolutely sure that you can go ahead?

ROSSANT. I would say so, yes.

Q. Has the Ford Foundation, which you asked for money, agreed to give you money?

ROSSANT. They're considering it.

Q. The press release says that this is going to be in operation in early 1973. Will it?

ROSSANT. I hope so. The working committee received the report of this Task Force well over a month ago, and it has been in operation ever since. But this Task Force report does stand on its own.

Q. How do you propose to air the conclusion of this Council when it is set up? Will you call press conferences to announce that so and so article contained errors?

BENSON. The procedures for the Press Council will have to be worked out, of course, by both the founding committee and by the Press Council itself in operation. But, it is intended that the Council will issue reports from time to time, and especially will issue an annual report. And, the findings of the Council will be published.

Q. Has the Council taken into account that many of the media will not choose to publish these recommendations? How will they get aired?

BENSON. We expect that will be the case. But eventually we expect that more and more members of the media will publish our reports, and news releases the Council wishes to issue.

HODDING CARTER III. In any case, considering that we're dealing with the national suppliers, while supplier A may not publicize what has been done about him, supplier B and C certainly will.

Q. In your discussions, I assume that you talked with a great many editors and other journalists who are not on the Task Force. What kind of response did you get?

BENSON. It was very mixed—some very positive, some very questioning, some not very positive, but there was great interest, certainly. It was encouraging.

SALANT. I think I ought to emphasize that when we all first met, there was great skepticism among us, too. It's one of those things that you must think about before you come to any final conclusions.

Q. Do you think there are any risks inherent in the idea?

CARTER. Yes. One, and only one. There's no risk to freedom of the press; there's no risk in terms of what it may do. There is always the risk in a venture like this that it will just fail, that it won't be utilized by the public, and that it will die of apathy. This is an obvious risk. Other than that, I don't see a risk that either the public or the media have to fear.

Q. How do you keep it free of government control or media influences?

ROBERT CHANDLER. We started out by limiting its financing to organizations which are free from both influences.

Q. Who will police the Council? If, for example, you had too many people of one political persuasion, how would you maintain balance?

BENSON. Of course, this will be another kind of risk. If the Council does not conduct itself in a thoroughly credible manner itself, it will not have credibility. It won't need to

be policed—members of the press, you know, are our biggest critics. The biggest critics of the report that we have put together are going to be the American press itself.

We are very interested, in our Report, in seeing that this Council is representative, is literally a national council, not made up of people from one part of the country or people from one part of the country or people of very similar backgrounds, and we have provided for a council of fifteen, to have both public and private members—the exact proportion to be worked out by the founding committee. The chairman, we have said, must always be a public member, and I think if the Council is a responsible institution, as we expect it to be, it will see that it does not become overweighted in one or another direction, politically, geographically, occupationally, or whatever.

Q. How will the selection process take place?

BENSON. The founding committee is working on this and is very anxious to have input from anybody or everybody—private citizens, representatives of institutions, from the press. The founding committee would welcome suggestions, for people to serve on this Council.

SALANT. I think it's very important to emphasize that the people who are under the jurisdiction of the Council—that is, the national suppliers—have nothing to do with the funding and nothing to do with the selection of the members. This is a sharp departure from the British Press Council, which is made up in part of members who represent the people who are being investigated. That doesn't hold here at all.

Q. Mr. Salant, there are some asterisks in the report, where you have abstained on several points. Do you have a minority report?

SALANT. No. I abstained because those were proposals that were made for reconsideration by a foundation before whom applications for funding were pending. I thought it was a mistake to consider anything from anyone from whom we were begging. My asterisks have nothing to do with whether I agree or disagree. In fact, I agreed with almost all of them. I just don't like to do it while I'm waiting for some money.

Q. Point No. 16 raises a question which is in all of our minds: that is, the Council resisting attempts by the FCC or other government agencies to use its findings in any way. Does that extend also to subpoenas?

BENSON. Yes.

Q. Is Judge Traynor willing to defy his former colleagues on the bench and be in contempt of court?

BENSON. More than willing; he has seen the Report. It's a big problem, and one that concerns all of you. It is one that concerned us. Obviously, the actual operating relationships will have to be worked out in practice, but Justice Traynor has said on several occasions that he will not allow the Council to be used either for fishing expeditions or for cosmetic or any other ulterior purposes; and I think all of us feel quite confident that if there's anybody who's going to see a fishing expedition down the turnpike, it will be Justice Traynor. We don't think the FCC has any business in this, and I think that there's not going to be any problem there because of Justice Traynor, among others.

HARTFORD N. GUNN, JR. Wouldn't it be fair to say that one of the ways in which this Council could fail would be if it becomes an instrument of punishment? The objective the most of us had in mind was that this is an instrument for education—education of the public, education of the press, and, one would hope, education of government.

Q. Will the Council itself initiate complaints?

BENSON. Yes.

Q. Is it conceivable that some of these provisions might be altered by the foundations from which you are seeking money?

ROSSANT. I don't think that any financial supporters of this proposed Council can dictate or bring about changes, but it is possible that in deciding how best to implement the Council, and make it work, that there will be some modifications in the proposals made by the Task Force. They won't be modifications that were brought about through any sort of financial pressure.

BENSON. We decided a long time ago that we would set a limit, a percentage of the total amount of funding we needed to establish this Council—25 per cent—so that no funding organization, be it a foundation or some private person even, could provide more than that.

Q. What are you seeking—$400,000?

BENSON. In annual operating expenses, we are thinking of a three- to five-year experiment.

Q. Will the Council have a headquarters someplace?

BENSON. It will have to have a headquarters, but its location has been, as you can see in the Report, unspecified. We're leaving that up to the Council. Or, the working committee.

Q. Whose decision was it to go ahead and establish a working committee?

BENSON. We recommend the appointment of the founding committee but it would not have gone forward if The Twentieth Century Fund had not carried forward the idea.

SALANT. You may be seeing history made. All these foundations and lovely reports always come out and then nothing happens. More than half the time, they're right; the recommendations are good. This time there was an effort to combine, at least to some degree, a report and recommendations and implementations. That's very unusual. It's an experiment. I think it's a noble experiment.

Q. The Council only has one member right now, is that right?

BENSON. That's right; Justice Roger Traynor.

Q. Recommendation No. 12 says, "The Task Force shall appoint a founding committee which will select the Council's original members. . . ." Who is on the committee?

ROSSANT. I can name the Task Force members on it. Barry Bingham, Lucy Benson, Robert Chandler, Prof. Ithiel de Sola Pool, Louis Martin, and Justice C. Donald Peterson, who is also chairman of the Minnesota Press Council. There are also foundation representatives: the Twentieth Century Fund, the John and Mary R. Markle Foundation, the Benton Foundation; Sen. William Benton has been named consultant to the working committee.

Q. Could you give a specific example of how you might take action on a newspaper or broadcast story that you felt needed action?

BENSON. We are in the process of working on the procedures. But in general either the Council itself, or someone on the outside, would bring a complaint of one kind or another. The first thing that would be done would be to try to get the complainer to settle face to face with the newspaper, or whatever it was, that he had a complaint against—to try to get this adjudicated outside of making a formal complaint. The experience of the British Press Council is that they receive many, many more complaints than they actually formally hear or adjudicate. If it were, however, taken up to be adjudicated, the Council would investigate the charge and hold hearings and talk with people and release its report.

Q. Mr. Salant, if a press council like this were to have come to you at the time of *The Selling of the Pentagon* flap, and said, "We think you did something wrong, let's sit down and talk," what would have been your initial reaction?

SALANT. As a matter of fact, it was *The Selling of the Pentagon* experience that turned me toward this council. I just wished that there had been somebody there—nonpolitical, professional, systematic—to whom I could say, "Here, this is what they're saying, and this is what we say, and—you tell us; you tell the public." I would have appreciated it very much. It would have been an important service to me, and to my associates who worked on it, and all the rest who had spent so much time on it. More important, it would have been an important service to the public, had somebody impartial—not Cong. Hébert—had a look at it and decided. Not Cong. Hébert, and not me.

Q. Mr. Salant, would you be willing to turn over your outtakes to such a press council?

SALANT. If I understand what the connotation of our Report is, they couldn't demand the outtakes. Certainly, I would have turned over the outtakes on the main issue about editing. That is, the Dan Henken interview, because under our procedures, the man who is interviewed can always request a transcript of his own interview. Henken had done that, and so he had submitted it and it had been printed in the *Congressional Record*. I think that I would have to judge that on a case-to-case basis where the outtakes involved some sort of information that is confidential or were believed by the interviewee to be confidential, and where the purpose clearly is not for some government agency to second-guess us on an editing judgment, I think I would.

BENSON. We recommend that the Council protect the confidentiality of sources in every way possible.

Q. How would the Council approach a politician whose speeches may or may not be indicated as an infringement upon the press?

CARTER. The one thing the Council is not going to do is to sit around protecting the press from being criticized. Criticism, I trust, is a function which belongs to the public as well as to the press. What we would do, however, is what the British Press Council is interested in doing in areas in which government itself is taking action in an institutional way. As we envision it, the Council would try to speak directly to that question, in any way that it could.

Q. Wouldn't you have to go farther in, for example, broadcasting, when the threat of action is almost as effective as action in the licensing arrangements?

SALANT. The Council is going to have to decide what it does and what it doesn't do, and certainly we who are the potential defendants can't decide for them. But I certainly hope that one of the first things it takes up, after a newsman's privilege and a few things like that, is the whole question of the Government using its licensing power as a means to bring us to heel. I think that is the largest fundamental issue, and that issue still exists today.

Q. Has there been unanimous approval of the idea from the national suppliers?

BENSON. Well, there is a mixture of reactions.

BARRY BINGHAM, SR. I don't think we require approval, in that sense, from the national suppliers.

BENSON. No, we didn't ask for approval.

Q. Something like 99 per cent of all daily newspapers gets some news from the two major wire services, so might not a member of the Council be asked to consider something that has appeared in his own paper?

BENSON. That is quite true, but what we are saying is that the membership of the Council will not be open to those who are employed by, or associated with in a very direct sense, the AP, or UPI, or one of the other national suppliers of news. If they happen to be editor or reporter on a newspaper which subscribes to the AP or the UPI or both, that's really not relevant.

SALANT. I don't think that creates the kind of a conflict that you contemplate, because when you take something from the wire services you don't really make any independent check on its completeness or accuracy, so you're not casting judgment on yourself. If you could make that kind of check you wouldn't need the wire services.

CARTER. To turn it around, from something I know unfortunately only too well, I would be very happy if there was some way that occasionally I could deal with some of our suppliers in terms of what I publish and the kind of hell it caught.

Q. Quite a few journalism reviews across the country have tried to monitor the media and criticize them. How does your goal differ from or overlap theirs?

CHANDLER. It's a difference of approach, I think, largely because the journalism reviews, in many cases at least, started out in some fashion like a beginning course in journalism school—Beat the Press. We look upon this Council as a source of unbiased and responsible examination of two facets of the performance of the news media. One is fairness, which we don't define very well, and one is accuracy—and we carefully limit the Council to the reporting of news and the fairness and the accuracy thereof.

BINGHAM. I think that some of the journalism reviews are doing a fine job, but they are very limited in circulation, and their circulation is confined almost entirely to the profession. We hope that the findings of the press council will be very generally disseminated, and be of interest to a very broad. public.

SALANT. Let me add to that, because I feel very strongly about that. I do think that they're supplementary, that there is an overlap. I think that one of our difficulties has been that there hasn't been enough systematic, professional examination of what we do. The more journalism reviews there are, and indeed, the more the press itself examines not only itself, but its constituency the happier I am. I think it's good for us, to take it out of the hands of the people who have an ax to grind and put it in the hands of systematic, professional examination.

BENSON. It isn't that the press council would be more impartial or more fair or more accurate in its work than a journalism reviews; it performs, or is being set up to perform, a much broader function. And it is an operating independent organization, whereas a journalism review is a part of the print press. The press council will investigate and hear and discuss and make the best decision it can and announce it—so it's a different function.

CARTER. I can't remember if we specifically encouraged journalism reviews, but we certainly encouraged local press councils and the like. A number of us came into this believing that the only way we could go at it was to insist on the establishment of a great variety of local councils, or state, regional, whatever. But we decided that was impractical. We couldn't come out of this committee having established twenty-five regional press councils, but we're very much in favor on the whole proliferation of this, in any way it wants to go.

Q. How will the Council investigate a complaint if one party refuses to cooperate?

BENSON: There will be a professional staff, who will, when it is necessary, appoint additional committees to look into something. We are proposing a director and two other professional members of the staff, and they would be people of wide experience in the journalistic field.

ROSSANT: What is envisioned here is a new, independent institution which will have its own staff, its own headquarters, and will have to make its own way.

BIRTH OF A MEDIA COUNCIL: "MONITORING" NATIONAL NEWS SUPPLIERS—3. COVERAGE UNEVEN; OPINION MIXED

(By Laurence I. Barrett*)

(NOTE.—"Among newspapers, magazines, and networks that would be affected, there was a large volume of quiet. For the press council, no news is bad news indeed.")

It is easy to understand why any news executive might resent creation of a vigorous press council intended to monitor the accuracy and fairness of the national media. Even back in the good old days, when Spiro Agnew barely had household name status in Maryland, the idea was far from popular. Now our woods are alive with outside agitators of diverse motive. Press criticism-cum-commentary has become a growth industry. The subpoena threat keeps everyone's nerves ajangle. The prospect of having another kibbitzer lurking behind you—even a well-intentioned one who might lend some class to the game—is upsetting.

This was the frame of mind in which many broadcasters, publishers, and editors received the announcement on Nov. 30 that a committee set up by the Twentieth Century Fund was organizing a press council. Therefore it was hardly surprising that nays studded the initial reaction. What did snap the head a bit was the nature of the news coverage and editorial-page debate that followed.

A sampling of two dozen papers and the news magazines showed a decided pattern. Newspapers such as the St. Louis *Post-Dispatch*, Philadelphia *Inquirer*, Houston *Chronicle* and some others outside of New York and Washington gave the news story relatively better play than did the Eastern Establishment types. Editorially, the New York *Daily News*, Miami *Herald*, Spokane *Spokesman-Review*, Detroit *News*, St. Louis *Globe-Democrat*, and others argued the negative side; the Denver *Post*, Lincoln *Star*, Des Moines *Register*, Louisville *Courier-Journal*, Milwaukee *Journal*, Cleveland *Plain Dealer*, and others voted aye with varying enthusiasm.

It did not take too much sampling to realize that many editors, regardless of their views, were treating the issue as one that deserves serious attention and discussion. By and large, these represented organizations that would not be directly affected by the new council because they are not national news outlets and do not sell a national news service to others.

Among newspapers, magazines, and networks that would be affected, there was a large volume of quiet. For the press council, no news is bad news indeed. Lacking any kind of police power or institutional status, it can succeed only if it builds some moral authority, as its British model has done. And that can happen only if the organizations covered give it some degree of recognition, even if the recognition is in some cases hostile. Clearly, that is not what is happening.

The main NBC and ABC TV news programs ignored the story altogether the evening that it broke. CBS's Walter Cronkite mentioned it briefly on TV, and on Dec. 5 Roger Mudd revisited the subject at length in a CBS radio network piece. CBS News President Richard Salant, it should be noted, was a member of the Task Force that proposed the press council and has spoken out in its support. NBC and ABC executives oppose it.

It would be unfair, of course, to equate opposition with the silence on the air. Richard Richter, co-producer of ABC's *Evening News*, recalls that he sent a reporter to the Twentieth Century Fund press conference. But it was rather late in the day for film, he says, and there was other news.

Among the news magazines, *Time* devoted two-and-a-half columns of its four-column PRESS section that week to the Task Force report; *Newsweek* and *U.S. News & World Report* did not cover the announcement. *Newsweek* senior editor Russell Watson, who edits the MEDIA section, points out that the news broke with no advance notice on a Thursday afternoon. That is late for the back-of-the-book cycle, as any news magazine veteran can attest, and Watson's initial reaction was, "Let's wait until it does something." Now, he says, he regrets that decision. At *W.S. News*, executive vice president Ben Grant says that it was simply a news judgment. "The fact that we ignored the story," he says, "does not imply a position on our part. It was not our kind of story. We have no press or media section. People read our magazine for reports on national and international affairs."

Among four of the newspapers that would be specifically affected by the press council—the Wall Street *Journal*, the Washington *Post*, the New York *Times*, and the Los Angeles *Times*—treatment of the story varied somewhat. On Dec. 1, the *Journal* gave the story eleven lines in its page 1 WHAT'S NEWS column. The *Post* ran a five-and-a-half-inch story in the AROUND THE NATION column on page 14 of its second section. The Los Angeles *Times* carried a longer piece under the byline of its New York correspondent, John J. Goldman. Ten days later it published an editorial in opposition. Neither the *Post* nor the *Times* said explicitly that it would be one of the few papers covered by the press council's limited self-drawn jurisdiction.

The New York *Times* did make that point. It also gave the story more space than the *Journal*, *Post*, and Los Angeles *Times* combined—19 inches, on page 53. The article started with a brief summary of the council's goals and mechanics, followed by a passage reporting negative or skeptical reaction from three sources: the American Society of Newspaper Editors, *Times* publisher Arthur Ochs Sulzberger, and Washington *Post* editor Benjamin Bradlee. Then came two short quotes of support from two members of the task force.

The ASNE reference was to a "recent questionnaire sent to 700 members" that produced a 3-to-1 vote "against such a council." These survey results were attributed to William B. Dickinson, executive editor of the Philadelphia *Bulletin* and chairman of the ASNE's ethics committee. One had to read the United Press International dispatch to learn 1) that 405 ASNE members, not the full roster, had replied to the poll; 2) that those responding were not necessarily aware of the specifics of the then-unreleased committee report; and 3) that Dickinson himself personally favors the council idea and "would like very much to see it tried." And one had to read the January, 1973, *Bulletin* of the American Society of Newspaper Editors to learn that the 3-to-1 vote referred to a specific question about ASNE grievance machinery; the vote on a specific question about a grievance apparatus established outside the ASNE was 106 for, 257 against.

Sulzberger's opposition had been stated the previous May in a commencement speech. The Dec. 1 *Times* story recalled those remarks and indicated that the publisher had been speaking in general about press councils. Reporter David K. Shipler recalls that, in quest of an institutional comment, he had consulted managing editor A. M. Rosenthal, who referred him to Sulzberger's statement. An aide to the publisher told me later that

*Laurence I. Barrett is a senior editor of Time. Among the sections he heads is Press.

Sulzberger had been away from the office because of an ear ailment. Had Sulzberger seen a draft of the specific council proposal at the time of the May speech? No, the aide said, but he was aware of what was coming and, in fact, the purpose of the address was to "forestall" the project.

When that effort failed, one might have expected the *Times* to state its opposition on the editorial page. Yet during the seven weeks following publication of the Task Force Report, there was no editorial. One obvious reason for this strange silence was the disagreement between Sulzberger and Editorial Page Editor John B. Oakes, who was a member of the Twentieth Century Fund Task Force. This made for some awkwardness within the family, to be sure. It would have been something of a slap at Oakes to make him run an editorial attacking a project that he had worked on.

Times readers, however, could not be expected to know about that peculiar circumstance. To them, and to a good many other readers and TV news watchers, the press council had been relegated to the status of a nonissue. This odd situation apparently left *Times* executives uneasy. Sometime in December, it was decided that the paper would have to say something more on the question. After a few weeks of drafting, the message emerged in a strange medium: a Sulzberger memorandum to the staff declaring that the *Times* would not cooperate with the press council and explaining why. Excerpts appeared in a news story on Jan. 16.

The full text ran four pages. ". . . We will not be a party to Council investigations," Sulzberger said. "We will not furnish information or explanations to the Council. In our coverage, we will treat the Council as we treat any other organization: we will report their activities when they are newsworthy." Sulzberger went on to identify the "real threat to a free press" not as journalism's own failures, but rather the now-familiar pattern of Government hostility and pressure. "The presence of the Council is not materially going to help us meet these real threats," he said. "Indeed, we are convinced that the operation of the Council will only serve to divert attention from them."

The Council would lack "due process," Sulzberger also argued, in that the organization "would function as investigator, prosecutor, and judge rolled into one." The publisher apparently found it no contradiction to argue a few paragraphs later that individual newspapers can and should be the judges of complaints against them.

THE NATIONAL NEWS COUNCIL: A SAMPLING OF COMMENT

IN FAVOR

Some professionals of the news media may be alarmed by the recent proposal made by a citizens task force that a national press council be established. We are not. Far from being inimical to the freedom of the press—as some newspaper executives have contended for years—a public (as opposed to a governmental) body charged with evaluating press performance and threats to free expression can be a further bulwark of freedom.—Denver *Post*.

Members of a Twentieth Century Fund task force think that readers, listeners, and viewers will have more confidence in national news media if an independent, nonpolitical council is formed to hear complaints and publicize proved violations of fairness and accuracy. . . . We're inclined to agree with the idea. It is worth a try on the national level after several local and one statewide experiment (the latter in Minnesota). We have reservations about details, but we have enough confidence in the strength and flexibility of our profession to believe that it can only profit from informed criticism.—Cleveland *Plain Dealer*.

The mass media need to experiment with new ways in which their performance as a major social institution can be evaluated and audience grievances can be heard. . . . The new national council . . . seems prudently conceived. . . . It adds up to an interesting and needed experiment.—Milwaukee *Journal*.

No one likes a critic watching over his shoulder, but the *Journal* finds no compelling reason to oppose this particular effort. . . . The council cannot hope to prevent or solve all disagreements among the press, the public and the government. But if it works to keep press freedom at a maximum and misuse of it at a minimum, it can make a worthwhile contribution to American life.—Lincoln, Neb., *Journal*.

This projected press council, careful as its planning has been and will be, is very much experimental. . . . But on all scores it is certainly worth trying, with all parties, public included, remembering that the council is wholly advisory and educational, with publicity and persuasion its only powers for influence.—Riverside, Calif., *Press*.

Most news organizations attempt to respond to complaints, but the complainant has no recourse short of a libel suit if he is dissatisfied with the response. . . . The communications media have nothing to fear from independent, responsible evaluation of their performance. If the planned press council lives up to the standards set for it in the task force report, formation of the council will be in the interests of a free and responsible press.—Des Moines *Register*.

This newspaper has always believed in the principle of accountability, and we have never believed that the press should be immune to criticism. . . . Whether the council convened by the Twentieth Century Fund ever goes beyond the rather limited function immediately planned, the communication industry and each member of it need to be sensitive to the idea of responsibility and accountability. By doing so they will be in a stronger position to resist threats to their freedoms.—Portland, Ore., *Journal*.

Up to now, a citizen or group treated unfairly by a national news organization has been almost powerless to lodge an effective complaint. . . . This is one of the unfortunate results of that bigness that now characterizes so much of our society. . . . If [the council] lives up to its mission as "an instrument of education, education of the public . . . education of the press," it will perform an assential service for us all.—Louisville *Courier-Journal*.

No human institution, including the press, is so infallible or so punctilious in dealing with complaints that it should be immune from institutionalized investigation and criticism. . . . As a powerful force in public affairs, the press itself should be subject to the educational check and balance of an agency which would both help to redress grievances and vindicate the media when they are unfairly castigated.—St. Louis *Post-Dispatch*.

Some news people may not like it, but the press council that the Twentieth Century Fund is establishing is a good idea. In fact, the real shortcoming of this arrangement is that there aren't more press councils to study complaints, monitor news gathering performance, and defend the press against threats to its freedom.—Dayton, O., *News*.

We like the task force's proposal. Not only should the press be chastened for irresponsibility, laziness, and just plain dullness, but it should be given support when threatened by repressive bureaucracy, as it is now. No institution is its own best defender and it certainly is its own worst critic.—Salem, Ore., *Journal*.

OPPOSED

The proposed council, scheduled to begin operation early next year, threatens public censorship of the press in a move that could imperil the press of the country with an arbitrary straitjacket. Under the Constitution of the United States it is, of course, possible for anyone or any group to criticize the way newspaper, magazines, and the electronic media function. But this council's design could erode freedom of the press and the spoken word by the weight of endowed propaganda.—St. Louis *Globe-Democrat*.

Establishing oneself as the judge of the performance of the news media seems to us to be presumptuous, if not downright arrogant. In a free society, the people themselves can and do pass judgment on the news media's performance, as the folding of Life magazine illustrates.—Milwaukee Sentinel.

A single national press council would be like a single national newspaper, forming its own judgments as to how all newspapers and broadcast media should operate. It no doubt would accommodate a certain amount of diversity, but only a certain amount. Those of the press council who admire the New York Times would tend to want to take that as the example of what newspapers should be. Those who deplore that paper, or any other, could be expected to work for a degree of conformity in the other direction. We do not suggest that establishing a press council would lead to a dictatorship in this country, but it would be a dilution of freedom of information and opinion. . . .—Spokane, Wash., Spokesman-Review.

If a group wants to establish itself as a more formal agent of critical judgment—leaving aside the important question of its qualifications—OK. . . . But it does seem unreasonable to expect the press to join in. For by joining, a newspaper would in effect agree in advance to abide by the group's judgments. Looking at it pragmatically, there is no way this could fail to affect future decisions on what to publish and what not to publish. . . . So such a council, however well motivated, inevitably would further restrict the flow of information from an already intimidated press. The loser, as we keep saying in the face of some skepticism, is always the public.—Los Angeles Times.

But the promoters of the proposed council want "unbiased criticism" and to "put it into the hands of systematic, independent investigators." The extent of their objectivity can be seen in the makeup of the task force. . . . The ideological thrust seeps. . . . "It'll be an interesting experiment and I don't think it'll work," said Ben Bradlee, executive editor of the Washington Post. We would paraphrase that: "It will be an uninteresting experience and it won't work."—Ft. Wayne, Ind., Sentinel.

Our favorite monitor, and one who does enjoy coercive power, is the reader of this newspaper. If he does not like what he sees he can tell us. If our response is unsatisfactory he can punish us by dropping the Herald. It's been done. But not often enough to affect the readership of a newspaper which has the largest circulation south of a line between Los Angeles and Washington. The Herald submits itself every day to the monitor it treasures most. It does not propose to submit to any other.—Miami Herald.

The press is not above reproach or immune from criticism, but we oppose such a council because it is unnecessary, could become a political weapon, and would be a form of intimidation smacking of censorship. . . . Who, we'd like to know, is going to monitor the press council? . . . Who will keep it from playing the role of censor and holding a club over writers and editors as they seek to exercise their rights under the first Amendment?—Detroit News.

The work of such a council might be of assistance to the media, which are right now undergoing more than a bit of soul-searching (and it's about time). But its usefulness to the public is more doubtful, for much criticism directed at the media is actually directed at the (bad) news the media offers. The executive editor of the Washington *Post*, Benjamin C. Bradlee may have put it best when he remarked, "It'll be an interesting experiment, and I don't think it'll work."—Wilmington, Del., *Journal*.

How can any group of fifteen men and women, presumably top-flight personnel with their own professions to keep them busy, handle the volume of complaints that can be expected from so wide and tempting a target? If all complaints are not at least acknowledged, how can the council preserve its own credibility, when it acts on singled-out charges? Singled out by whom? Since the council will have no power to enforce its findings, it must depend on public opinion for support. Yet it is on public opinion that responsible newspapers depend in the first instance. If they fail to meet their responsibilities, all the press councils in the world will not give them credibility. If they continue the unending effort to meet their responsibilities, a national press council is not needed.—Providence, R.I. *Journal*.

We don't care how much the [Twentieth Century] Fund prates about its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor. The best way to preserve a free press is to permit it to continue policing its own ethics—something it does with a rigor, frequency, and effectiveness seldom shown by other enterprises, including foundations.—New York *Daily News*.

Many of the council's opinions will no doubt be helpful and fair. Some will deserve to be followed. So who, you may ask, will be unhappy with such a plan? We'll tell you who: The many people who resent the power of the press. . . . Whoever they are, they will look upon the council as a step toward the control they covet, and will seize every opportunity to discredit the council as being too weak. And so there will be constant pressure to turn the council into precisely what it is being established to guard against, an agency which assumes the right to tell newspapers and broadcasters what they can or cannot print or broadcast. Perhaps it will be able to withstand this pressure. Perhaps it will earn the respect of the entire press simply by virtue of the fairness and good sense with which it exercises the rights that it already has. If so, its influence will grow. . . . [But] the new council must not count on the support of the press. This is something it will have to prove that it deserves.—Chicago *Tribune*.

[From the Christian Science Monitor, Mar. 16, 1973]

A Press Council? Why Not?

Why shouldn't the United States finally see whether a national press council works?

Specifically, what's wrong with trying the proposal of a Twentieth Century Fund task force to set up an independent, privately financed council to watchdog the freedom of the national news media and review complaints about their accuracy and fairness?

Press councils have been discussed in the United States at least since the '30's. The Hutchins Commission on Freedom of the Press drew national attention to the subject—and to the opposition to it within the press itself—in 1947. In more recent years, councils have made strides in Honolulu, Minnesota, and elsewhere—enough to provide the material for a small book by a team of scholars:

Now it is time to go ahead on a national scale. Assuming that the planned council is as well staffed and workable as its auspices promise it to be, this newspaper stands ready to cooperate.

In this decision we are mindful of the success of the somewhat different but closest model for the American council—the British Press Council. It has proved itself over two decades, especially since the healthy step 10 years ago of including lay as well as press members. Recent figures show a decline in number of complaints—"an indication, no doubt, of lessened causes for complaint about newspapers," wrote the late George Murray, Daily Mail editorial writer and one of the British council's first chairmen.

Meanwhile, rightly or wrongly, a feeling has grown in the United States that there is increased cause for complaint about newspapers and their magazine and broadcasting fellows. While fostering this feeling, the administration has also darkened the climate for freedom of the press.

The prime responsibility for maintaining credibility belongs to the press itself. The prime responsibility for maintaining freedom belongs jointly to the press, government, and public.

Vigorous pursuit of these responsibilities ought to be sufficient, and nothing more is apparently needed in the eyes of the New York Times, Time, NBC and other major news suppliers that do not support the press council. Their arguments include opposition to "regulation" by an independent body, as well as by government, and concern over giving an impression that the press could speak with an institutional voice or be authoritatively judged by a single group.

A number of commentators have said that the media are continually being evaluated by the sternest judges of all, the public. And we feel that the news media on the whole have performed very well under this scrutiny.

Yet some readers tell us how difficult they have sometimes found it to get satisfaction on complaints to the media. And the media might find it a distinct advantage to let an independent body serve the best interests of both sides in such cases.

The key lies in the double duty indicated by the full title of the proposed Council on Press Responsibility and Press Freedom. As we see it, it would not impose "regulation"—it has no powers of enforcement. It would be as zealous in examining threats to the freedom of the press as in evaluating complaints about it.

There could thus be a valuable tempering effect in a time symbolized by the statement on the cover of the current Atlantic: "It is now possible to fool all of the people all of the time. . . ." Inside, attorney Charles Rembar makes this pertinent comment: "In centuries past, the facts were decently apparent; what was needed, and what the government opposed, was comment on the facts. Now we are free to comment, but the facts are hard to find."

Government and other institutions withhold, obscure, and sometimes even falsify the facts. This is where the public's right to know and the press's right to freedom converge. Accuracy depends not only on a newspaper's care and honestly but on the candor of its sources and its freedom to pursue them.

The whole uneasy situation could be tempered by the concerned but detached gaze of an independent body. It would certainly do no harm to try it.

The National News Council: Its Virtues and Its Flaws

(By Robert C. Maynard)

It is ingrained in the conventional wisdom of these times to characterize this as a largely apathetic society of silent souls. That notion might be convenient for politicians but it hardly suffices for the Ombudsman who wrote of the return of the POWs that it was a staged affair, "down to the last 'God Bless America.'" For such a man, this is hardly a silent age—or a dull one.

Even though I mostly enjoyed the spirited response in the mail and on the telephone, I should have thought it would have been clearer that my complaint was hardly with the POWs, but with the Pentagon. I never doubted the sincerity of the returned prisoners, but long experience has taught me to suspect public relations men who envelop their clients to the point where reporters can't speak with them directly and spontaneously.

Nonetheless, the complaint of many of the readers, that I impugned, the sincerity of the "God Bless America" statements, is well taken. That was a rhetorical flourish which overstepped the limits of the known facts.

Since that point was amply made by the returned prisoners and by numerous letters to this newspaper and to myself, I raise it here because it helps shed light on another controversy surrounding the news business.

Last year, a task force of the Twentieth Century Fund, a New York foundation, after extensive study and deliberation, concluded that what the United States very much needs is a national news council. "Until now," the task force said, "the citizen who was without benefit of special office, organization or resources had no place to bring his complaints. Until now, neither the public nor the national news media have been able to obtain detached and independent appraisals when fairness and representativeness were questioned. The proposed council is intended to provide this recourse for both the public and the media."

The council would hold a quasi-judicial hearing on complaints and dispatch teams of investigators to examine the background of complaints. To pursue a complaint with the council, an injured party would first waive his right to later bring legal action against the offending journal or broadcast outlet. The council would concern itself only with the national purveyors of news—the wire services, the broadcast networks, supplemental news services such as those operated by The New York Times, the Los Angeles Times and The Washington Post, and those newspapers themselves.

The council was also envisaged by the task force as serving another crucial function, that of guardian of the interests of the free press against governmental incursion. "The core of the media council idea . . . is the effort to make press freedom more secure by providing an independent forum for debate about media responsibility and performance, so that such debate need not take place in government hearing rooms or on the political campaign trail," the task force report said.

In support of the idea of a media council, the task force also argued that such councils exist in countries such as Britain and Sweden and in the state of Minnesota. Councils also have existed in several small communities around the country.

Those who favor the idea of press councils—and many thoughtful journalists and media consumers do—see them as the means by which the press can become more democratized. They feel that the news media now reflect the views mostly of their owners or their editors, that much therefore is left out of the press or, when included, is distorted.

The ideological and social range of persons who hold a suspicious view of the press is as wide as America itself. Getting agreement on the ailments of the media is not difficult; arriving at agreement on solutions clearly is.

The reason I think the reaction of the Pentagon and many readers to my article on the POWs is germane to this discussion is that it illustrates what might be a fallacious view held by some proponents of the idea of a news council. That notion is that truth needs an organized referee in the market-

place of ideas. Aryeh Neier, executive director of the American Civil Liberties Union, ridiculed the press council as a "consumers' union" of ideas, giving out a rating on the good ones and the poor ones.

No one who read my column criticizing the Pentagon's handling of the prisoner return was without ample opportunity to hear dissenting material from the prisoners, from the military and ordinary citizens.

Essentially in response to the one phrase, "down to the last 'God bless America'," The Washington Post printed a 51-inch story which began with a 2-column picture on Page 1 of the Feb. 24 editions, quoting the returned prisoners as saying they were not coached. In addition, we carried 10 letters to the editor, taking up 40 inches of space on the second editorial page of March 3. Columns and commentary appeared elsewhere in the country.

We were not lacking in that controversy for available views on the subject. Interestingly enough, one of the older examples of the way in which a press council might have been helpful to sort out the truth also involves the Pentagon. The example proponents of the council offer is the CBS News documentary, "The Selling of the Pentagon." The argument is that it could have been submitted to a press council which could have picked it apart and offered a rendering on whether it was a fair or unfair piece of journalism.

In the aftermath of that controversy, this was one of the newspapers which took CBS News to task for some of its production practices. There followed an extensive exchange of letters and editorials on the subject between The Washington Post and various interested parties in and around the broadcast industry. What both of these incidents illustrate is that there might be less demand for a press council if media outlets became less timid about commenting on each other's efforts.

Ideas are not like machines or detergents. Facts can't be weighed quite like potatoes or bacon. A country blessed with a First Amendment, I fear, must be about a different business from Britain or Sweden. It is true that the First Amendment was framed when the penny press abounded and the framers didn't anticipate a day when only one morning newspaper would serve Washington and only two would serve the millions of New York City.

Still, the idea of a free press will have to withstand those changes, too. Instead of an arbiter among those large suppliers of news and ideas, we need more outlets. For sure, we need more media reviews, some of them with broad-based community constituencies. Certainly we need to foster more criticism of the media from within and without. But a single arbiter of taste and integrity for the media of the nation seems profoundly inconsistent with the goals of pluralism of expression. And that, I think, is what the framers had in mind for us.

[From the New York Daily News, Dec. 2, 1972]

WHO NEEDS THEM?

Having presumably solved mankind's other vexing problems, the Twentieth Century Fund has bowed graciously to the wishes of its own hand-picked panel and set up shop as guardian of the morals and ethics of the nation's news media.

The Fund plans to establish a national press council next year and already has latched onto Roger Traynor, former chief justice of the California Supreme Court, as head man.

It will, in the foundation's pious words, "promote freedom of the press" by investigating public complaints of unfairness, error, bias or prejudice and publishing their findings.

The latter, we assume, will carry written guarantees that this panel of Paul Prys is itself 100% free of bias and prejudice.

We don't care how much the Fund prates about its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor.

The best way to preserve a free press is to permit it to continue policing its own ethics—something it does with a rigor, frequency and effectiveness seldom shown by other enterprises, including foundations.

As for the Fund's feeble attempt to deodorize this scheme by nominating the council to defend the news media from outside threats, we say: Thanks a lot, but no thanks.

Newspapermen have fought their own battles—and done a damn good job of it—for years without the aid of self-appointed meddlers.

[From the Miami (Fla.) News, Feb. 7, 1973]

THE ATTACK ON THE MEDIA

(By Harry Ashmore)

The Nixon Administration's attack on the national communications media is seen by the TV networks, which are currently bearing the brunt, as an attempt at censorship through the implied threat of invoking the government's licensing power against their economic interests.

That view seems to me to be sustained by the evidence and arguments offered at a recent conference at the Center for the Study of Democratic Institutions which brought together a fair sampling of the parties involved in the mounting controversy. But what also emerged was the fact that the media, while properly rejecting official control of their vital function, are no less adamant against any organized effort to appraise their performance in terms of the public interest.

Among the major broadcast media only CBS has indicated support for a new Press Council organized by the Twentieth Century Fund to hear public grievances against the national suppliers of news, investigate and make public its findings. Wholly unofficial, without any recourse to law, the council is modeled on a similar body that has functioned effectively for some years in England.

On the print side, the New York Times and The Washington Post, leading targets of President Nixon's vendetta, have indicated that they will not co-operate with the council. Members of the American Society of Newspaper Editors have voted disapproval by a margin of four to one.

All of which suggests institutionalized paranoia on both sides of the central issue.

I find it difficult, for example, to take seriously the contention of the Nixon Administration that it has been victimized by a media conspiracy when it has just been returned to office by the second highest majority on record.

This is matched by the media's contention that only journalists, necessarily weighed down by the inhibitions of their medium's special interests, are qualified to pass judgment on whether the news is being handled in the public interest.

Yet the situation is undoubtedly grave. If the immediate attack upon the media is seen as symptomatic of a broader effort to curtail or ignore all constitutional projections of dissent, the threat to our civil liberties may be far more serious than anything experienced in this century.

In the McCarthy era the crippling pressures toward conformity were generated primarily by a single rambunctious demagogue with only limited access to the effective centers of power—and when he exceeded the establishment's toleration there were entrenched forces capable of bringing him down in short order.

The current assault on the media is being planned and directed from the White House itself at a time when the executive branch is successfully strengthening its own position at the expense of the Congress and imposing its ideological stamp upon the Supreme Court. Add to this the fact that the stresses of the long, bitter Vietnamese war have left public opinion in a state of near-disorientation, and it is hard to see where effective support for constitutional freedoms can come from.

We can no longer avoid giving serious consideration to the possibility that the Nixon Administration will succeed in making its implicit case that the First Amendment is obsolete. It is not an answer to argue that if our mass communications system is inadequate to our needs it is still better than any alternative that embodies government control.

Even if the contention is perfectly true, as I believe it to be, it constitutes a dead end if in fact the communications system now sheltered by the Constitution is incapable of responding to the legitimate complaints of the popular majority—which must somehow be enlisted in the cause if there is to be any hope of holding the line anywhere near where the founding fathers first drew it.

[From the New York Times, Jan. 16, 1973]

THE TIMES BARS SUPPORT TO PANEL FOR MONITORING NEWS MEDIA

(By David Shifler)

Arthur Ochs Sulzberger, publisher of The New York Times, announced yesterday that The Times would refuse to cooperate with the press council being set up by the Twentieth Century Fund to monitor the performance of the national news media.

The council—to consist of 15 members—would accept complaints from the public about inaccurate or unfair news coverage, investigate the complaints and issue findings. It would have no coercive power.

"As we view it, we are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom," Mr. Sulzberger wrote in a memorandum to the staff.

"We respect the good intentions of the fund and its task force. We believe, however, that the operation of such a council will not only fail to achieve its purposes but could actually harm the cause of press freedom in the United States.

"Accordingly, we have decided not to participate in the work of the council. This means that we will not be a party to council investigations. We will not furnish information or explanations to the council. In our coverage, we will treat the council as we treat any other organization: We will report their activities when they are newsworthy."

PREMISE IS QUESTIONED

Mr. Sulzberger questioned the premise for the formation of the council—that a free press is threatened by its failure to be fair and accurate.

"The real threat to a free press comes from people who are attempting to intimidate or to use the press for their own ends," he said, citing subpoenas issued against reporters, investigations of newsmen by government and threats by government against the broadcast media.

"The presence of the council is not materially going to help us meet these real threats," Mr. Sulzberger declared. "Indeed, we are convinced that the operation of the council will only serve to divert attention from them."

The formation of a council was recommended by a task force, most of whose members were journalists, including Richard Salant, president of C.B.S. News; Richard Harwood, assistant managing editor of The Washington Post; John B. Oakes, editorial page editor of The New York Times; Barry Bingham Sr., chairman of the board of The Louisville Courier Journal, and Hodding Carter 3d, editor of The Delta Democrat Times of Greenville, Miss. Their work on the task force was performed not as company spokesmen but as individuals.

Eight foundations have offered to finance the council's work, and about two-thirds of the money needed for three to five years of operation has been pledged, according to M. J. Rossant, director of the Twentieth Century Fund. The Ford Foundation, among others, has decided not to contribute funds to the council.

In reply to Mr. Sulzberger's statement yesterday, Mr. Rossant said: "I much regret that The Times will not cooperate, because I think it is the most responsible and best, and therefore should have nothing to fear from cooperation. I am surprised that the council is condemned before its members are known or it has had a chance to prove itself."

Mr. Rossant added that he expected the council to investigate news organizations even when they refused cooperation.

In his memorandum, Mr. Sulzberger said that such a council, and similar organizations on local levels, would pose "the risk that such machinery would be used by special-interest groups with causes to espouse."

"APPROACH IS DANGEROUS"

"And while the council, as proposed, is nongovernmental and would not have any enforcement powers beyond publication of its findings," he said, "we fear that it would encourage an atmosphere of regulation in which government intervention might gain public acceptance. This whole approach is dangerous, and we believe that we must resist it."

Mr. Sulzberger also questioned some proposed operating methods of the council, criticizing what he said was "a procedure so lacking in due process that one organization would function as investigator, prosecutor and judge rolled into one."

He said that reporters might be asked to disclose confidential sources to the council, which they could not do. But Mr. Rossant countered that "there will be no attempt to see confidential information."

Mr. Sulzberger added that people had ample opportunity to criticize the press through letters and public statements. "The press, virtually alone among American institutions, disseminates criticism of itself," he said.

[From the New York Times, Jan. 28, 1973]

COOPERATION SEEN WITH PRESS PANEL—HELP OF HALF OF MAJOR U.S. NEWS GROUPS EXPECTED

(By David K. Shipler)

The privately financed press council being set up to monitor the national news media appears likely to receive the cooperation of at least half of the major news organizations.

A number of editors and news executives interviewed recently voiced strong opposition to the council, but also said they had decided to respond to the panel's inquiries. Some other organizations—the three news magazines and two of the broadcasting networks—have not yet made firm decisions on whether to cooperate.

The council will be composed of 15 members, drawn from both journalism and the public, who will entertain complaints about unfair or inaccurate news coverage, then investigate and issue findings.

It will be financed by a group of foundations led by the Twentieth Century Fund, and although it will have no coercive power, the idea of such a council has provoked sharp controversy among newsmen.

CONCERN ON REGULATION

Most of the members of the task force that recommended the establishment of the council were journalists, but many editors and publishers have expressed the fear that such a body would legitimatize the regulation of the press.

"A public body overseeing the news, however well intentioned, is itself subject to dangers of partisanship," said Wes Gallagher, president of The Associated Press. "At the least, it is likely to introduce extraneous values and individual biases into the process or professional news judgment."

Nevertheless, Mr. Gallagher said that The A.P. "as a matter of long-standing policy responds to all questions raised about its news report by any responsible source," and would do so with the press council.

Several other news executives took the same stand. R. W. Beaton, president of United Press International, said, "We really don't see that there's any great purpose to be served by a national news council," but added, "We have never hesitated to answer legitimate complaints in any part of the world, and we fully intend to continue to do so."

"We are something less than enthusiastic about the idea," said Benjamin C. Bradlee, executive editor of The Washington Post. "But we will answer questions put to us by them [the press council] as we would answer questions put to us by Newsweek and Time and (More)."

"CASE-BY-CASE BASIS"

Warren H. Phillips, editorial director of Dow Jones & Co., which publishes The Wall Street Journal, said, "We will cooperate experimentally on a case-by-case basis." However, he added that "public bodies set up as watchdogs over the press carry the potential for censorship or intimidation over the long run."

By contrast, John Hughes, editor of The Christian Science Monitor, voiced support for the council, and said, "I think that probably newspapers are going to come out of such hearings much better than many people believe."

The council is to monitor only the 'national suppliers of news," meaning the wire services, the networks, the news magazines, nationally published newspapers such as The Wall Street Journal and The Christian Science Monitor, and newspaper wire services, such as those operated by The New York Times and The Los Angeles Times-Washington Post.

To date, cooperation has been pledged by The A.P., U.P.I., the Columbia Broadcasting System, The Washington Post, The Christian Science Monitor and The Wall Street Journal.

No decision has yet been reached by the National Broadcasting Company, the American Broadcasting Company, Newsweek, Time and U.S. News and World Report.

The New York Times has said it will refuse to answer inquiries from the council about news coverage.

'We are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom," said Arthur Ochs Sulzberger, publisher of The Times, in a recent statement.

He expressed the fear that the council "would encourage an atmosphere of regulation in which government intervention might gain public acceptance."

On the other side of the issue is Richard Salant, president of C.B.S. News, who served on the task force that proposed the council. "There hasn't been enough examination of what we do," he said.

The other two networks have opposed the council, but have not decided whether they would cooperate with it.

"I'm against the idea," said Elmer W. Lower, president of A.B.C. News. He explained that A.B.C. had three outside journalism professors do quarterly analyses of balance and fairness in the network's news. The council, he felt, would be superfluous.

Richard C. Wald, president of N.B.C. News, said: "We feel that it is necessary. We already apply critical standards of self-examination to our own performance."

[From the Cleveland Press, Feb. 5, 1973]

PROPOSED COUNCIL TO MONITOR PRESS DRAWS DIVIDED OPINIONS

The proposed creation of a National News Council to investigate public complaints against the press has resulted in a sharp division of opinion in the news industry.

A UPI survey revealed today that the two major wire services said they would not refuse to answer legitimate complaints: Two of the major networks voiced opposition and the third approval, and a majority of the major members of the news media were against the proposal.

The New York-based Twentieth Century Fund has announced plans to create a 15-member council to monitor the performance of the national news media and investigate public complaints. The council, set to begin operations early in 1973 will have no coercive power and will focus on the major news suppliers and not local press.

It will be "an independent body to which the public can take its complaints about press coverage. It will act as a strong defender of press freedom. It will attempt to make the media accountable to the public and to lessen the tensions between the press and government," said a fund report.

H. L. Stevenson, editor-in-chief and vice president of UPI, said:

"United Press International feels that its more than 6000 subscribers around the world have been the sternest judges of our day-to-day accuracy and fairness. We have never hesitated to answer legitimate complaints, in any part of the world, and we fully intend to continue to do so."

Louis Boccardi, managing editor of Associated Press, said, "We have always answered legitimate questions about the AP news report and will continue to do so."

At the television networks, ABC and NBC attacked the idea, while CBS, whose news president is on the advisory board of the fund, approved it.

"There hasn't been enough examination of what we do," said CBS news chief Richard Salant. "Take it out of the hands of the people who have an ax to grind, put it into the hands of systematic, independent investigators."

Said NBC: "The press already has too many people looking over its shoulder. On balance, we feel that the negative aspects of this kind of 'watchdog' council outweigh the potential benefits."

Elmer W. Lower, ABC news president, said: "At a time when newsmen are going to jail for practicing their craft, the establishment of yet another self-appointed monitoring organization is an unnecessary irony."

A spokesman for the New York Times said the newspaper's president and publisher, Arthur Ochs Sulzberger, was against the creation of a press council.

The spokesman referred to a speech by Sulzberger May 19 when he warned against the dangers of government regulation of the press and said press councils "would simply be regulation in another form."

But John Hughes, editor of the Christian Scientist Monitor, disagreed. "I welcome the formation of a National Press Council by the Twentieth Century Fund as an interesting experiment. Though countries elsewhere have such councils, American editors have long been arguing the merits of such institutions." The experiment, he said, "may help us to resolve these arguments by showing how such an institution would operate under American conditions.

Warren Phillips, president of Dow Jones, publisher of the Wall Street Journal, the National Observer, Dow Jones News Service and the Overseas Ap-Dow Jones News Service, said: "We think that our record over many years demonstrates that we do not require help from a self-appointed, quasi-public

committee to continue to do this job and to serve the public interest."

Edward Murray, associate editor of the Detroit Free Press and president of the American Society of Newspaper Editors (ASNE), voiced approval of the council.

"Although the members of ASNE have repeatedly gone on record opposing any kind of Press Council . . . I personally have not been against the principle of Press Councils. It seems to me the Twentieth Century Fund undertaking is an extremely ambitious one and I hope it will not be prejudged until it's had a chance to show what it can do. I also hope it will not attempt to bring any pressures on the individual editor which would result in a weakening of the First Amendment."

But Murray's boss, Mark Ethridge, Jr., Free Press editor, was against the idea. "The papers which might benefit from an outside council are those which will ignore it and those that would be sensitive to it don't need it. I certainly will not voluntarily submit this paper to the dictates of any outside body."

A spokesman for the Washington Post said the newspaper's executives were discussing the issue and would release its opinion when a conclusion was reached.

William B. Dickinson, executive editor of the Philadelphia Bulletin and chairman of the ASNE Ethics Committee, said, "Personally I'm in favor of it. I would like very much to see it tried."

A survey conducted by ASNE of its 744 members, with 405 replies, ran 4-to-1 against a Press Council.

"Basically they don't want anybody touching their newspapers. They think they can take care of their own business," said Dickinson.

He said the survey was taken before the council was announced but "I would assume opposition would be generally the same."

Ralph Otwell, managing editor of the Chicago Sun Times and an executive of Sigma Delta Chi, the national journalism society, said, "Speaking primarily for myself and as first vice president of Sigma Delta Chi I feel that a National Press Council is certainly worth an attempt."

But Clayton Kirkpatrick, editor of the Chicago Tribune stood on the other side of the issue.

"I don't care how much they talk as long as they don't give any orders," he said.

[From the New York Times, Jan. 30, 1973]

PUBLISH, AND BE DAMNED

(By Tom Wicker)

Self-censorship may well be a graver threat to a free press in America than anything the Government is able to do. That is the trouble with the Twentieth Century Fund's well-intentioned plan to establish a press council to monitor the performance of national news organizations.

The New York Times has announced that it will not cooperate with the council, and there are some other major holdouts; but enough others have agreed to participate—most of them reluctantly—so that the council probably will get off the ground. Probably nothing could please the Administration's press watchdogs more.

It is true that, with their well-known hostility toward at least the "Eastern liberal press," and given a re-elected President's hard-nosed new attitudes, the Nixon men pose a substantial threat. But in trying to act through official means to cripple the press, they will encounter constitutional barriers, Congressional resistance and perhaps even some public hostility.

Congress and the legislatures, for example, have the power to undo much of the damage done to a free press by the Supreme Court's decision restricting a reporter's right to protect the confidentiality of his sources. Nor does Congress have to pass the Administration's so-called Whitehead bill, which would set local stations to do the censor's work on network news broadcasts. And it is by no means clear that the courts ultimately will tolerate the Government's novel interpretation of the espionage statutes, amounting to establishment of an official secrets act, under which Dan Ellsberg and Anthony Russo are being tried in the Pentagon Papers case.

But one thing is perfectly clear about these developments, as well as the Administration's attempted prior restraint on publication of the Pentagon Papers, and the various strictures on the press periodically voiced by Mr. Nixon and Vice President Agnew. It is that they have planted the fear of retribution in any number of publishers, editors and broadcasters.

It is precisely that fear that underlies the plan for a private press council; the basic idea, however sugarcoated, is to clean up the press before the Government comes in to do the job. That, not so incidentally, is what such friends of the press as Herbert Klein and Pat Buchanan are forever urging the press to do.

Thus, much of the press is now moving—through the press council idea—toward precisely the self-censorship that, in all probability, the Administration has been hoping for all along. This is not to argue that there is anything wrong with self-scrutiny and a sensible effort to correct errors and maintain a scrupulous fairness. The danger is in institutionalizing that self-scrutiny in a press council or any other such instrument.

For one vital thing, that would concede the point that such a watchdog body is needed—when the fact is that the American press does not really need self-censorship, particularly in reporting on the Government. It needs, instead, a vigorous new spirit of inquiry, a bold new determination to make its commitment to truth as it can be perceived, rather than to any Administration, any ideology or any Government-defined statement of the national interest.

The press council idea pre-supposes, for another thing, that the council itself will be altogether objective and unbiased (even as some suppose the press itself should be), when no one can be. As Wes Gallagher of the Associated Press has pointed out, the press council will be as subject to partisanship as any other group.

It is well-known, for one example, that numerous responsible, honorable and fair-minded persons disagreed with The Times' decision to publish the Pentagon Papers. That did not make them right. It is entirely conceivable that a press council numbering such men or women among its members could have either condemned that publication, or at least issued a divided report. That would have had great public weight. Can the American press, with its constitutional responsibilities, really cooperate in such a potential limitation upon its right to publish, and upon its willingness to do so fearlessly and powerfully?

Apparently much of it can; and so the likelihood is that once the council is established and issuing its reports, editors, publishers and broadcasters will begin to seek its favor—at least to avoid its disfavor, which might produce that of the public. Since no one can say in advance precisely what the dominant influences and prevailing attitudes of such a council will be, the process of pleasing it or not distressing it could become a dangerous form of self-censorship.

That the press council would aim to keep the press "free" by making it more "responsible" is a contradiction in terms. If the press is truly free, it follows that it will not always be "responsible ; and anything that tends to *enforce* its "responsibility" necessarily makes it less than free.

[From Progressive Monthly, February, 1973]

MONITORING MEDIA—HOW TO KILL A WATCHDOG

(By William L. Rivers)

(NOTE.—*William L. Rivers, a communications expert now at Stanford, has had wide experience as a Washington correspondent, editorial writer, editor, columnist, and radio and television news analyst. He wrote "The Opinionmakers" and "The Adversaries: Politics and the Press," and he is one of the authors of "Backtalk: Press Councils in America," published last year by Canfield Press.*)

What could be more predictable than the angry reaction of much of the press to the establishment of a national press council? In December, the Twentieth Century Fund, the widely respected New York foundation, announced that a consortium of foundations will finance a Council on Press Responsibility and Press Freedom that will both investigate public complaints against the principal U.S. suppliers of news and defend freedom of the press. Nine of the fourteen members of the Twentieth Century Fund Task Force who unanimously recommended establishing the Council are respected editors, publishers, and broadcasters. The Council will have no coercive power, no relationship to government. To consider this a threat to freedom is absurd, and yet the ultra sensitivity of so much of the press made acid reaction entirely predictable. Two weeks after the announcement, I had collected enough savage editorials about the Council to paper the walls of my office.

A prominent place on one wall should surely go to a cartoon that appeared in the *New York Daily News*, the nation's largest circulation newspaper, titled "Endangering Freedom of the Press," which pictures a black glob labeled "Meddling Monitors" looming over a reporter. The accompanying editorial, "Who Needs Them?" is written with the charm of expression for which the *Daily News* is so noted:

"Having presumably solved mankind's other vexing problems, the Twentieth Century Fund has bowed graciously to the wishes of its own hand-picked panel and set up shop as guardian of the morals and ethics of the nation's news media.

". . . [The Council] will, in the foundation's pious words, 'promote freedom of the press' by investigating public complaints of unfairness, error, bias or prejudice and publishing their findings.

"The latter, we assume, will carry written guarantees that this panel of Paul Prys is itself 100 per cent free of bias and prejudice.

"We don't care how much the Fund prates its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor. . . ."

The *Chicago Tribune* reflected in an editorial that trying to monitor the press without jeopardizing its freedom is "a little like trying to lasso a steer by mental telepathy." In Providence, Rhode Island, where editorial writers have no stockyards to lend their metaphors a comparable flavor, the *Journal* argued that "the rhetoric of high purpose in which the effort is being wrapped masks basic flaws." An NBC spokesman held that "the press already has too many people looking over its shoulders." Abe Rosenthal, Managing Editor of *The New York Times*, expressed the fear that the Council will endanger press freedom, focus attention unduly on the shortcoming of the media, and become a loudspeaker for pressure groups "skilled in the methods of political propaganda."

A few media spokesmen do favor the Council. Barry Bingham of the *Louisville Courier-Journal*, who was a member of the Twentieth

Century Fund Task Force, has long urged newspapers to encourage local press councils to assess their performance. The *Courier-Journal* said of the national Council: "Up to now, a citizen or group treated unfairly by a national news organization has been almost powerless to lodge an effective complaint. . . . If the unfair story originated with a wire service or a network, the ill-treated person's chances of getting to those really responsible are pretty slim." If the Council lives up to its mission, the *Courier-Journal* held, "it will perform an essential service for us all."

Robert Chandler, former president of the national journalism fraternity Sigma Delta Chi and a member of the Task Force, has benefited from a local advisory council for his Bend, Oregon, *Bulletin* since 1967. He remarked that he has become a kind of missionary for press councils. CBS News President Richard Salant, who was also a member of the Task Force, said, "There hasn't been enough independent examination of what we do. Take it out of the hands of people who have an ax to grind—put it into the hands of systematic, independent investigators."

But there is no doubt that most of the news media oppose the Council. Almost simultaneously with the announcement of the new body, the American Society of Newspaper Editors (ASNE) completed a poll of 740 of its members. The 405 editors who returned questionnaires were opposed, three to one, to ASNE itself establishing a similar council. They were opposed, *four* to one, to a council established by any other organization.

For all its predictability, this hostile reaction is bewildering. Where have these editors been during the past decade of rapidly deteriorating esteem for the mass media? Don't they know that a Harris Poll that surveyed public confidence in the leaders of American institutions in 1966 gave the print media a confidence vote of only twenty-nine per cent, television a confidence vote of twenty-five per cent, and advertising twenty-one per cent? Are they aware that in November, 1972, the same survey showed that the print media had only eighteen per cent confidence, television only seventeen per cent, and advertising only twelve?

To rationalize, as many media spokesmen do, that the mass media are merely suffering from the general decline of confidence in all social institutions is nonsense. The Harris Poll surveyed attitudes toward sixteen institutions. Only organized labor and advertising ranked lower than the print media and television.

To explain away public disaffection by arguing that in troubled times messengers are blamed for the messages they bring is nonsense. The runner of old suffered when he reported that the Romans would sack the city unless it surrendered. Modern messengers are not so innocent. In gathering and reporting the news of the day, the media cut it, splice it, condense it, and shape it, usually with laudable expertise, but sometimes erroneously.

The avenue open to any newsmaker injured in this process is narrow and forbidding. He can protect—but seldom with real hope that his complaint will be heeded and his grievance redressed. Editors are quite naturally skeptical of anyone who speaks in his own cause. Made brusque by frequent encounters with the self-serving, they are right in being skeptical—and *usually* right in doubting that a particular complaint is justified. But when they are wrong, what then?

The *Chicago Tribune* editorial cited earlier is a case in point. In arguing against the Twentieth Century Fund Council, the *Tribune* said of a commission headed by Robert M. Hutchins, which attempted twenty-five years ago to promote a national council somewhat like the one that is now being formed:

"The Hutchins report fell flat because it seemed to assume that the press was not responsible and should not be free. It tipped its hand by calling for the establishment of a Press Council to act 'directly on the press and not through government channels' but at the same time warning that if the press didn't dance to the commission's tune, 'the power of the government will be used as a last resort to force it' to do so."

To put it delicately, this is misleading—an excellent example of the cutting and splicing that gives facts a cruel twist. The Hutchins Commission actually did nothing more revolutionary than hold that the press should provide (1) a truthful, comprehensive, and intelligent account of the day's events in a context which gives them meaning; (2) a forum for the exchange of comment and criticism; (3) the projection of a representative picture of the constituent groups in the society; (4) the presentation and clarification of the goals and values of the society; and (5) full access to the day's intelligence.

The Hutchins Commission recommended that a national press council be established, and it warned that "those who direct the machinery of the press have engaged from time to time in practices which the society condemns and which, if continued, it will inevitably undertake to regulate or control." I search vainly in the 133-page Commission report for any hint that "if the press didn't dance to the commission's tune, 'the power of the government will be used to force it' to do so."

The result of distortions, inaccuracies—and, yes, the irrational fears among millions of Americans that the media are awesomely powerful—is the public condemnation the Hutchins Commission foresaw and the Harris Poll depicts. Distortions and inaccuracies are not limited to the *Chicago Tribune* and its like, nor are the fears of the public, else Vice President Spiro Agnew would never have attacked the media. Like the Harris Poll, Agnew's success suggests how deeply many Americans are dissatisfied. A Demagogue does not create public disaffection. He feeds on it.

Certain official actions indicate that the Hutchins Commission was correct, too, in predicting efforts to regulate the media. Officials have always sought to control, subtly or baldly, but now the depth of public disenchantment with the media has encouraged strong action. Among the many regulatory bills in Congress is a criminal code prepared by the staff of Senator John McClellan's Subcommittee on Criminal Law. Jack Landau of Newhouse National News Service found in analyzing it that Federal authorities would be given broad new powers to prosecute journalists for revealing "national security" or classified information. It authorizes criminal prosecutions against any person "who knowingly communicate or otherwise makes available to any unauthorized person classified information." As Landau pointed out, the litigation in the Pentagon Papers case demonstrated that the State and Defense Departments have classified millions of documents "containing newsworthy information whose publication could not pose any reasonable danger to the national security."

Perhaps more ominuously, Clay Whitehead, director of the White House Office of Telecommunications Policy, the ranking Presidential adviser on broadcasting, openly threatened in December that broadcast stations which do not, in effect, censor network news may find their licenses in jeopardy. (Networks are not directly regulated by the FCC; local stations are.) How else can one interpret the words with which Whitehead condemned what he called "ideological plugola"?

"When there are only a few sources of national news on television, as we now have," said Whitehead, "editorial responsibility must be exercised more effectively by local broadcasters and by network management. Station managers and network officials who fail to act to correct imbalance or consistent bias in the networks—or who acquiesce by silence—can only be considered willing participants, to be held fully accountable . . . at license renewal time. Who else but management can or should correct so-called professionals who confuse sensationalism with sense and who dispense elitist gossip in the guise of news analysis?"

Those words and the proposed legislation are threats. There is crushing reality in the number of journalists who have gone to jail in recent months—five at this writing—for refusing to disclose names or information given them by confidential sources.

In the face of all the evidence that the media are deeply in trouble, how can they rationally oppose the coming of a council that may help them recover the public confidence on which their freedom depends? They should ponder the British experience.

The British Press Council was born as the result of a threat which surfaced in 1946. The House of Commons voted to appoint a Royal Commission to investigate the finances, control, management, and ownership of the press in order "to further the free expression of opinion through the press and the greatest practicable accuracy in the presentation of news." Significantly, the motion was moved and seconded by two *journalist* members of the Commons who feared that the growth of newspaper chains and the advent of big business into newspapers were inhibiting freedom of the press.

Journalism, the Commission decided, is a profession grafted to an industry, one that tries to reconcile the claims of society with the claims of commerce. The Commission recommended establishing a General Council of the Press to maintain standards of professional responsibility and integrity.

Various British press organizations discussed the council idea, and approved it in general, but as H. Phillip Levy notes in his book *The Press Council*, "The truth is that there was no real enthusiasm in press circles for a press council." In November, 1952, a bill was introduced in the Commons to legislate the press council into existence. This pushed the press into action, and by February, 1953, a joint committee of press organizations had agreed on a draft constitution. Although the Royal Commission had recommended that laymen be included, the council was made up entirely of twenty-five journalists—ten from the management level, fifteen from editorial staffs. The Council was later reconstituted, reducing by five the number of professional members and taking in five lay members, including a lay chairman, Lord Devlin.

The complaints were varied. Some argued that if the newspapers had been open to their ideas for universal peace, the two World Wars never would have occurred; others urged the Council to investigate incidents that were decades old. But many complaints were more immediate and worth investigating. A noted critic, for instance, complained that he had been invited by *The Daily Sketch* to write a series of reviews, but the first one had been twisted by the editors to give another view, though the critic's by-line had remained on the article. The Press Council censured the *Sketch*—and it and other papers printed the Council's statement.

Others complained about the extravagant attention the newspapers gave to the Kinsey Report, a study of sex mores. The Council issued a widely publicized statement holding that "this Council, while defending the right of the Press in the contemporary world to deal in an adult manner with matters of sex, is deeply concerned by the unwholesome exploitation of sex by certain newspapers and periodicals."

The British Press Council praised newspapers for such actions as the publicity given to studies showing a relationship between tobacco and lung cancer, and attacked them for individual and collective violations of good taste. The most frequent complaints received by the Council were for invasion of privacy, violations of good taste, and emphasis on sex.

Any citizen may complain. Many complaints are rejected because the aggrieved person has not first sought redress from the editor of the paper. The Council also will not consider a complaint if legal action is filed or threatened, until proceedings have been concluded or abandoned.

An aggrieved person who fails to receive satisfaction from an editor must state his complaint in a letter to the Council and enclose copies of any correspondence with the editor and a copy of the newspaper of the relevant date. He is asked also to give the names and addresses of any witnesses.

The Council informs the editor and invites his response. Then the Complaints Committee investigates, usually drawing its conclusions from written statements. On occasion, however, the parties concerned are asked to appear before the Council. A complete dossier on the matter is then prepared for each member of the Council and sent to him before the next meeting. Only the Council members attend the decision-making meeting. On a few occasions, the Council has reversed the recommendations of the Complaints Committee.

Finally, the Council releases a summary of the facts and its decisions. Although the editor is held responsible for anything appearing in his paper, individual journalists are sometimes blamed as well. The Council issues two kinds of judgments when it finds a newspaper at fault: admonition or, in serious cases, censure. In one three-year period, there were only two recorded cases in which offending newspapers failed to publish Council statements critical of their conduct.

When the Twentieth Century Fund convened its Task Force nearly two years ago to study the feasibility of a U.S. council, most of the members were doubtful that anything like the British model could work here. Because of the relatively small size of Great Britain, the London press is, in large effect, the national press. But the vastness and diversity of the United States, and the number of publications and broadcasting stations, make it impractical, the Task Force decided, to establish a national council on the British model.

I argued in these pages (*The Progressive*, September, 1971) that a national council could be established in the United States and could cope with the flood of complaints as the British Press Council did in its earliest days, rejecting nonsense out of hand and focusing first on pivotal cases. The Task Force found a better way. Salant of CBS News suggested that a U.S. council could limit its focus to the "wholesalers" of news, such major national suppliers as the networks and the Associated Press and United Press International, which supply news and features to ninety-nine per cent of U.S. dailies and to most radio and television stations. This proved to be the key.

The Task Force Report proposed that "an independent and private national news council be established to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and report on issues involving the freedom of the press. The council shall limit its investigations to the principal national suppliers of news—the major wire services, the largest 'supplemental' news services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, and the nation-wide broadcasting networks."

The more detailed recommendations of the Task Force were adopted by the Twentieth Century Fund and other foundations which are supporting the Council on Press Responsibility and Press Freedom and which will provide its estimated budget of $400,000 a year. The plan is for the Council to receive, examine, and report on complaints concerning the accuracy and fairness of news coverage (not editorials) and report on issues involving freedom of the press. The fifteen-member Council is to be made up of nine public members, one of whom will be the chairman, and six journalist members from the publications and broadcast fields, excluding those affiliated with the principal suppliers of news. A subcommittee will meet eight to twelve times a year to screen complaints. Individuals and organizations with grievances must first try to resolve them with the media organization involved and must waive the right to legal action before the Council will initiate action.

Routine work will be handled by a permanent staff operating under the Council. Teams of outside experts may be retained to investigate complaints. The Council may initiate inquiries into government actions that threaten freedom of the press, appoint fact-finding tasks forces, and issue reports and press releases. That is the limit of Council decisions and actions. It has no enforcement powers.

Roger Traynor, the highly respected former Chief Justice of California, was appointed Council chairman and head of the founding committee that will select the rest of the Council and employ a staff. The Council is expected to begin operations shortly.

Instead of arousing opposition and indictment, this Council should excite fervent support among the media. Even as they have become larger institutions, the media have become more distant from their audiences. In treading on individuals and clashing with government, they are at least seemingly more arrogant and inhuman. As Douglass Cater, an authority on journalism, has remarked, "How the news is managed has been kept in dark mystery even as the press strives to throw the fierce light of publicity on decision-making elsewhere. It would be refreshing for the public to know that the collecting, processing, and distributing of news requires judgments all along the line. Human judgments."

Unfortunately, too many media spokesmen echo the point made by Elmer Lower, president of ABC News: "At a time when newsmen are going to jail for practicing their craft, the appointment of yet another self-appointed monitoring organization is an unnecessary irony." The fact that newsmen *are* going to jail is one of the best reasons for establishing this Council. A public that fears or distrusts the media does not protest when they are brought to heel by government. The fearful applaud. Moreover, a council that calls the media to account, as this one plans to do, can also speak forcefully *for* the media. When the American Society of Newspaper Editors speaks for freedom of the press, a wounded and skeptical public suspects self-interest. When a council that has demonstrated its concern for the public interest speaks for freedom of the press, its words are far more likely to be heeded.

The Council on Press Responsibility and Press Freedom, I believe, will become such a force, if the media do not kill it in infancy. This they can do quite simply, first by refusing to respond to investigative inquiries, second by ignoring its findings. The Council is like most other organizations in depending upon the media to give it a strong voice, unlike most others in depending upon the media for existence.

To ask that the media support a council that investigates the media themselves may seem to be asking too much. But better than any other institutions of the American society, the media should know the value of a watchdog. If they do not, they should consider the changing attitudes of British editors to the British Press Council.

Professor Donald E. Brown of Arizona State University reported in 1971 that the scoffing, disdain, and contempt that were so common among editors during the early years of the Press Council have almost disappeared. "Antipathy has been replaced by respect and by a realization that the Council's accomplishments have considerably outweighed its shortcomings," Brown wrote. A prime example is Hugh Cudlipp, who was long the editor of the *Daily Mirror*, the splashy tabloid that has the largest circulation in Britain. Cudlipp wrote a book in 1962 that carried eight references to the Council, all critical. Now the chairman of the International Publishing Corporation, Cudlipp asserts that he and his huge company are "totally in favor of the Press Council." The hard-hitting *Daily Express* snapped in an editorial in 1949, "The proposal for a Press Council is the futile outcome of a phony agitation." But after the Council had been operating for several years, the *Express* held: "It is proper that the watchdogs should themselves have watchdogs."

Citing a study that showed that by 1967, eighty-six per cent of the British editors were favorable, Brown wrote that his observations and interviews indicated that the percentage has increased since then. In fact, the major flaw most editors see in the British Press Council is that it does not assess the performance of radio and television as well as newspapers. Late in 1971, the British Broadcasting Corporation (BBC) set up a commission to review complaints from those who thought they were unfairly treated on radio or television.

The British journalists' applause is not the result of their being treated favorably by the Council. Of the 446 complaints adjudicated during the past six years, the Council upheld the readers and criticized the news papers in 247 cases. Although the Council has no legal power, it has succeeded because it has used wisely a weapon the press has learned to respect: publicity.

Given a proper chance, the U.S. Council on Press Responsibility and Press Freedom will earn not only the respect of the media but their gratitude as well.

The media are facing a mounting campaign of repression and harassment by a hostile government. Their greatest potential ally in resisting this pressure is the public, but a public that expresses only eighteen per cent confidence in the media does not promise much support. An independent council that would help the media keep their own house in order could go far to restore public confidence and give the media the ally they need to combat government repression.

[From the Progressive Monthly, March 1973]

WATCHDOG, STAY AWAY FROM MY DOOR

(NOTE.—In the February issue of The Progressive, William L. Rivers, who has had wide experience in journalism and is now professor of communication at Stanford University, strongly advocated media and public support for the Council on Press Responsibility and Press Freedom that is being financed by the Twentieth Century Fund and other foundations.

(In his article, "How to Kill a Watchdog," Rivers took sharp issue with some of the media spokesmen who greeted announcement of the Press Council as a danger to press freedom. He described the workings of the successful British Press Council established a generation ago and the proposed operation of the American version which would have no power other than to make public its findings on complaints brought against national news organizations, and also report on issues

involving freedom of the press. "The Council will have no coercive power, no relationship to government," he emphasized.

(Rivers pointed out that in the face of "a mounting campaign of repression and harassment by a hostile government," the media needed to regain the public's confidence, now down to eighteen per cent. "An independent council that would help the media keep their own house in order," he wrote, "could go far to restore public confidence and give the media the ally they need to combat government repression."

(The Progressive invited a small but representative group of media executives and other seasoned observers of American journalism to evaluate Professor Rivers' strong advocacy of the Press Council. Nearly all responded—most of them with sharp criticism of Rivers' "Watchdog" concept. But their responses in the pages that follow are not quite so representative as we had hoped because at the last moment several supporters of the Press Council were unable to meet our deadline.—The Editors)

An Idea That Works

(By Robert W. Chandler)

Editors are happy to nominate their newspapers for state or national journalism awards every time they find—or think they have found—someone in public life acting criminally or stupidly. Some of them win those prizes.

Some of the same editors, however, are unhappy (to say the least) at the thought of their own performance or that of members of their staffs being examined by someone else.

It was no surprise to members of the Task Force gathered by the Twentieth Century Fund that their proposal for a National Press Council was not greeted with universal praise. It was a surprise, to some of us at least, to find the idea had more widespread acceptance than expected.

Press clipping services never provide a 100 per cent accurate survey, but one must expect them to err equally; they will miss favorable comment as frequently as they fail to uncover unfavorable comment. One such service found a roughly fifty-fifty ratio for and against the Press Council suggestion.

The proposal itself is quite a modest one. Power of the Council would be limited to issuing reports of its findings. (Those reports would not likely result in the withdrawal of second class mailing privileges of *The New York Times*. The FCC could hardly use them as the sole—or even a major—reason for denying licenses to network-owned television or radio stations.)

The Council would not hear a case unless the aggrieved party (or the party who considered himself aggrieved, usually the same thing) had first tried to resolve his differences with the wire service or network involved. Charges, then, never would be a surprise to the party accused of offense; there would be adequate time to prepare a defense if one is necessary.

William Rivers obviously feels opposition to the Task Force proposal is almost universal. From that vantage point he assumes media criticism is almost universally rejected by the media. I disagree.

Few businesses or professions are as self-critical as the news business. Most American newspapers study their own products, daily, very critically. Television people do not keep all those videotapes solely for defense against libel suits; they study them so they can improve their own performance.

It is true that a large number of newsmen or some knowledgeable, independent person or group hanging over their shoulder, and making their criticisms public. This attitude is not confined to those in the news business. There are few—if any—non-lawyers on Bar Association grievance committees. Police reject the idea of public review boards. Few hospitals have laymen on committees which review hospital and medical practices.

But those of us who have tried to operate in the environs of a press council have not found the experience fatal, or even seriously frightening. Councils have, I am convinced, improved our performance. They have done so by making us even more aware than before of the reader, the guy at the final end of our involved process. Those of my colleagues who have made efforts to find out how the press council business works have not been among those with knee-jerk reactions against the Task Force proposal.

(Mr. Chandler is editor of the Bend, Oregon, Bulletin, and was a member of the Twentieth Century Fund Task Force that proposed the National Press Council.)

Press Too Timid Now

(By Miles McMillin)

Anyone reading, in *Columbia Journalism Review*, Ben Bagdikian's indictment of the press for its irresponsible handling of the Watergate scandal would be tempted to cry out for the establishment of the watchdog William Rivers wants. However, as one who has agonized for years over the sins of commission and omission of my brothers I find it hard to get excited about their failings at this critical juncture. It is difficult to understand the agitation for unofficial curbs on the press when the fight to prevent official curbs is occupying so much effort.

What bothers me about the watchdog is its breed. It is most likely to be made up of the prissy type who constitute the high priests of the Pulitzer procedures who had so many sticky reservations about awards in journalism for reporting on the Pentagon Papers and ITT landmarks. American journalism does not need this kind of watchdog. Ninety per cent of its editors and publishers are too timid now. As Lord Francis Williams said of the U.S. press: "It is the bland leading the bland."

My feeling is that the watchdog would be a restraint on militancy which is already overrestrained. It has been my experience that in the really worthwhile campaigns that *The Capital Times* has waged—opposition to McCarthyism, for example—the people who would most likely sit as watchdogs objected as much to the militancy as the people whose ox was being gored.

As a publisher of a small, military newspaper I already find my days far too short to publish the kind of paper I'd like, while hours are devoured with union problems, business planning, mountainous government regulations on the local, state, and national levels, participation in local civic activities, and more, Where will the time come from to deal with watchdog procedures as envisioned by the Twentieth Century Fund? It will be the more militant newspapers that will get the watchdog's attention.

The Capital Times has traditionally given space to anyone who has a complaint about its conduct. What more could the watchdog do for the complainant?

What is needed is more self criticism within the ranks of the press. Newspaper publishers should stop acting as though criticism of each other's foibles is blasphemy. There has to be an end to the unwritten rule that news about newspapers is not worth publication and that no sin is greater than for one paper to point out the failings of another.

(Mr. McMillin is editor and publisher of The Capital Times of Madison, Wisconsin.)

What The Press Needs

(By Richard Pollak)

I should be heartened by all the heavy opposition to the National Press Council noted by William L. Rivers, I suppose, but I am not. For however valid some of it may be, none of it stems from any real concern for fundamental reform in American journalism. That can only come from *inside* the profession. Specifically, from a radical redistribution of power that kills once and for all the bankrupt notion that the decision-making process at a news organization is the exclusive preserve of ownership.

In all the high-sounding prose I have read about press councils lately, this issue of power has not been raised even tangentially by either the attackers or the defenders. The former, of course, because the idea of opening up the decision-making process to the men and women in the newsroom is more an anthema than the press council itself. The latter, because they are committed to that classic American problem-dodging technique, the elite committee that issues reports.

Advocates of press councils point unknowingly to the "success" of the National Press Council in Great Britain and of local ones in Minnesota or Bend, Oregon. But that success is a matter of processed individual grievances, not reform. England's Council, which has been operating in its present form since 1964, doubtless embarrasses Fleet Street now and again, but British journalism is basically no different today from what it was nine years ago. Ditto Minnesota and Bend, Oregon.

The newsrooms of the United States are full of journalists with good ideas about how to create a more responsible and responsive press. If they had the power they deserve, the fact of journalism in this country might change markedly—far more than it ever will under periodic hot compresses ministered by a national press council.

As an example of the kind of practice that might cease under a more equitable distribution of power, consider the following: John Oakes is editor of *The New York Times* editorial page. But his cousin, Arthur Ochs Sulzberger, is the boss. So even though Oakes is a member of the Twentieth Century Fund Task Force that proposed the National Press Council, he is not likely to write an editorial favoring it on the page he supposedly runs. Even when it's all in the family, money decides.

(Richard Pollak, formerly an associate editor of Newsweek in charge of media coverage, is the editor of [MORE], the national journalism review.)

A Herring Laid To Rest

(By Alfred Balk)

William L. Rivers' article was a useful contribution to the dialogue about the National Press Council.

For the record, you might be interested to know that—media preoccupation with *The New York Times'* opposition to the Council notwithstanding—a number of important newspapers are editorially on record as favoring the Council. As noted in the March/April issue of *Columbia Journalism Review*, these include: the *Denver Post*, Cleveland *Plain Dealer*, *Milwaukee Journal*, *Lincoln* (Nebraska) *Journal*, *Des Moines Register*, *Louisville Courier-Journal*, Portland, Oregon, *Journal*, *St. Louis Post-Dispatch*, and *Dayton* (Ohio) *News*. In fact, editorial comment to date has fallen almost evenly pro and con.

The news media are not a monolith; *The New York Times* is not a monolith (a number of prominent staff members favor the Council); the national news suppliers are not a monolith (though the *Times'* statement obviously was an attempt to influence others to take a like stand, several have said they will wait and judge the Council on its merits). In any event, there is a question whether the Council need be completely impotent even if all the suppliers balk; our bimonthly journalism review was not founded on a premise

of media "cooperation" or sufferance, and our circulation (and, we are told, our influence) continues to rise.

Also for the record, you may wish to lay to rest the Council-endangers-confidentiality herring. It was stressed at the press conference announcing the Council that it specifically was precluded from inquiring into confidential sources; for its own reasons, however, *The Times'* policy statement and its report of the press conference omitted that.

(Mr. Balk is editor of the Columbia Journalism Review.)

THE POWER OF EXPOSURE

(By Ron Dorfman)

It is somehow comforting to know that a quarter of a century after the Hutchins Commission report our publishers and broadcasters display exactly the same characteristics they did then: "In words both few and short," Robert M. Hutchins told the nation's editorial writers after they had misrepresented the Commission's findings and slandered him and his associates, "you are guilty of inveteracy and recidivism."

The National Press Council—assuming that its membership is broadly representative and that it hires a staff of competent reporters—will be as well or better off without the "cooperation" of the publishers and broadcasters. Since it has never been contemplated that the Council will be able to impose any sanctions, the only power it can have is the power of exposure, to embarrass those news organizations which have done wrong and to vindicate those news organizations which have done their jobs well; in both cases, hopefully, to stimulate better performance.

The only cooperation the Council needs from the media is publicity for its reports. Arthur Sulzberger has indicated he is willing to have *The New York Times* treat the Council's activities as it would any other news event, and barring a conspiracy of silence—highly unlikely with these particular publishers and broadcasters—that is all that will be necessary, or desirable.

It should be pointed out, however, that the end result of this activity is, in substance, nothing more than a journalism review which reaches a (hopefully) larger audience than any of the existing vehicles. The Council's membership may be prestigious, but it is unlikely to be much more so than the chairman and board of advisory editors of the *Columbia Journalism Review*. Its staff may be excellent, but it is unlikely to be more capable than the groups of reporters who produce (MORE) or the *Chicago Journalism Review*. No single report by the Council is likely to be a better piece of work than *The New Yorker's* dissection of the police-Black Panther body count stories.

In the past decade, there has been a massive outpouring of analysis and criticism of the media, mostly initiated by concerned journalists themselves. For the record, Spiro Agnew is a Johnny-come-lately to this field. But the mass media have only sporadically chosen to let the readers and viewers in on this internal debate, and so they have allowed the enemies of a free and vigorous press to set the parameters of public discussion.

The one respect in which the National Press Council can be really useful is its presumptive visibility. The great newspapers, press services, newsmagazines, and broadcasting networks owe it to themselves and to our common interest in preservation of the First Amendment to see that the Council gets that visibility.

(Mr. Dorfman is editor of the Chicago Journalism Review.)

THE PRICE IS TOO HIGH

(By Clayton Kirkpatrick)

The price of press councils is too high. The evidence that they are needed is too subjective.

Inevitably the press councils must set up universal standards. If they an efficacy at all the result must be conformity. Out go the rebels, the undergrounders, the angry, daring, and uncouth. America would be the poorer for that. Maybe the press would be more respectable, but not so exciting or effective.

Is credibility at a crisis with disaster just around the corner? All the surveys in the Harris and Gallup lockers cannot prove it. What was the credibility rating in 1861 when we had a "Copperhead" press? What was it in 1898 when we had a "yellow" press? Does not the attrition trend (with very few exceptions) support the inverse Gresham theory that good newspapers drive out bad?

Is there a lack of agencies to appraise the performance of newspapers or to supply standards by which to judge them? Well, there are fifteen journalism reviews dedicate to analyzing the press. There are 1,749 daily newspapers, 8,682 weeklies, 904 television stations, and 8,035 radio stations engaged in reporting the news in ways that put restraints on each. Many of them are openly critiquing each other.

Journalism schools, professional societies such as Sigma Delta Chi, the American Society of Newspaper Editors, the Associated Press Managing Editors Association, even the American Newspaper Publishers Association, are all involved in analyzing the performance of the press. Readers, too. If a paper has 100,000 readers there are 99,999 ready to correct the reporting when it strays.

The press council is not needed to instruct, sensitize, or reproach. This field is already crowded. It cannot inspire affection for the press that would protect it from government interference. Reporters step on too many sensitive toes to inspire sweeping affection. The job of protecting the press from government cannot be delegated to press councils.

(Mr. Kirkpatrick is the editor of the Chicago Tribune.)

THE REAL THREAT

(By Arthur Ochs Sulzberger)

As we view the Twentieth Century Fund proposal, we are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom. We respect the good intentions of the Fund and its Task Force. We believe, however, that the operation of the proposed Council will not only fail to achieve it purposes, but could actually harm the cause of press freedom in the United States.

Accordingly, *The New York Times* has decided not to participate in the work of the Council. This means that we will not be a party to Council investigations. We will not furnish information or explanations to the Council. In our coverage, we will treat the Council as we treat any other organization: We will report their activities when they are newsworthy.

We do not think that the real threat to a free press in the United States arises from a failing of the press to be fair and accurate. The real threat comes from people who are attempting to intimidate or to use the press of their own ends.

The most serious recent threats have been:

The imprisonment of reporters who have refused to comply with court orders to divulge the identity of sources to whom the reporters have pledged anonymity.

The increase in the number of subpoenas for reporters notes, tapes, and testimony. This is an effort to turn us into government investigators—a corruption of our proper and historic function.

The Administration's effort to prevent publication of the Pentagon Papers—briefly successful in the first such instance of prior restraint on publication in our nation's history.

Attacks on the media—particularly the broadcast media—carrying the threat of reprisals from the Government if the media do not dance to the Administration's tune.

Investigations of reporters by government agencies.

The presence of the Council is not materially going to help us meet these real threats. Indeed, we are convinced that the operation of the Council will only serve to divert attention from them. The real threats will be met only by a determined and direct defense of our own freedoms. Such a defense does not begin with an unjustified confession that our own shortcomings are such that we need monitoring by a press council.

What would be at issue in proceedings before the Council would be the very thing that is most precious to us—our credibility. We do not want such crucial judgments made under a procedure so lacking in due process that one organization would function as investigator, prosecutor, and judge rolled into one.

We do not object to criticism of our performance. In fact, we do not object to criticism in the very forums—in political campaigns and governent hearing rooms—from which the Council would hope to insulate us. The press plays a central part in the political life of the country in reporting and commenting on political events. It seems unrealistic to us to try to immunize the press from criticism by politicians. I expect also that we are going to have to be heard in government hearing rooms. Adverse court decisions may have left legislation as the only way open to us to preserve the confidentiality of our sources without risk of imprisoment.

Just as we believe that the Council will not be of help, we believe that it could do much harm.

In sitting in judgment on the accuracy and fairness of news reporting, the Council will have to devise standards against which to make its determinations. We do not think this is possible to do or advisable to try.

There is no such thing as a monolithic American press. Its strength is in its diversity. What is right for The Times and its News Service may not be for a wire service or a television network or a magazine. We do not wish anyone to impose standards on us. Nor do we wish to impose standards on anyone else.

We believe that we have standards of fairness, reliability, accuracy, and thoroughness. These standards are the result of a subtle interaction among our traditions, experience, staff beliefs, our perception of our mission and our audience. Our readers in the end must judge whether these standards suit them.

While the present Council would limit its investigations to "the principal national suppliers of news," the report encourages establishment of local, state, and regional groups to monitor press performance. This would geometrically compound the risk that such machinery would be used by special interest groups with causes to espouse. And while the Council as proposed is nongovernmental and would not have any enforcement powers beyond publication of its findings, we fear that it would encourage an atmosphere of regulation in which government intervention might gain public acceptance. This whole approach is dangerous and we believe that we must resist it.

A base assumption of the Fund's report is that the public now has no place to go with

complaints about press performance. This simply is not the case.

Press performance is constantly analyzed, criticized, and attacked outright and the press reports these attacks on itself. The press virtually alone among American institutions disseminates criticism of itself. Letters in opposition to a newspaper's opinions or contradicting its stories are printed by virtually every newspaper. Many papers seek outside writers to oppose their own viewpoints. Most newspapers take seriously complaints that they are inaccurate or unfair and they publish corrections.

We follow a policy of investigating reader complaints and publishing corrections where fairness dictates. We will continue to do so. And we will continue to be monitored and judged by those whose criticisms are vital to us—our readers in the case of The Times and our clients in the case of the News Service. We must earn their trust every day.

(Arthur Ochs Sulzberger is the publisher of The New York Times. His commentary is adapted from a memorandum he prepared for his own staff.)

WHO NEEDS IT?

(By Erwin Knoll)

William L. Rivers tells us that the new Council on Press Responsibility and Press Freedom was announced by the "widely respected" Twentieth Century Fund; that it was proposed by a committee of "respected editors, publishers, and broadcasters"; that it will be headed by the "highly respected formed Chief Justice of California." Oh, so much respectability!

I'm afraid I simply don't understand how this self-appointed, self-perpetuating, self-important segment of the American Establishment is going to help restore the people's "rapidly deteriorating esteem for the mass media," which Bill Rivers views with such profound alarm, or—more to the point—how it will help shore up the crumbling bulwarks of the First Amendment. The Council's self-designated title, which puts "press responsibility" ahead of "press freedom," affords a disquieting clue to its priorities.

My own esteem for the mass media began deteriorating long ago, because I found them altogether too responsible and respectable—altogether too prone, that is, to reflect the interests of those who wield economic, political, and social power in this country. These are, unfortunately, precisely the interests that dominate the new Press Council.

We need a free and irresponsible press in America—a press that will alert its public to such catastrophes as the Indochina war before they are consummated rather than after; a press that will relentlessly examine the decision-making process—and the decisions arrived at—in corporate boardrooms and political backrooms; a press that will even probe the policies of "widely respected" foundations, publishers, and public officials. What we need most of all in the press is diversity of the kind provided, on a regrettably modest scale, by The Progressive.

As I contemplate the origins, composition, and stated aims of the new Press Council, I do not see how it will foster such diversity. Its thrust will be to promote conformity, responsibility, respectability. Who needs it?

(Mr. Knoll, a former White House correspondent, is Washington Editor of The Progressive.)

[From the Arkansas Democrat, Feb. 9, 1973]

DEAR ABBY FOR JOURNALISTS

Newspapers are among the most thin-skinned of American institutions. So their reaction to the *Twentieth Century Fund's* proposal for a press council was not surprising, although, from our viewpoint, it was unfortunate.

The big papers were quick to denounce it. The New York Daily News (the biggest), the New York Times, the Knight newspaper chain and others were sharply critical, as were two of the three networks. So it's no wonder that the trade journals are now speculating that the council may never get off the ground.

This would be too bad, because many professional journalists are for it. This indicates that individual journalists see more clearly than institutions. Individual journalists are bothered about the fact that a half-dozen of their colleagues have been jailed in the last few weeks for not revealing their sources . . . about the fact that in public opinion polls journalists rank just above used car salesmen in believability . . . about the fact that only 25 per cent of the graduates of journalism schools go into newspaper and broadcast journalism . . . about the fact that people like Vice President Agnew can lambast journalists, with or without justification, and the public merely says amen.

* * * * *

Ignoring it, denying it with slogans ("no one likes bearers of bad news"), or jumping behind the First Amendment and telling everyone else to go to hell is not the way to improve it. The press council might be. It has worked very well in Great Britain as sort of an appeals court, or, more precisely, a Dear Abby. If a doctor treats you unfairly, you can complain to the medical society; the medical society might not do anything about it but it will make you feel better to get it off your chest. Many Americans resent the fact that there is no place even to take a complaint about the press.

The Twentieth Century Fund's council would be such a place. It would have nine public members and six journalists. They would examine complaints sent to it by persons or organizations who think they have been treated unfairly by wire services, networks, syndicates, and weekly news-magazines—not individual newspapers or stations, in other words, but the organizations that wholesale the news to them. Ground rules provide that no complaint will be considered (1) if any legal action is contemplated, or (2) the complainant has not first tried and failed to get a correction from the media. After consulting both sides, the council would release its decision, which, hopefully, would be published and broadcast throughout the country. There's no hint at punishment, which, of course, is plainly barred by the Constitution. Voluntary publication would be the council's only weapon. However, if Columnist Wrack Rumorson was found guilty several times of unethical practices, it could have an economic impact because conscientious newspapers would stop buying his column.

The British Press Council considered 446 complaints in the last six years, but found only 247 of them to be justified. This is important to us, because just as the press often deserves criticism, it also needs vindication. The council would be a way to get it.

Also, it would help the press fight government encroachment. Its full name would be the Council on Press Responsibility and Press Freedom, which means it would look into issues involving suppression of the news. And when an impartial press council denounces the sending of reporters to jail as a violation of the First Amendment, it will carry more weight with the public than if it were said by the American Society of Newspaper Editors.

A press council can help the conscientious American journalist. It can, that is, if some prima donnas don't kill it with their arrogance.

THE SYSTEM CONTINUES TO WORK

Mr. HATHAWAY. Mr. President, at a time when we have been inundated with reports that the public has lost confidence in its Government and our public servants, I would like to bring to the attention of my colleagues here in the Senate proof that our system continues to work and that we still have throughout the world devoted and dedicated public servants.

I present here a letter I received from Mr. Eugene C. Coughlin of Rumford, Maine, whose son, Barry, recently died in Rabat, Morocco. Mr. Coughlin's letter is filled with praise for the Vice Consul in Rabat, Mr. Robert Henry Cayer, a career Foreign Service officer. I commend this letter to your attention, and I ask unanimous consent that it be printed in the RECORD.

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

RUMFORD, MAINE,
May 22, 1973.

Hon. WILLIAM HATHAWAY,
U.S. Senate,
Washington, D.C.

SIR: It is the sincere hope of the family of the late James Barry Coughlin that you will personally read this letter.

Barry grew up in Rumford, attended Rumford schools and went on to graduate from the University of Vermont. He was drafted and served in Vietnam.

Earlier this year while on a trip through Morocco, he became very ill from eating local mushrooms. Barry died in Rabat, Morocco, on April 13 at the age of 26. Before his death we were able to make the journey to Rabat to see him. His family will never be able to express in words the depth of generosity and thoughtfulness extended to them by Vice Consul Mr. Robert Henry Cayer and his staff during their brief and trying time in this unfamiliar environment.

From the time Mr. Cayer phoned Rumford to advise us of Barry's critical condition until seven days later when he put us aboard a plane in Casablanca to return home from this sad journey, his calming helpfulness smoothed a very rough road of communications and decision making during a most tragic situation. Mr. Cayer's helpfulness went beyond his high professional competence to a thoughtful personal concern.

It is our urgent wish that recognition of Mr. Cayer's ability and sincerity be placed in the Congressional Record and that the Department of State be informed of the immense and comprehensive service he is giving to the citizens of this country.

Very truly yours,

EUGENE C. COUGHLIN.

SOCIAL SERVICES FOR THE ELDERLY

Mr. EAGLETON. Mr. President, on May 3 I called to the attention of the Senate a provision of the final social services regulations issued by the Department of Health, Education, and Welfare which had the effect of denying social services to any elderly person not receiving public assistance.

Under the new regulations, services may be provided only to support the attainment of one of two goals—self-support or self-sufficiency.

The self-support goal is made inapplicable to the elderly.

Under the proposed regulations published in February, the self-sufficiency goal was defined as applying to the aged, blind, disabled, and families, without regard to whether they were current, former or potential public assistance recipients.

However, under the final regulations published on May 1, the self-sufficiency goal was redefined to apply to "applicants for or recipients of assistance under the blind, aged, disabled, and family programs."

As a result, although an elderly person might qualify as a potential recipient, under the regulations there were no services that could be made available to that elderly person.

On May 8, I was informed by officials of the Department of Health, Education, and Welfare that the regulations would be modified in this respect.

I am pleased to report that on June 1 the necessary amendment of the regulations was published in the Federal Register.

Under the amended regulations, the self-sufficiency goal applies "in the case of recipients of financial assistance under title IV–A and all eligible individuals under the adult services program."

This amendment means that all aged, blind, and disabled persons who qualify as either current, former or potential public assistance recipients may receive those services designed to enable them to achieve and maintain self-sufficiency and avoid dependence on institutional care.

Mr. President, I want to make it clear that I believe the new social services regulations are still excessively restrictive both in terms of eligibility requirements and the range of services to be made available to the elderly. And I hope Congress will take such action as may be necessary to permit and encourage the States to provide important social services to all of our elderly citizens who need and can benefit from them.

However, I did want at this time to call attention to the amendment of the regulations published on June 1 and commend HEW for taking this corrective action.

FUEL SHORTAGE

Mr. ABOUREZK. Mr. President, on May 25, at the request of Senator HENRY M. JACKSON, I conducted a hearing of the Senate Interior Committee in Sioux Falls on the critical problem of fuel for farmers and ranchers. It was my pleasure on that occasion to be joined by my distinguished colleague, Senator GEORGE MCGOVERN, a ranking member of the Senate Agriculture committee, who assisted me with this hearing. Because of his long experience as a member of the Interior committee and his special knowledge of the problems of farmers and ranchers, his assistance was most valuable in the conduct of this hearing. On that occasion, Senator MCGOVERN provided a detailed analysis of the potential effect of a fuel shortage on a wide range of businesses and industries of our State. I request unanimous consent that the statement of Senator MCGOVERN on that occasion be printed in the RECORD.

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

STATEMENT OF SENATOR GEORGE MCGOVERN

The Senate Committee on Interior and Insular Affairs and my colleague Senator James Abourezk are to be congratulated for holding this hearing in South Dakota. The Committee recognizes that the very real threat of a critical fuel shortage this summer is a threat to the agricultural heartland of America.

The fuel crisis is not just around the corner. For millions of Americans, it is already here. A few short months ago, we heard of scattered shortages of heating fuel. Today we hear of widespread shortages of gasoline, diesel fuel and other petroleum products.

Two and a half years ago, I addressed the Mid-West Electric Consumers Association's convention in Denver, and stated that, "despite unparalleled technology, this Nation has blundered into the worst fuel and energy crisis in its history." I asked then, why should it happen? And I ask again today, why can it happen?

To come up with any answer at all, we first must look at the dimensions of the fuel problem we face today, and look for its causes. We must seek ways to do something about our immediate needs, and then give a searching look for a long-range answer which will prevent a recurrence of the inexcusable situation in which we find ourselves in the spring of 1973.

A great deal of my time and attention during the past three months has been focused on the fuel needs of South Dakota—especially those of agriculture and tourism. Two weeks ago I met with the chairman of the Industry's Oil Policy Committee, which was in the process of developing an allocation program to insure that priority customers were provided adequate fuel supplies. Two days after that meeting, at which Senator Curtis and I insisted that agriculture be accorded high priority, the Administration announced its voluntary allocation program. The first of eight priority assignments is farming, dairy and fishing operations and services directly related to the cultivation, production and preservation of food.

The present allocation program, with which most of the petroleum industry says it agrees, provides that all producers make available in each state to each of its customers (including independent spot-market purchasers) the same percentage of its total supply that it provided during each quarter of the base period. The base period is the last quarter of 1971 and the first three quarters of 1972.

The allocation program was announced two weeks ago yesterday. Although it is too early to deliver a final verdict, the program does seem to have solved at least a few problems. The Department of Agriculture, for instance, has concluded that during the first week of the allocation program, the supply of gasoline and diesel fuel for agriculture, on a national level, fell short only slightly from meeting the full demand. Compared with a year ago, gasoline stocks were, at the end of last week, down 9 per cent. Diesel fuel stocks were 11 per cent above last year's.

Another benefit of the program is the apparent reversal, at least for the time being, of plans of major fuel suppliers who had announced in February that they were pulling out of South Dakota. We heard several protests when it became known that Sun Oil Company, which operates in South Dakota under the trade name of D–X Sunray, was planning to close its South Dakota operations this summer. I have had considerable correspondence with T. A. Burtis, a vice president of Sun Oil. On Wednesday of this week, I received a letter from him which announced:

"We plan to supply our customers (in South Dakota) in accordance with the provisions of the Federal program, which calls for supplying designated priority customers first and then dividing the remaining product among customers in the same proportion as during the specified base period. Since farmers are the Number One priority customers, Sun is currently supplying South Dakota farm customers in excess of 100 per cent of average 1972 sales. Throughout South Dakota, we are currently allocating 91.5 per cent of 1972 monthly gasoline sales."

Nevertheless, the situation for agriculture is potentially critical, in an industry where fuel shortage can be little short of complete disaster. If a farmer should be unable to get fuel for planting within the next few days, he will be unable to plant at all. That would not only be a terrific blow to him and to his income, if the situation is widespread at all, it would seriously retard the ability of the Nation's farmers to increase production to meet growing demand. And reduced productive capacity on the farm today means one thing—shorter supplies and higher prices.

As of the first day of May, the Agriculture Department reported a shortage of farm gasoline in the Northern plains states of 14.1 million gallons, about 5 per cent of the estimated needs through July 1. Unless that shortage is made up, it is not unreasonable to assume that we could end up with 5 per cent fewer harvested acres this fall, at a time when we are seeking to expand production to meet increased food demands both at home and abroad.

EFFECT ON TOURIST INDUSTRY

The South Dakota economy is heavily dependent on agriculture. Last year, total farm income was well over $1 billion. Second in importance is the tourist industry, which last year took in an estimated $168 million from out-of-state travelers.

The State Highway Department estimates that 9.6 million travelers visited South Dakota from other states in 1972, spending an average of $62.75 per tourist party. Fully three-fourths of all out-of-state travelers into South Dakota last year were tourists or people on leisure visits. Fortunately, to date there is no hard evidence that lack of available fuel has retarded travel into South Dakota, but we will have to keep a close watch on the situation.

The crucial dependence of our State's tourist economy on fuel availability is demonstrated by the volume of sales of gasoline in South Dakota. Last year, according to Highway Department figures, cars, trucks and buses traveled 5.038 billion vehicle-miles. They consumed 477,098,729 gallons of gasoline and diesel fuel. Of that, 10,492,691 was for off-road, farm use; 44,040,142 gallons was for diesel-burning vehicles, and the great bulk, 449,955,885 gallons, was for general automoblie consumption.

If, for example, the shortage of gasoline should cause a 10 per cent reduction in tourist travel, it would mean a net loss of income in South Dakota of a minimum of $16.8 million. Should the shortage force a cut of 20 per cent in non-resident tourists coming to South Dakota, it would mean a drop of $33.6 million in income to the people of our State.

Fortunately, as I said, there is yet no evidence that the shortage will be so severe. Preliminary evidence may suggest that people are traveling early, to avoid a potentially worse shortage next year. Visitors at Mount Rushmore already are up 15 per cent from the same time last year, and one major motel in the Rapid City area has advance reservations nearly 50 per cent greater than at the same point last year.

But the warning is clear: the Administration must remain diligent in monitoring the situation and assuring that its voluntary program works, and that states such as South Dakota receive their fair share of the available fuel. If not, Congress is poised to step in and require action. This Committee is about ready to report legislation which would require mandatory allocation, and a host of other bills have been introduced to deal with the situation—many of them to assure that the independent segment of the petroleum marketing industry gets a just share of fuel.

THE PRICE THREAT

Just as there is a supply crisis today, there may be a price crisis tomorrow. An unidentified service station manager told the Huron Daily Plainsman last week:

"In fact, it's so much of a problem that I think there will be a five cent increase in refined products within the next few months."

I am at a complete loss to understand the logic of many spokesmen for the major oil companies who tell us that, as if by magic, there will be adequate fuel supplies if prices are jacked up substantially. I do not yet have hard evidence that the fuel shortage is a manufactured crisis, with major oil companies conspiring to keep supplies off the market until they blackmail the country and the Congress into giving them what they want. But that is the tone of a great deal of the mail I have received in recent weeks. This suspicion should be carefully evaluated.

We should also consider the impact of continued bombing in Cambodia on our fuel situation. Each bomber consumes 50,000 gallons of fuel on each mission. That is enough to drive a car a million miles. And those bombers have been out across Indo China 200 strong for 8 years.

A 5-cent per gallon increase would be about 12 per cent from a 40-cent per gallon base. I am at a loss to understand how the major oil producers can justify a 12 per cent increase when they are supposedly limited by the Cost of Living Council to a 1 per cent price increase. According to the Consumer Price Index, the price of oil and gasoline increased 2.1 per cent for last month only. It is difficult to see how the Cost of Living Council can justify such increases.

Apparently a number of others are baffled too, because they have asked the Cost of Living Council to produce data which would justify such price increases. The Council has, I am told, declined to release its information, and serious thought is being given to a lawsuit under the Freedom of Information Act to require disclosure.

The Cost of Living Council's guidelines for price increases appear to have had little effect during the first quarter of this year. The 32 major oil companies increased their profits in January, February and March from the same period last year by an average of 28.2 per cent, for a total profit in the first quarter of $1.98 billion.

One indicator of price is the price of barge oil arriving at the Port of New York. As of May 21, the price of regular gasoline on barges in New York Harbor was 25 cents a gallon, up 113 per cent from 11.75 cents a year ago. The price of premium gasoline on barges at New York was 26.5 cents per gallon, up 96 per cent from 13.5 cents a year earlier. A doubling in price is hardly consistent with economic control guidelines.

THE IMPACT ON SOUTH DAKOTA

It is clear that the fuel crisis already has had an impact on South Dakota. The task before us is to see that it does not grow worse, and possibly to improve the situation. It is the responsibility of the Administration to use the authority which it now has, under the Defense Production Act and the Economic Stabilization Act, to assure adequate supplies of fuel at reasonable prices.

If the Administration does not, it means millions of dollars in lost income in South Dakota, and thousands of jobs eliminated. Hardest hit, obviously, will be the farm, tourist, construction and transportation industries.

The Administration must assure that fuel is allocated fairly to priority customers and others. It must assure that independents and brand name dealers both obtain reasonable and fair treatment. It must assure that the price remains reasonable.

Over the long term, this society must reexamine its entire concept of energy consumption. It is sheer folly to continue a pattern of energy consumption which finds 6 per cent of the world's population in the U.S. consuming more than a third of the world's energy resources.

We are using up our finite petroleum and coal reserves at a staggering rate. We need to invest far more heavily in clean, renewable energy sources, such as solar energy, nuclear fusion and wind power. At the same time, we must not relax our determination to have *clean* energy. I cannot accept the argument of the big oil companies that environmental opposition has created the shortage.

It would do us little good to have ample energy to drive around in 450-horsepower automobiles if we choke to death in the process. We need to develop efficient uses of energy; a 200-horsepower automobile uses far less gasoline and moves people just as well. Efficient bus and rail systems in our major cities will move people with far less energy use than the private auto.

As David Freeman, director of the Ford Foundation's Energy Policy Project, is fond of saying: "The energy joyride is over." We are going to have to make some hard choices. The hidden benefit of today's crisis may be that it forces us to determine, finally, a rational, national energy policy which will consider the interests of people—their jobs, their environment, and their well-being. Nothing less is acceptable.

FOREIGN AID WITHOUT AID

Mr. FULBRIGHT. Mr. President, yesterday's Washington Post contained a provocative article by William C. Paddock entitled "Foreign Aid Without AID." Mr. Paddock's article challenges many of the justifications advanced in support of the foreign aid program and comes to the conclusion that, as he puts it, "the time has come to let the developing world fish for itself." He concludes that—

The hungry nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

Mr. Paddock's article is especially timely since both the Senate and the House will soon be confronted again with the perennial question of what to do about the foreign aid program. I ask unanimous consent that the article be printed in the RECORD.

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

FOREIGN AID WITHOUT AID

(By William C. Paddock)

The American bald eagle is a remarkable bird. For 83 days the parents feed their young. Then, realizing that the eaglets will never fly without drastic action, the parents fly overhead with a fish, land nearby in sight—but out of reach—of the eaglets and eat the fish themselves. The eaglets are finally starved into leaving the safety of the nest to go out and fish for themselves.

It is a practice we would do well to keep in mind in pondering our foreign economic aid program, run by the Agency for International Development, which expires this month unless Congress, as it has in the past, grudging renews it.

For more than 25 years, the American people have been carrying out a sometimes charitable and sometimes self-serving crusade against hunger and poverty in the developing world. The crusade employs thousands of Americans overseas and has cost us more than $150 billion. While the majority of those who have studied this crusade are hard put to find concrete proof that the money has been well spent, most internationally minded Americans still advocate a continued flow of such aid. But the time has come to let the developing world fish for itself.

A PREPOSTEROUS PROMISE

For more than 25 years the hungry nations of Asia, Africa and Latin America have heard of the miracles that American technical know-how, Yankee ingenuity and U.S. dollars can produce in a backward, hungry, tradition-bound nation. It is not surprising that these hungry nations have come to place a degree of faith for solving their problems on U.S. help.

No better example of this can be found than in the "green revolution," a name coined by a former AID head. The "wonder" wheat and "miracle" rice developed by the Rockefeller Foundation were "seeds of change" which gave Congress hope that the war on hunger not only could be won but was truly being won. The developing nations believed these florid statements.

Thus, after a couple of good crop years those countries credited their increased yields to new technology rather than to good rainfall. By 1970 Indonesia, the Philippines, Pakistan, India and others were talking confidently about soon being self-sufficient in food. The chairman of the Nobel Peace Prize committee, in announcing that the 1970 prize was going to Dr. Norman Borlaug, developer of the "wonder" wheat, summed up the euphoria by saying that, because of the "Green revolution," "we do not any longer have to be pessimistic about the economic future of the developing countries."

How could the world be so misled? One reason was the flourishing public relations work of AID and the foundations. Another reason can be found in a book written in the early 1950s which noted that "when a white-coated scientist, looking up from his microscope, makes a pronouncement for the public, he may not be understood but he is certain to be believed. No one doubts a scientist." The book's title, "Science is a Sacred Cow," is appropriate when one remembers that the "green revolution" was promoted by the scientific branch of the developing community.

For instance, Dr. Borlaug said, "You have to be brutally frank with some governments: you have to push them into using (the new technology) . . . it doesn't do any good to get 10 or 15 per cent yield increases, they won't listen to you. You have to throw the long bomb. You have to make a 100 or 200 per cent gain to change their old worn-out practices." Dr. D. S. Athwahl, Associate Director of the foundation-financed International Rice Research Institute (IRRI), where the "miracle" rice was developed, says, "What we are saying is either you apply the new technology or you starve."

I remember well a photograph of President Johnson visiting IRRI, a science showcase in the Far East, and listening spell-bound to the gesticulating director, Dr. Robert F

Chandler, in front of a large billboard which blazoned the message, "Newly Developed Rice Selections . . . Produce Up To 400% More Rice, Make Rice Growing Profitable."

The American Association for the Advancement of Science advertises one of its publications by saying, "New methods and techniques will make it possible to meet the food needs of the world's rapidly increasing population throughout the 21st Century." It is a preposterous promise, for at current rates the world's population will have grown from today's 3.5 billion and 3.7 billion by the end of the next century.

BREATHTAKING HOPE

The truth is that, while the new wheat and rice varieties are excellent high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm. The hungry nations of Asia, Africa and Latin America are hungry because they have a poor piece of agricultural real estate, and no one should delude them into believing that some sort of technological wizardry can nullify the consequences of too many people on too little arable land.

But if AID officials and their supporters were to admit this to Congress, they would destroy a major argument for more money. For instance, in the 1973 congressional presentation of its program, AID said, "Significant and even exciting technological gains have been made in important food crops . . . . Keeping up the pace of this progress will be a difficult though *far from impossible* task" (italics mine).

The hope held out to Congress is breathtaking. For example, research in agricultural problems in Latin America, AID says, "has resulted, where the improved management practices have been adopted, in yields of 200 bushels per acre of corn where 80-bushel crop were the usual production. The long time effect of this research should result in yields increases on the nearly 300 million acres of land cultivated in Latin America . . . research in arid and subhumid lands in Asia has demonstrated that, in India and Pakistan alone, yields in the existing 100 million acres of irrigated land can be more than doubled by the application of modern irrigation practices . . ."

Where is the congressman who would vote against such a program? And if Congress takes hope, think what visions of sugarplum fairies dance before the eyes of the hungry nations. Why should they not feel that AID's technology will eliminate their problems, or at least materially reduce them?

THE ONLY HOPE

Yet if one looks at some of the characteristics which developing nations hold in common, it is clear the only hope to solve their food problems lies in extreme action of such gargantuan dimensions that they dwarf any help our dollars or technology can offer: 85 per cent of their people depend on agriculture for a living, though 25 percent of the labor force is either unemployed or underemployed; they grow a narrow range of crops which are excessively susceptible to both pests and market fluctuations; most of their land is broken, mountainous, swampy or desert, with water the most critical factor affecting production. Malnutrition is rampant.

With enough capital some of these problems could be remedied, but this none of the hungry countries have, and few have much credit left. Of the $59 billion they have borrowed from the industrialized world, $33 billion falls due in the five-year period 1970–75.

Yet we hear of much progress in these nations, of how the poorest countries in the world (with a per-capita gross national product of less than $200 and containing 67 per cent of the developing nation's population) have been growing economically at nearly 4 per cent a year for 10 years—a rate faster than their population. This sounds fine, but in general it has meant that their rich have gotten richer while their poor have either remained the same or are, indeed, poorer. More people, not fewer, are worse off today than 10 years ago.

"When you rip aside the confusing figures on growth rates," says Pakistan economist Mahbub ul Haq, "you find that for about two-thirds of humanity the increase in per capita income has been less than one dollar a year for the last 20 years."

THE POPULATION CRUNCH

American presidents have told us AID is necessary because "the wealthy nations cannot survive as islands of abundance in a world of hunger, sickness and despair." This is utter nonsense, for we are doing so now, like it or not, and we are going to continue to do so, like it or not.

Every day the gap widens and at an accelerating pace. In 1960 the per capita GNP gap between the rich and poor countries was $2,000; today it is $3,000. World Bank President Robert S. McNamara says, "Projected to the end of the century . . . the people of the developed countries will be enjoying per capita incomes, in 1972 prices, of more than $8,000 a year, while the masses of the poor . . . will on average receive less than $200 per capita, and some 800 million of these will receive less than $100. . . ."

While some countries have doubled and tripled the size of their school systems during the past 10 years, each year there are more illiterates. The trouble, of course, is that even before they are started, development efforts are defeated by the steady, uncontrolled growth in population. Development experts once thought the millennium had arrived when India produced a record 95 million tons of food grains in 1967–68. Today, however, the experts refer to the projected 1972–73 Indian crop of 100 million tons as a "'critically low figure." The reason: This year's crop must feed 70 million more Indians than it did in 1967.

Mexico is often cited as one of the world's best agricultural success stories. It was there that Dr. Borlaug of the Rockefeller Foundation developed his "wonder" wheat. Congressional committees and others have often heard that since the Rockefeller Foundation scientists began working there, Mexico no longer has to import wheat and corn. This supposed self-sufficiency, unfortunately, has been greatly exaggerated. Mexican price supports or cost of production or both have priced corn and wheat out of reach of a large percentage of Mexicans. Malnutrition is a major problem in Mexico—clear evidence that Mexico's agriculture does not produce the food her people need.

Speaking of this, a former U.S. ambassador to Mexico once told me, "We can't convince the Mexican government that a population problem exists; as long as agricultral production is growing as fast as the population, they don't think there is anything to be concerned about."

Since World War II Mexico, like most of the developing world, has been able to increase its agricultural production primarily by putting new land into production, not through new technology. But now, like the rest of the hungry world, it is harder and harder to find new land to develop. If its population continues to grow at the present rate, the next 40 years will see Mexico's population mushroom from 50 million to 200 million, a number beyond the capabilities of her limited farm land to feed.

WHAT IS SELF-HELP

Throughout the history of our aid program, Congress has been told that all the United States wants to do is help those people who will help themselves. Thus President Truman said our aim was to "help the free peoples of the world through their own efforts," and President Johnson said, "The key to victory is self-help." Today's AID administrator, John Hannah, says, "We recognize that the developing countries are responsible for their own development. . . ."

Such statements seem clear when made, but what is "self-help"? The concept offers no guidelines for the expenditure of our aid money because no country intentionally tries self-harm. They are all making an effort to improve their lot. And "self-help" is just as confusing to the recipient nation. A friend in the Dominican Republic once told me that his concept of "self-help" was that of a U.S. supermarket where a developing nation strolls along the AID shelves and helps itself to what it wants: a power plant here, a road there, and next an irrigation canal.

The United States has made a noble effort to help the developing world solve its problems. In doing so, however, we have given a false hope that we really can develop these regions—if the world would only listen to us and Congress would only be more generous with dollars. The resulting confidence has let the hungry nations concentrate on programs often completely unrelated to their basic problem: the population-food crunch.

Virtually every knowledgeable authority agrees that drastic action must be taken if the crunch is not to become catastrophic. "To delay progress toward full self-regulation of population size is to play 'Russian roulette' with the future of man," says a National Academy of Sciences report. Yet nowhere has the necessary extreme action been under taken, nor will it be until the developing world realizes that there is nothing the industrialized nations can do, in the form of foreign aid, about the population problem.

Cruel though the statement might sound, India would be a more viable nation today if in 1965 the United States had not shipped a fifth of its wheat crop to that sub-continent, thereby averting a famine and saving perhaps 30 million or more Indian lives (President Johnson put the figure at 60 million). The catastrophic shock of so many deaths in 1965–66 probably would have shaken India's political structure to the core and slowed down or stopped entirely its nationalist aspirations, such as needless expenditures on flag-carrying airlines and military operations against neighbors. Its agriculture would surely be receiving a greater percentage of the national budget, and we could expect the citizenry to be far more responsive to government efforts to control births (the Indian government might not have to report, as it did this year, that "Thus far, the rate of population growth has shown no declining tendency"). Nor would we have seen India relax into euphoric talk about food self-sufficiency, as it did in 1971 after having a couple of good monsoons—which led to further dallying with its problems.

AID WITHOUT AID

One reason why no drastic action is being taken in the world against the population-food crunch is the false hope that foreign aid provides. So long as there is such false hope, governments will not initiate the action most needed. The time has come then, for aid without AID.

The hungary nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

No new scientific gismo needs to be invented to control runaway population growth. Birth control techniques already exist. What does not exist is the motivation to use them. If the leaders of the hungry nations—Mrs. Gandhi, Gen. Suharto, President Marcos and others—could be convinced that so long as present trends continue famine is

inevitable, they may well stop following their politically "safe" but dawdling courses. They would have to stop spending so much money on such things as elaborate road systems, military establishments and petrochemical industries that not only produce needed fertilizer but a hundred other less crucial "national" products.

The hungry nations of Africa, Asia and Latin America spend $26 billion annually on armaments—three times what they receive in official development assistance. If this $26 billion, or a large part of it, were spent on tube wells, irrigation ditches, fertilizer and agricultural research, it might become possible to head toward a true "green revolution." If, simultaneously, the nations' communications industries focused on teaching the perils of a six-child (and even a three-child) family, and if economic rewards went to those who practiced what the nation preached, a significant birth-rate drop might be possible. Then, indeed, famine would not be inevitable.

NEIGHBORHOOD YOUTH CORPS PROGRAM

Mr. MONDALE. Mr. President, the Neighborhood Youth Corps program has in the past provided employment opportunities for thousands of young people who would otherwise have no chance of finding jobs during the summer months. Last year in Minnesota alone, 10,000 youths found employment through the NYC program.

This year, despite continued high unemployment, the administration has decided against allocating necessary funding for the NYC summer program. I feel this decision would seriously aggravate the desperate shortage of work opportunities for young people. Ultimately, I believe it would be extremely wasteful in terms of America's greatest resource, the ability and potential of our youth.

I am hopeful that the Congress will adopt legislation to assure essential funds for the summer NYC program, and I will strongly support such action in the Senate.

As evidence of the intense concern for continuation of the program at the State level, I hope that my colleagues in the Senate will read the following letter which I recently received from Minnesota's Gov. Wendell R. Anderson.

Mr. President, I ask unanimous consent that the full text of Governor Anderson's letter be printed in the RECORD.

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

ST. PAUL, MINN.,
May 18, 1973.

HON. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR FRITZ: Last year, 10,000 of our youth obtained summer employment from a $4.5 million Neighborhood Youth Corp program. The national administration has decided not to allocate any summer funds to the program this year. The result will be that 10,000 youths who otherwise would have needed employment will be without jobs.

The administration has suggested that other alternatives are available. Without going into a discussion of them, I can assure you that none of them will provide anywhere near the level of funding necessary for a meaningful program.

Last summer, even with the summer NYC program, youth unemployment was a serious problem in many parts of our state. We have no reason to expect that the situation will be substantially different this summer. The absence of the summer program thus further aggravates what already is a grave problem.

I am writing at this time because I recently was told that Senator Javits is considering an appropriation bill amendment to provide funds for a summer NYC program. I wanted you to know how strongly I feel regarding the need for such legislation. I know that you are aware of the need and that you share my concern.

Please let me know if there is any way that I can assist in the passage of this legislation.

With warmest regards.

Sincerely,

WENDELL R. ANDERSON.

NURSING THREATENED BY NIXON BUDGET PROPOSALS

Mr. BAYH. Mr. President, the national health community will be dealt a near-fatal blow in its attempts to improve the Nation's health if the Congress supports President Nixon's health budget proposals. The Nixon amended 1973 budget offering set a new low for health funding. This administration has slashed over $500 million from the 1973 health budget in its amended budget. Their 1974 budget proposes that financial aid to community mental health centers, regional medicaid programs, research training grants for young scientists, and Hill-Burton hospital facilities construction and modernization programs be terminated and that funding for many other programs be drastically reduced.

The health manpower budget will be reduced by $58 million. Federal funding for nurse training, institutional support to schools of public and allied health, and capitation payments to many educational institutions will be eliminated.

I am particularly distressed that at a time when nursing should have an ever-increasing role in the delivery of health care Federal support for nursing education has been targeted for virtual elimination by fiscal year 1974.

The health care of the people of this country requires the availability of competent, soundly educated nurses. Federal support for nursing has helped to increase the nurse supply and broaden and modernize the scope of nursing education. In the 10-year period, 1960–70, the registered nurse population grew by 43 percent while the U.S. population increased 2.95 percent. Much of the increase can be attributed to the Federal investment in nursing.

In 1971, recognizing that nurses are among our Nation's most valuable resources, the Congress—by a vote of 81 to 0 in the Senate, and a vote of 324 to 0 in the House—reaffirmed its commitment to deal with the critical shortage of nurses and to excellence in nursing and nursing education by passing the Nurse Training Act.

Through this act Congress sought to increase the numbers of practicing registered nurses in the United States to 1.1 million by 1980. The act provided funds for construction grants to nursing schools and loan guarantees and interest subsidies to encourage nursing schools to expand their facilities; financial incentives for many schools to increase their enrollment and expand their curriculums; and incentives for schools that developed programs to identify, enroll, and assist needy persons with a potential for training in nursing. In short, it provided a wide range of financial assistance to nursing schools and students.

Since the passage of the act considerable progress has been made. In 1971, when the Nurse Training Act was passed, there were 353 registered nurses per 100,000 population, or 723,000. In October 1972, the ratio had increased to 361 registered nurses per 100,000 and, as of January 1973, there were reportedly 776,000 registered nurses.

Total admissions to schools of nursing for 1972 show an approximate increase of 17 percent over the previous year's admissions. Enrollments are up 23,849 from the 1971 level of 187,551, and graduations increased by 3,899 in 1972 from the previous year. The Nurse Training Act, designed to correct an inequity in the level of Federal support for nursing, has provided a vital boost for the often ignored, but vitally important field of nursing.

Indeed progress is being made, but by no means is the job done. The projected need for registered nurses by 1975 is 1 million.

In his 1972 health message President Nixon emphasized the importance of Federal support for nursing:

> The Comprehensive Health Manpower Training Act of 1971 and the Nurse Training Act of 1971 which I signed last November will spur the greatest effort in our history to expand the supply of health personnel. Additionally and importantly, it will attract them to the areas of health care shortages, helping to close one of the most glaring gaps in our present system.

In view of their 1973–74 health budget proposals and other recent developments, I believe it is instructive to recall former Attorney General Mitchell's enjoinder regarding this Administration. He cautioned the Nation to watch what this administration does; not what its representatives say.

What have they done for—to—nursing education and nursing?

Emily Holmquist, president of the Indiana State Nurses Association and executive director of the American Association of Colleges of Nursing, has directed my attention to a most impressive documentation of the impact of the proposed health budget. It is entitled, "Analysis of President's Budget, Fiscal Year 1974, National Institutes of Health, Health Services and Mental Health Administration and Related Areas, Spring 1973." It was prepared by the Coalition for Health Funding and I recommend it to my colleagues in the Senate.

The coalition's critique of the administration's fiscal year 1974 proposed budget for nursing is informative as well as alarming. Mr. President, I ask unanimous consent that it and a table be printed in the RECORD at this point.

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

NURSE TRAINING ACT OF 1971

The Administration's budget for FY '74 virtually wipes out Federal aid to nursing education, and will have a devastating effect on schools of nursing and our nurse supply if allowed to stand.

Since the Nurse Training Act of 1971, schools have made every effort to expand enrollments and prepare numbers of nurses needed. Admissions jumped by more than 17% in 1972.

With an abrupt cutoff of support, schools will not only be unable to continue expansion programs but will face severe financial difficulties because of commitments made in anticipation of Federal grants.

The President's budget would eliminate capitation support, financial distress grants and start-up grants for new schools. The only kind of assistance retained for them would be money for special project grants to improve nursing education programs, help prepare disadvantaged inner city students for nursing careers and special projects. But amounts for this would drop from $19 to $15 million, so new projects will be out of the question.

The President proposes to delete all traineeships for nurses seeking advanced preparation and to lower amount for scholarships from $19.5 to $11 million, Traineeship Programs in public health, NIMH and the Nurse Traineeship Program have been most effective in preparing teachers, nursing service administrators and clinical specialists. Without such aid, existing shortages would be even worse than they are. Part time study will replace full time preparation.

Many nursing students require financial assistance. Most from low income families need substantial aid if they are to matriculate at all. Schools report they will simply have to drop out if aid is cut off. Others will be precluded from even attempting to enter nursing careers. Recruitment projects undertaken to increase numbers of minority groups in nursing will be cut off. Those ready to enter will find no scholarship aid available.

From the start the Administration has opposed capitation grants for nursing schools. School reports, however, indicate these funds have been invaluable. Last year, enrollments in schools receiving such help increased by more than 9500.

There is no money for research or research training in the proposed budget. This means serious curtailment of research aimed at improvement of patient care and development of nurse researchers. The latter, although meagerly supported, have made substantial contributions to health care. One study, for example, has been instrumental in reducing in-hospital deaths from heart attacks. Tens of thousands of nurses have been trained in coronary care, using procedures developed in the study, making it possible for community hospitals to provide effective care.

Envisioned cutbacks will have serious adverse effects on health care delivery for years to come. The nursing shortage will probably worsen rather than get worse. Enrollments will be cut and some graduate and undergraduate private programs will be closed. All this is in stark contrast to the words of former HEW Secretary Richardson, who stated in an HEW paper on the expanded role of the nurse:

"The nursing profession can and must occupy a larger and more effective place in the delivery of health services. While the number of nurses will have to increase substantially to catch up and keep pace with the expanding demand for nursing services, it will be necessary at the same time to enable professional nurses to extend the range and scope of their contribution to health care."

NURSE TRAINING ACT APPROPRIATIONS FOR FISCAL YEAR 1974 (JULY 1, 1973–JUNE 30, 1974)

Nurse Training Act of 1971	Authorized fiscal year 1973[1]	Request fiscal year 1973	Vetoed bill (H.R. 15417) fiscal year 1973	Vetoed bill (H.R. 16654) (House bill) fiscal year 1973	Authorized fiscal year 1974	Revised request fiscal year 1973	Request fiscal year 1974
Institutional support:							
Capitation	$31,500,000	$33,500,000	$50,500,000	$37,875,000	$88,000,000	$16,800,000	0
Special project (G. & C.)	19,000,000	19,000,000	25,000,000	24,250,000	35,000,000	14,830,000	$15,000,00
Financial distress	10,000,000	2,000,000	10,000,000	9,000,000	5,000,000	170,000	0
Start-up grants for new schools	0	2,000,000	2,000,000	2,000,000	12,000,000	0	0
Student assistance:							
Direct loans	21,000,000	21,000,000	24,000,000	23,625,000	35,000,000	21,000,000	21,000,000
Scholarships	19,500,000	19,500,000	30,000,000	21,250,000	59,000,000	19,500,000	11,000,000
Traineeships	11,470,000	11,500,000	15,000,000	12,375,000	24,000,000	11,500,000	0
Construction:							
Grants	19,500,000	[2]	30,000,000	17,500,000	45,000,000	0	0
Loan guarantees and interest subsidies	200,000	1,000,000	1,000,000	1,000,000	4,000,000	1,000,000	1,000,000
Educational grants and contracts and direct operations:							
Recruitment (G. & C.)	2,000,000	2,000,000	2,000,000	2,000,000	[3] 6,500,000	5,665,000	0
Grants and contracts	3,805,000	4,105,000	4,105,000	4,105,000			
Direct operations	6,915,000	7,329,000	7,829,000	7,766,500		4,119,000	3,348,000
Total	144,890,000	122,934,000	201,434,000	162,747,000	313,500,000	94,584,000	51,348,000

[1] See previous chart for fiscal year 1972 level of appropriations.
[2] None (carryover $9,500,000).
[3] Includes only recruitment grants and contracts.

Mr. BAYH. Mr. President, the fiscal year 1974 proposed budget of $51,348,000 is only 16.3 percent of the moneys we authorized for nursing during fiscal year 1974.

In my State of Indiana, the Nixon budget spells disaster for the 26 nursing schools, the faculty and their nearly 5,000 students. During fiscal year 1972, 19 schools received a total of $1,010,180 in capitation grants. These moneys are eliminated in the 1974 Nixon budget. The loss of capitation moneys to assist Indiana nursing schools with their increased enrollments, a criterion for obtaining such funds, forces an undue financial burden on already overburdened educational facilities. These schools were deliberately encouraged to increase enrollments and just as they did the administration proposed to withdraw financial support. Schools will be forced to curtail enrollments or actually close as a result of this proposal. Nursing schools in Indiana received $1,143,330 during fiscal year 1972 for construction, expansion, replacement, or renovation of facilities for nurse training programs. These moneys are eliminated in the 1974 Nixon budget. Five Indiana nursing schools received traineeship support totaling $240,364 during fiscal year 1972. In most schools a majority of the faculty employed as teachers for the nursing courses participated in the traineeship program. Without such assistance fewer qualified instructors would be available. These moneys have been eliminated in the 1974 Nixon budget. Indiana will also feel the impact of drastic reductions in support for special project grants, student loans, scholarships, and recruitment grants. Fifty percent of the students going into nursing come from families with annual gross incomes of $10,000 or less. These reductions will create unnecessarily harsh, if not prohibitive, burdens on individuals wanting to become nurses.

The administration's health budget affects health programs which were passed in some of the finest hours of the Congress, and with the full and active support of past Presidents. But now we are confronted with a President who would turn away from the good we have accomplished and who would withdraw the gains we have made.

Congress is not taking these proposals lightly. In March of this year, by a vote of 72 to 19, the Senate passed the Health Extension Act, and last Thursday the House, by a vote of 372 to 1, approved a similar bill. These measures extend the expiring health programs, including the five programs which this administration is determined to eliminate. I proudly supported the Senate bill.

I am supportive of a frugal but comprehensive health budget. As a member of the Senate Appropriations Committee, I will strive to secure full and continued funding for vitally important programs such as those we authorized in the Nurse Training Act of 1971.

Professional nursing services are a fundamental foundation in the health care delivery system. To realize the achievements of a national goal of making health care accessible to all without insurmountable barriers, the contributions of nursing must be recognized and supported.

COMMUNITY MENTAL HEALTH CENTERS

Mr. HARTKE. Mr. President, the Community Mental Health Act, originally passed in 1963, has resulted in the fund-

ing of some 500 new mental health centers which have had a profound effect on the delivery of mental health services in this country.

In Indiana, statistics reflect a movement of mental health services away from inpatient service toward a community base of operation. There are further indications of movement toward emergency service, crisis intervention, and rehabilitation services as options, in addition to more traditional outpatient psychotherapy or counseling sessions. This suggests that people are coming for services at an earlier time and tend to receive more rehabilitative services after the immediate precipitating crisis. Much of this progress in Indiana mental health services will be severely hindered, if not halted, unless Congress considers the Community Mental Health Act which is due to expire on June 30, 1973. Concern has been rightly expressed by the Indiana Legislature.

Mr. President, I ask unanimous consent that the text of their resolution be printed in the RECORD.

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

RESOLUTION

A Senate concurrent resolution memorializing Congress to continue its support of the community comprehensive mental health centers program in order that Indiana's network of thirty-two community comprehensive mental health centers may be completed

Whereas, In 1955 President Dwight David Eisenhower appointed the Joint Commission on Mental Illness and Health to study the problems of this nation's mentally ill; and

Whereas, The Joint Commission of Mental Illness and Health in its report to the President in 1961 recommended, among other things, the creation of community comprehensive mental health centers to provide treatment facilities for this nation's mentally ill in close-to-home treatment facilities; and

Whereas, In 1963 Congress passed the Community Mental Health Centers Act implementing the Joint Commission on Mental Illness and Health report and authorized federal dollars to assist the several states in providing its network of community comprehensive mental health centers; and

Whereas, Congress committed itself to becoming a full partner with the several states and local communities in initial construction cost and staffing cost; and

Whereas, The Indiana General Assembly and the several counties of this state enacted legislation and provided the state's and local government share to create a network of thirty-two community comprehensive mental health centers for the citizens of the state of Indiana; and

Whereas, Ten centers are presently in operation in Indiana, five more will be operational within the next two-year period and the remaining seventeen centers will be operational by 1980; and

Whereas, The state of Indiana and local county governments have kept their pledge to the mentally ill of this state by enacting the necessary legislation and providing funds to complete the network of thirty-two community comprehensive mental health centers: Therefore

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

Section 1. That the General Assembly hereby memoralizes the Indiana Congressional delegation, the Federal administration and the Congress to renew the Community Mental Health Centers Act to permit the continuation and completion of the plan to provide community comprehensive mental health centers for all this nation's mentally ill and to authorize and appropriate the federal funds necessary to keep the national commitment as a full partner in combating mental illness.

Section 2. The Secretary of the Senate is hereby directed to forward copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to all the members of Congress from the state of Indiana.

Adopted by Voice Vote this 13th of April, 1973.

LEGAL SERVICES AND THE ELDERLY

Mr. WILLIAMS. Mr. President, concern about legal problems of the poor increased dramatically with the establishment of the legal services program.

However, the elderly have received only a tiny fraction of the representation under this program.

A study conducted by the Office of Legal Services in the early 1970's revealed that older Americans constituted only about 6 percent of all clients in the legal services program.

Yet, persons 60 and over represented one-third of the entire poverty population at that time.

In most cases older Americans have had little contact with governmental agencies during their preretirement years, except to pay taxes or to perform their military obligations.

But with advancing age they frequently find themselves involved in complicated—and sometimes baffling—encounters with Federal programs.

Their inability to understand the nuances of the medicare law can cost them precious dollars. Failure to act in a timely fashion to correct an error in their social security earnings statement can result in a permanent loss of benefits. And completing the retirement income schedule for their Federal income tax return can be too complicated for the unsuspecting elderly. In fact, some leading organizations in the field of aging estimate that nearly one-half of their members, who are eligible for the retirement credit, do not take advantage of this tax savings because of the complexities involved in computing it.

Despite their urgent needs, many older Americans are still forced to shift for themselves when confronted with a legal problem—whether it involves litigation, planning their personal affairs, or just understanding the technicalities of Federal programs.

Large numbers are now denied precious benefits simply because they are unaware that injustice exists. Others accept injustice because of frustrating experiences in dealing with imperial institutions.

But an effective and comprehensive legal services program can help protect the elderly poor who suffer needless anxiety and deprivation because they are unaware of available help.

One of the major issues to be considered during this Congress concerns various alternatives for establishing an independent legal services corporation. Equally important are these fundamental questions:

How should the legal services program be structured?

Should law reform be an integral part of legal services for the poor?

Or, should our approach be legal service on a case-by-case basis?

As the former chairman of the Senate Committee on Aging and now the chairman of the Labor and Public Welfare Committee, I am especially concerned that appropriate attention be given to the needs of the elderly poor—whatever proposal is approved during this Congress.

Recently the National Senior Citizen Law Center prepared a paper on "Law Reform and the Elderly Poor."

During its brief existence the National Senior Citizens Law Center has helped to sensitize legal services lawyers and private attorneys about the need for improved and increased representation for the aged poor. For this reason I am hopeful that steps will be taken to continue the National Senior Citizens Law Center and to provide for its orderly transfer to the Legal Services Corporation.

Mr. President, I commend the article by the National Senior Citizens Law Center on "Law Reform and the Elderly Poor" to my colleagues, and ask unanimous consent that it be printed in the RECORD.

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

LAW REFORM AND THE ELDERLY POOR

Bettering the plight of the elderly poor has clearly been a major governmental concern for the last forty years, commencing with the initial Social Security Act. During this period, the main foacus has been on the legislative arena with such results as increases in the level of Social Security benefits, medical assistance legislation, the Food Stamp Act, nutrition programs and most recently, the Supplemental Security Income Program which became law in 1972. Although these legislative efforts have received a large amount of publicity, remedies gained through a separate forum, the courts, are less well known.

The method of expanding the rights and benefits of the poor through the utilization of litigation is most popularly referred to as law reform litigation. Law reform litigation is an attempt to reform the substance of the law while serving the needs of an individual client. This litigation can take many diverse forms. One method involves challenging the underpinnings of an entrenched legal doctrine which has resulted in unfair treatment of the impoverished. For example, it was a long-standing doctrine that a landlord could require full rent from his tenant while at the same time not fulfilling his obligations under the lease. Through numerous cases brought by tenants this doctrine is quickly becoming extinct and is being replaced by a doctrine which requires mutual responsibilities on the part of landlord and tenant. In addition, this litigation has acted as a catalyst for legislation embodying this principle.

Another type of law reform litigation is that in which a specific or federal statute or administrative regulation operates to deprive an individual of certain rights guaranteed by the Constitution. To further his client's claim, the lawyer challenges the constitutionality of the statute or regulation involved. If the challenge is successful, the benefit inures not only to his client but also to the entire class of individuals who were similarly negatively affected by the contin-

uing viability of the unconstitutional statute or regulation.

The same effect is produced by valid challenges to state statutes or administrative regulations which conflict with the governing federal law. With the existence of such a broad range of federal benefit programs to serve the poor, litigation of this type has been an invaluable tool for insuring that the purpose of federal legislation is not frustrated by improper state and local administration of federal monies.

Closely allied to the concept of law reform litigation, though technically not encompassed by its definition, is the utilization of litigation to force both federal and state administrative agencies to administer a law in compliance with their own regulations. The most prevalent example is where state administrative departments have established the right to a hearing prior to an elimination of benefits and then proceed to summarily cut-off such benefits. Frequently, such monitoring litigation has even greater actual impact on the day-to-day lives of the poor than does new legislation or more doctrine oriented law reform litigation.

A final characteristic of law reform litigation which needs to be accented is its inherent economies. Whenever one legal case provides a legal solution for a large number of individuals, it relieves the potential strain on all aspects of the legal system, particularly the courts, which would result from a large number of identical cases brought by different but similarly affected individuals seeking relief. Therefore, law reform litigation has the capability of promoting in a much quicker and effective way the legal interests of the poor while relieving the congestion that so threatens the continued viability of our legal system.

In applying this legal tool to the continuing struggle for improvement in the lives of the elderly poor, its value soon becomes obvious. First, no definable group is affected by more federal legislative programs than the elderly poor. A list of just a few of these programs would include Social Security, Medicare and Medicaid, Housing for the Elderly, Food Stamps, and Supplemental Security Income. Therefore, law reform litigation is a necessary compliment to this legislation in order to insure that the body of laws and regulations promulgated to implement these programs do not infringe upon any constitutional guarantees afforded eligible recipients. For example, a suit which challenged the constitutionality of a unilateral determination by HEW, without any proper hearing, that a Social Security beneficiary was senile and unable to manage her affairs which suspended her benefits until a "representative payee" was selected, caused HEW to issue regulations requiring a prior hearing and reasonable proof before cancelling benefits and appointing another payee.

Another safeguard afforded by this litigation is that the essential purpose of these benefit programs are not thwarted by overly restrictive federal administrative regulations, state statutes, or state and local administrative rulings. A case clearly illustrating this need was a successful challenge of California Medicaid regulations which limited the use of Medicaid in the state only to emergency and near-emergency treatment and which eliminated diagnostic and preventive services. Under regulations and statutes which are definitively legal, there still remains the need for legal action to displace official noncompliance which operates to deny the eligible elderly the benefits due them.

Other areas of the law affecting the elderly poor such as guardianships, conservatorships, pensions, commitment procedures for mental institutions and age discrimination remain largely unchartered seas open to the need for creative law reform litigation. As an example, numerous suits are now being litigated to challenge the involuntary commitment of allegedly senile individuals to mental hospitals without any opportunity for a hearing. Also laws which allow the appointment of others to manage an individual's financial affairs without a prior hearing have been ruled unconstitutional. In the pension area, suits are under way challenging numerous procedures and criteria which are utilized in pension plans with the goal of establishing a more just set of standards and proceedings. While this is merely a sampling of the substantive matters in which law reform litigation on behalf of the elderly poor is taking place, the illustrations of this approach clearly evidences the efficacy and potential which law reform litigation presents in the struggle for the betterment of everyday life for an impoverished minority—the elderly—whose cause deserves our greatest sense of urgency.

The following is a list of additional cases which further show the values of law reform litigation.

MANDINA V. ROMNEY (DIST. COURT)

The court issued an injunction enjoining minimum income tests for eligibility for Section 236 housing.

DILS V. GEDULDIG (CAL. DISTRICT COURT)

In this class action, the court held that California social security recipients who had lost Medicaid eligibility solely due to increases in social security benefits must have these benefits restored to them, and issued a writ of mandamus to compel state officials to comply with the applicable federal law.

JORDAN V. WEAVER (U.S. COURT OF APPEALS)

The Court ordered defendent Illinois welfare officials to release retroactive benefit payments to persons whose applications for Aid to the Aged, Blind and Disabled had not been processed within the time limits prescribed by federal regulations. In addition, it granted a permanent injunction requiring compliance with federal regulations requiring that eligibility determinations and payments on applications for assistance for the aged be made within thirty days.

CUK V. BRIEN (U.S. DIST. COURT)

A 3-judge court has declared unconstitutional the California law conditioning eligibility for health and medical care upon being a United States citizen, having applied for citizenship, or having been legally present in the United States for a period of five years.

903 PARK AVENUE V. CITY RENT AGENCY (N.Y. APPELLATE DIV.)

Upheld statute which allowed senior citizens exemptions from rent increases.

CRAMNER V. COMMONWEALTH OF PENNSYLVANIA (PA. SUPREME COURT)

This case held that an individual who was in the categorically needy Medicaid classification because he received some public assistance payment and was then placed in a medically needy classification due to the fact that increases in OASDI payments eliminated his public assistance payment, only had to spend down, through payments for drugs and medical expenses, to the public assistance standard instead of the much lower medically needy standard before he could become eligible for the medical assistance program.

BAKER V. RICHARDSON (U.S. COURT OF APPEALS)

The court held that the suspension of Social Security benefits requires notice and hearings.

WYATT V. STICKNEY (U.S. DISTRICT COURT)

Persons involuntarily committed through non-criminal procedures to state institutions for the mentally retarded were held to have a constitutional right to receive such individual treatment as would give each of them the opportunity to lead a more useful and meaningful life and to return to society.

LESSARD V. SCHMIDT (U.S. DISTRICT COURT)

This case established due process guidelines for involuntary commitment.

GREDIT V. WEAVER (U.S. DISTRICT COURT)

The Illinois Department of Public Aid has been enjoined from terminating food stamp benefits for recipients of public aid who also receive Social Security benefits and who will no longer be eligible for categorical assistance because of an increase in Social Security benefits.

BERMUDEZ V. U.S. DEPT. OF AGRICULTURE (U.S. DISTRICT COURT)

The court held that retroactive food stamps must be issued to households wrongly denied stamps due to administrative errors.

YUET YEE WONG V. BRIAN (CAL. APPELLATE)

Invalidated, as in conflict with Federal regulations, the California welfare regulations, establishing a personal property resources limitation as condition of eligibility for the medical assistance program.

ALLEN V. OMAHA TRANSIT CO. (NEB. SUP. COURT)

The court reversed a summary denial by a state railway commission of an application for reduced rate transportation for elderly persons and ordered that a full open hearing must be held on the matter.

MASSZONIA V. WASHINGTON (U.S. DISTRICT COURT)

Where low income tenants, many of whom were elderly, were threatened with the loss of essential utility services because of the landlord's failure to pay for such services, the District of Columbia was held to have the duty to provide such services on a temporary and emergency basis.

IMPACT OF FISCAL YEAR 1974 HEALTH BUDGET CUTS ON THE STATES

Mr. HUMPHREY. Mr. President, recently the Senate has taken decisive actions, which I have strongly supported, to instruct the administration to abandon its ill-conceived plan to cut back on terminate Federal assistance for programs to sustain biomedical research, to increase health manpower resources, to expand and improve hospital facilities, and to continue various health care programs of crucial importance to our communities.

In passing S. 1136, to extend authorizations for Federal funding of a number of health programs for 1 year, and H.R. 7447, the supplemental appropriations measure amended to add further funds to enable such programs to continue to operate through the current fiscal year, the Senate has made clear its firm belief that the vital health needs of our citizens must be a priority concern of the Federal Government.

I urge Congress to complete action on these bills without delay to prevent the wholesale abandonment or substantial set-back of many of these programs which have no adequate alternative financial resources.

Mr. President, I have received information spelling out the impact upon the several States of the severe reductions in Federal assistance for health care research and services that have been proposed by the administration.

This is a listing of the health programs that the administration would allow to expire, showing the Federal outlays to the States under these programs in fiscal year 1972, as compiled by the Office of Economic Opportunity.

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

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

HEALTH PROGRAMS WHICH WOULD EXPIRE UNDER ADMINISTRATION PLANS—FISCAL YEAR 1972, STATE-BY-STATE FEDERAL OUTLAY FOR HEALTH PROGRAMS

State	Comprehensive health planning and services	Community mental health centers	Health manpower (mental health, allied health, public health)	Regional medical programs	CHP partnership for health planning, formula and projects grants, health services	Crippled childrens services and developmental disability	Construction/ Hill-Burton	Maternal and child health services (including family planning)	Migrant health	(Expiring programs) Federal funds to State 1972, total
Alabama	857,663	3,685,093	7,680,483	2,567,897	5,984,659	1,941,906	6,449,101	6,486,471	1,652,806	37,306,076
Alaska	1,900,421	602,482	129,377	----------	2,719,771	615,203	125,000	365,591	----------	6,457,845
Arizona	122,624	5,013,866	3,192,995	1,972,835	3,239,789	940,312	348,613	1,806,030	1,022,500	17,659,564
Arkansas	20,917	4,240,585	1,961,031	2,337,600	3,003,569	905,300	454,778	2,101,998	283,308	15,309,086
California	15,995,714	40,212,419	33,802,946	17,740,163	33,727,557	7,548,140	12,381,111	15,728,934	5,078,887	182,214,760
Colorado	1,468,430	7,189,064	5,484,451	2,495,660	10,299,869	1,812,827	591,914	4,821,986	2,181,771	36,345,972
Connecticut	690,033	5,290,461	6,198,597	3,300,786	2,631,831	1,736,490	1,283,949	2,184,267	125,481	23,441,895
Delaware	80,804	1,620,553	445,454	200,000	745,344	622,102	20,584	649,655	----------	4,424,496
District of Columbia	3,777,934	7,810,318	9,551,155	4,427,859	12,797,689	1,374,827	3,120,202	9,354,054	5,022,234	53,249,397
Florida	2,293,785	12,951,674	7,029,185	2,669,853	8,547,106	5,365,029	1,307,002	10,398,226	2,587,537	57,236,272
Georgia	65,461,072	5,542,115	5,753,584	3,742,723	9,677,973	3,823,361	1,946,045	7,700,573	300,007	103,948,453
Hawaii	1,697,874	1,040,665	1,737,005	3,207,820	2,577,720	873,004	1,017,237	1,418,151	----------	13,569,476
Idaho	106,549	1,498,940	485,683	----------	809,283	698,924	302,912	487,114	----------	4,389,405
Illinois	3,564,327	12,090,401	5,068,676	29,444	10,678,565	2,700,498	5,279,138	6,851,844	827,116	47,090,009
Indiana	51,928	5,693,515	8,235,545	1,602,797	5,378,164	2,837,778	3,065,451	1,302,136	382,037	27,549,351
Iowa	463,347	1,478,223	5,843,670	1,418,103	2,078,167	2,136,790	815,298	1,463,236	135,000	15,831,834
Kansas	56,936	3,721,809	3,865,783	2,013,709	1,620,628	1,364,624	1,103,142	1,973,341	81,000	15,800,972
Kentucky	224,149	21,958,055	6,869,597	2,758,071	6,298,327	2,862,750	916,237	3,720,356	----------	45,597,542
Louisiana	14,454,427	3,617,749	6,862,718	1,965,362	2,898,342	3,038,165	3,586,506	6,486,691	----------	42,909,960
Maine	196,297	3,663,528	550,539	2,869,678	601,907	780,320	748,241	803,003	----------	10,213,513
Maryland	29,890,121	50,204,511	25,399,900	6,101,790	10,282,640	3,314,448	20,738,816	13,587,427	3,990	159,523,643
Massachusetts	6,533,955	15,312,617	17,019,752	23,961	5,648,848	2,603,936	7,057,794	8,287,655	262,433	62,750,951
Michigan	1,694,984	10,972,636	15,049,479	50,000	9,335,785	5,203,745	3,072,269	9,387,214	1,214,381	55,980,593
Minnesota	707,852	4,980,287	7,936,705	86,000	4,259,965	2,601,392	3,469,345	4,087,627	95,000	28,224,173
Mississippi	74,498	2,137,854	2,596,430	507,711	5,829,353	2,621,911	87,110	2,690,099	900,000	17,444,966
Missouri	1,766,089	7,273,391	11,981,001	942,830	12,231,797	2,828,640	2,962,723	6,188,537	660,000	46,835,008
Montana	3,624	1,011,757	1,590,774	----------	919,273	582,016	40,305	1,305,978	----------	5,453,727
Nebraska	64,737	1,420,167	5,099,479	212,097	1,233,329	1,041,218	2,052,301	2,816,261	286,189	14,225,778
Nevada	67,597	366,507	617,921	----------	807,582	615,311	135,072	553,018	58,542	3,221,550
New Hampshire	23,045	940,382	948,453	217,511	1,198,886	998,999	100,000	594,971	----------	5,022,247
New Jersey	512,531	13,507,180	4,756,668	2,722,869	8,531,701	2,990,903	1,485,634	4,146,358	334,994	38,988,837
New Mexico	76,782	3,078,599	1,568,802	3,009,072	2,217,258	888,834	4,349,460	2,059,691	1,846,612	19,095,110
New York	21,312,566	44,497,204	41,540,502	90,462	44,108,570	6,933,246	21,027,443	25,339,378	439,551	205,288,922
North Carolina	535,823	7,684,755	10,184,588	378,276	9,902,541	4,590,998	5,663,099	4,440,445	2,654,828	40,169,212
North Dakota	29,431	1,288,112	1,455,368	553,953	1,604,395	575,270	250,455	690,768	----------	7,447,752
Ohio	12,693,261	10,487,350	14,208,861	3,624,658	20,932,257	4,329,441	3,281,936	10,677,955	254,921	80,490,640
Oklahoma	244,247	4,273,973	4,069,594	33,132	4,457,856	1,608,142	897,439	2,586,274	148,415	18,319,072
Oregon	345,108	4,780,754	4,374,658	55,531	3,979,805	1,568,733	1,523,348	2,460,656	904,000	19,992,593
Pennsylvania	4,830,856	29,035,540	24,999,008	1,871,785	21,216,150	7,083,445	10,093,562	11,976,900	294,715	111,401,871
Rhode Island	10,540	3,016,970	863,325	----------	1,008,297	716,803	673,925	788,024	----------	7,077,884
South Carolina	544,016	2,988,697	4,807,071	2,467,146	6,923,601	2,657,662	1,143,527	1,981,761	100,000	23,623,481
South Dakota	113,670	906,225	1,025,960	288,844	2,252,425	565,107	1,032,664	2,435,817	----------	8,620,712
Tennessee	834,658	4,719,602	8,139,226	6,126,226	8,104,925	642,431	2,726,663	1,659,263	330,172	33,283,166
Texas	6,405,272	18,108,379	12,934,423	29,269	12,359,252	8,351,456	5,296,721	14,575,732	4,795,052	82,855,556
Utah	909,401	2,377,849	2,209,670	3,801,194	3,445,503	1,076,778	839,574	187,400	242,794	15,090,163
Vermont	8,779	1,134,218	965,132	100,000	607,205	467,632	657,295	175,000	----------	4,115,261
Virginia	5,140,887	3,447,719	5,273,119	1,714,282	5,758,883	3,237,092	6,834,877	3,317,167	----------	34,724,026
Washington	9,642,205	5,280,993	6,267,653	21,651	7,539,447	302,475	844,834	7,220,409	958,712	38,096,277
West Virginia	2,343,722	3,152,835	2,061,634	972,575	4,494,237	909,988	165,681	1,934,842	----------	16,035,514
Wisconsin	957,546	1,902,402	6,688,962	3,776,181	3,803,685	1,362,744	3,615,614	1,072,492	833,619	23,013,245
Wyoming	----------	764,316	331,391	----------	706,593	463,633	337,637	269,538	----------	2,873,108

Source: "Federal Outlays in Summary, A Report of the Federal Government's Impact by State, County and Large City, Fiscal Year 1972," compiled for the Executive Office.

DEFINITIONS OF COLUMN HEADINGS

STATE-BY-STATE FEDERAL OUTLAY FOR HEALTH PROGRAMS

Column 1. Comprehensive health planning and services

Comprehensive Health Planning and Services.

Disease Control.

Patient Care and Special Health Services.

Communicable Diseases Grants.

Column 2. Community mental health centers

Mental Health.

Health Alcoholic Counseling.

Institute Mental Health Community Narcotic and Alcohol Rehabilitation.

National Institute Mental Health Narcotic Addiction Treatment.

National Institute Mental Health Staff Community Health Center.

Mental Health Research Grants.

Column 3. Health manpower, (mental health, allied health, public health)

Health Manpower.

National Institute Mental Health Manpower Development.

Health Professions Education Improvement Grants.

Health Professions Facilities Construction.

Column 4. Regional medical programs

Regional Medical Programs Technical Assistance and Disease Control.

Regional Medical Programs Grants, Planning, Development and Projects.

Column 5. CHP partnership for health planning, formula and projects grants, health services

CHP Partnership for Health Planning Grants.

CHP Partnership for Health Formula Grants.

CHP Partnership for Health Project Grants.

Comprehensive Health Services.

Column 6. Crippled childrens services and developmental disability

Crippled Childrens Services.

Formula Grants for the Developmentally Disabled.

Column 7. Construction/Hill-Burton

Construction Diagnostic and Treatment Center.

Construction Long-Term Care Facilities.

Construction Facilities.

Construction Grants and Contracts.

Health Care Facilities Service Modernization.

Column 8. Maternal and child health services (including family planning)

Maternal and Child Health Services.

Maternal and Child Health Research and Training.

Maternal and Child Health Project Grants.

Health Family Planning.

Maternal and Child Health Family Planning.

Column 9. Migrant health

Assistance for Migrants.

Source: "Federal Outlays in Summary, A report of the Federal Government's Impact by State, County and Large City, Fiscal Year 1972," Compiled for the Executive Office of the President By the Office of Economic Opportunity.

ADDRESS BY ARTHUR R. TAYLOR, PRESIDENT, COLUMBIA BROADCASTING SYSTEM

Mr. BAKER. Mr. President, on May 23, 1973, Mr. Arthur R. Taylor, successor to Dr. Frank Stanton as president of the Columbia Broadcasting System, delivered a thoughtful speech to the Federal Communications Bar Association here in Washington that clearly indicates the depth of his commitment to the opportunities and responsibilities of the broadcasting industry. I am sure his remarks will be of interest to all Senators and therefore I ask unanimous consent that his speech be printed in the RECORD.

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

REMARKS OF ARTHUR R. TAYLOR

I am delighted to be with you today and to have this opportunity to share with you some views regarding our common interest—the healthy, vigorous and free flow of broadcast communications in America.

It is a particular honor to talk to this As-

sociation. Since the founding of our nation, your profession has been in close and constructive league with those of us who maintain our right of freedom of expression in this country. There has been a mutual recognition that, without a strong and high-principled legal system to safeguard it, "freedom of communication" would be merely an empty phrase and that, without a real and uncompromised free press, our legal system would be in constant jeopardy. It has been a long and effective alliance.

I recognize that to lawyers it must also have been, at times, a somewhat trying alliance. The processes of the law are necessarily deliberate and guarded. The processes of expression are frequently spontaneous and relaxed. The distinction may sound less significant than it is. Perhaps it can best be illustrated by a story Mark Twain used to tell. When he was a fledgling reporter for a Missouri newspaper, he was severely lectured by a proprietor of the paper who was also a lawyer. The lawyer sternly warned him that he must never report anything as a fact unless he had absolute knowledge it *was* a fact; otherwise, he must use qualifying language. It fell to Twain that very day to report a tea party given by the lawyer's wife. Faithful to his directions, he wrote: "A woman, giving the name of Mrs. James Jones, who is reported to be one of the society leaders of this city, is said to have given a party yesterday for a number of alleged ladies. The hostess claims to be the wife of a so-called attorney, presumably practicing law in this community."

I wish that the distinction I want to discuss with you briefly today could be illustrated by a device as simple as Mark Twain's judicious and mischievous use of qualified phrasing. But I am afraid that it can't be. I refer to the distinction that exists between the judgemental responsibility that all broadcasters, editors, publishers and the managers of other institutions of communications must assume for what goes out through their media, and the imposition of suppression or controls by external authorities, whether direct or indirect, that constitutes censorship.

A thorough understanding of this distinction seems to me essential in the hard-fought but never wholly won battle of all media for freedom from censorship—particularly for us in broadcasting, because of the licensing factor. It seems essential also to the preservation of the invigorating and nutritious ferment resulting from the freedom of thousands of entities in all the media to set their own standards of content and style as to what they will or—equally important—what they will not disseminate.

For it seems to me freedom from being forced to broadcast, to publish or otherwise to present what goes against the grain of one's standards or principles, or the concept of responsibility to one's audience, is no less vital than the freedom from prior restraint. When the conscionable exercise of the duty to decide what one will not disseminate is confused with censorship, whether carelessly in the heat of discussion or as a weapon intended to coerce, a great disservice is done to the whole atmosphere of freedom that must imbue our media.

The management of every broadcasting, publishing and production organization is confronted with a great mass of material, ideas and proposals—some commissioned and some unsolicited—from which it must choose what it will convey to its audiences. The responsibility is an eclectic one: what among this enormous mass of material best meets its audience's varied interests and needs. The insight, the consistency and the standards of quality with which that basic function is carried out give any communications organization its essential character, its degree of acceptance by the people and its viability, whether in broadcasting, publishing or theatrical or film production. No management will be right all the time. Certainly no management will please everybody any of the time. But a responsible management wil be right, not in absolute terms but in terms of the context in which it must function, more often than it is wrong; and it will keep in tune with its audience more often than it will fail to do so.

This quantitative factor in broadcasting makes for a gargantuan appetite for material—particularly in entertainment broadcasting. And an enormous amount of our resources, in terms both of energy and of money, goes into exploring sources of future programming and developing new programs. Many ideas, which sound first-rate on paper, just do not work out in actual production. Accordingly, far more pilot programs are produced every year at considerable expense than ever see the air.

The point is that to be assured of sufficient programs that interest a large enough audience to make their way, a huge volume of material must constantly be sought and developed.

The vast quantitative aspects of broadcast programming compound, but cannot take priority over, the difficulties encountered in making qualitative judgments. This latter area, involving as it does subjective values not measurable in precise terms, calls for the most conscientious exercise of our responsibility as to what goes out over the network.

Networks in the exercise of this responsibility have been subjected—sometimes from quarters that should know better—to charges of engaging in censorship or, in the instance of a New York Times commentator, in "self-censorship," a totally vacuous concept that reduces a word of gravest importance to an absurdity.

Such irresponsible charges and loose terminology could eventually so weaken or distort the very essential opposition of a free people to *real* censorship as to undo the work of nearly two centuries of our national experience in effectively combating both the idea of censorship and the practice of it, whether overt or covert.

The members of this able and distinguished Association, many of whom have been on the firing line for years in this constant battle, need no long discussion of censorship. I think that we all agree that it is prior restraint exercised by an external authority, capable of punitive action if resisted, and that its effect and intent is to forbid dissemination of materials arbitrarily found by this external authority—not by either the disseminator or his audience—to be unsuitable for public consumption.

Now this seems to me a far cry from—in fact, the very antithesis of—the often prolonged and agonized processes, by which those responsible for a medium of communication decide what they should or should not broadcast, publish or otherwise circulate. Does a magazine, publishing perhaps one-tenth of the material submitted to it or commissioned by it, by such editorial discrimination, "censor" the other nine-tenths? Does a book publishing house, publishing only 500 books a year out of the 5,000 manuscripts it reads, by making such judgments, "censor" the other 4,500? Does a cinema, booking only three or four films a month out of the hundreds in distribution, by that selective process, "censor" all the others? Does a play producer, choosing only one or two plays a year to produce, by making such choices, "censor" the scores of others that will never see the boards? We know that any such charge is nonsense. In each case, the institution is carrying out a responsibility that inheres in its very nature and purpose—an unavoidable responsibility owed to its audiences.

A broadcasting network audience is necessarily inclusive, and our responsibility to it cannot be met unless that inclusiveness is respected. Network programming, therefore, cannot be esoteric or over-specialized. A style, however exciting to an avant garde medium with a small audience of devotees or to a highly selective audience, may be completely elusive to an audience numbering in the millions. Techniques wholly experimental in nature, necessary as they may be to the growth of any medium, cannot be forced-fed to a primetime network audience before they have survived the tests of smaller crucibles.

On substantive grounds—the contents of the program—on which most programming decisions must be made, we are dealing almost always not in black and white but in shades of gray. Aside from such obviously unuseable material as the obscene or libelous, there are few constants and no absolutes in this forever changing and never rigid area. This is not a matter merely of estimating audience ratings. If that were so, it would be much easier. Such non-tangibles as taste, timeliness and the context in which it is shown enter deeply into our decisions. It was such factors as these which, after some of the most sober and earnest discussions I have ever participated in, led us at CBS to decide not to put on the air, as scheduled, a television version of a Broadway play, "Sticks and Bones," dealing with the plight of a blinded veteran returning to a family that rejected him. We made no secret of our reasons for taking this action.

In a statement sent to our affiliates and made public, we said:

"Most of us agree that the production is a serious, concerned and powerful tragedy of some of the uglier aspects of human nature as revealed in a highly imaginative contemporary story. In light of recent developments, however, many of us both at the Network and among the stations are now convinced that its presentation on the air at this time might be unnecessarily abrasive to the feelings of millions of Americans whose lives or attention are at the moment emotionally dominated by the returning P.O.W.s and other veterans who have suffered the ravages of war."

When this decision was announced, CBS was immediately accused by the ill-informed or the misinformed of yielding to White House pressure and of yielding to the Vice President's past aspersions, and finally, with a reckless disregard for accuracy or even common sense, of engaging in "censorship" or so-called "self-censorship." We were doing none of these things. Those who have taken the trouble to follow CBS's history know very well that we have resisted political pressures and will continue to do so. Finally, anyone informed as to the content, the history and the application of the First Amendment with its implicit definition of censorship as banning by government authority, knows that no issue of censorship was involved or could be involved—anymore than it is when the *New York Times* decides to publish one story and not another.

In the case of "Sticks and Bones" we made a perfectly normal though tough programming judgment. Because "Sticks and Bones" was an exceptional production in terms of its impact and in terms of the publicity it had generated, we made a particular effort to show the program to the press and to civic leaders. We urged our affiliates to do so in their communities through closed circuit broadcasts. We were endeavoring to get a better feel for the mood of the nation to confirm or refute our feel for the sensitivities which this program might arouse. In the end it was, as always, our decision as to what good taste and responsible programming judgment dictated, within the context of the particular time.

We must be constantly aware that television has virtually unrestricted access to 67 million American homes. No effort, such as going to a magazine stand or theatre, is necessary to turn on a receiving set. No expenditure of money is required to see or listen to a program. No requirement as to age and no qualification as to educational background are or can be involved in either who is admitted or who is attracted to a

given program. Though this situation has given broadcasting an unprecedented opportunity, it has also imposed upon it an unprecedented responsibility.

If we are not true to that responsibility, no theoretical claim to freedom can save any broadcast endeavor. If we are true to that responsibility, no threat to such freedom can ever succeed.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The PRESIDING OFFICER (Mr. JOHNSTON). Under the previous order, the Chair lays before the Senate the unfinished business, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, there is a time limitation agreement on this measure.

RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 1:30 p.m. today, and that the time for the recess not be charged against either side on the bill.

The motion was agreed to; and at 12:57 p.m. the Senate took a recess until 1:30 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. HUDDLESTON).

ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or disclocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Washington (Mr. JACKSON), I yield two minutes on the bill to the distinguished Senator from Wyoming (Mr. MCGEE).

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

IMMEDIATE RETIREMENT OF CERTAIN FEDERAL EMPLOYEES

Mr. McGEE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6077.

The PRESIDING OFFICER. (Mr. HUDDLESTON) laid before the Senate the amendment of the House of Representatives to the amendments of the Senate to the bill (H.R. 6077) to permit immediate retirement of certain Federal employees, which was to strike out all of section 2 of the Senate-engrossed amendment.

And, that the House disagree to the Senate amendment to the title of the bill.

Mr. McGEE. Mr. President, I move that the Senate concur in the amendment of the House and that the Senate recede from its amendment to the title of the bill.

The motion was agreed to.

ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Who yields time?

Mr. KENNEDY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The time is under control, by unanimous consent. Who yields time?

Mr. JACKSON. Mr. President, this is time on the amendment.

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

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Is there a time limitation on an amendment?

THE PRESIDING OFFICER. The Chair is advised that until time has expired on the Jackson amendment, no amendments can be presented, except by unanimous consent.

Mr. KENNEDY. Mr. President, I ask unanimous consent to call up this amendment.

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

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Substitute the following for section 102 (e):

"(e) equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers: *Provided,* That priority shall be given to supplying essential activities in the public interest and to independent marketers, jobbers, and refiners who supply those priorities. Whenever possible, preference shall be given to independent refiners and marketers (1) in the carrying out of such priorities, and (2) in other cases where all other conditions are equal and a choice must be made between allocation of supplies to an independent or to a major company;".

In section 105(b)(1) after the word "regulation" add "in accordance with the objectives and priorities established under section 102(e) of this Act."

In section 105(b)(2) after the word "regulation," add "in accordance with the objectives and priorities established under section 102(e) of this Act,".

Mr. KENNEDY. I yield myself 6 minutes.

Mr. President, the amendment attempts to further the intent of the proposed legislation now before the Senate. It has the concurrence of the Senator from Washington (Mr. JACKSON), who has joined with me in cosponsoring this measure. I ask unanimous consent that the Senator from Connecticut (Mr. RIBICOFF) be added as a cosponsor.

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

Mr. KENNEDY. I wish at this time to commend the chairman of the Committee on Interior and Insular Affairs, for his active leadership in this field and for his willingness to incorporate the suggestions of his colleagues in fashioning this legislation.

The Emergency Petroleum Allocation Act of 1973 will insure that the allocation of existing supplies of petroleum and petroleum products will be distributed on a fair and equitable basis. The amendment introduced by the Senator from Utah (Mr. Moss), which was adopted on Friday and which I was pleased to cosponsor, will enforce that fairness.

The amendment that I am offering today has a twofold purpose:

First, it provides for priority to be given to meeting essential public needs in the establishment of allocation regulations.

Second, it provides that the independents, both wholesale and retail, will be given preference in serving those needs,

as so many of them have done in the past.

Essentially, the amendment will incorporate in the bill the intent of section "D" of the guidelines issued by the Department of the Interior, Office of Oil and Gas. It would make clear that such services as farm operations related to food production, hospitals and health services, police, firefighting and emergency aid, public passenger and essential freight transportation, home and hospital heating, and State and municipal facilities will not go without fuel.

These services in the public interest will be given a priority in receiving allocations under this program. However, rather than list these priorities in the legislation, we are indicating the kind of priorities through the legislative history, as was done partially in the colloquy last week between the distinguished Senator from Minnesota (Mr. HUMPHREY) and the chairman. During the hearing process provided for in this proposed legislation, it will be possible to develop a comprehensive listing of priority public service needs.

Thus, we will avoid the difficulty encountered in the original regulations issued by the administration in its voluntary program where rail and bus transportation and air freight were included, but air passenger service inadvertently was left out.

The kind of activities I am referring to include:

First. Farming directly related to food production including fishing;

Second. Food processing and transportation;

Third. Health activities;

Fourth. Police, firefighting and emergency aid services;

Fifth. Public passenger transportation, schoolbuses;

Sixth. Rail highway, sea and air freight transportation of essential goods;

Seventh. Other State and local government activities;

Eighth. Fuel needs of residents in States unable to obtain sufficient crude oil or products;

Ninth. Difficulties caused by natural disasters;

Tenth. Public utilities;

Eleventh. Telecommunications;

Twelfth. Home heating; and

Thirteenth. Heating of schools, hospitals, and public institutions.

This amendment will reemphasize this bill's intent of providing priority consideration for public service needs in regulations issued under the authority provided by this act.

At the same time, we feel that this objective should not provide the means by which major producers and refiners could continue to discriminate against independents.

As an example, in my own State of Massachusetts, major refiners supply independent terminal operators and jobbers, who in turn supply several small towns with gasoline, and hospitals and homes with heating oil. If there were to be no protection for the independent, the major company simply could, as it is doing now, cut off its supplies to the independent and force the town or the hospital to deal directly with it.

This amendment provides, therefore, for the independents to be protected and given preference in the supplying of essential public service agencies. Once again, this makes mandatory an aspect of the Government's voluntary program.

For those of us who have witnessed the events over the past several months in the petroleum marketing arena, it is evident that the protection afforded to the independents by this amendment is essential if they are to survive.

We are convinced, as hearings by the Senate Antitrust Subcommittee have confirmed, that the independent marketer and the independent retail station in the gasoline market, and the independent fuel oil dealer in the home heating oil market, are basic competitive forces within the industry. As the competitive catalysts, their existence is a constant pressure for lower consumer prices and for better consumer service. For those reasons, we believe it is in the public interest to prevent their destruction.

The past 3 months now prove beyond any possible doubt that the current shortage has been used, and will continue to be used, by the majors to force those independents out of business unless the law prohibits them from doing so.

The Interior Committee, the Consumer Subcommittee of the Senator from Utah (Mr. Moss), the Small Business Subcommittee presided over by the Senator from New Hampshire (Mr. MCINTYRE), and the Joint Economic Subcommittee, of which the Senator from Minnesota (Mr. HUMPHREY) is the chairman, have heard a parade of witnesses, all with vast expertise and years of experience in the oil industry.

Nationwide, the Office of Emergency Preparedness has reported that over 800 independent gasoline stations have closed during the past several months. Another 1,800 stations are threatened with closing, they say. In New England, more than 100 stations are reported to have closed, according to the Independent Oil Men's Association of New England, the largest percentage in my own State.

Nationwide also, the National League of Mayors have reported that many of the 15,000 municipalities across the country are finding their requests for bids to supply police cars with gasoline and public transit with diesel fuel going unanswered. In Massachusetts, a State survey reported that some 40 communities recently saw the final date for bids come and go without a whisper of an offer.

Rockport is a case in point. Bids went out for gasoline for the coming year for city services, including police and fire departments. No bids were received.

Rockport was forced to send its fire trucks into local gas stations because it could not obtain contracts from anyone. The town only has seven stations, four of which refused to sell to the city, which means that the community's emergency services now rest on the continued existence of three gas stations whose own supply is by no means assured throughout the summer.

This situation must not be permitted to continue. Thus, I felt it was desirable both to restate the priority of public services over private and to insure that in achieving one objective, we did not inadvertently endanger our second objective, the protection of the independent sector of the oil industry.

This amendment clearly is in keeping with the basic philosophy of the bill before us today and merely attempts to further insure that its twin objectives are realized.

The PRESIDING OFFICER. The Senator's 6 minutes have expired.

Mr. KENNEDY. Mr. President, I yield myself 2 additional minutes.

Mr. President, for the benefit of Senators, the point is that while the national average is that some 22 percent of the gas sold in this country, is sold by independents, in Massachusetts it is 33 percent, and that is generally true throughout New England. We have to rely on independents to maintain a competitive balance in the gasoline industry and in the home heating oil industry. In New England, about 85 percent of the homes are heated by home heating oil, and 85 percent of that demand is provided by independents.

So the purpose of the amendment is to preserve and protect the role of independents as distributors in the petroleum industry. We feel that the independents have served well the consumers of New England. We find they are the ones most heavily threatened in the current situation. It is hoped that with the adoption of this amendment their position will be further strengthened and that they will be able to play an important role in continuing to provide the oil and gasoline to the consumers of our section of the country.

For those reasons, as well as those identified in the statement, I have offered the amendment.

Mr. JACKSON. Mr. President, I yield myself 1 minute on the amendment.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I rise to support the amendment of the distinguished senior Senator from Massachusetts. In my judgment, it strengthens the provision in section 102(e) by recognizing the special problem that exists as far as the independents are concerned.

I believe that it will help the bill and for that reason I am pleased to support the amendment.

Mr. FANNIN. Mr. President, I would like to ask the distinguished Senator from Massachusetts about this amendment.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, as I understand it, this amendment protects independent marketers from competition from major companies. Is that the intent?

Mr. KENNEDY. Not competition but the threat of predatory practices. It is to maintain the competitiveness by assuming independents an adequate supply which would permit them to compete.

Mr. FANNIN. But what effect would the Senator's amendment have on consumer prices charged by independents protected by the Senator's amendment?

Mr. KENNEDY. It would be difficult, if not impossible, at this time to predict what the price structure for gas or home heating oil for the next few months or next winter will be. What we have seen already is prices rising for heating oil,

prices rising for gasoline and profits rising for oil companies.

Whatever further increases which may take place because of the more restricted sources of supply, I am sure that the increases would be a good deal less if we maintain the competitive viability of the independents in New England. This has been the traditional, historical record, even though it is more difficult and more expensive to do business in our part of the country.

I can safely predict that with the protection of the competitive situation for the small independents, the consumer will benefit from the price competition which will be stimulated if this amendment is agreed to, but which would not be possible if the majors were allowed to freeze the independents out of business.

Mr. FANNIN. I just wish to ask the distinguished Senator, in trying to protect the consumer, which we are all trying to do, is not the Senator's amendment silent on price restrictions by independents?

Mr. KENNEDY. There is no statement about price limitations or restrictions. This measure does not deal with prices other than to repeat the portion of section 102(e) reported by the committee and calling in heating oil, 85 percent is supplied by independents, for equitable prices. The new language reselects the same approach as the administration with regard to protecting essential public activities and strengthens the preference given independents in supplying those activities. We do not differ substantially from the administration approach except that we are mandating the preference.

Mr. FANNIN. All I am saying is that the amendment is silent on price increases. I wish to call attention to the fact that this is something, whether the administration has acted on it or not, that is of great importance. The amendment does nothing to protect the consumer.

Mr. KENNEDY. The Senator is correct. We are talking about the element of supply in the competitive balance.

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

Mr. KENNEDY. I yield.

Mr. PASTORE. Is not the purpose of this amendment to make sure that the large producers do not swallow up the independents? Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. The Senator does not direct his amendment to the question of equitable distribution. That is within the framework of the law suggested by the committee.

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. All the Senator is doing is to make sure that a preferential treatment will be given to independents who are small, on a competitive basis. For instance, if an independent has as a customer a hospital, the Senator does not want the big distributor to come in and suffocate the independent so that he can get the business of the hospital. Is that the purpose of the amendment?

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. I do not see how anyone has trouble with it.

Mr. FANNIN. Mr. President, if the Senator will yield, in the question I asked, I said this amendment is intended to protect the independent from competition of major companies. He said that was not the intent.

Mr. KENNEDY. There is an entire structure that exists within the Economic Stabilization Act to establish guidelines and ceilings on prices of various products. Although it has not always been satisfactory, that is where that power and authority exists. I think all of us are going to try to review those decisions that have an impact on the consumer in oil and gas.

What we are dealing with here in this amendment is supply. Here we are dealing with a preference to independents in terms of supplying vital public services.

Mr. FANNIN. I will say to the distinguished Senator that I was not trying to establish other than what the intent of the amendment is, as stated. So I have my answer, but the first answer was not the same as the later answer.

Mr. JACKSON. Mr. President, I think the amendment has been sufficiently discussed. I can only say the language, on page 2 of the Kennedy amendment, starting on line 1 with the word "Whenever," and down through line 6, is exactly the language as contained in the directives by the Department of the Interior in connection with the guidelines for allocation of crude oil and refinery products, as I understand the situation, and is merely codifying the language contained in those regulations by the Department of the Interior.

So, Mr. President, I support the amendment and am pleased to accept it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JACKSON. Mr. President, can we get to a vote on the amendment? I yield back whatever time I may have.

Mr. KENNEDY. Mr. President, I yield back my time.

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

Mr. JACKSON. On this amendment?

Mr. JOHNSTON. Yes.

Mr. KENNEDY. I yield.

Mr. JOHNSTON. I am a little confused as to what is meant by giving preference to independent refiners and marketers. Does that go further than, in the first instance, giving them a proportion of what they were given during the base period, and providing that supplies be given to independents based on the supplies they received during that period?

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, I have time.

The PRESIDING OFFICER. The Senator has time on the bill.

Mr. JACKSON. I yield 2 minutes to the Senator.

Mr. KENNEDY. And will the Senator yield 2 minutes to me?

Mr. JACKSON. And 2 minutes to the Senator from Massachusetts.

Mr. JOHNSTON. My question is, does this amendment go further than provide that they be given the proportion they were given during the base period?

Mr. KENNEDY. All it would be doing is insure that this language is interpreted to permit the independents themselves to also arrange to contract to meet various emergency service needs. The amendment would permit the independents to arrange contracts with hospitals or for agriculture related to food production or other essential public service activities such as those which have been listed in section "d" or the voluntary guidelines. As the floor manager of the bill pointed out, the extent of this list would be subject to additional administrative regulations following hearings. The amendment is offered for the purpose of protecting the ability of independents to compete in that area as well. It is to indicate a preference where they have been functioning and working. This act will not be used nor will that particular provision to preserve public services be used as a means of eliminating the independent. That is all we are really trying to do.

Mr. JOHNSTON. I thank the Senator.

My second question is that on the first page of the amendment, second line, it refers to "equitable distribution of fuels at equitable prices." Does the amendment call for any more of a price fixing regulation than the original bill did? I ask that question in the context that the original bill, as I read it, does not mandate fixed prices, but merely gives to the President the power to prevent price gouging in temporary shortage situations.

Mr. KENNEDY. This amendment does nothing in the area of price fixing or price setting whatsoever. It just extracts the language from the bill reported by the committee and then adds to it the proviso giving priority to public service activities and preference to independents in supplying those activities.

Mr. JACKSON. Mr. President, I am ready to vote. I do not need to yield back the time.

Mr. FANNIN. Mr. President, I yield back my time.

Mr. JACKSON. Mr. President, I ask unanimous consent at this time that amendments to the Jackson amendment, which is No. 145, in the nature of a substitute, may be taken up and allotted time pursuant to the order which permits 1 hour on each amendment, without requiring unanimous consent.

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

Mr. JACKSON. Mr. President, I am ready to vote on the Kennedy amendment.

The PRESIDING OFFICER. All remaining time having been yielded back, the question now is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY) to the Jackson amendment.

The amendment was agreed to.

Mr. RANDOLPH. Mr. President, I have sent to the desk an amendment to the Jackson amendment. I ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read the amendment, as follows:

Insert the following new section at the end thereof:

"HIGHWAY SPEED REDUCTIONS TO CONSERVE GASOLINE

"SEC. —. It is the sense of the Congress that, in order to conserve gasoline supplies which in some areas of the Nation are approaching critical shortages—

"(1) speed limits for motor vehicles traveling on Federal-aid highways presently at or in excess of 55 miles per hour should be reduced immediately to 55 miles per hour, or 10 miles per hour lower than the speed limit posted on the affected portion of such Federal-aid highway prior to the enactment of this section, whichever is the greater.

"(2) Federal, State, and local governmental agencies should take appropriate actions to achieve and enforce such reductions in vehicle speed; and

"(3) Federal, State, and local governmental agencies should take such actions as may be necessary to increase public awareness of the need to conserve gasoline and the means for doing so, including the connection between decreasing gasoline consumption and decreasing vehicle speed, excessive idling, unnecessary travel, and abrupt acceleration and deceleration."

Mr. RANDOLPH. Mr. President, I wish to make a very abrupt statement, but it is the truth.

The problems we address in the bill now under consideration are not new problems. While the fuel shortage has only recently become a matter of serious public attention, we have been building toward this day for several years.

The present gasoline shortage and the prospects for an even more severe shortage in the months immediately ahead has brought the seriousness of the situation home to virtually every American. The reality of gasoline shortages and the prospect of rationing emphasize more than ever before the need for a rational policy to govern the production and use of energy.

Today is the 4th of June. We are entering the summer season when many Americans take to the road for holiday travel. Gasoline consumption is at a peak during these months. This year the shortage of fuel also will be at a peak.

The amendment I offer to the Jackson amendment is intended to at least partially alleviate the shortage of gasoline. If enacted and applied, its provisions would have immediate effect on the type that does not require lengthy planning or the establishment of new programs. I think this is important to emphasize—no lengthy plan, no establishment of new programs.

My amendment reflects the concern of the Congress with the fuel situation by expressing the sense of Congress that action should be taken at once to reduce speed limits on Federal-aid highways.

I wish to indicate that the Federal highway systems in this instance include the Interstate System and also the primary and secondary road systems.

As proposed, this amendment urges the States to lower speed limits on Federal-aid highways that are now in excess of 55 miles by 10 miles per hour or to 55, whichever is greater.

This amendment also calls on Government agencies at all levels to do what is necessary to increase public awareness of the need for conserving gasoline.

Mr. President, I had originally intended to offer this proposal to the conference committee which is now considering the Federal-Aid Highway Act of 1973. That conference, I am frank to say, is working hard and we are starting tomorrow on our 22d session of that conference, trying to resolve several difficult and controversial questions. It is unlikely however, that it will be concluded immediately. Therefore, I offer this amendment to S. 1570, a measure that is moving quickly through the legislative process.

The shortage of gasoline affects all segments of American society. In taking steps to assure that fuel will be available when needed, we must give high priority to the maintenance of essential public services, particularly truck and bus operations. Commerce relies heavily on motor vehicles to move products throughout the country. Similarly, there is a new interest in public transportation services as an alternative to individual cars. It is vital that fuel supplies be available for public transportation, particularly if there are shortages that restrict the use of private automobiles.

The nonavailability of gasoline is a challenge to the American people that all of us must share. It is convenient and comfortable to be able to use our cars indiscriminately whenever we want and as often as we want. The current situation, however, demands that all of us make some sacrifices.

The speed with which we are accustomed to traveling on today's highways is a sacrifice we can readily make. It is one which will produce substantial and immediate benefits. For instance, it is estimated that on interstate highways a reduction in speed from 70 to 60 will result in a fuel savings of 10 to 11 percent.

Testimony was received last week by our Subcommittee on Air and Water Pollution that for the average medium-size car, a speed reduction from 70 to 50 increases efficiency by about 2 miles per gallon. Smaller cars will benefit by an even greater savings. Speed reduction from 70 to 40 increases efficiency by 4½ miles per gallon. These are substantial savings, and with today's tight fuel supply they are meaningful.

There are many other ways in which every motorist can save fuel. Obviously, if we use our car less—at whatever speed—we will burn less gasoline. More descretion in the use of automobile air conditioning provides further benefits. Perhaps less widely known is the fact that substantial amounts of gasoline are wasted by idling. The average car wastes 1 gallon of fuel each hour it idles.

Mr. President, I was gratified that last week the Postal Service of the United States brought to our attention the savings which were realized in the operation of its cars, trucks, and other motor vehicles. The Postmaster General spoke of 7,000 facilities which have vehicles in which the need for fuel conservation is emphasized. In the bulletin which I read and had printed in the RECORD on May 30, there was an outline of the steps to follow in seeking a reduction of 1 percent on the 85,701,821 gallons of gasoline and other petroleum products used by the Postal Service in fiscal year 1972.

Utilizing this plan on the 100,000 vehicles and accomplishing a 1-percent reduction would mean a savings of more than 850,000 gallons of fuel.

I thank Postmaster General Klassen again, as I did last week, upon this accomplishment.

Mr. President, by instituting such relatively small measures as these, we can substantially reduce the impact of this summer's gasoline shortage. Nationally this shortage is expected to be about 3 percent of our country's needs. In percentage terms, this sounds small, but it is large in numbers of gallons. The shortage is not equally severe throughout the country. The Midwest, for instance, is likely to be hardest hit with supplies falling to 10 percent short of need.

There is at least one important side benefit from less driving and slower driving. Tire use would drop and, since synthetic rubber is a petrochemical product, oil use for this purpose would be lower.

Another auxiliary result would certainly be an improvement in the safety record of our highways. High speed is a major contributor to highway accidents, and the encouragement of sensible driving at sensible speeds is an important goal of programs of highway safety. Even though the immediate purpose of this amendment is to conserve fuel, lower speed limits would also serve to make motorists aware of speed and thereby reduce accidents.

I want to point out to the Senator from Washington (Mr. JACKSON), the Senator from Arizona (Mr. FANNIN), and the other Senators on the floor that this is a realistic amendment in that it is not mandatory. It expresses the sense of the Congress, and we believe that it can be implemented by the States, by the counties, and by the cities and those political subdivisions which have jurisdiction over the operation of cars and the enforcement of speed laws.

I believe there is interest shown by the people in the conservation of fuel. I believe that it would be very important if we could act in this way now and subsequently implement what is being done through the national fuel and energy policy study, in which the chairman of the committee, the Senator from Washington, was extremely active, as was the Senator from Arizona (Mr. FANNIN).

Mr. President, the provisions of my amendment are realistic, both in terms of result and of implementation. Virtually all highways now have speed limits so their reduction would mean that simply enforcement would be at different levels than at present. The great interest in the gasoline shortage and the fact that it affects all of us has made us increasingly aware of the advantages of traveling slower. I believe that the speed limit proposals in the amendment are not excessive to the point that they would cause serious problems for commercial vehicles operations. Indeed, I would imagine that necessary adjustments would be vastly preferable to running out of fuel.

Mr. President, the fuel shortage is with us now. Through the national fuel and energy policy study, which was established by legislation I sponsored, the Senate is attempting to establish the direction for the future production and use of energy. The present situation, however, requires immediate attention and I am convinced that the provisions

of this amendment will be of great value in easing the fuel shortage.

Mr. President, I prepared and sponsored the national fuel and energy policy study 2 years ago. Through that study we come to grips with many of these problems.

The present situation, however, is something that needs immediate attention. I am convinced that the provisions of this amendment, which is not mandatory, but call for implementation by individual subdivisions, would help very much to meet the goal we seek.

Mr. JACKSON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mr. JACKSON. Mr. President, I compliment the distinguished Senator from West Virginia, who is the author of the Senate's special national fuel and energy policy study for offering this amendment.

It is obvious to us all that we have reached the point where we must do something about conserving energy in all forms, whether it relates to electricity, automobiles, or whatever the use might be.

I believe, Mr. President, that this amendment is a good beginning and that it will give us an opportunity to look at certain mandatory moves that will have to be made.

As the Senator from West Virginia knows, we have the proposed national policy for energy conservation bill pending in committee. There are many areas that we can look into as to the possibility of making some real energy savings.

I might point out that it is clear that one necessary thing—and I do not know just how to go about it—is that we will need to limit the total weight and amount of horsepower to be permitted in new automobiles. We must determine whether there ought to be a tax or an overall limit. The question is a difficult one, but we ought to start looking into these things now.

The Senator from West Virginia has made an excellent beginning. I compliment him. And I am pleased to accept the amendment.

Mr. GOLDWATER. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. Mr. President, I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I join with the Senator from Washington in his compliments to the Senator from West Virginia. I think it would be a very logical step to take, even if we were not faced with a zero surplus. What we are really talking about here is a more sensible form of driving, one which will result in fewer accidents, I believe.

I have just been figuring out here roughly that if I drove 200 miles, which is about what you can get on a tank of gasoline if you have a car that came out before the new conservation measures were applied, it would take you about 3.5 hours to go 200 miles at 60 miles an hour. If you drive at 50 miles an hour, it will take about 4 hours. But you spend the resulting half-hour saved refueling, eating, and so forth, so really you do not save anything. This has been amply demonstrated time and time again by people in the field of safety, who have tried to show American drivers that driving an extra 10, 15, or 20 miles an hour really does not save them any time, it endangers their lives and costs them money.

I think it is a very fine approach. I agree with the Senator from Washington that Congress will have to take further steps to effectuate a change in displacement of our engines and the resulting aggravation of the fuel shortage, but I wholeheartedly approve this measure.

Mr. RANDOLPH. Mr. President, I respond not only to say to the Senator that I am appreciative of his kind remarks with reference to the amendment, but I think he speaks in reasoned terms about the larger elements involved, now and in the years ahead.

I do appreciate what the Senator has said with reference to the amendment.

Mr. FANNIN. Mr. President, I yield myself 2 minutes.

I commend the distinguished Senator from West Virginia for this sense of Congress resolution. I believe it is very important, both from the standpoint of conservation of fuel and the standpoint of safety. I know that the Senator is particularly interested in safety, and appreciates that this is also a factor in safety. The Senator has been working with our highway departments for years, and has contributed greatly in that respect.

I would ask the distinguished Senator from West Virginia, as far as this resolution is concerned, whether it would affect the schedules of buses or their regular activities. Of course, perhaps over a period of time it would result in their wishing to slow down so as to be in compliance with other vehicles traveling the highways, but as I understand the Senator's proposal, it would have no effect on bus schedules or traveling buses.

Mr. RANDOLPH. It would only be, of course, as it is implemented by the jurisdictional bodies of the States, counties, or cities. There might be some adjustments to be made. But here we do not speak in terms of mandatory legislation, only the sense of Congress calling on political subdivisions to work with the individual driver, with the bus company, and with the trucking company in an effort to bring about a realistic approach to lower speeds. This is in the interest of safety, as stressed by the Senator's colleague from Arizona, and would also have the result of a very important saving in the supplies of fuel.

Mr. JACKSON. Mr. President, I am ready to yield back the remainder of my time on this amendment.

Mr. DOMENICI. Mr. President, will the Senator from Arizona yield to me?

Mr. FANNIN. I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I, too, want to commend the Senator from West Virginia on his very appropriate amendment, and also to comment on the proposition that there is another factor involved in using our automobiles that seems to be of considerable importance, and that is carpooling.

I know that the distinguished Senator from West Virginia is a sponsor of a proposed resolution, together with its author, who is present in the Chamber today, the distinguished Senator from Oklahoma (Mr. BARTLETT), which would ask the President of the United States to promote carpooling as a means of conserving gasoline.

I am sure that the Senator from West Virginia concurs that this, too, would be a step forward at this very critical time. I hope that the Senator from Oklahoma will ask that his resolution, which is presently pending before the Committee on Commerce, be added to this bill as a further means of expressing the Senate's concern in urging the reasonableness of putting two people instead of one in a car as they go to work.

I am sure the Senator is aware of my interest in the great highway system of this country. I do not want to see this crisis used to its perpetual detriment, because I think it offers a great opportunity to all Americans to be independent and free, and see this great land. So I hope we will promote commonsense on the part of the American people during these next 2 to 5 years. I hope the Senator from Oklahoma will ask that his proposed resolution on car pooling be added to this measure.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. I yield 2 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Mr. Ron Frank and Mr. David Russell of my staff be accorded the privileges of the floor during the debate on this measure, S. 1570.

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

Mr. BARTLETT. I would like to respond to the comments by the Senator from New Mexico that I do plan to offer the resolution on car pooling as a part of this bill. I believe that the possible savings here are very far reaching, because it has been shown that if the number of passengers in a car is increased from 1.4, which is the average in a commuter car today, to 2, there would be a saving of about 1.8 million barrels of oil per day. Also, that would provide the cheapest form of mass transit—cheaper than any of the other ways.

So I do plan to request that that provision be made a part of this bill, and I shall offer it very soon.

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. JACKSON. I yield back the remainder of my time.

Mr. RANDOLPH. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia (Mr. RANDOLPH).

The amendment was agreed to.

Mr. FANNIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask

unanimous consent that further reading of the amendment be dispensed with.

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

Mr. FANNIN's amendment is as follows:

On page 3, line 4, following the words "in section 102." add the words:

"No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States."

Mr. FANNIN. Mr. President, my amendment is intended to insure that the allocation system established pursuant to this act will in no way jeopardize the supply of crude or refined petroleum products. It therefore provides that—

No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

It is designed to stimulate production rather than discourage production. Without increased production, as I pointed out in my opening statement, allocation of fuels will only spread the shortage around.

Mr. JACKSON. Mr. President, I think this is a very helpful clarifying amendment, and I am pleased to support it. I am prepared to yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arizona (Mr. FANNIN).

The amendment was agreed to.

Mr. HOLLINGS. Mr. President, I am pleased to rise as a cosponsor of S. 1570 as reported to the Senate. The Emergency Petroleum Allocation Act as designed—as its name implies—as an emergency measure to deal with an immediate and urgent problem—namely, the first peacetime fuel shortage in our Nation's history.

On April 30 of this year, President Nixon signed the Economic Stabilization Act, which included the authority to establish a voluntary system of fuel allocation. We had recognized at the time that the fuel situation required a system of allocation. The guidelines under which this system is to operate were published on May 23.

The legislation before us today supplements these guidelines and the previous authority granted the President—for even as the administration begins to put the voluntary program into effect, we are able to see the drawbacks of this approach.

For example, voluntary allocation penalizes those public-spirited companies who cooperate at the same time that it favors those who refuse to go along.

Second, voluntary allocation raises serious antitrust questions, in that it asks oil companies to exchange supply obligations—a clear violation of our antitrust statutes.

In addition, under a voluntary approach, a company is forced to honor contractual obligations, regardless of shortage or priority considerations.

Further, since the question of preemption is not addressed in the voluntary program, a company that complies with the Federal program may find itself in conflict with the fuel allocation requirements established by State or local governments.

None has to be told that we are in the midst of a serious and fast deteriorating fuel shortage. It is clear that while we are beginning to experience some inconveniences now, the problem is going to worsen in the months ahead. Now is the time for us to establish a firm, fair, workable system which will accomplish allocation of fuels, at reasonable prices, to those people who need it.

I am pleased that with S. 1570 a system of priorities is set up. Included within the list of priority uses are public health, safety and welfare activities, public service activities, and—most importantly—agricultural operations.

Top priority in the present energy crisis must go to our farmers. In my State, and all across the Nation, farmers are unable to get enough gasoline to run their tractors and other farm equipment. If we do not take immediate action, much of their output will go unharvested, and the prices of food will skyrocket even further.

S. 1570 establishes a fair system of allocation which will preserve an economically sound and independent oil industry. We are not attempting to put the Government into the energy business, but rather to guarantee the preservation of this free enterprise industry.

The crisis with which we are faced demands congressional and Presidential action, and S. 1570 will give the President the tools he needs to deal with this crisis. I urge the Senate's prompt and favorable consideration of the bill.

AMENDMENT NO. 151

Mr. McINTYRE. Mr. President, I call up my amendment No. 151.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McINTYRE. I ask unanimous consent that further reading of the amendment be dispensed with.

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

Mr. McINTYRE's amendment (No. 151) is as follows:

At the end of the bill, insert the following new section:

COMPETITION

SEC. In order to assure that crude oil and petroleum product shortages do not result in a substantial lessening of competition within the various sectors of the petroleum industry, but particularly with regard to petroleum marketers and retailers, the President shall instruct the appropriate agency to closely monitor the marketing practices engaged in by refiners, as defined in section 105(b)(2) of this Act, to assure compliance with Federal antitrust laws and take such action as is necessary or appropriate to assure such compliance.

Mr. McINTYRE. Mr. President, as Members of the Senate know, a number of hearings have been recently held by several committees of both the Senate and the House on our present fuel supply situation.

A recurrent theme voiced by a substantial number of witnesses appearing at these various hearings has been the concern that petroleum product shortages could well have a serious damaging effect on competition within the various sectors of the petroleum industry.

During recent hearings that I chaired on the Senate Banking Committee on this question of product shortages and their impact on the national economy, a number of witnesses specifically urged that the Federal agencies responsible for our Federal antitrust policy make a concerted effort at assuring that a meaningful level of competition be maintained.

During the hearings the committee received testimony from the Federal Trade Commission regarding the energy study that that agency has been conducting since October 1970.

I specifically asked the witnesses appearing on behalf of the Federal Trade Commission if they had established a monitoring procedure during the shortage period to assure that during this difficult period that a meaningful level of competition would be maintained and that the shortages would not be used as a tool to drive a significant part of the marketing segment of the oil industry out of business.

The Federal Trade Commission indicated, however, that they did not have such a procedure. Because of this, I introduced an amendment to S. 1570 calling on the President to have the Antitrust Division of the Justice Department to monitor the marketing practices in the industry to assure compliance with the Federal antitrust laws.

Mr. President if we do not take appropriate action immediately and if Congress does not make it clear of its intent to assure that during this shortage period every reasonable action must be taken to maintain competition, thousands of small business marketers face the clear threat of being forced out of business and the consumer will be the ultimate victim.

The competitive history of the oil industry clearly shows that the major companies have the economic power to make the life-and-death decision over the existence of the independent marketing segment of the industry and shortages of petroleum products greatly enhance this power.

Congress must make it absolutely clear from the legislation that we are presently considering that the Federal Government will not tolerate or allow our established antitrust policies to be either ignored, abridged, or violated.

Since the introduction of my amendment, another amendment has been offered by Senators HUMPHREY and JACKSON designed not only to accomplish the same results as my amendment No. 151 but which also deals with other sensitive antitrust areas.

If I may invite the attention of the manager of the bill, the sponsor, the distinguished Senator from Washington (Mr. JACKSON), do I correctly understand that this amendment of the Senator from Washington and the Senator from Minnesota (Mr. HUMPHREY) goes to communication among oil companies

concerning allocations, and that the Justice Department representative must be present and a transcript of the meeting made public? Does that sound about right?

Mr. JACKSON. The Senator is correct.

Mr. McINTYRE. Do I also correctly understand that the Senators' amendment would have the Federal Trade Commission undertake a 6-month report on the causes of the present shortages and would also study the structure of the oil industry?

Mr. JACKSON. The Senator is correct.

Mr. McINTYRE. Well, in view of the fact that the amendment of Senators JACKSON. and HUMPHREY is of a broader scope than my own, I will withdraw my amendment at this time and would like to be added as a cosponsor of the amendment of my distinguished colleagues from Minnesota and Washington.

Mr. JACKSON. Mr. President, may I first compliment the distinguished Senator from New Hampshire for a very fine statement in connection with his amendment. I know that he has been holding hearings and taking an active and keen interest in this whole area of antitrust laws and in assuring proper and effective competition. I believe that the amendment which the Senator from Minnesota and I are about to offer will include the area that the Senator from New Hampshire has addressed. I hope that the overall amendment, of which he is about to be a cosponsor, will be approved by the Senate.

Mr. McINTYRE. Mr. President, I thank my good friend from Washington. During the course of this debate, I hope to be able to ask a few questions of the manager and principal sponsor of the bill concerning the allocations as I have seen them working in the market area in New Hampshire. Several things have come to my attention that are disturbing but I am sure my fears will be allayed when the facts are explained here.

Mr. President, at this time, I withdraw my amendment.

The PRESIDING OFFICER (Mr. DOMENICI). The amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the distinguished Senator from New Hampshire (Mr. McINTYRE) be added as a cosponsor of Amendment No. 168.

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

AMENDMENT NO. 168

Mr. HUMPHREY. Mr. President, I call up amendment No. 168 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of amendment No. 168 is as follows:

On page 9, after line 19, insert the following:

SEC. 108. (a) Except as specifically provided herein, no provision of this Act shall be deemed to convey to any individual, corporation, or other business organization subject thereto immunity from civil or criminal liability or to create defenses to actions under the antitrust laws.

(b) As used in this section, the term "antitrust laws" includes the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended.

(c) Any priority schedule, plan, regulation, or allocation program proposed pursuant to section 104(a) hereof shall be forwarded to the Attorney General and to the Federal Trade Commission, who shall be given a reasonable opportunity of not less than seven days before such schedule, plan, regulation, or allocation program takes effect to comment as to whether it would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws, and to propose an alternative or alternatives which would avoid or overcome such effects while achieving the purposes of this Act.

(d) Whenever it is necessary, in order to execute the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, for owners, officers, agents, or representatives of two or more producers, importers, refiners, or resellers of crude oil or refined petroleum products subject to this Act to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, they may do so only upon an order of the agency designated by the President to administer the provisions of this Act specifying and limiting the subject matter and objectives of such meeting, conference, or communication. Moreover, such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

(e) There shall be available as a defense to any section brought under the antitrust laws or comparable State pricing or restraint of trade statutes, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil or refined petroleum products, that such delay or failure was caused solely by compliance with the provisions of this Act or with mandatory priority schedules, regulations, or orders issued pursuant to this Act.

(f) There shall be available as a defense to any action brought under the antitrust laws or comparable State pricing or restraint of trade statutes arising from any meeting, conference, or communication or agreement resulting therefrom, held or made solely for the purpose of executing the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, that such meeting, conference, communication, or agreement was carried out or made in accordance with the requirements of subsection (d) hereof.

(g) The Attorney General and the Federal Trade Commission shall monitor the actions taken pursuant to this Act by the agency designated to administer the provisions thereof and by persons subject to the provisions thereof, and shall report to the President and to the Congress any provision of this Act, action taken pursuant thereto, or condition created thereby, which would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws or have a lasting adverse impact upon competition or upon any of the objectives set forth in section 102(d), (f), or (g) of this Act.

(h) The Federal Trade Commission shall prepare and transmit to the Congress, no later than six months from the date of enactment hereof—

(1) a report on the relationship between the structure, behavior, and operational characteristics of the petroleum industry (including the vertical integration of production, transportation, refining, and marketing; and joint ventures among petroleum companies) and the causes of the present shortages of crude oil and refined petroleum products; and

(2) a report on petroleum industry practices and trends in the marketing of gasoline and other petroleum products including the use of credit cards, the promotion of second and third brand name products, the terms and conditions of franchise agreements and the protection they afford the franchise and the role of the independent retailer.

(i) The Federal Trade Commission shall have the authority, notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act (ch. 311, 38 Stat. 721), to gather and compile such information concerning, and to require the furnishing of such information by, all corporations including common carriers subject to the Act, as may be required to implement the provisions of this section.

Mr. HUMPHREY. Mr. President, how much time is there on each amendment?

The PRESIDING OFFICER. One hour.

Mr. HUMPHREY. I thank the Presiding Officer. I yield myself such time as may be necessary to explain the amendment.

Mr. President, many of the provisions of this amendment have already been discussed by the distinguished Senator from New Hampshire (Mr. McINTYRE). Also, much of the body of the amendment has been discussed in considerable detail by the manager of the bill the Senator from Washington (Mr. JACKSON).

The whole purpose of the amendment is to prevent any form of collusion or conspiracy among the majors in the oil industry, thereby resulting in any unfair competitive practices for monopolization of the manufacture, distribution, or retailing of petroleum supplies.

Second, the amendment would make it clear that the provisions of the Jackson bill now before us should not be considered as in any way jeopardizing the actions of companies who comply with the requirements of S. 1570. In other words, the provisions of S. 1570, when complied with by the major oil companies, would mean that the companies were not in any violation of any antitrust laws but, rather, were cooperating under the terms of the new statute.

Finally, amendment No. 168 would require a report on the total structure and operation of the petroleum industry from the crude oil, the well, through the distribution and refinery system, all the way to the consumer market. Such a report can be made available to Congress not later than 6 months after the enactment of the law.

I might add that there has been no real updating of the structural organization of the oil industry since way back in the 1930's with the temporary National Economic Committee report of that period. It is surely needed so that we can know much more about this fabulous industry because of its tremendous impact on the total economy of the country.

Mr. President, this is just a brief, thumbnail sketch of what the amendment would do.

Let me take some time now to tell

about a 1-day hearing that was just completed in the city of Minneapolis this past Saturday. As chairman of the Consumer Economic Subcommittee of the Joint Economic Committee, we went to Minneapolis, Minn., so that we could obtain some grassroots information on the impact of the causes of the fuel shortage, as well as subjecting my amendments to S. 1570 to some hard grassroots scrutiny by those who are operative in the field of distribution and the wholesaling of petroleum supplies.

We heard from about 15 such witnesses, from both the supplier and the user point of view, such as the Association of Petroleum Dealers, petroleum distributors, refiners such as the Midland Cooperative, representatives from bus and truck lines, representatives of trade unions and airport operators, as well as municipal officials.

From the hearings, the subcommittee learned first that the fuel shortage in Minnesota is too serious to be left to any hit or miss voluntary allocation system.

In fact, every witness, whether the witness was from a petroleum refinery, or a distributor, or a wholesaler, or a retailer, or a user advocated mandatory allocations. Many of them were hoping that such would not be necessary; but they had come to the conclusion that as between a choice of the voluntary program and the mandatory, they had to support, out of sheer necessity, a mandatory allocation system. The voluntary system was reported to us as not having provided adequate protection so far, although the Office of Oil and Gas has been responsive and helpful.

I will have more to say about the inadequacies of the system before we vote on S. 1570 tomorrow.

Mr. President, I ask unanimous consent that a member of my staff, Miss Ross, and a member of the staff of the Joint Economic Committee, Mr. Cox, be given the privilege of the floor.

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

Mr. HUMPHREY. Mr. President, I have referred to some of the testimony that was obtained during the past weekend. The hearing, by the way, was very timely and informative. The witnesses present at that hearing were deeply concerned about the possibility of monopolization of the oil industry and the effects they believe this is having on the current fuel shortages.

Some of the witnesses expressed the belief that the majors were actually using what appears to be a shortage in order to gain full control over the market distribution system. Considerable evidence was brought to our attention on this point. Some witnesses doubted there was even a shortage. But I think that, in general, most of the witnesses recognized that there was a shortage, that there is greater use of petroleum products in 1973 than in 1972 or 1971.

Many of the witnesses brought to our attention that if we base legislation even on a period of what we would call more normal use—1972—this still would leave us in a very precarious situation.

For example, the agricultural representatives who appeared before the subcommittee cited the need for additional fuel supplies over and beyond 1972. Why? This is something that has almost gone unnoticed in the executive branch of the Government or in Congress.

We are asking the farmers of America to open up 45 million acres of new lands, additional acreage, in order to expand production. Those 45 million acres are for wheat, corn, and soybeans. At least two of those commodities will require substantial amounts of petroleum—fuel oil, natural gas, or propane—to permit drying, drying being necessary to have a good product that has any nutritional value. It was noted that if there is any interruption in the drying process, even as long as 2 days, the grain that is being dried spoils, and for all practical purposes is worthless.

The point was emphasized as to the absolute necessity of a continuous, steady supply of petroleum products for our agricultural sector. This goes all the way from the planting to the harvesting to the drying to the transporting to the processing and to the ultimate distribution of the finished product.

Very powerful testimony was given to us, and I believe that Members of the Senate would be well advised to keep in mind that even if the farm segment of our economy were able to get as much petroleum as they were able to receive last year, this would be approximately 10 percent short of what is needed for crop year 1973.

We had other testimony from witnesses who have been longtime customers of some of the major oil companies only to find that in recent days the oil companies have cut off their supply—and have done so, may I say, without even very much advance notice. I have a letter, for example, from Mrs. Lester C. Ripley of Luverne, Minn., who says:

> My husband has been an operator of an independent service station for over 20 years and is being forced to close because of his inability to purchase gasoline.
>
> Can you give us some forthright answers to why we are being pushed out of the market? Why wasn't this situation foreseen if there really is a shortage? If we are using more than can be produced what will happen in the future?

Many others in my State believe they know the answer to Mrs. Ripley's question. It is that the major oil firms have irresponsibly abused their market power.

Mr. Wayne Comstock, a representative of the Minnesota Association of Petroleum Retailers, made this case very forcefully to the subcommittee. He said:

> If we are to solve this problem we must prohibit oil companies from further monopolizing of the retailing of gasoline—no matter which subterfuge or device they utilize to do so—gasoline shortage included.

Mr. President, as I will develop in the course of my discussion in favor of this amendment, I believe there are many reasons why we must halt the monopolization of the petroleum industry by the giant petroleum corporations. We must halt any further market domination and control. Discussion of whether this is an explicit conspiracy, as important as that may be, is not as important as the fact that the giant petroleum corporations are by some means able to gain control over the entire petroleum industry, from the crude oil product, whether it is domestically produced or imported, to the point where it reaches the gas station and the bulk station in one's own community. It is an implicit abuse of market power that is evident here.

S. 1570 and the amendment sponsored by myself, the Senator from Washington, and the Senator from New Hampshire will provide some of the protection we need. Moreover, it will develop the information that is necessary to develop proper further policy in this area.

QUESTIONS RAISED ABOUT MAJOR OIL COMPANIES

There are a great many questions on the position and behavior of the major oil companies.

First, the major oil companies are more prosperous and profitable now than they have been in a long time, and at the same time the independent firms are suffering great financial difficulty—greater than they have suffered at any time in their existence.

Some interesting facts: The earnings of the five biggest oil companies jumped by 26 percent between the first quarter of 1972 and 1973. The earnings of Exxon, the largest oil company in the United States, jumped by 43 percent over the same period. The earnings of the next 27 oil companies jumped by 32 percent over the same period. So we see a situation in which earnings—and these are net earnings, not gross—are going up and up at the same time there is a market squeeze, and at a time when independent operators are being forced out of business by the hundreds.

Second, it is strange that the major oil companies would be pulling out of so many markets in the country at a time when they are, in fact, so prosperous. Prosperity should be a time for expansion. Yet Gulf is withdrawing in Maryland, Michigan, Iowa, Wisconsin, Delaware, Minnesota, North Dakota, South Dakota, Kansas, Nebraska, Montana, Wyoming, Washington, Oregon, Idaho, Utah, Nevada, and northern California. Here is a company whose profits are going up at a very rapid rate, and sales are going up. Its net income is going up. And it is withdrawing its operations in 18 States. Exxon, Phillips, British Petroleum, Atlantic Richfield, Amoco, Sunoco, and other firms are withdrawing in similar patterns from major sections of the country.

There seems to be almost a sort of division of labor here. Some companies are withdrawing from certain States; other companies are withdrawing from other States, kind of leaving the country regionalized for certain marketing operations. The argument that the firms use to withdraw is uneconomic. I would like to know when the State of Minnesota became "uneconomic" to Gulf. They have been there for years, in good times and bad times, and at a time when the profits are higher than ever they say they are going to withdraw. Yet as they withdraw Exxon comes in and moves in harder with more stations.

Mr. President, the term "uneconomic," of course goes to the question of how large the major oil companies believe their profit should be. The profits of a competitive industry are not the same as the profits of the monopolistic indus-

try. And of course typical behavior for a monopolistic industry is to withdraw from markets, restrain trade, and raise prices.

This may well be what the major oil firms are doing in view of the petroleum product price increases we found during our hearings in Minnesota on Saturday. Although the Economic Stabilization Act requires that petroleum prices for the 23 major firms be held to no more than 1.5 percent, for an average of all petroleum product prices for the year, we found numerous examples of product price increases going up to 50 percent.

Prices are going up. The testimony in my State from every segment of our economy from bankers to retail operators to wholesalers to jobbers to refineries shows an unbelievable increase in the price of fuel, gasoline, petroleum products. There is only one product in the entire petroleum industry that has shown any possible restraint and that is residual oil. Other than that, whether it is diesel fuel, grease, gasoline for the motor, fuel for the home, or jet fuel for the airplane, prices have gone up and up and up.

It was interesting to note that many of these price increases are far beyond what the cost-of-living standard of 1.5 percent for the entire industry would permit.

Mr. Ross Thorffinnson, chairman of the board of National Car Rental System, said that his firm has experienced price increases of 30 to 50 percent bulk fuel purchases for 1973.

Louis B. Olsen, assistant general manager of the Twin Cities Metropolitan Transit Commission, said that his firm has experienced a 25-percent price increase for diesel fuel in their 1973 fuel contract, purchased from a major oil company.

In addition to the 25-percent increase in diesel fuel costs, bids for petroleum products for the Metropolitan Transit Commission, resulted in the following price increases:

Product:	*Percent increase*
No. 30 H.D. Motor Oil—60,000 gallons	40
Hydraulic Transmission Fluid—12,000 Gallons	20
No. 2 Lithium Grease—10,000 lbs	28
No. 140 Gear Lubricant—19,000 lbs	13

In still another example, Mr. A. C. Hillman, owner of United Van Bus Delivery too, told the subcommittee that, since the beginning of 1973, his gasoline prices have increased by 30 percent and that his diesel prices by 18 percent.

Mr. President, as my colleagues can see, these prices are outrageous and appear to violate the Economic Stabilization Act and the rules and regulations promulgated by the Cost of Living Council. I am therefore writing Mr. John Dunlop, Director of the Cost of Living Council and asking him to investigate these and other prices in the oil industry.

Interestingly enough the men who testified are representatives of national organizations. They were asked, Do these price increases reflect a pattern across the Nation? They all said yes. These are not a bunch of people prone to complain about the economy; these are businessmen who first of all want a product, and second, want it so much they are willing to pay almost any price to get it.

THE SQUEEZE ON THE INDEPENDENTS

At the same time the majors are engaged in this withdrawal from many regional markets, independent refiners, distributors and dealers find their supply sources drying up and are forced out of business. The Office of Emergency Preparedness has already indicated that probably more than 880 independent gasoline stations are no longer in existence that were in existence only a short time ago, and that 1900 additional stations are suffering financial difficulties.

The difficulties facing independent distributors are also great—and the implication of jobbers closing is that it dries up the source of supply for many of the retail dealers. Mr. Jerry Everett, executive director of the Northeast Petroleum Association, provided the subcommittee with dozens of cases in Minnesota alone where the majors are squeezing out the independent jobbers, such as the following:

From Wadena, Minnesota: "Our company has been in business since 1931. Our supplier has cancelled our contract as of June 1, 1973. After that date, we have 4 dealers, 400 fuel oil customers and 150 gasoline customers that we can no longer supply."

From Kent, Minnesota: "This is the worst condition that we have ever been in. It wasn't this bad during the war time. Hope we can keep the business going. If this keeps up, the small business is finished. We haul gasoline and diesel fuel to 112 farmers that farm around 70 sections of land. They grow wheat, barley, corn, soybeans, sugar beets, and sunflowers. We need around 60,000 gallons of diesel fuel and will need 250,000 gallons of gasoline."

From St. Martin, Minnesota: "I have been a jobber since March 6, 1956, and have been asked to sign a mutual contract cancellation. The reason given to me was my operation does not show enough net as I do not sell TBA. I have not signed this, as they did not approach me until two weeks before contract automatic renewal date. I have not been able to locate another supplier. Number One: What will happen to my farm and fuel accounts as I am the only supplier out of this village? Number Two: What will my bulk plant that I have worked for all these years be worth once I'm phased out??"

From Cloquet, Minnesota: "I am most concerned now about the complete cancellation effective June 30, 1973. They worked hard to get us to sign with them a year ago and at the time we switched two stations to them. Now they want to pull out and leave us without gasoline or fuel oil. We think this is wrong for them to leave us now. This leaves us without approximately 500,000 gallons of gasoline and 100,000 gallons of fuel oil that we badly need and counted on them for. Can you help us????"

Last but not least, the majors have used their market power to control the supply of crude oil to independent refiners. Just last week, the Director of the Federal Trade Commission's Bureau of Competition, James Halverson, told a congressional committee how this power had had significant anticompetitive effects. He said:

Our investigation also suggests that activities by the major integrated petroleum companies have had significant anti-competitive effects. Their control of refinery capacity and pipelines constitutes a significant competitive problem in the oil industry and contributes to the independents' present difficulty.

Thus, the problem of the independents is not just a few marginal gasoline stations. We are talking about the viability of the whole system of importers, refiners, distributors, and retailers that are now owned by the 23 giant oil companies.

Mr. President, I submit that something is not right when the Department of Agriculture and the Department of Transportation of the U.S. Government can say there is only a 2-percent short fall in our supply, nationwide. Yet we see price increases that represent a market afflicted with scarcity, almost to the point of serious calamity. Something is wrong, and everybody seems to know it except the Government.

The Senator from Illinois (Mr. STEVENSON), holding hearings in his own State of Illinois, came forth with information that showed price gouging, market control. That is all a part of the record of the hearings that relate to this legislation. The squeeze on the independents is documented all over the country. I will not go into the large number of cases we heard from. I will simply say that the problem of the independents is not that of just a few marginal gasoline stations. We are talking about the viability of the whole system of importers, refiners, distributors, and retailers that are owned by the 23 giant oil companies.

It also needs to be stressed that the independent sector of the oil industry is more significant in its contribution to competition than even its numbers might indicate. The independent marketers have been a significant source of price competition and creative new techniques for efficiency. We badly need these segments of the industry.

They are being ripped out all over the country, slowly but surely, and in some places not so slowly. We have lost more than 200 of them in my own State of Minnesota, and only because we made personal, direct appeals to the Sun Oil Co. were we able to permit our DX stations to survive for the remainder of the year.

Testimony taken in my own State on Saturday indicated that in many rural areas, one filling station after another is being closed.

For the last 20, 30, or 40 years school districts have contracted with big companies like Standard Oil for fuel oil. Now, in every instance where they have sought bids to maintain their contracts, they are unable to do so. In school district after school district, in Minnesota, we cannot get bids on fuel oil for this winter.

In city after city—St. Cloud and Buffalo and Luverne—in community after community, where for years we have had contracts with the major oil companies or with independent oil companies, we can get no bids, no guarantee of delivery. But we have got to have fuel. We cannot go through what we went through last year, when we had to go to Regina, Saskatchewan, for it. We mobilized a fleet of trucks under emergency orders from the Governor and added 31 cents a gallon to the cost of the fuel. We had to bring in supplies to prevent the closing of schools and hospitals in our State—and, by the way, we had the warmest winter we have had in 30 years. We are in a situation that does not permit any

kind of easy approach to winter. It is cold in the upper Midwest in the winter, and we have got to have fuel oil.

I am concerned about the gasoline problem this summer. I am more concerned about running short of fuel oil. There are no reserves of fuel oil for utilities, for hospitals, for schools, or for our industries.

How does all this relate to the attitude of the major oil companies? We asked the major oil companies to send representatives to appear at our meetings, because we had representatives from other segments of our economy—the Governor's office, the legislature, metropolitan commissions, petroleum refineries, petroleum distributors, petroleum retailers, farmers, trade unions, banks, filling station operators, municipalities. They were all there.

We said, "Would you please send a representative from some of the majors?" Not one turned up—not one. This is characteristic. They did not come there any more than they would come before the Minnesota State Legislature. They instructed their own representative not to appear before our legislature, and they did not appear before the duly constituted committee of the Senate in a subcommittee hearing that was officially and fully authorized.

THE ATTITUDE OF THE MAJOR OIL COMPANIES

In addition to the actions of the major oil firms to withdraw from markets, restrict trade to independents, and increase prices, the attitude of the major oil companies toward the independents and the public reflects an abuse of power. In my mind, the attitude of a group may be more important than its actions because it reflects the motivations and values of the group. Let me give you some examples of the attitude of at least some of the major oil companies.

In Senate hearings last week, Mr. Lee White described a conversation with a top oil executive on why the majors were pulling out of markets and raising prices during this current period of hardship. The executive replied in quite a straightforward way:

> These companies that you are talking about are part of the private enterprise system. We are sellers, and in a sellers market, and we have no obligation to the public in any form of the legal sense. Certainly, insofar as our having to supply independent refiners and marketers, there is nothing that I have seen anywhere that says it is incumbent upon us to keep our competition in business.

I am appalled by this callous indifference but we must realize that it accurately reflects the attitude of many in the oil industry.

Another example of attitude is the way the major oil companies mislead the Federal Government about the extent of the shortage last summer. We now know that last July Texaco's chairman of the board wrote General Lincoln, then the Director of the Office of Emergency Preparedness, objecting to the granting of more import quotas for finished products and stating that there is "sufficient refining capacity available in the U.S. to meet anticipated demand for clean products over the balance of this year."

The president of Humble Oil—now Exxon, U.S.A.—also assured General Lincoln in September that:

> Humble could not speak for the remainder of the industry but felt in a tight situation the industry would do its best including going beyond its contract commitments if it were capable of doing so.

Now all we hear from the major oil companies is the seriousness of the fuel shortage.

Finally, the major oil companies are often arrogant about cooperating with Congress. They are not all that way—and Texaco has cooperated with my committee—but I could not get any of the major oil companies to testify at the hearings I held in Minnesota. This puts Congress in the untenable position of being forced to rely upon the oil industry for its information and not getting the industry's cooperation.

VERTICAL INTEGRATION MONOPOLY

It seems to me that both the attitude and the actions of the majors are leading inevitably to an elimination of the independent sector of the petroleum market, which will wipe out competition and rip off the consumer with higher prices. The most perceptive analysis of this came again in my hearings this weekend. Mr. Wayne Comstock described the situation this way:

> Major refineries are moving downstream to retailing as a source of profit rather than seeking their profits primarily at the production and refining level. This change in concept is producing an upheaval in the marketing of gasoline. Among other things it means the following: First, the independent, nonbranded distributor and dealer is no longer needed as he was in the past to dump the cheap incremental barrels from refineries. Second, the jobbers-agents-gasoline brokers both branded and unbranded are now expendable. Third; we believe refiners will integrate forward into the retail market with new brands and self operation of their choice locations.
>
> The result, of course, will be complete control of gasoline from wellhead to nozzle. Once the majors take over the retailing function, price competition for all practical purposes insofar as the consumer-motorist is concerned will be at an end.

In other words, we face a situation where the majors will be able to use their market power to take over the entire fuel product industry. Discussion of whether this is an explicit conspiracy among the majors, as important as that may be, is not as important as the fact that the petroleum industry is being consolidated under the control of the majors, competition is being decreased, and petroleum prices are shooting up.

I have therefore introduced an antitrust amendment with Senator JACKSON which, in conjunction with other amendments and the original bill, aim at protecting the competitive sector of the petroleum industry and investigating and monitoring the behavior of the majors. The implementation of section 105 of the bill will make it illegal for the majors to use price and output discrimination against the independents. Senator Moss' amendment also provides the independents with protection from price and output discrimination.

The Humphrey-Jackson amendment will further protect the independents and develop the facts necessary for the Congress to formulate policy to preserve competition in the petroleum industry. The amendment is somewhat complex because we face difficult issues trying to balance our concern with competition with our need to mandate the allocation of fuel shortages. But I believe that the amendment meets those complex requirements.

I want to thank Senator JACKSON and the staff of the Senate Interior Committee for their assistance in preparing this amendment. My personal staff, the Joint Economic Committee staff, and the Senate Interior Committee staff have worked hard to develop a tough but fair antitrust amendment.

The Humphrey-Jackson antitrust amendment does the following things:

a. It requests that the implementation of mandatory fuel allocations be reviewed by the Attorney General and the Federal Trade Commission to insure that the act itself does not decrease competition in the petroleum industry.

b. It requires full public disclosure of all meetings and communications between firms in the petroleum industry, insofar as such communications are related to the execution of S–1570. We need this to prevent backroom deals that might reduce competition.

c. It provides a defense against any antitrust prosecution, either Federal or State, arising out of any action by a firm caused solely by compliance with the provisions of S–1570. We need this provision to be sure firms are not unfairly prosecuted for complying with S–1570.

d. It requires that Federal Trade Commission shall within 6 months provide the Congress with a thorough report on the relationships between the structure and behavior of the petroleum industry—particularly the 23 majors—and present shortages of petroleum products, as well as other petroleum industry practices. I shall amend this section to require that the Federal Trade Commission transmit an interim report on these matters to Congress within 30 days.

I now send up my modification to my amendment No. 168. The modification is as follows:

> On page 4, line 17, strike the remainder of line after "no later" thru "hereof," and substituting the following:
>
> "not later than 30 days after the enactment of this section an interim report on the following, and not later than 6 months after such date—

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and it is so modified.

Mr. HUMPHREY. Mr. President, the whole purpose of this final provision is in many ways the most important part of the amendment, because, as has been said by the Senator from New Hampshire and the Senator from Washington, it mandates both an interim and a long-run FTC study of the petroleum industry. From what we already know, the majors are consolidating the industry and raising prices to levels that do not appear justified. But we need much more information on what is happening to petroleum output, a determination of what is meant by the majors' statement that certain markets are "uneconomic," what are the justifications for the price increases, why the majors are opening up outlets in new areas, closing them

down in other areas, opening up stations in communities where they have already canceled out supplies to independents. We have a whole series of questions which the hearings before the Interior Committee and the Joint Economic Committee have raised, and there is a whole series of these questions that need to be answered.

Most significantly, we want to make sure that in any program of allocation there is not a conspiracy to rig the market, control the flow of commerce, and be able to raise prices and declare shortages at will.

This amendment is a consumer protection amendment. It is an independent business protection amendment. It will enforce the antitrust laws in this critical time of shortage.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FANNIN. Mr. President, I would like to make a point of order.

A previous amendment adopted added new sections 108, 109, and 110. The present amendment, No. 168, would also establish a section 108. Thus, it would seem the author of the amendment would want to change the designation to a new section, from 108 to 111.

Mr. HUMPHREY. Mr. President, will the Senator yield? Will the Senator repeat that?

Mr. FANNIN. I am suggesting that the Senator should change the number.

Mr. HUMPHREY. A technical change?

Mr. FANNIN. Yes. The Moss amendment covered sections 108, 109, and 110. So the amendment of the Senator from Minnesota, No. 168, would be a second section 108.

Mr. HUMPHREY. That is correct. I would want to change it accordingly.

Mr. FANNIN. The Senator would make it section 111?

Mr. HUMPHREY. Yes, I modify my amendment to make it section 111.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. FANNIN. Mr. President, with regard to this amendment, which I support in principle, I would like the record to show that the major companies in 1972 lost ground to the independents. Thus, I have doubts of any so-called conspiracy to freeze independent marketers out of the market. I request unanimous consent that an article entitled "Majors' Slice of U.S. Gasoline Pie Shrank in 1972" be reprinted in the RECORD.

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

THE TOP 10 STANDINGS

[Percent of U.S. gasoline market]

Rank and company name	1972	1971	1970	1969	1968
1. Texaco	8.1	8.4	8.1	8.3	8.5
2. Shell	7.1	7.3	7.9	8.2	8.3
3. American	6.9	7.0	7.3	7.5	7.6
4. Exxon	6.9	7.1	7.4	7.6	8.0
5. Gulf	6.5	6.7	7.1	7.6	7.5
6. Mobil	6.4	6.4	6.6	6.7	6.7
7. ARCO	4.9	5.5	5.5	5.7	5.8
8. Socal	4.7	4.7	5.0	5.2	5.3
9. Phillips	4.1	3.9	4.0	4.0	4.0
10. Sun	3.9	4.1	4.1	4.3	4.4

MAJORS' SLICE OF U.S. GASOLINE PIE SHRANK IN 1972

Major companies continued to lose ground last year to independent retail gasoline marketers.

But total sales swept through the 100-billion-gal mark for the first time in history, rising 6.85% above 1971.

Of the actual total of 100,615,862,000 gal sold in 1972, 20 major companies accounted for 74.4% and the independent marketers 25.6%.

This was an increase of 2.07% in the share-of-market sales by the independents over 1971 when the sales total was 94.2 billion gal.

The marketing statistics were released by the Lundberg Co., North Hollywood, Calif., which makes a state-by-state compilation of retail sales throughout the year.

The trend toward increased share-of-market for independents may end this year, according to some market experts, because of the inability of some refiners to buy enough crude to run at capacity and also the reluctance of major refiners to sell to independent markets at a time when their own outlets may run short.

The extent to which this occurs—barring government action which would forestall such a development—will be reflected in the Lundberg Survey statistics a year from now.

The leaders. Nearly all the major marketers lost ground last year in their share of the market (table), and several even sold less gasoline during 1972 than they did in 1971.

The top seven were all down in share-of-market by small fractions, although all except Atlantic Richfield Co. showed healthy gains in total gallonage.

Texaco Inc. remained on top with 8.13% of the market, down 0.22% from the year before. But Texaco's gallonage jumped nearly 4% to 8.2 billion gal.

Shell Oil Co. held onto the No. 2 spot with 7.14% while Exxon U.S.A. lost its third place ranking to American Oil Co.

Gulf Oil Corp., Mobil Oil Corp., Atlantic Richfield, and Standard Oil Co. of California maintained their positions, fifth through eighth respectively. Arco, however, was the only company in the top ten to sell less gasoline than the year before. This was because of the company's decision to dispose of part of its marketing outlets in the Southeast during the year.

Socal managed to maintain its share-of-market position at 4.7% and had a healthy 6.97% growth in gallonage.

Phillips Petroleum Co. knocked Sun Oil Co. out of ninth place and was the only top-ten company to increase its share-of-market, up 0.17% to 4.11%. Its gallonage increase of 11.28% was attributed partly to its decision to convert a substantial number of its stations to secondary brands and thus sell higher volumes at independent prices.

Others. Union Oil Co. of California suffered a slight drop in total gallonage for the year but maintained its No. 11 position.

Ashland Oil Inc. was a huge gainer. Its volume jumped 14.74%, and its position among marketers rose from 17th to 15th.

Standard Oil Co. (Ohio) and BP Oil Corp., a subsidiary of Sohio, are listed separately by the Lundberg Survey in 16th and 17th places. If the two were combined, they would be in 12th place. Both companies, however, sold less in 1972 than they did in 1971.

The only company in the top 25 of last year not appearing this year is Kerr-McGee Corp., which was 19th in 1971. Reason for the disappearance is that the Lundberg Survey this year lists Kermac's largest marketing arm, Triangle Refineries Inc., separately. Triangle, however, had a 19% gain in gallonage and, on its own, landed in the No. 21 spot.

A number of other independent marketers had big years. Clark Oil & Refining Co. had a gallonage gain of 22.94%—up 147 million gal to a total of 700 million and rising from 22nd to 19th in list of marketers. Powerine Oil Co., Santa Fe Springs, Calif., jumped 38.5% and increased its gallonage by 64 million to a total of 231 million.

Two smaller marketers which acquired new outlets during the year, Toscopetro Corp. and Pet Marketing, had much bigger percentage increases. Tosco was up 167.68%, increasing its gallonage from 54 million to 145 million. Pet was up 181.24%, increasing from 49 million to 137 million.

How they're listed. The Lundberg Survey lists 20 companies as majors and the rest as independents. The independents in the top 25 are Clark Oil & Refining Corp., Amerada Hess Corp. (Hess), Murphy Oil Corp., American Petrofina Inc., and Triangle. All the majors made the top 25.

Lundberg, however, is now developing a new functional classification of gasoline marketers which may more correctly describe the nature of the company operations. Statistics on a few states already have been prepared under these classifications, and by next year statistics for the nation should be available.

Under the new system 17 majors would be classified as integrated marketers with a house brand in 24 or more states. Some 25 or 30 companies would be classified as semi-integrated with a house brand in at least one state.

The current majors which would be transferred to the semi-integrated category are Tenneco, Ashland, and Amerada Hess.

A third category would be suppliers—small refiners which market gasoline. The fourth category would be marketers—small jobbers and distributors. Cooperatives would be listed in a fifth category. Unclassified marketers, such as a research company or natural-gas producer, would be listed in the sixth category, miscellaneous.

The big marketers in the top 25 gasoline-consuming states

CALIFORNIA

(9,991,889,000 gal)

Rank, company:	*Percent, market*
1. Socal	16.38
2. Shell	14.01
3. ARCO	10.55
4. Union	9.07
5. Mobil	8.91
6. Texaco	8.62
7. Gulf	5.02
8. Phillips	5.02
9. Exxon	3.74
10. Douglas	3.34

TEXAS

(6,355,842,000 gal)

1. Texaco	14.43
2. Exxon	14.27
3. Gulf	9.43
4. Mobil	7.44
5. Shamrock	6.05
6. Petrofina	4.67
7. Shell	3.66
8. Phillips	3.64
9. Continental	3.41
10. Sun	3.18

NEW YORK

(5,801,769,000 gal)

1. Mobil	18.65
2. Texaco	11.11
3. Shell	8.98
4. Exxon	8.44
5. Gulf	6.89
6. Sun	6.57
7. American	5.17
8. ARCO	4.10
9. Getty	3.38
10. Cities	1.89

ILLINOIS

(5,186,726,000 gal)

1. American	19.32
2. Shell	9.92
3. Texaco	6.70
4. Clark	6.04
5. Mobil	5.53
6. ARCO	5.52
7. Phillips	4.11
8. Sun	3.58
9. Marathon	3.28
10. Gulf	3.26

OHIO
(4,931,772,000 gal)

1. Sohio	24.70
2. Marathon	8.98
3. Sun	7.80
4. Ashland	7.57
5. Shell	7.42
6. Gulf	6.02
7. Texaco	4.25
8. Union	3.93
9. ARCO	3.76
10. Clark	3.21

PENNSYLVANIA
(4,714,826,000 gal)

1. ARCO	15.82
2. Exxon	10.65
3. Sun	10.19
4. Gulf	8.19
5. Texaco	7.94
6. Mobil	7.61
7. American	5.98
8. Phillips	2.06
9. BP Oil	1.30
10. Getty	1.28

MICHIGAN
(4,423,083,000 gal)

1. American	14.22
2. Shell	9.74
3. Mobil	8.65
4. Gulf	7.02
5. Sun	5.98
6. Marathan	5.93
7. Texaco	5.50
8. Leonard	3.17
9. Union	2.76
10. ARCO	2.62

FLORIDA
(3,883,909,000 gal)

1. Socal	11.90
2. Gulf	9.20
3. Shell	8.19
4. Phillips	7.75
5. American	7.28
6. Texaco	7.21
7. Marathan	5.21
8. Exxon	5.11
9. Tenneco	4.52
10. Union	4.41

NEW JERSEY
(3,237,864,000 gal)

1. Exxon	16.69
2. Hess	9.32
3. Sun	9.20
4. Gulf	7.15
5. Mobil	6.92
6. Shell	6.90
7. American	5.47
8. Texaco	4.77
9. Cities	4.76
10. Getty	4.07

GEORGIA
(2,871,957,000 gal)

1. Socal	13.08
2. Gulf	11.80
3. Texaco	7.08
4. American	7.04
5. Shell	5.95
6. Union	5.45
7. Tenneco	5.29
8. BP Oil	5.19
9. Exxon	4.98
10. Phillips	3.60

INDIANA
(2,682,475,000 gal)

1. American	13.82
2. Marathon	11.02
3. Rock Island	8.79
4. Shell	8.73
5. Sun	6.51
6. Clark	5.50
7. Ashland	5.08
8. Texaco	4.98
9. Phillips	4.70
10. Gulf	4.29

NORTH CAROLINA
(2,619,936,000 gal)

1. Exxon	14.14
2. Gulf	8.05
3. Texaco	7.90
4. Shell	6.55
5. American	6.53
6. Phillips	5.49
7. Union	4.74
8. Service Dist.	2.35
9. Cities	2.26
10. Sun	2.04

MISSOURI
(2,568,805,000 gal)

1. American	15.05
2. Phillips	8.68
3. Shell	5.35
4. ARCO	5.34
5. Mobil	4.64
6. Texaco	4.17
7. Skelly	4.01
8. Sun	3.95
9. Gulf	3.56
10. MFA	2.88

VIRGINIA
(2,354,216,000 gal)

1. Exxon	17.15
2. Texaco	11.66
3. Gulf	8.66
4. Shell	7.37
5. Cities	6.54
6. American	6.42
7. Sun	3.97
8. Union	3.94
9. Continental	3.52
10. ARCO	3.45

MASSACHUSETTS
(2,276,122,000 gal)

1. Mobil	14.13
2. BP Oil	10.11
3. Texaco	9.57
4. Shell	8.98
5. Gulf	7.32
6. Exxon	7.24
7. Sun	6.02
8. Cities	5.49
9. ARCO	5.26
10. Northeast	5.02

TENNESSEE
(2,154,456,000 gal)

1. Exxon	13.36
2. Gulf	9.51
3. Cities	8.33
4. American	7.66
5. Texaco	7.53
6. Shell	7.40
7. Continental	4.81
8. Tenneco	4.69
9. Monsanto	4.07
10. Triangle	3.87

MINNESOTA
(2,130,646,000 gal)

1. American	16.51
2. Mobil	8.41
3. North Western	8.12
4. Phillips	6.41
5. Continental	5.09
6. Gulf	4.97
7. Union	4.12
8. Skelly	4.10
9. Texaco	4.04
10. Shell	3.38

WISCONSIN
(2,115,547,000 gal)

1. American	14.24
2. Mobil	8.43
3. Texaco	5.49
4. Murphy	5.40
5. Cities	4.65
6. ARCO	3.90
7. Phillips	3.23
8. Union	3.09
9. Shell	3.05
10. Farmers Union	2.94

MARYLAND
(1,778,458,000 gal)

1. Exxon	17.42
2. American	10.28
3. Shell	9.12
4. Texaco	8.17
5. Gulf	7.56
6. BP Oil	7.48
7. Sun	5.88
8. Crown Central	4.03
9. Ashland	3.91
10. Cities	3.81

ALABAMA
(1,777,295,000 gal)

1. Socal	13.44
2. Gulf	8.69
3. Shell	7.51
4. Texaco	6.79
5. Triangle	6.01
6. American	5.80
7. Exxon	5.17
8. Union	4.80
9. Cities	3.99
10. Murphy	3.51

LOUISIANA
(1,771,955,000 gal)

1. Exxon	19.73
2. Texaco	10.75
3. Gulf	10.67
4. Continental	8.17
5. Shell	7.51
6. Tenneco	6.10
7. Atlas	5.34
8. Murphy	3.73
9. Mobil	3.01
10. Phillips	2.71

IOWA
(1,676,145,000 gal)

1. American	16.72
2. Sun	8.38
3. Phillips	5.74
4. Texaco	3.67
5. Skelly	3.61
6. Derby	3.56
7. Continental	3.53
8. Mobil	3.46
9. Gulf	3.24
10. ARCO	2.73

WASHINGTON
(1,644,760,000 gal)

1. Socal	14.72
2. ARCO	12.36
3. Texaco	11.59
4. Shell	10.96
5. Union	8.34
6. Mobil	6.89
7 Phillips	6.03
8. Exxon	5.98
9. Time	3.72
10. Gulf	3.57

KENTUCKY
(1,592,334,000 gal)

1. Socal	16.62
2. Ashland	14.29
3. Gulf	9.90
4. Texaco	7.48
5. Shell	7.04
6. Sun	5.52
7. Exxon	4.21
8. Marathon	3.67
9. ARCO	3.06
10. Phillips	1.83

MISSISSIPPI
(1,551,440,000 gal)

1. Socal	12.57
2. Cities	9.54
3. Gulf	7.96
4. Texaco	6.95
5. Union	6.36
6. Exxon	6.04
7. American	5.57
8. Shell	5.42
9. Signal	5.25
10. Sun	4.26

HOW THE TOP 25 MARKETERS COMPARE

Rank and company	Percent United States, 1972	Percent United States, change	Thousands of gallons: Gallonage, 1972	Thousands of gallons: Gallonage, change	Percent gallonage change
1. Texaco	8.13	−0.22	8,178,205	+313,250	+3.98
2. Shell	7.14	−.22	7,187,789	+257,337	+3.71
3. American	6.93	−.14	6,971,708	+317,494	+4.77
4. Exxon	6.85	−.20	6,890,766	+249,825	+3.76
5. Gulf	6.53	−.15	6,570,751	+284,112	+4.52
6. Mobil	6.36	−.04	6,396,341	+372,846	+6.19
7. ARCO	4.94	−.54	4,967,184	−193,228	−3.74
8. Socal	4.70	.00	4,733,919	+308,454	+6.97
9. Phillips	4.11	+.17	4,131,554	+418,758	+11.28
10. Sun	3.85	−.23	3,869,725	+30,000	+.78
11. Union	2.96	−.21	2,973,719	−11,558	−.39
12. Continental	2.28	−.05	2,292,065	+93,642	+4.26
13. Cities	1.94	−.04	1,955,187	+90,838	+4.87
14. Marathon	1.73	−.03	1,739,600	+85,620	+5.18
15. Ashland	1.43	+.10	1,440,283	+185,058	+14.74
16. Sohio	1.21	−.11	1,218,324	−20,548	−1.66
17. BP Oil	1.15	−.21	1,153,411	−125,602	−9.82
18. Tenreco	.88	+.06	881,505	+109,881	+14.24
19. Clark	.78	+.10	789,719	+147,344	+22.94
20. Hess	.70	+.03	707,299	+75,773	+12.00
21. Triangle	0.68	+.07	687,307	+109,334	+18.92
22. Getty	.67	+.02	674,199	+60,882	+9.93
23. Murphy	.64	−.01	644,236	+28,724	+4.67
24. American Petrofina	.63	−.07	633,749	−27,506	−4.16
25. Skelly	.63	−.01	629,076	+23,075	+3.81

Source: Lundberg Survey Inc., 12041 Strathern St., North Hollywood, Calif. 91605.

Mr. FANNIN. Mr. President, second, traditionally major companies have lost money in marketing and made it in production. With higher world crude prices coupled with participation agreements forced on the companies by OPEC, the companies will have severe restraints placed upon them in earning profits at the production end. Profits will have to start coming from the downstream end of the business. This means higher prices for petroleum products and does not necessarily mean at all that higher prices are anticompetitive. The major companies will be forced to sell at higher prices, therefore, if their profit picture is to improve it will be difficult to undercut the independent by selling at lower prices.

I am talking about this matter because we face a very serious situation. I am sure the Senator from Minnesota realizes we must have more in the way of exploration, development, and production of petroleum fuels. We must import more oil and we have little control over the prices we pay for that oil. We must try to increase our exports of other products to pay for those imports.

We want U.S. companies to improve their position so they will be able to export more of their products.

I made a statement on Friday, which appears in the CONGRESSIONAL RECORD at pages 17764 to 17766, on the subject of what is going to be needed in the future in the way of improved petroleum production. That statement points out how we have lost out on North Slope production due to the Alaskan pipeline delay. The delay has been very expensive to many companies.

The Outer Continental Shelf hold-up on leases and drilling has also reduced expenditures considerably and therefore slowed down production.

I think we have to look at this problem from a broader point of view. Certainly we are concerned about excess profits. Certainly we are concerned about competition. We want competition, and we do not want any action by the majors which would force independents out of business. I trust Congress will consider the overall problem we have, because there is not a simple solution. It is a very complex situation. I think we should take all that into consideration.

I certainly am not opposing the amendment in principle. However, I think that we should clarify the situation.

Mr. JACKSON. Mr. President, will the Senator from Arizona yield me 5 minutes?

Mr. FANNIN. Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Washington is recognized for 5 minutes.

Mr. JACKSON. Mr. President, I shall speak very briefly. I thank the Senator from Arizona. He has made a very important point in connection with the change that is taking place in the international oil business.

Let us go back a moment, because this is a related part of the problem we have today. What has been happening in recent years is that the international oil companies, the American oil companies, have been going abroad to do most of their drilling, exploration, and production.

We were told over the years, Mr. President, that with a good depletion allowance, they would do their drilling here. Let me point out, however, why they have gone abroad.

In the Persian Gulf, the major oil companies can find and produce new oil supplies at a cost of somewhere between 8 cents and 20 cents a barrel. In the United States, the finding and producing costs per barrel in recent years have been in the order of $2. Perhaps the per barrel cost is somewhat less—exclusive of bonuses—on the Outer Continental Shelf.

It is very expensive to drill offshore. However, because the average well is much more prolific, the cost per barrel tends to be less than it is onshore, on the mainland.

The economics of the situation has been such that the American oil companies have been doing their drilling abroad and we have not developed our domestic oil supplies. It is not all a one-way street in this matter, Mr. President. The American companies, the British companies, and the Dutch companies overseas are finding themselves in a period of transition, because what is happening is something that I have warned would happen for many years. That is the nationalization of producing oil interests abroad. We were told this would not happen. However, it is already happening. Colonel Quadiffi in Libya has now demanded a 100 percent nationalization of oil companies. That means nationalization of all of the companies.

Mr. President, in 1952 all oil concessions in Iran were nationalized—that is, the fields themselves. Earlier this year the Shah of Iran finalized that act by nationalizing the entire production facilities as well as the oil in the ground. And national taxes on oil produced by the international majors in the OPEC countries has about tripled in the last 2 years

So, what the Senator from Arizona has mentioned is true. There is a real problem that is going to develop. And it is something that we have to look into, because the American companies that have been taking the bulk of their profits abroad and are now going to have to make their profits out of refining operations and domestic marketing in the United States.

The oil companies will have to make their profits at the distribution end. That is the economics of the situation, simply stated.

In the meantime, we have a very large independent oil distribution business. We have independent refiners. We have the independent jobbers, and the independent dealers. Some of them have hundreds of stations. Some of them have only one station.

The amendment in which the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Hampshire (Mr. MCINTYRE), and I have joined on is simply to maintain a proper competitive system.

I think this is a fair amendment. I think it is an honest amendment. I do not think it is a punitive amendment. It gives an opportunity for all elements in the free competitive process to be treated fairly, justly, and honestly.

Mr. President, we are not out to get anyone. We are only out to get the facts.

Mr. President, I sent a letter to the Federal Trade Commission on May 31 of this year. I ask unanimous consent that that letter be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. JACKSON. Mr. President, in this letter I asked the Federal Trade Commission, which has been involved now for many months in an investigation of all sorts of allegations that have been made about practices within the oil industry, to give us a report in 30 days. The bill says not less than 6 months. I say let us get

the facts. Then, if the report shows there is a need for legislation in order to strengthen the free competitive enterprise system that we cherish we will be in a position to act.

I know that allegations have been made that are very serious. I am not alleging anything. As the chairman of the committee that has been looking into this problem, my own interest has been to be judicial about this matter.

Mr. President, I get concerned, however, when responsible officials make statements and allegations of a serious nature, the question of monopoly, the question of unfair trade practices, and so on.

I think that Congress has the duty to get the facts. I am not trying anyone. I just want to see that this entire matter is handled in a fair and judicious manner.

The amendment, Mr. President, provides the policing authority for this bill, in effect. That is in the first section, subsection (a). Then it requires that the Attorney General review the various programs that are undertaken and the regulations issued prior to the implementation of the regulations pursuant to the amendment.

The amendment also provides for a limited defense which can be exercised by the oil companies to an action under the antitrust laws when they are required to meet together to work out certain allocation problems. We provide for a defense in those situations. We also require the presence of a representative of the Attorney General and the monitoring of any action taken by the Federal Trade Commission.

Finally there is a provision for reporting back by the Federal Trade Commission in 6 months on the results of the study.

Mr. President, I think it is a fair amendment. I think that it will help to resolve a lot of the charges that have been made. I think that it is fair to the large companies. I think that it is fair to the small companies. This is an effort simply to get at the truth.

Mr. President, I thank the Senator from Arizona for yielding.

EXHIBIT 1

U.S. SENATE, COMMITTEE ON
INTERSTATE AND INSULAR AFFAIRS,
Washington, D.C., May 31, 1973.

Hon. LEWIS A. ENGMAN,
Chairman,
Federal Trade Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: Over the past six months every section of the nation has experienced serious shortages of heating oil, gasoline, diesel fuel and propane. These shortages—especially gasoline and diesel shortages—threaten to become critical within the next few months. Shortages of fuel oil next fall and winter are certain. They may be the most serious ever experienced in this country.

You are undoubtedly aware of the growing and increasingly widespread conviction that the fuel shortage is a *deliberate, conscious contrivance* of the major integrated petroleum companies to destroy the independent refiners and marketers, to capture new markets, to increase gasoline prices, and to obtain the repeal of environmental protection legislation. Allegations and some circumstantial evidence of this sort are coming increasingly from oil independents, consumer organizations, students of the industry, Members of Congress, and from the chief legal officers of local and State governments.

As Chairman of the National Fuels and Energy Policy Study authorized by S. Res. 45, I recognize that the origins of the current fuels shortages are complex. They involve, among other things, stringent environmental regulations, a lack of refining capacity, an incentive system that is not producing desired results, the need for deep-water port facilities, and many other factors.

One major cause of the shortage which should not be overlooked or minimized is the present Administration's incomprehensible and foolish reliance last summer on the clearly incorrect and self-serving recommendations of major oil companies that import controls should be maintained; that refined products should not be imported; and the assurance that refinery capacity would be adequate to meet all demands for petroleum products over the next year.

We know, for example, that Texaco's Chairman of the Board wrote General Lincoln, then the Director of the Office of Emergency Preparedness, last July objecting to the granting of more import quotas for finished products and stating that there is "sufficient refining capacity available in the U.S. to meet anticipated demand for clean products over the balance of this year." We know that the President of Humble Oil (now Exxon, U.S.A.) assured General Lincoln in September that "Humble could not speak for the remainder of the industry but felt in a tight situation the industry would do its best including going beyond its contract commitments if it were capable of doing so . . ."

While I am not yet ready to definitely conclude that the current crisis can be fully explained in terms of "conspiracies" between or "excessive market power" exercised by a relatively few oil companies this does pose a major question of public policy which deserves careful review and analysis. The very fact that the so-called "conspiracy theory" is supported by circumstantial evidence and that it does have credibility among knowledgeable observers of the industry makes an in-depth investigation mandatory. If investigation shows that the current shortages have been calculated and engineered for private profit or advantage, legislation will be required to effectuate fundamental changes in the structure and operation of the petroleum industry.

Later in this letter I will be requesting the Federal Trade Commission to undertake an investigation of this matter.

Whatever the ultimate cause or causes of the shortages it is indisputable that they threaten to extinguish viable competitive force in the petroleum industry. It is furthermore a fact that retail gasoline and fuel prices—the price consumers pay—have risen drastically and will continue to rise. At the same time, the earnings of the five biggest oil companies jumped by 26 percent between the first quarters of 1972 and 1973.

The earnings of Exxon, the largest oil company in the United States, jumped by an amazing 43 percent. The earnings for 27 smaller oil companies jumped by 32.1 percent during the same period.

The fact that oil company earnings show startling increases during a period of time when the companies are under price controls, when independents are being put out of business, and when the American consumer cannot get gasoline also raises fundamental questions of public policy. This is particularly true in view of the disturbing signs that the present shortages are being accompanied and perhaps caused by major structural changes in petroleum marketing which could seriously limit competition.

The strength, efficiency, and economy of America's oil industry has been based on the high degree of competition at the retail level afforded by numerous companies supplying the same market. It is a classical first step of any small group of companies who wish to restrain trade and raise prices to first centralize their marketing areas so as to reduce competion. Indeed it is the purpose of the Federal Antitrust Laws to assure that there is adequate competition. Some of the disquieting market limiting instances—all within the past few months—are as follows:

Gulf is withdrawing in Michigan, Maryland, Iowa, Wisconsin, Delaware, Minnesota, North Dakota, South Dakota, Idaho, Utah, Nevada and Northern California. They are just getting out of those areas and have a $250,000,000 withdrawal program under way.

Exxon is selling 150 retail service stations in Indiana, Illinois, Wisconsin and Michigan and possibly an additional 250 stations.

Phillips by October 1, 1973, is withdrawing from New England all the way as far south as Maryland and Northern Virgina.

British Petroleum has sold its New York State marketing network to United Refinery. West of Hudson, New York, it is giving no new supplies to its jobbers. BP has notified its jobbers in New Jersey, Rhode Island and part of Massachusetts that their contracts will soon be cancelled.

Atlantic Richfield Company is selling its terminal and bulk plant in Mississippi. ARCO is also divesting itself of a 32,000 barrel a day refinery in Sinclair, Wyoming. It is dropping 2,400 retail outlets in Colorado, Idaho, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, Missouri and parts of Louisiana, Alabama and Oklahoma.

Amoco, according to trade reports, plans to pull out of the Western United States with the exception of Washington and Oregon.

Sunoco is withdrawing from North Dakota, South Dakota, Nebraska, Wisconsin, Minnesota, Kansas, Tennessee and the Metropolitan Chicago area. However, it is excluding certain other metropolitan areas such as Omaha, Eastern Kansas, Memphis and its Interstate Highway outlets.

Fina will purchase the BP marketing properties in Georgia and Florida and part of those in North Carolina and South Carolina.

There are instances of other oil companies which are abandoning certain "uneconomical" areas. Moreover, many of these and other major oil companies are apparently terminating existing dealer franchises and, *at the same time,* establishing new chains of dealerships under new second and third name "fighting brands."

It is highly suggestive to those who have studied the dynamics and structure of the national and international oil corporations which dominate the industry and the patterns of marketing that all of these factors and results are *not* happenstance. In major respects they may represent conscious, knowing decisions to shift traditional profit centers from "production" in historically, low cost, profitable Mid-east sources to the downstream sources of "refining" and "marketing" both in the United States and Europe. This shift in profit taking sources was compelled by the nationalistic attitude of Mid-East nations to control their own resources and to maximize host government revenues. On the basis of available evidence I do not charge or allege conspiracy; I do, however, charge that corporate self-interest, acting in response to friendly, timid and often incompetent Administration policy, has led to a situation in which oil industry corporate managers—without meeting, without collusion, without conspiracy—are led, invited, and encouraged: (1) to squeeze out the independents; and (2) to force the price of gasoline and other petroleum products up and up.

It is not clear to me or to other Members of Congress what all of these fast moving events and changes mean, nor what relationship they bear to the shortages of crude oil and petroleum products. The sole purpose of this letter is to get a detailed, objective,

and judicial judgment on the issues which have been raised in connection with the current fuels crisis. It is in the national interest to have a strong, viable and competitive industry that is privately owned and has the confidence of the public.

I am hereby requesting the Federal Trade Commission to prepare a report within thirty days regarding the relationship between the structure of the petroleum industry and related industries and the current and prospective shortages of petroleum products. This report should be accompanied by such staff reports, investigations and documentary materials as the Commission may have made or obtained which are relevant to comprehension of this issue by the Congress.

Later today, Senator Humphrey and I will be introducing an amendment to S. 1570, the "Emergency Petroleum Allocation Act of 1973," which will authorize and direct a more detailed six-month study by the Federal Trade Commission of this and other important questions concerning the petroleum industry, its changing structure and operation, and the causes of the current shortages. I am enclosing a copy of the amendment and a table from the May 14, 1973 *Oil and Gas Journal*, showing earnings and profit performance of 32 oil companies in the first quarter of 1973.

Sincerely yours,

HENRY M. JACKSON,
Chairman, Senate Study of A National Fuels and Energy Policy.

HOW 32 COMPANIES PERFORMED IN THE 1ST QUARTER

Company	Net profit[1] ($1,000) 1st quarter 1973	Percent change from 1972
Exxon	508,000	+43.1
Texaco	264,016	+14.8
Gulf	165,000	+18.7
Mobil	155,800	+10.1
California Standard	152,800	+24.2
Subtotal	1,245,616	+26.0
Indiana Standard	121,100	+21.5
Shell	80,233	+49.2
Tenneco	53,413	+14.4
ARCO	50,303	+52.2
Sun	49,146	+42.3
Conoco	47,500	+11.5
Phillips	43,448	+22.1
Union	38,300	+28.1
Amerada Hess	36,706	+25.1
Cities Service	34,400	+17.4
Getty[2]	27,006	+20.6
Marathon	24,165	+49.6
Pennzoil	19,624	+23.9
Sohio	17,500	+48.5
Signal	16,202	+28.8
Ashland	15,900	+40.7
Kerr McGee	11,876	+20.8
Skelly	9,961	+2.6
Occidental	8,934	+57.8
Murphy	6,452	+57.7
Clark	4,846	+502.0
American Petrofina	4,735	+105.1
Tesoro	4,271	+86.8
Quaker State	3,604	+6.2
Kewanee	3,017	+6.9
Corco	2,806	+13.4
Apco	889	−34.0
Subtotal	736,337	+32.1
Total	1,981,953	+28.2

[1] Excludes extraordinary items.
[2] Includes Getty's share of Mission Corp. and Skelly Oil Co.

Mr. FANNIN. Mr. President, I thank the chairman of the committee for his statement. I agree with him. I voted for the amendment. I think it is a good amendment. However, I think that the problem we have must be recognized.

We need the support of the major companies, the independents, and all of the others if we are to get this matter corrected.

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

Mr. FANNIN I yield.

Mr. HUMPHREY. Mr. President, I have listened very carefully to the statement of the Senator from Arizona in his discussion of the amendment and his discussion of some of the economic problems confronting the industry. I do not argue with that.

As the Senator from Washington has said, the purpose of the amendment is not to accuse. It is merely to try to make sure that the bill pending before us, if enacted into law, will be properly policed in terms of its regulation, and that the attorney general will make sure that the antitrust laws of the Federal Government are properly enforced and that we really get the machinery we need for constructive legislation.

Mr. FANNIN. Mr. President, I agree with the Senator. However, I do want to make it very clear that we must have the cooperation of these companies. I do not feel that we can do this without the full support of everyone in the whole program.

Mr. HUMPHREY. Absolutely. We do have to have their cooperation because they are in charge of the product we need.

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

Mr. FANNIN. I yield.

Mr. JACKSON. Mr. President, what we are really trying to do is just make the system work better. It is obvious that with all the complaints we have from all over the country, with people going out of business and running into trouble, as they say up in the Northwest, "There is something rotten in Denmark."

All I am suggesting is that we get at the facts and not prejudge these matters. I agree with the statement the Senator made that we need the big companies, small companies, and the whole operation, the whole oil industry, just to work together a little better, in a critical period when we are dealing with shortages. And when you are rationing shortages, Mr. President, you are not going to make a lot of people very happy.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. McINTYRE. Mr. President, what is the time situation? Could I have 2 or 3 minutes on the bill?

Mr. JACKSON. We have time remaining on the amendment.

Mr. FANNIN. I yield the Senator 3 or 4 minutes, whatever he wishes.

Mr. McINTYRE. Mr. President, during the course of our hearings, the Federal Trade Commission appeared before us and indicated that they had been studying the problem that the amendment would deal with since October of 1970. So, hopefully, acting a chairman of the committee, I said, "Well, what did you find out?"

They said, "Well, we have not come to any conclusions yet. We hope to have something for you by December of this year."

Mr. President, I hope that this amendment, which we hope will pass this body, will have some strength in it, because I find—and I realize this is a somewhat murky field of law—that when the Federal Trade Commission puts out subpenas to the major oil companies, asking them to come in, sit down, and testify at a hearing, the major oil companies have ignored those subpenas.

Mr. JACKSON. Mr. President, will the Senator yield right there?

Mr. McINTYRE. Well, I just want to make sure that I make it clear that apparently this is a procedural detail that involves the Department of Justice, but they have stalled on dead center.

I think when the Senator from Arizona says we need the cooperation of the major oil companies, he is very, very correct. But I hope this amendment will put some teeth into the Federal Trade Commission's efforts to monitor these shortages and competition.

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

Mr. McINTYRE. I yield.

Mr. JACKSON. I yield myself 2 minutes to respond. On page 4 of the amendment, beginning on line 16, it reads:

(h) The Federal Trade Commission shall prepare and transmit to the Congress, no later than six months from the date of enactment hereof—

And then it lists the report and the other requirements.

This is a mandatory requirement. I point out further that the Federal Trade Commission needs additional funds to prosecute the efforts they are now involved in. When the Independent Offices appropriation bill comes up, it behooves all of us to see to it that there are adequate funds available for this purpose.

I might also point out that the last paragraph in the amendment—that is on page 5—has this added provision, starting on line 8:

(i) The Federal Trade Commission shall have the authority, notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act (ch. 311, 38 Stat. 721), to gather and compile such information concerning, and to require the furnishing of such information by, all corporations including common carriers subject to the Act, as may be required to implement the provisions of this section.

Mr. McINTYRE. I am glad to see that sort of language.

Mr. JACKSON. These are the "teeth" I think the Senator was referring to earlier.

Mr. McINTYRE. That is right.

Mr. JACKSON. It is in keeping with the Senator's suggestion.

Mr. McINTYRE. I hope we will keep after it, too.

I want to state just one other thought. Representing a consumer State—I am not so sure about the Senator from Washington——

Mr. JACKSON. We do not produce a drop of oil in the State of Washington. We consume it.

Mr. McINTYRE. In trying to find the answer, for years, one of the things that has been just paralyzing is to find that our Government depends upon the oil companies of America to furnish information regarding the industry. We are completely at their mercy.

Mr. JACKSON. Mr. President, will the Senator yield on that point?

Mr. McINTYRE. I yield.

Mr. JACKSON. I think the able Senator from New Hampshire has put his finger on a very important point. We need to have the kind of information available

in the petroleum and energy areas that we have in the economic area through the Bureau of Labor Statistics, which has reached that level of professional standing where economists, whether they are from academia or from the business world, can rely on the integrity of their figures.

I could not agree with the Senator more as to the ridiculous situation we find ourselves in, in which the Government of the United States does not have the figures, but has to go all over the country to try to obtain them from the private companies. May I say it is not even fair to the private companies to have to supply the information, because if they make a mistake, they can be accused of doing it on a premeditated basis.

We are considering legislation now, and I hope we will have something introduced shortly, probably giving this authority to collect the data to the General Accounting Office, to marshal all the facts and the information so that we can get it on the basis of sound data, of objective facts.

Mr. McINTYRE. I agree.

Mr. JACKSON. That is a part of our trouble with the studies, and I assure the Senator we hope to move without delay on it.

Mr. McINTYRE. I hope so.

Mr. DOMINICK. Mr. President, will the Senator from Arizona or the Senator from Minnesota yield to me? I do not care which.

Mr. FANNIN. I yield 2 minutes to the distinguished Senator from Colorado.

Mr. DOMINICK. I have been listening to this debate with interest, and I think the Senator from Minnesota is trying to get something accomplished which probably should be accomplished. But I have some questions as to whether it is going to work, in the system that he is outlining, and therefore I wanted to ask these questions:

In the substitute bill as proposed by the Senator from Washington, as I understand it, they have 6 months to develop a plan.

Mr. President, you cannot develop a plan out of an agency down here without having the cooperation, it seems to me, of those people who are involved in producing the oil, gas, and other things we need.

My question is, Is the Senator's amendment designed to stop those consultations? Because if it is, then we have really got problems.

*Mr. HUMPHREY. Mr. President, if I may respond, it is not. This is an entirely separate operation, the Federal Trade Commission study.

Mr. DOMINICK. The Senator's amendment, however, if I may say so, starts out by saying that everybody is going to be subject to a civil or other penalty if they are restricted under any antitrust law, but it indicates to me that in some cases the Senator is trying to stretch the antitrust law. Perhaps he is not, but I just wanted to be sure, for the record, that we are not, because if we do not have the cooperation of the oil and gas industry, we are never going to get enough oil to be able to allocate it to anyone. That is my problem, and the only one I have.

Mr. HUMPHREY. Mr. President, may I assure the Senator from Colorado that in the section we have to appropriately renumber in the bill because of the amendments, known as subtitle (a), what it really calls for there is very careful supervision on the part of the appropriate agencies of Government, to make sure that during this period of shortage and scarcity, as the Senator from Washington has said, where there is a difficult problem of allocations and supply, that no violations of the antitrust laws take place, and that the Department of Justice make sure, by constant monitoring or following of the situation, that there is not any violation of the antitrust laws.

That is what the first section does, in substance. Then after that, it requires that any priority schedule, plan, regulation, or allocation program proposed pursuant to this bill shall be forwarded to the Attorney General and to the Federal Trade Commission, who shall be given a reasonable opportunity of not less than 7 days before such schedule, et cetera, would take effect. In other words, because the provisions of this act all call for mandatory allocations. The reason for that is, to make sure that the companies do not get into trouble. Has the Senator got my point? To be sure that the companies can comply and do not get into trouble.

Mr. DOMINICK. The thing that bothers me, I guess, is subsection (d) on page 2 and the top of page 3 of the amendment. What I am concerned about is that it will be construed by someone that if the oil companies get together even for a luncheon meeting, they will have an antitrust suit filed against them because they are not doing it subject to an order from the agency. That is the problem that bothers me.

What I am saying is that we do not want antitrust suits any more than you do, but we do not want to stretch the laws by this bill in an effort, so-called, to try to help out. I think we make it worse than better.

Mr. HUMPHREY. May I say most respectfully to the Senator from Colorado that the conditions we are dealing with here concern the scarcity of supply and the inequities in allocations, which lend themselves to temptation on the part of the marketplace to take advantage of it. We should recognize that.

The purpose of subsection (d), to which the Senator refers on pages 2 and 3 of the amendment, is to make sure that there is constant supervision of the operations of the companies in terms of meeting the allocation requirements. It spells it out so that there is no hunting license here to get someone in trouble.

Mr. DOMINICK. I understand the Senator. The problem is, it will mean that we cannot have any meetings or any discussions on any type of plan unless the Justice Department and 150 lawyers are sitting in from the Antitrust Department on every single meeting they have.

Mr. HUMPHREY. May I say to the Senator that I do not think it will require 150 lawyers. I think all it will require is a fair sense of balance, recognizing the critical situation, that this is a question of scarcity. It is a preventive provision. The whole purpose of subsection (d) on pages 2 and 3 of the amendment is to prevent any possibility of any violation of the antitrust laws. This merely says here—

> * * * such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

Why? Because, in order to comply with the terms of the statute, there will be meetings, and there will have to be meetings——

Mr. DOMINICK. That is what I am saying——

Mr. HUMPHREY. Simply because they are producers.

Mr. JACKSON. I yield myself 1 minute on the bill——

Mr. DOMINICK. Let me just make the record clear, first, that in order to have a workable plan, we will have to have the cooperation of the oil and gas industry. If we are going to say that every time they sit down on any meeting or on any plan, they are going to have to have antitrust personnel in there, according to subsection (d), we are going to scare the life out of everyone. That is the problem, as I see it.

Mr. JACKSON. The reason the voluntary program is in trouble is that the oil companies legally cannot sit down with the other companies, and with the Government, and work out a system of allocations. The lawyers for the companies know this. This amendment would make this possible, and it sets out specifically that there will be a limited defense to an antitrust action where these steps are taken. One of the things of concern to the major oil companies is that once they start to look at this carefully, that is, the Administration's voluntary program 2 years from now they might be hailed into court, indicted, or slapped with a treble damage suit. That is the trouble, because there is no specific provision in the law covering these meetings insofar as they relate to the antitrust laws. That is why it is in there—in the Humphrey-McIntyre-Jackson amendment.

Mr. DOMINICK. What the Senator is doing is setting up a defense, but what the Senator is asking us, is to say that we cannot meet on anything, even if it has nothing to do with price. They may be talking about oil and its production, but they cannot meet.

Mr. JACKSON. If the Senator will look at subsection (d), line 19 of the amendment, it says:

> (d) Whenever it is necessary, in order to execute the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, for owners, officers, agents, or representatives of two or more producers, importers, refiners, or resellers of crude oil or refined petroleum products subject to this Act to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, they may do so only upon an order of the agency designated by the President to administer the provisions of this Act specifying . . .

Mr. DOMINICK. It is the word "only" that bothers me. That means that they cannot get together anywhere without having a member of the Antitrust Divi-

sion there. I do not know how many lawyers that would mean——

Mr. JACKSON. As it relates to this act.

Mr. DOMINICK. Suppose they were talking about reserves? You have to know what the reserves are in order to make a plan.

Mr. JACKSON. Is that not a lot better than it is right now, where they cannot get together at all? We have specified specifically——

Mr. DOMINICK. It may be. What I am saying is, Why use the word "only"?

Mr. HUMPHREY. There is a reason for it, because if we do not use that word—if we take out the word "only", we are, in other words, opening up the whole of the antitrust laws to all sorts of escapes. This is pertinent to the act we have before us. It says that we cannot have the meetings because it will be necessary for the purpose of allocation of shortages conducted only upon order of the agency designated by the President to administer an act, and so forth. This relates to a specific set of circumstances; namely, scarcity, a program of mandatory allocations. If we start opening it up, we will start, for all practical purposes, vitiating and weakening all the antitrust laws of the country. This provision is sufficiently specific to protect the consumer, the producer, the refiner, the wholesaler, the jobber, and the retailer. That is what this is all designed to do.

Mr. DOMINICK. If I may say so, I am not trying to get into a speech-making contest with the distinguished Senator from Minnesota. I know that he is too good for me.

Mr. HUMPHREY. I thank the Senator.

Mr. DOMINICK. The Senator has been making lots of speeches that way.

Mr. HUMPHREY. And I am making sense today. [Laughter.]

Mr. DOMINICK. What I am trying to do is to be legalistic, and not trying to make speeches. What I am saying is that there are a number of different types of meetings that go on, which meetings may or may not have a bearing on what a plan might be. I just say that no such meeting of any kind is going to be valid unless the antitrust person is there. So that what we are saying is that they will all have to be held in Washington and that meetings of any other people, anywhere else, without that, will be immediately an indication, at least, that someone may have a suit against him. That is what I am saying. It is the word "only" that I am worried about, that word "only."

Mr. HUMPHREY. I am going to let my "district attorney" answer the Senator here because the Senator from Colorado obviously does not want a speech. The Senator wants someone to give him the law, even if a speech would make more sense, much more than I could give one, trying to define the fine hairs of the law. Go ahead, "attorney." [Laughter.]

Mr. JACKSON. Mr. President, I shall be very brief. I think it has been amply discussed. The point is that at least we have made a breakthrough here, in which we have designed a system under which the oil companies can get together and help carry out the provisions of this act without being in violation of the antitrust laws.

Mr. DOMINICK. Then the Senator will agree with me that we do not want to extend the antitrust laws.

Mr. JACKSON. No. We are not extending or limiting the antitrust laws at all.

Mr. DOMINICK. That is fine. Let us leave the record that way.

Mr. JACKSON. That is what I have been trying to say. We are in the ridiculous situation where the administration has a voluntary program and where the key people in the Department of Justice have told us that if the oil companies do get together to carry out the voluntary program of the administration, the Department of Justice could go after them. The oil companies well remember the Madison case in 1939, where the Justice Department got convictions against companies that cooperated in a voluntary gasoline allocation program sponsored by the Interior Department.

Does not the Senator think that ought to be clarified?

Mr. DOMINICK. Yes, very definitely.

Mr. JACKSON. That is exactly what we have done. That is all I have to say.

Mr. HUMPHREY. I thank my attorney.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HASKELL), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. STEVENSON), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Alaska (Mr. GRAVEL), the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), the Senator from Colorado (Mr. HASKELL), the Senator from California (Mr. TUNNEY), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Iowa (Mr. HUGHES), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Wyoming (Mr. HANSEN) is absent by leave of the Senate on official committee business.

The Senator from Oregon (Mr. HATFIELD), the Senator from Idaho (Mr. MCCLURE), the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. STAFFORD), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is detained on official business.

The result was announced—yeas 80, nays 0, as follows:

[No. 166 Leg.]

YEAS—80

Abourezk	Dominick	McGovern
Aiken	Eagleton	McIntyre
Allen	Eastland	Metcalf
Baker	Ervin	Mondale
Bartlett	Fannin	Montoya
Bayh	Fong	Nelson
Beall	Fulbright	Nunn
Bellmon	Goldwater	Packwood
Bennett	Griffin	Pastore
Bentsen	Gurney	Pearson
Bible	Hart	Pell
Biden	Hartke	Percy
Brock	Hathaway	Proxmire
Brooke	Helms	Ribicoff
Buckley	Hollings	Roth
Burdick	Hruska	Schweiker
Byrd, Harry F., Jr.	Huddleston	Scott, Pa.
Byrd, Robert C.	Humphrey	Scott, Va.
Cannon	Jackson	Sparkman
Case	Johnston	Stevens
Church	Kennedy	Symington
Clark	Long	Talmadge
Cook	Magnuson	Thurmond
Curtis	Mansfield	Tower
Dole	Mathias	Weicker
Domenici	McClellan	Williams
	McGee	Young

NAYS—0

NOT VOTING—20

Chiles	Hughes	Saxbe
Cotton	Inouye	Stafford
Cranston	Javits	Stennis
Gravel	McClure	Stevenson
Hansen	Moss	Taft
Haskell	Muskie	Tunney
Hatfield	Randolph	

So Mr. HUMPHREY's amendment (No. 168), as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EASTLAND. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the end of Amendment No. 145, add a new section:

NATIONAL VOLUNTARY ENERGY CONSERVATION PROGRAM

SEC. —. In order to more effectively carry out the purpose of this Act to solve a national energy crisis the President shall (1) develop a National Voluntary Energy Conservation Program calling for and suggesting means of terminating unnecessary use of energy for power or lighting, and (2) call upon State and local officials, public and private entities, and the public generally, by means of television, radio, newspaper, and other appropriate manner, to cooperate in promoting and carrying out such Program.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. EASTLAND. Mr. President, this is a simple amendment. In order to avert

an energy crisis the amendment provides that the President shall develop a national voluntary energy conservation program calling for and suggesting means of terminating unnecessary use of energy for power or lighting. It would save and conserve fuel in this country. It would help our balance of payments. It is strictly voluntary.

I do not see how there could be any objection to it.

Mr. JACKSON. Mr. President, I commend the distinguished Senator from Mississippi for the amendment. It is a sensible amendment. It calls upon the President, as I understand it, to undertake a conservation program in order to conserve the needed petroleum resources of the Nation. I am pleased to accept the amendment.

Mr. FANNIN. Mr. President, I commend the distinguished Senator for the excellent amendment. I believe the amendment will be very helpful and I support it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JACKSON. I yield back the remainder of my time.

Mr. EASTLAND. I yield back my time.

Mr. FANNIN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I call up an amendment I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Insert the following new section at the end thereof:

That, as an example to the rest of our Nation's automobile users, the President of the United States is requested to take such action as is necessary to require all agencies of Government, where practical, to use economy model automobiles, pickups, and trucks; and

That the President take action to require that no Federal official or employer below the level of cabinet officer be furnished a limousine because such automobiles are particularly expensive, gas consuming and pollution producing; and

That the President is requested to take such action as is necessary to begin a national program of public information to inform the commuter of the benefits of carpools and economy cars and that the President report to Congress on legislative incentives to promote such a program.

Mr. BARTLETT. Mr. President, this amendment is similar to the amendment of the Senator from West Virginia who is interested in conserving energy by reducing the speed of vehicles on the highways. This amendment recognizes that the United States is the biggest user of automobiles, trucks, and pickups. By using more economy cars, by using more economy trucks there will be substantial savings.

By the use of economy cars, we can save as much as 1.8 million barrels of oil a day, it would substantially reduce imports and the balance of payments deficit.

I think it emphasizes, by doing away with many limousines, that we are leaving the era of plentiful, cheap energy and entering another era of expensive energy, and dropping some expensive habits fast.

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

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. JACKSON. Mr. President, I want to commend my good friend from Oklahoma for the proposal that he has made. The problem is that if we are going to start itemizing all of the various areas of conservation that we should cover by legislation, we are going to get ourselves in a very difficult position. I suppose we ought to start out by saying that all public, especially elected, officials should use only public transportation in order to save energy. Where do we draw the line on this?

I am not going to object to the amendment, but I only point out that the list is long, and the amendment, worthy as it is in its objective, is totally incomplete. We would have a very, very long bill, Mr. President, if we had attempted to set out a bill of particulars as to the areas in which we can conserve energy.

I believe that the Eastland amendment does lay the foundation for the kind of conservation effort that should be undertaken nationally in all areas where there are feasible opportunities to do so, and I think that is what we want to do. But I shall not object to the amendment.

Mr. FANNIN. Mr. President, I do not object to the amendment. I know the intent of the distinguished Senator from Oklahoma is to conserve energy and to conserve fuel, and that is always a very commendable desire and goal to have.

I am just wondering, in specifying the utilization of certain types of vehicles, what he intends in that amendment. I hope he is not saying we should concentrate on any of the foreign vehicles that happen to come into this country in large numbers.

Mr. BARTLETT. The purpose is very simple, and that is to reduce the size of vehicles to save gasoline. I think it is important in the bill we are considering. The Star Saturday night said that the Senate was acting in its first congressional action aimed at alleviating a nationwide fuel shortage. Of course, we know this does not alleviate the shortage. It merely allocates the shortage in a fair and equitable fashion.

So the purpose of this amendment is to bring attention to several areas where there can be some small reduction in the energy consumed in this country and people can begin to make a contribution toward providing a small step, even though many big steps are necessary, to alleviate the shortage.

Mr. FANNIN. I thank the Senator from Oklahoma. I trust the wording of the amendment will be such that it will not in any way interfere with the proper utilization of motoring equipment and will not designate that certain types of motoring equipment should be purchased. I understand the amendment is general in scope and not specific. Is that right?

Mr. BARTLETT. This is not mandatory. It says where practical it should be done.

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

Mr. JACKSON. I yield to the Senator from Rhode Island.

Mr. PASTORE. I think there is a great deal that can be said about this amendment. I would like to see the amendment more as a rebuke for the extravagant use not only of automobiles but also of airplanes. We had the situation here not too long ago where a nominated member of the Cabinet flew out to California to be sworn in. It cost the taxpayers of this country $6,000 for the trip.

Just imagine the amount of gasoline that could have been saved. I think such extravagant practices ought to be stopped. I have noticed a great many vehicles move in and out of the White House grounds and into and out of the various Government departments every day. Sometimes so many cars are operating that it is not possible to keep accurate records of them. These practices ought to be stopped.

This is a good amendment in that it points up at this time the fact that there is extravagant us of gasoline in the country. The Government of the United States ought to set an example in any conservation programs we have.

I think this is a good amendment; we ought to adopt it.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

AMENDMENT NO. 170

Mr. HUMPHREY. Mr. President, I call up my amendment No. 170 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, line 4, in lieu of "sixty days" insert "thirty days".

Mr. HUMPHREY. Mr. President, section 104, to which this amendment applies, deals with the heart of the matter we need to address: The proper allocation of fuels among its users; that is, among the people who make or grow the goods we need in daily life and who provide the everyday transportation, health, and other services on which the continuation of our economy and society depend. It also seeks to assure that the brunt of the shortage is not borne unduly by certain areas of the country merely because of their locations or their lack of adequate local crude oil and refinery capacity.

The need for quick action is amply clear. Hearings I held in Minneapolis last weekend drove this fact home. Those hearings established the fact that the upper Midwest faces the prospect of a major loss of agricultural production due to diesel fuel shortages this July and August and a breakdown of the transportation system, which already is severely taxed. The scramble for fuel to keep these vital sectors going threatens to leave a disastrous deficiency of heating oil for the coming winter. Already suppliers are borrowing furiously

from reserves and from future fuel allocations. This cannot go on much longer. One witness we heard on Saturday, Mr. Cy Carpenter of the Minnesota Farmers Union, referred to "a fuel shortage time bomb" that may exploded this fall. In this situation, we do not have 60 days to lose before taking effective action.

I should not need to convince anyone that this is not just a section plea, however, because the shortage is still somewhat less severe in some other parts of the country. A great many people do not realize just how close to disaster we really are, nor how rapidly the consequences of a really critical fuel shortage in one part of the country would spread to others.

In any event, there is absolutely no reason to delay for 60 days in putting the mandatory system fully into place. After all, a great deal of thought already has been given to the user priorities enunciated in the existing voluntary allocation guidelines, and some experience in their implementation is now available. Extensive hearings on the workings of this system already are scheduled to begin next week. Therefore, 30 days from enactment of this bill should be adequate from the point of view of information gathering and administration. In closing, I appeal to you not to let this time bomb tick 1 day longer than necessary.

Mr. President, the amendment merely speeds up the application of the act. The present language provides that "within 60 days of the date of enactment, the President shall, after due notice and public hearings, cause to be prepared and published," and so forth. My amendment would change the time to 30 days.

I believe we are considering a matter of sufficient importance as to advance the time of effectiveness.

Mr. JACKSON. Mr. President, I concur in the statement of the Senator from Minnesota. The Senator from Arizona (Mr. FANNIN) joins me in agreeing to change the time from 60 days to 30 days.

I am ready to yield back the remainder of my time.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

AMENDMENT NO. 171

Mr. HUMPHREY. Mr. President, I have another amendment at the desk, No. 171.

The PRESIDING OFFICER. Amendment No. 171 will be stated.

The assistant legislative clerk read as follows:

On page 7, line 18, in lieu of "thirty thousand" insert "one hundred thousand".

Mr. HUMPHREY. Mr. President, this amendment is offered in the belief that allocation only for refiners of less than 30,000 barrels per day may well not be adequate to keep our existing refining capacity operating during the period until Presidential directives to supply all refineries with adequate crude are issued and implemented.

There are 10 or more refiners in this country with capacities between 31,000 and 87,000 barrels of crude per day that are not affiliated with any major crude producer. Of these, two are in Kansas, one in Arkansas, one in Minnesota—Koch's—one in Wyoming, and four in Texas. Altogether they have the capacity to refine about 500,000 barrels per day within the midcontinent area. This is a quite significant amount.

At hearings held on Saturday before my subcommittee of the Joint Economic Committee in Minneapolis, we were told in no uncertain terms that the administrations' new energy program has not done one bit of good for independent refiners in the midcontinent area. This goes for the import tickets under the new import program, for the proposal to make available so-callel royalty oil from Federal lands, and all the rest of it. Despite the best efforts of the Oil Policy Committee and the Office of Oil and Gas, an estimated 300,000 barrels of refinery capacity already are out of commission for lack of crude and have been so for some time. The representative at the hearing from the Office of Oil and Gas had absolutely no comfort to offer in response to these facts. Meanwhile, oil produced and purchased by the major oil companies in the midwest is being shipped to coastal refineries at which imported oil could very well be used.

Even in cases in which the medium-sized independent refineries encompassed in this amendment are not yet short of crude, their suppliers may well come under pressure to divert their raw materials away from them to the major companies or to smaller independent refiners covered by this bill. This may happen particularly if the stringency in the market for crude oil increases. This could happen even as a result of the allocation provisions already in this bill. The amendment also would place these medium-sized independent refiners under the protection from price abuses embodied in this bill.

This amendment should not take oil away from other parts of the country. It should have the effect of obliging the major integrated companies to import more oil for themselves and to share their domestic crude oil with refiners whose location does not permit them to import. At present this is not happening to an adequate extent.

The figure "thirty-thousand" on page 7, line 18, relates to the definition of an independent refiner. The bill provides that an independent refiner is one who produces in the United States less than 30,000 barrels per day during the base period.

In examining into this point, I have found that there are 10 or more refineries in this country having a capacity of between 31,000 and 87,000 barrels of crude per day that are not affiliated with any major crude producer. Of these, two are in Kansas, one in Arkansas, one in Minnesota, one in Wyoming, and four in Texas. These are truly to be classified as independent refiners.

My amendment more accurately defines what we mean by an "independent."

Mr. JACKSON. Mr. President, I concur in the amendment offered by the Senator from Minnesota. I think that the change in the definition of an independent refiner from one who produces less than 30,000 barrels a day is more in keeping with the intent of the bill.

Mr. BELLMON. Mr. President, I have drawn an amendment that I hope will not be precluded by what we are now doing. I am concerned that there will be refiners who will produce products until a shortage develops, and then be able to sell their products at a higher price.

It would cover all refiners, regardless of their capacity.

I cannot see how an allocations program can work if we have a substantial number of refiners in the country able to go ahead and refine products and withhold them from the market until a shortage develops and then come along and sell the products at a prime price.

Mr. President, I reserve the right to offer my amendment at a later time.

Mr. HUMPHREY. Mr. President, I do not believe that amendment would be in conflict with my amendment.

If the Senator from Oklahoma would be kind enough to withhold his amendment, until we dispose of the pending amendment, I am sure that it will be satisfactory.

Mr. BELLMON. Mr. President, all I want to do is to be sure that my amendment is not precluded.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Mr. President, in order to be sure that the amendment of the Senator from Oklahoma which is to be offered is protected, would that amendment, if offered after the Humphrey amendment is agreed to, be out of order?

The PRESIDING OFFICER. Does the amendment of the Senator from Oklahoma strike more than the phrase "30,000"?

Mr. BELLMON. Mr. President, in the Jackson substitute, my amendment after the word "Products" would strike the language on page 8, line 13, beginning with the word "who" through the word "period" in line 16. It would apply to all refining.

The PRESIDING OFFICER. The amendment would not be precluded.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota (putting the question.)

The amendment was agreed to.

Mr. BIDEN. Mr. President, I call up my amendment No. 172 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

On page 6, line 14, delete the words "is hereby authorized to" and insert the word "shall".

Mr. BIDEN. Mr. President, I would like to announce that Senators ABOUREZK, CANNON, CLARK, CURTIS, JACKSON, MCGOVERN, PACKWOOD, RANDOLPH, HUMPHREY, and MCINTYRE have joined as cosponsors. I appreciate their support very much.

Mr. President, I commend the distinguished Senator from the State of Wash-

ington (Mr. JACKSON) for a sound and persuasive argument he has made for implementation of a mandatory fuel allocation program. His efforts deserve praise.

Although the bill before us mandates the formulation of plans for allocation, it does not, however, require their implementation. The purpose of my amendment (No. 172) is to insure that our common goal of effective and equitable fuel allocation is achieved through the requirement that the President implement the allocation program called for in the act.

In the issue before us, it is the role of the Congress to determine whether our Nation shall have an effective fuel allocation program and to establish the broad objectives for it. In fact, if the Congress had the resources, the Congress, not the Executive, would be the appropriate body to formulate the allocation program. Even under the present circumstances, the proper role of the Executive Branch should be limited to the implementation of the results of our deliberations. Thus, we should not leave to the Executive the discretion as to whether the allocation program will or will not be implemented. This responsibility should be that of the Congress. We should exercise it.

In order to evaluate the merits of my amendment, we should consider the strong arguments in favor of having a mandatory program in effect.

Through the many hours of Senate hearings and consultations with our constituents, we have learned the need for an effective allocation program. Some may suggest, however, that we should not exercise our responsibility but instead leave full discretion to the President and allow him to continue his voluntary program in accordance with his own evaluation of our Nation's needs.

Indeed, if S. 1570 is passed without my amendment, I am not sure that we would have a more effective instrument for the equitable distribution of fuel than that currently authorized under the authority of the Economic Stabilization Act.

As matters now stand, the administration's voluntary allocation program has serious limitations which limit its effectiveness. While the Department of Interior's Office of Oil and Gas has made a sincere attempt to implement the voluntary program, it has been confronted with substantive problems which are beyond its power to resolve.

As you know under the current program, the Federal Government's directives are not binding on oil companies. The severe shortages farmers and critical public services face, continue, and, even giving further time for executive "jaw-boning" to take effect, we cannot be certain that priority needs will be met.

Furthermore, in asking the oil companies to allocate their crude oil and products on a voluntary basis, we are pushing them into questionable market practices which have serious antitrust implications. In essence, the administration is requesting the companies to meet together to divide their markets and allocate their supplies. A mandatory program, however, would have the Federal Government oversee and direct the allocation process. This step would remove both the obstacles to equitable allocation and the hazard of unrestrained intercorporate dealing.

Finally, and most ironically, much of the clout the Federal Government has had with the oil companies is the threat of a mandatory fuel allocation program—the proverbial "stick in the closet." I know from some of the experiences of my constituents in Delaware, however, that this is a very short stick that gathers dust. In one case, for example, it has gained only a 1-month extension of the fuel supply to the farmers in the southern part of my State. The reports I have read of the plight of my fellow Americans throughout the country indicate they have had similar or even more depressing results under the ineffectual voluntary program.

Frankly, I do not understand how the administration intends to increase farm production if the farmers cannot get the fuel they need now to plant their crops and are uncertain if they will have adequate supplies to harvest their crops several months from now. Similarly, the administration encourages motorists to slow down and conserve gasoline, but the voluntary program cannot insure adequate supplies to the mass transit system which could carry the commuters and travelers with less expenditure of fuel.

The inconsistencies between the administration's policies and the reality of the critical fuel shortages cannot be resolved by pointing to a stick in the closet.

In fact, I am concerned that if we do not pass my amendment, we will be giving the oil companies a signal that the stick in the closet will not be used. I think that it is time that we bring the stick out of the closet.

Now, let me also comment on the petroleum industry's supposed opposition to mandatory allocation. On May 10, the day the administration's voluntary allocation program was announced in the hearings I attended of the Banking, Housing and Urban Affairs Committee, I met with Delaware State officials and distributors of the major oil companies to discuss the shortages we face and the means of dealing with them. They expressed a critical view of the voluntary program's ability to equitably allocate our limited fuel supplies.

Contrary to the administration's contention that fuel distributors oppose a mandatory allocation program, many of these owners of fuel distribution companies urged the implementation of a mandatory program. They told me that the voluntary program did not give them any certainty of supplies and lacked sufficient direction for them to meet the vital needs of their communities. And, of course, from the perspective of the over 1,400 independent refiners, distributors, and marketers on the brink of going out of business, a mandatory program is essential now if they are to stay alive. Thus, in addition to the public need for a mandatory allocation program, many sectors of the petroleum industry desire one as well.

In summary, Mr. President, I submit that our Nation's economic and social welfare require that there be not only plans for allocating our limited petroleum resources and products, but also—and this is the crucial point—the implementation of the plans. My amendment would require that an active and effective mandatory fuel allocation program be put into effect. I urge adoption of my amendment.

Mr. JOHNSTON. Mr. President, if the Senator would yield, I have some questions to propound which would help to clear this matter up in the minds of people concerned.

Frankly, there is a tremendous concern that the bill would create a new power situation in which the allocations will be regulated so as to create shortages and hold down prices. I understand from my colleagues that that is not the intent. I would like to get this information on the RECORD, so that we can show the intent precisely.

First of all, once these regulations are promulgated by the President within the 30-day period, may he then amend or change the regulations or are they final regulations at that point? And this question is addressed to either the Senator from Washington or the Senator from Delaware.

Mr. JACKSON. Mr. President, first off, it is clear that the President under section 104 would have authority to change the regulations. What we are saying here in effect is that it is mandatory that they go ahead with the program. However, every detail does not have to be set in concrete. The energy economics of this country are such that legislatively we cannot set out in detail by statute all of those provisions. So the President does have the regulatory authority to change any of them pursuant to section 104.

Mr. BIDEN. Mr. President, in further response to the Senator from Louisiana, I point out that it was not my intent in substituting the word "shall" to in any way alter the President's ability to change the plans as he goes along.

I would think that we are going to have to make changes as we go along. And the administration will probably find that they will have to refine their plans as they are initially implemented and as time goes on.

Mr. JOHNSTON. Mr. President, section 101(a) contains a congressional determination that the shortages now exist or are imminent. And section 104(b), if the amendment is agreed to, mandates the President to allocate and distribute those fuels which are in short supply.

Does the President have any authority or right to determine that certain fuels are not in short supply? In other words, can he come back and change the allocation by saying that certain fuels are not in short supply, or does the congressional mandate contained in section 101 require that he allocate those fuels?

This question is for either the Senator from Washington or the Senator from Delaware.

Mr. BIDEN. Mr. President, it is my understanding that it does give the President the right to say that a fuel is no longer in short supply. I think it would

be more appropriate for the major sponsor of the bill to respond.

Mr. JACKSON. Mr. President, I think it is clear that, under the bill, the President would have the authority to determine whether some forms of oil supplies or product are adequate and sufficient and that others are in short supply. The President would have the authority to make that determination.

Mr. JOHNSTON. Mr. President, he could make that determination at any time during the life of this law?

Mr. JACKSON. The Senator is correct.

Mr. JOHNSTON. Mr. President, my last question is perhaps the most important one. It relates to what the people fear is a price-fixing power contained in section 104. Is it the intent of the bill to give the President the power or to mandate that he fix prices or, on the other hand, is it simply the intent of the bill to have price fixing only in very limited situations involving a situation in which a private stock of petroleum is in effect allocated to another source, or when there exists a temporary shortage as, for example, a temporary shortage in one particular city? Are the last two instances the only instances in which the price-fixing powers are intended to be used, or is it rather the intent to create a whole price-fixing apparatus to affect the price on petroleum products?

Mr. JACKSON. Mr. President, it is not the intent under 104(c)—I believe the Senator is referring to 104(c)—to change existing law. The whole question of prices, of course, is governed by the Economic Stabilization Act. Nor does the bill attempt to change whatever authority the Federal Power Commission may have.

The thrust of it is to deal with the question of blackmail or gouging, as we understand those terms. But I want to reiterate that the provision does not change, enlarge, or diminish existing law as it pertains to the setting of prices, either by the Federal Power Commission or by the Cost of Living Council.

Mr. JOHNSTON. I understand the Cost of Living Council, of course, does have that power to fix prices, but they are not exercising it.

Mr. JACKSON. We are not adding to that authority, and we are not detracting from it.

Mr. JOHNSTON. But we are requiring that the President promulgate regulations, and then, by this amendment, we would require that those regulations be implemented, regulations regarding price. So I am trying to determine how far we are requiring that he exercise his price-fixing power.

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

Mr. JOHNSTON. I yield.

Mr. FANNIN. An amendment I offered in this regard, which has been adopted by the Senate, reads as follows:

> No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

Is that what the Senator is concerned about?

Mr. JOHNSTON. Well, I think if it is interpreted as I would interpret it, it might have a helpful effect. However, we are mandating that regulations be promulgated and that regulations be enforced, relative to price.

Mr. FANNIN. Well, the express purpose of that amendment is to prevent price control regulations such as the Senator is concerned about. I will say to the Senator from Louisiana that that is the very purpose of it, and I trust my amendment will accomplish that objective.

Mr. JOHNSTON. Let me state the question this way, and I ask my distinguished colleague from Washington if he would agree with the following interpretation of section 104(c):

Section 104(c) does not mandate a price-fixing structure, but rather mandates price-fixing regulations only in the very narrow situation where a private stock of petroleum is, in effect, seized by the Government and allocated to another source.

Mr. JACKSON. And to adjust those prices.

Mr. JOHNSTON. To adjust those prices.

Mr. JACKSON. Right; I agree thus for.

Mr. JOHNSTON. And second, in periods of temporary shortage. We are not talking about the nationwide shortage and nationwide energy crisis, but rather localized temporary shortages you might find in one city on 1 weekend, for example. Is that the kind of narrow situation?

Mr. JACKSON. The Senator is correct, because otherwise it would deny what I said earlier, that it is not an attempt to provide for price setting by the Federal Government on a national basis.

Mr. JOHNSTON. I thank the Senator.

Mr. BIDEN. Mr. President, I yield 5 minutes on the amendment to the Senator from New Hampshire.

Mr. McINTYRE. I thank my able friend. I support this amendment; do I understand I am now a cosponsor?

Mr. BIDEN. That is correct.

Mr. McINTYRE. Mr. President, the amendment of the Senator from Delaware is of crucial importance to this legislation. While there is language in Senator JACKSON'S substitute contained in section 101(b) indicating an intent that the authority granted in this act shall be mandatory by stating that—

> The authority granted under this act shall be exercised for the purpose of dealing with said energy crisis . . ."

The language contained in section 104(b) authorizing the President to allocate may well be interpreted as "discretionary" rather than "mandatory" in nature.

If the intent of the Congress is to pass a mandatory bill, then we must make it clear that Congress is calling on the President to take the actions referred to in the legislation rather than authorizing such activity. The thrust of this legislation is clear and the Senate must make sure that there is no ambiguity in interpreting the Senate's intent.

So I am delighted to be a cosponsor of the amendment, and urge its adoption.

The PRESIDING OFFICER. Is the remaining time on the amendment yielded back?

Mr. BIDEN. Mr. President, I yield the Senator from South Dakota such time as he may require on the amendment.

Mr. ABOUREZK. Mr. President, I was authorized a couple of weeks ago by the chairman of the full committee (Mr. JACKSON), who is the principal sponsor of S. 1570, to hold hearings in my State of South Dakota to get some testimony from people who are actually being directly affected by the fuel shortage we have heard so much about.

I want to report that today there is an existing fuel shortage, and also an imminent one in other areas of fuel supply, namely, heating fuel, and I want to say that if this continues as I see it will until such time as a mandatory allocation system is put into effect, we are going to see the breadbasket of the United States, that is, the Great Plains in the Midwest, running out of fuel for farming operations for agricultural production, and we are going to see crops lying rotting in the fields, simply for the reason that people who undertake custom combining—and this came out in testimony during the hearings—are not going to travel northward this year following the harvest, and there is not enough harvesting equipment in any one State, without these traveling harvesters, to take the crop out of the field and put it into the American economy.

When we see that happen, we are going to see a food crisis as well as a fuel crisis nationwide, that will not only bring about a shortage of food, but high, skyrocketing prices. I think that in comparison Wounded Knee is going to look like some kind of Sunday school picnic, if that sort of thing happens this fall.

As I say, Mr. President, a serious fuel supply situation for farmers and ranchers and related businesses and industries threatens the food supply of the Nation. Allowed to continue for only a few critical weeks during the coming months, and especially during the harvest season, a disastrous shortage of food is imminent. Such a shortage with the high prices for food that would accompany it would be a national disaster for the people of this Nation.

I am equally convinced, Mr. President, after conducting a hearing of the Senate Interior Committee on this subject in Sioux Falls, May 25, that this disaster will occur if the administration continues or is allowed to continue its present voluntary program. It has failed miserably to the detriment of the Nation.

I am equally convinced that this situation need not exist, that there are sufficient oil supplies available to this industry so that independent dealers need not be forced out of business—and that the present restrictions on marketing of petroleum products are being used as a device by the major oil companies to unjustifiably increase their prices and profits by forcing these independent dealers out of business.

Independent marketers of oil products have traditionally supplied a substantial part of the fuel for the farmers and ranchers of the Midwestern States. A large part of the fuel shortage for these States is occurring because the supply to

these independent dealers has been cut off.

Threatened by not only a fuel shortage, but a food shortage as well, the higher prices and profits demanded by the major oil companies become much easier to extract from the American public.

While the shortage of fuel for agricultural production is the major concern of the midwestern States, many other of our businesses and industries are as severely threatened—if not even more so.

Construction projects are being stopped in my State. The trucking industry has only a portion of its fuel requirements. The tourist industry, our second largest industry, can be in serious trouble. Schools, cities, and other public bodies are experiencing shortages of fuel or fuel supplies.

Mr. President, I support S. 1570 and the pending amendment. While it will not cure all of the ills of the petroleum industry nor solve all of our energy problems, it is a most important step to meeting the current crisis.

Therefore, I think it is essential that not only this amendment, but S. 1570, the bill itself, be enacted by Congress as soon as possible. It is obvious that even though the President has the authority to make mandatory allocations, he has not seen fit to do so, and it is up to Congress, I think, to act, even though the process is somewhat slower than an order that could immediately be signed by the President.

So I urge the enactment of the amendment, as well as the bill itself. I thank the Senator for yielding.

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. FANNIN. Mr. President, I yield myself such time as I may require.

Mr. President, much has been alleged about how the administration's voluntary allocation program is not working. I would like to set the record straight in this regard. The following are some examples of how the administration's program is doing the jobs.

These 23 examples illustrate the positive results of the administration's voluntary program.

SOME RESULTS OF THE ALLOCATION PROGRAM

First. George Vaun, attorney for Walters Small Oil Co., Kentland, Ind., reported that his client, who was supplied by Phillips, needs an average of 45,000–60,000 gallons gasoline per month for his farm customers. He had already gotten 55,000 in May, apparently his allocation, but last year was not typical. Jack Lubbers, district manager in Indianapolis for Phillips, was contacted and agreed to make June allocation available immediately. If he runs out in June, they will advance July allocation. Phillips prefers to do this rather than send a priority shipment so Walters will not take on new accounts with the extra gasoline.

Second. Mayor Gene Peters, of Scranton, Pa., reported that the city had gone out for bids on gasoline and received no responses. Supplier in 1971–72 was Arco; in 1972–73, Agway. Mr. Piasecki, department of purchasing for the city, was contacted. He reported he was getting some results: Exxon has promised a short-term supply and he feels Texaco, Arco, and/or Agway may come through. Two days later, he reported that Hawk Oil Co., Arco distributor, will supply gasoline until contracts are made. Bids for contracts for a shorter period—3 months—will be opened June 1.

Third. Mayor Hutchins, Havre de Grace, Md., reported that the city had been allocated 2,000 gallons of gasoline for June and that normal use was 4,000 gallons per month. The city had an inventory of 400–500 gallons, but was hampered because it could store only 1,000 gallons. BP was supplier last year; Gulf in 1971–72. BP was contacted and agreed to supply the gasoline.

Fourth. Daly Oil Co., Peoria, Ill., reported that he had been supplied gasoline by Marathon and Clark. He used an average 97,000 gallons per month during first 3 quarters 1972, and 118,000 gallons per month during last quarter of 1971. He serves motorists, trucking and construction industries. He reported that Marathon had cut him to 56,000 gallons per month, and Clark had cut him off completely. Marathon, when contacted, stated that Daly had had a contract dating from 1962, breached the contract in September 1972, and came back and purchased in December 1972. Daly estimated he would need 56,000 gallons per month during 1973, and Daly is now getting 56,000 gallons per month from Marathon, who promises to increase his allocation.

Clark said that Daly bought nothing during the base period and only 32,000 gallons in 3d quarter 1972. Since some of Clark's contracts expire within 90 days he will be able to make more available after June 1.

Fifth. Eugene Pauley, who operates a gasoline station in Easton, Kans.—the only gasoline station in 25 miles, he says—had been supplied by BP/Sinclair, part of whose business was bought out by Pasco Oil Co. in that area. Pasco, a new company in the area, started supplying Pauley in January 1973 but canceled his contract on April 30. Pasco is evaluating its own supply situation and, within a week or 10 days, will know how much it can allocate and will reinstate Pauley, if possible. In the meantime, they have been trying to find a supplier for him. OOG contacted Pauley on May 24. He said he formerly received 3,000-3,500 gallons of gas per week from Pasco. He is now getting 2,500 gallons per week from Mobil and Phillips.

This has been one of the most time-consuming cases OOG has followed.

Sixth. Landmark, Inc., Columbus, Ohio, operating 70 bulk plants and supplying 30,000 farmers with diesel fuel, reported they had been cut off by Ashland, Marathon, Union, and Clark and were completely out of fuel. Calls by OOG to these suppliers revealed the following information:

Marathon stated that Landmark had purchased above its allotment in May. Would continue to supply beginning June 1, and would call Landmark to discuss what they can do.

Union checked with regional office and reported that the Landmark case is being reviewed, could give no positive action at this time and felt that Union may not go along with all the guidelines.

Clark intends to supply Landmark with most of his contractual obligation beginning June 1. They have not cut him off, are still delivering to him. However, Landmark has received more fuel oil already in May than he estimated earlier he needed. Clark will compute Landmark's allocation for June based on the Government guidelines and will contact Landmark.

Ashland has not cut Landmark off completely but had stopped deliveries to his terminals at Canton, Columbus, Niles, and Findlay because he had already exceeded his May allotment. Ashland reported to OOG later the same day that they would apply 2½ million gallons against the June quota and had suggested to Mr. Hobson of Landmark that he drop his commercial and home heating accounts through June.

There seemed to be general consensus among all these suppliers that Landmark had expanded his business somewhat to include commercial accounts and that this was causing his supply problems. This is very likely true with many of the critical cases OOG has been trying to solve lately and there is no way to know exactly what the situation is.

Seventh. Tar Heel Oil Co., Statesville, N.C., who had been supplied gasoline by Crown Central, was cut off April 30. When contacted by OOG, Crown Central stated that the court, in response to an injunction brought by Tar Heel, ordered Crown Central to supply Tar Heel 300,000 gallons per month until September 1973, at which time a hearing will be held. Crown Central will obtain the gasoline by cutting off its own stations and by cutting off other customers with whom it has contracts.

Crown Central's refinery is operating at 60 percent capacity, but gets only 30 percent since other 30 percent belongs to others due to processing agreement. Crown Central cannot get additional crude as yet.

Eighth. Eugene Farmer's Creamery, a producer's cooperative, in Eugene, Oreg., had been supplied by Texaco. Contract expired on April 30 and no suggestion of renewal. A call to Texaco resulted in assurance that supply would be continued.

Ninth. Carson Oil Co., Los Angeles, Calif., reported that it had been supplied crude oil by Shell, Signal, Arco, and Douglas. It was running at 50 percent capacity and had import tickets it could not exchange. Carson called back next day to say its problem was solved and requested that OOG take no action.

Tenth. Nelson Evans Oil Co., Oakland, Calif., reported that it had been cut off by Texaco and would be out of oil in a day. Case was referred to OOG office in San Francisco which advised that Texaco had agreed to supply Mr. Nelson.

Eleventh. Smith Oil Co., Lamar, Colo., a Mobil distributor, received notice that his contract would not be renewed when it expired on July 6, 1973. Mobil, when contacted by OOG, said that the district manager in Denver would make a satis-

factory arrangement with Smith by May 25.

Twelfth. Gratiat Farmers Supply, Alma, Mich., supplied by Total, had received its May allowance and needed at least 300,000 gallons of gasoline for May. When contacted by OOG, Total reported that Gratiat would be supplied without limit and that they would advise Gratiat. Gratiat agreed to discontinue retail sales to other than farmers.

Thirteenth. Farmer's Petroleum Co-op, Inc., Lansing, Mich. had received 80 per cent of their 1972 allocation from Total. Total reported they would supply Farmers without limit, now that Farmers has discontinued sales to nonagricultural users.

Fourteenth. Tri-America Oil Co., Argo, Ill. had been cut off by Clark. Clark, contacted by OOG, stated that Tri-America is now getting 300,000 gallons gasoline per month through court restraining order. Clark will supply because Clark has contracts that expire within 90 days. Some of this gasoline will also be made available to Midland Co-op.

Fifteenth. National Asphalt Pavement Association, Riverdale, Md. will need 300,000 gallons of fuel oil during the summer months. Metropolitan Petroleum Co., the supplier, is conducting a "holding action" with their customers until they determine what their own position will be with their customers, but is confident that NAPA will be satisfied.

Sixteenth. Florence Ice and Fuel Co., Florence, S.C., a Union 76 jobber, has purchased a company and cannot get fuel allocation for new company. Union has responded that Florence Ice and Fuel Co. will probably have their contract reinstated.

Seventeenth. The Virginian Texaco Truck Center, Toms Brook, Va., supplied by Texaco, asserts that his supply has been cut. OOG contacted Texaco and learned that the Truck Center had received 9.5 percent more in May 1973 than it had received in May 1972. For June 1973, Texaco will allocate no less than they sold the customer in June 1972. Texaco believes that the Truck Center will have to allocate supplies to his truckers. However, Mr. McCay, vice president of Texaco, says that the case will be investigated further.

Eighteenth. Available Jones, Burnt Hills, N.J., who is supplied by Texaco, says that May and June, 1972 are not representative of his needs since his business grew considerably during the last half of 1972. According to Texaco, Jones had sold 50 percent more in May 1973, which is what he requested and equals the amount he—Jones—was buying during last half of 1972. Texaco feels that this volume is representative and is a fair and equitable allocation. However, the case will be investigated further.

Nineteenth. General Gas and Oil Co., Chicago, Ill., has been notified by Texaco that, under the guidelines, their deliveries of gasoline and diesel fuel would be limited to the amount delivered in the corresponding month of 1972. This volume does not take into account additional business obtained during last nine months of 1972 and first 3 months of 1973. When contacted by OOG, Texaco said they would deliver in June 1973 the same amount delivered in June 1972 but stoutly denied that they had given approval and "clearance" for any additional business. However, Texaco will investigate further.

Twentieth. A call from a producer in Tribune, Kans., to Congressman SEBELIUS' office concerning five suppliers was investigated. None of the distributors called appeared to have any problems.

Twenty-first. Leathers Oil Co., Gresham, Ore., had been supplied by Gulf Oil Co., an independent distributor in Seattle supplied by Texaco. OOG contacted Gull's attorney and explained that although Gull had acquired its own retail station during 1972, it was nevertheless obligated to supply Leather Oil a percentage of its sales based on the comparable quarter of 1972. Gull appears to understand and will probably comply. He is waiting for publication of guidelines in the Federal Register.

Twenty-second. Phoenix Transit, Phoenix, Ariz. had been supplied by Union but the contract had expired. The OOG office in San Francisco solved this case satisfactorily.

Twenty-third. Collins, Aurora, Ill., supplied by Hicks Oil Co., who is supplied by Cities Service has obtained its supply through negotiations with Cities Service.

Mr. CURTIS. Mr. President, will the Senator yield for an observation

Mr. BIDEN. I yield.

Mr. CURTIS. Mr. President, there are many problems involved with the voluntary allocation of petroleum products. I shall not take time to enumerate them, but a mandatory program is necessary. I think that Congress should assume that responsibility and, therefore, I am happy to join as a cosponsor of the distinguished Senator's amendment and urge its adoption. I thank the Senator.

Mr. BIDEN. Mr. President, I have just two comments to make. Contrary to the administration's interpretation, the fuel distributors are not opposed to mandatory controls and I would like to cite the experience of those fuel distributors in my own State, at least, those who have been referred to as the big distributors. They came in, about eight in number, representing all the major fuel distributors in the southern part of my State, and they not only were in favor of the program but also asked that I strongly urge there be a mandatory program because they were concerned that the only way we could meet the crisis would be with a mandatory program.

Granted, that is the experience in my State, but I am sure it is probably also true in other States regarding this particular amendment. I submit that other Senators will find the same kind of feedback from their own States.

It comes down to the simple question of, are we, in fact, going to tell the President that he must do what we see needs to be done, or are we going to leave it to his discretion to determine whether he does what we know must be done?

I yield back the remainder of my time.

PROTECTING FUEL SUPPLIES FOR FARMERS AND OTHERS

Mr. McGOVERN. Mr. President, disturbing evidence that the present shortage of petroleum products may be contrived by the energy companies rather than legitimate has been presented to the President by my colleague, the distinguished Senator from South Dakota (Mr. ABOUREZK).

One June 1, Senator ABOUREZK sent the President a lengthy and detailed letter pointing out how the giants of the energy industry have squeezed the small—the cooperatives, the independents—and how the giants stand to benefit as a result.

For some time, I have been troubled by the growing weight of evidence which would suggest this is so.

Three years ago, the Subcommittee on Antitrust and Monopoly Legislation, chaired by the distinguished Senator from Michigan (Mr. HART) conducted hearings into the growing control of competing forms of energy by what had previously been known as oil companies.

The subcommittee heard testimony that showed the major oil companies, throughout the 1960's, had acquired substantial, and possible controlling, interest in competing fuels—coal, natural gas, and uranium. The phrase "energy companies" has become more accurately descriptive of these corporations than the previous phrase, "oil companies."

Indeed, the "energy companies" have consolidated their grip on competing fuels. No action has forced divestiture.

Given that measure of oligopolistic control over a basic commodity, the implications of the present "fuel shortage" and the possibility that it is contrived, are further cause for grave concern.

Both Senator ABOUREZK and I are receiving numerous calls and letters, and learning in personal visits with our constituents, that South Dakotans are seriously troubled by the possibility that the 'energy crisis" is being used by the giants of the industry to persuade the public and the Congress to allow them immense price increases and other inducements, such as the trans-Alaska pipeline.

Two weeks ago, we listened to the pleas of independent oil marketers and dealers in South Dakota who have been forced to close by the refusal of the major oil companies to supply them as they did in past years. We heard from farmers who have been customers of independent oil men, who now fear they will be unable to get adequate fuel for their farm operations this year.

In addition to my long-term concern over the possible monopoly of the energy industry, I have great concerns that the short-term problem will be solved by the administration's voluntary fuel allocation program.

All the available evidence seems to suggest that fuel supplies are not being made available to agriculture in the quantity required by the voluntary allocation program and at a reasonable price.

Many farmers have dealt with independent dealers, who no longer have a source of supply. And the distributors of branded products are precluded from taking on new customers. So we face a situation in which some farmers have fuel and others do not, depending on their past sources of supply.

The administration has the authority

to make its allocation program mandatory, and has the authority to see that available fuel stocks are distributed equitably to all users. It has the authority to see that farmers obtain preference for fuel during planting and harvest seasons. Rhetoric and persuasion will not put fuel in the tanks of farm tractors, trucks, and other equipment. We need an identifiable policy that will get the fuel to the farms where it is most needed.

The fuel program must be made mandatory. The President should make it mandatory, because he can do it with the stroke of a pen. But Congress must also act, to insure that the administration acts vigorously and equitably. That is the purpose of the Biden amendment, number 172, which I am pleased to cosponsor.

Beyond the short term, however, we need very badly to determine whether the preponderance of evidence, which now exists, is enough to conclude that monopoly power has been used to create the situation which now finds fuel supplies shrinking and fuel prices soaring.

Mr. President, I ask unanimous consent to insert at this point in the RECORD three documents: Senator ABOUREZK's letter to the President, Senator ABOUREZK's press release, and the statement of Erhard Pfingsten, special assistant to the president of the National Farmers Organization.

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

JUNE 1, 1973.

The Honorable RICHARD M. NIXON,
The President, The White House, Washington, D.C.

DEAR MR. PRESIDENT: Our energy "crisis," I believe, is deliberately contrived by the major oil companies to achieve a number of objectives which they are seeking:

1. To achieve total control of the oil industry by driving the independent sector out of business.
2. To increase their prices and their profits.
3. To obtain Congressional approval of the Alaskan pipeline.
4. To obtain Congressional approval of additional tax benefits.
5. Relaxation of environmental standards.

They have been able to create the current shortage of gasoline and oil (for all but themselves) primarily because your administration has developed no rational policy, and more specifically, because no real effort has been made to apply the anti-trust laws to the major oil companies.

I recently held hearings in South Dakota on the problems farmers and ranchers are having obtaining gasoline and diesel fuel to plant and harvest their crops. These hearings of the Senate Interior Committee were undertaken at the specific request of the Committee Chairman, Senator Henry Jackson.

Your Administration has asked farmers to increase their production by 50,000,000 acres, but under your "voluntary program" of providing oil and gasoline to do so, there is not enough fuel to maintain the level of production of 1972.

If you are serious about food production and cost, then you must take immediate action to assure that additional fuel is available for farmers, or crops are going to rot in the field and food shortages and prices this Fall and Winter will be a national disaster.

I am convinced, Mr. President, that there are sufficient oil supplies available to the oil industry so that there need be no serious shortage of gasoline or any petroleum product for any purpose in this nation. I don't know if a conspiracy exists or if there was concerted action by leaders of the oil industry to create this shortage or increase prices. There need have been no specific meetings among the major international companies to create so intense a national shortage because, rather than enforcing the laws of free enterprise, your Administration has actively encouraged these giants to collude in foreign production operations, in oil exploration, development and production in Alaska and domestic offshore areas, and in the pipeline transportation and distribution of both crude oil and petroleum products within the United States.

These are the tools which Administration policy has given them, which they use to manipulate shortages to their own advantage, to drive out what little competition remains, to force already high prices upward, and to increase their real profits far beyond the limits allowed for any other industry. Unless drastic action is taken immediately to end present policy fueling inflationary fires in the oil sector, consumers and indeed this nation's entire economy will suffer even more intensely from inflationary pressures.

The few general statistics which can be found about the major oil companies' control over all forms of energy raise serious anti-trust questions: the major oil companies now control 72 per cent of our natural gas reserves and production, 30 per cent of coal production, and over 50 per cent of uranium reserves. They control 97 per cent of the oil flowing from offshore drilling and about 84 per cent of our refining capacity. Yet, despite numerous entreaties from consumer groups and members of Congress, little has been done to gather the necessary data to determine what action the government should take, let alone take that long overdue action. The only information we have about our energy reserves in this country is unaudited and unreliable industry data.

The major oil companies, needless to say, have refused to cooperate in producing needed data and no effort is being made to secure this data. They have refused to produce the data on gasoline prices promised to the Bureau of Labor Statistics. The Federal Trade Commission is being forced to subpoena even the minimal data it asked for. The Justice Department noted that the largest percentage of identical bids for government purchases in 1971 came from the oil industry but did not think that worthy of investigation. Nor, despite numerous staff memoranda, has the Justice Department undertaken any serious inquiry into the joint ownership of pipelines which enable the majors to manipulate the supply of oil and oil products.

The one time that the Justice Department did act, it issued a secret business review letter allowing the major oil companies to re-establish their international cartel to negotiate on a unified basis with the OPEC countries. The result of two cartels negotiating was foreseeable: the consumers were thrown to the wolves and international prices have sky-rocketed. As Professor Adelman has pointed out, if the State Department had shown some concern for the consumers, this would not have happened because in a free market the enormous surplus of available world crude oil would have forced prices down, not up.

The Cost of Living Council heard testimony from the majors that all their refineries were operating at full capacity, but still granted them a one per cent price increase which is apparently honored more in the breach than by its observance. The gasoline and oil segment of the consumer price index last month went up over 13 per cent at the wholesale level and 2.1 per cent at the retail level. The profits of the thirty-two oil companies surveyed by the Oil and Gas Journal increased by an average of 28.2 per cent from the first quarter of 1972 to the first quarter of 1973—a profit increase of more than $1.98 billion in the first quarter!

When consumers organizations requested just the aggregate data that the Cost of Living Council was using to determine whether the major oil companies were observing their price rule, the Cost of Living Council reluctantly agreed to provide the data but over a month later has yet to produce that data. This is no isolated incident. When Congress passed the Hathaway Amendment requiring companies and the Cost of Living Council to make public certain price data when price increases of over 1.5 per cent were requested, the Cost of Living Council is trying to gut the provision by requiring the companies to provide only "name, rank and serial number." The only conclusion that can be reached is that either the Cost of Living Council has not gotten the data it needs and thus cannot regulate the major companies as it is required to do or thinks it is supposed to protect the companies from the consumers, presumably for political reasons.

At these Cost of Living Council hearings, testimony was presented showing that every major oil company with one exception in reports to the Texas Railroad Commission desired lower stocks of home heating oil in August 1972 than it did in 1971, despite a growth in demand of at least 7 per cent. That and other evidence presented to Secretary Shultz clearly indicated there might be a conspiracy to create the shortage of home heating oil to get higher prices. The Justice Department has failed to investigate and now the major oil companies are apparently using the same tactic of creating artificial shortages of gasoline to create a "crisis" justifying further subsidies to them.

The voluntary allocation program which was announced as a savior of the independent segments of the oil industry is a charade which will postpone needed action until it is too late. Already more than 880 independent service stations have closed and 1,400 more are threatened with closing. The voluntary allocation program allows the majors to carve up the market to suit their needs and no one will ever know, since no one has the data needed to stop them. The only remedy under the program to the independents who have been injured by the major oil companies is a complaint filed with the Office of Oil and Gas which have produced no real relief for more than 600 which have done so.

The independent refineries are operating at least 322,000 barrels a day below capacity, most of them located in the Midwest farm area where the greatest gasoline and diesel fuel shortages are occurring. The reason given for the inability of these independent refineries to get necessary crude is a supposed shortage of low-sulfur crude oil which is the only type of crude they can use. Yet, according to a May 17, 1973, report of the National Petroleum Refiners Association, there are at least 117,000 barrels a day more of low-sulfur crude than we need, and the American Petroleum Institute reports that crude stocks have dramatically increased in the past month. The conclusion is obvious: the major oil companies are not selling the necessary low-sulfur crude to the independents who so desperately need it. These facts certainly indicate anti-competitive behavior that the Justice Department should investigate immediately.

Our tax policies are encouraging foreign, not domestic, exploration. According to an analysis of American Petroleum Institute of statistics done by "Taxation with Representation," a public interest tax group, the largest single tax subsidy we give to the oil industry is the ability to claim disguised royalty payments to foreign governments as tax credits. This means that the American taxpayers are paying 50 cents of every dollar that the multi-

national oil companies pay to the oil producing countries. Indeed, the recent proposed oil tax "reforms" proposed by Secretary Shultz would have wiped out the remnants of the independent domestic oil industry but would not have affected the multinational oil companies one iota. Isn't it time we re-evaluated tax subsidies claimed by the Treasury Department in 1969 that cost the American taxpayers almost $10 for every $1 of additional oil discovered?

Now there are reports that your Administration may propose an increase in the gasoline taxes as a means of holding down demand. This is economic folly. It is extremely regressive. Any economist will verify that there is almost no elasticity of demand in gasoline purchases and that the lower income people must spend a greater percentage of their income for gasoline than do the higher income people. In effect, any tax increase on gasoline will hit hardest the people least able to afford additional taxes without significantly lowering the demand for gasoline.

Mr. President, this is an all-too-brief summary of the problems caused by your Administration's failure to develop a rational, national energy policy which must deal with the oligopoly of major oil companies that has been formed under the umbrella of presumably well-meaning but ineffectual government policies. We cannot allow our wheat to rot in our fields or inflation to destroy the fabric of our economy because major oil companies want even more profits. Profits are necessary to insure a healthy economy, but we need at the very least a semblance of a free market—something that will not prevail so long as your Administration continues to permit the major oil companies, consciously or unconsciously, to manipulate oil markets to their advantage, to the disadvantage of consumers, and at the jeopardy of the stability of a deeply troubled economy.

Sincerely,

JAMES ABOUREZK,
U.S. Senator.

PRESS RELEASE OF SENATOR ABOUREZK, JUNE 4, 1973

WASHINGTON, D.C.—South Dakota Senator Jim Abourezk, in a letter to President Nixon today, called for an immediate investigation by the Justice Department of "an apparent anti-trust violation in connection with the present oil and gas shortage and skyrocketing of prices and profits of the major oil companies."

The South Dakota Senator said that published data of the petroleum industry makes it clear that the shortage of fuel for the Midwestern agricultural states is occurring primarily because the major oil companies are withholding crude oil supplies from Midwestern independent refineries.

He said this information also shows that the crude oil is available, and that for the major companies to continue to withhold their supply seriously threatens both the availability and cost of food for the entire nation.

"I am convinced that the present shortage of fuel supply for the Midwest is artificially contrived to force the independent sector of the industry out of business and to get a price increase, just as I am sure the shortage of fuel oil this past winter was contrived."

"The independent refineries are operating at least 322,000 barrels a day below capacity, most being located in the Midwest where the greatest gasoline and diesel fuel shortages are occurring."

"The reason given for the inability of these independent refiners to get necessary crude is a shortage of low sulfur crude oil. Yet, according to a May 17, 1973 report of the National Petroleum Refiners Association, there are at least 117,000 barrels a day more of low sulfur crude than we need, and the American Petroleum Institute reports that crude stocks have drastically increased."

"The conclusion is obvious. The majors are not selling the necessary low sulfur crude to the independents who so desperately need it. As a matter of fact there is some indication that the majors for some reason have been building up their stocks of crude oil at a time when the independents are crying for crude. This certainly signals anticompetitive behavior that the Justice Department should investigate immediately."

"At the Cost of Living Council hearings last year testimony showed that all the major oil companies desired lower stocks of home heating oil in 1972 than they did in 1971, despite a growth in demand of about 7%. That and other evidence presented to Secretary Shultz clearly indicated that there might be a conspiracy to create the shortage of home heating oil to get higher prices, but the Justice Department has failed to investigate. The Majors are apparently using the same tactic of creating artificial shortages this year to force the independent dealers out of business. Already over 880 stations have been closed and 1400 more are threatened with closing."

These two developments, by themselves, should warrant "an immediate investigation of the major oil companies by the Justice Department."

Abourezk said that there have been numerous instances in which the major oil companies have flagrantly ignored Federal agency attempts to secure data and clear indications of anti-competitive behavior:

They have refused to produce the data they promised on gasoline prices to the Bureau of Labor Statistics.

They ignored subpoenas of the Federal Trade Commission to produce data on natural gas supplies.

The Justice Department noted that the largest percentage of identical bids for government purchases in 1971 came from the oil industry. No investigation has been conducted.

The Justice Department has not undertaken any serious inquiry into the joint ownership of pipelines which enable the majors to manipulate the markets more easily.

The Cost of Living Council heard testimony from the major oil companies that all of their refineries were operating at full capacity but still granted them in February a one percent price increase. Despite this limit on their price increases, gasoline and oil segment of the consumer price index last month went up over 13 percent at the wholesale level and 2.1 percent at the retail level.

Profits of the 32 oil companies surveyed by the Oil and Gas Journal increased by an average of 28.2 per cent from the first quarter of 1972 to the first quarter of 1973.

In the one case in which the Justice Department did act, it issued a secret business review letter allowing the major oil companies to establish their international cartel to negotiate on a unified basis with the oil exporting countries. The result was that rather than forcing prices down because of availability of an enormous amount of crude oil, prices skyrocketed.

"We cannot allow our wheat to rot in the fields or inflation to destroy the fabric of our economy because the major oil companies want even more profits."

"We need something resembling a free market—something that will not prevail so long as the Administration allows the major oil companies to manipulate oil markets by not enforcing the antitrust provision of the law."

FUEL SQUEEZE—A MONOPOLY SCARE TO UNBRIDLED PROFITS

(Statement by E. Pfingsten)

Secretary Butz, we appreciate the opportunity to be able to talk to someone in Government concerned with the welfare of the people in this Nation about the threat of a shortage of fuel supplies for America's farmers, and, therefore, a threat to our food supplies.

The National Farmers Organization is convinced that the United States is in a squeeze, alright, but not a squeeze for petroleum products. It is a squeeze for outrageously high profits for the giant energy conglomerates that are now in all kinds of fuel—coal, oil and atoms—so they can control the availability of energy in any and every form.

These people are old hands at maneuvering shortages to increase their profits, and even at using the Government to assist them.

Between the wars, when petroleum was in excessive supply, they put over the Interstate Oil Compact Commission to regulate flows in the name of conservation—actually to prevent surpluses, competition between the petroleum giants, low prices and low profits.

They used government to achieve what they could not do themselves under the anti-trust laws. They also demonstrated their political power by putting across and keeping in our tax laws the oil depletion allowance.

After World War II, they threatened the Nation with electric energy shortages until they got Congress to provide accelerated amortization, accelerated depreciation and other Federal tax subsidies to build electric generating stations—a multi-billion dollar "heist" from the American people.

Their demands for decontrol of natural gas, gasoline, and diesel fuel prices at this time are blatant. Only this week the companies of Austin, Texas, cracked down on the people of that city with a ⅔ reduction in natural gas supply for their electric generating plant. What did they get out of it? They got the President of the company on the national TV network and in the other media telling the people of the Nation in solemn terms that the solution to the whole national energy problem is higher prices—just let the prices go up, new petroleum resources will be discovered and the whole nightmare will vanish.

The alleged shortage today is being used to blackmail the nation, to highjack the Congress, and to consolidate their control of all retail energy outlets and double their profits.

Why did they pick Austin, Texas, for this week's big showoff? Because the media would all be startled by this striking evidence of the shortage out in the middle of the oil and gas fields. It was a natural.

Why are they putting the pinch on farmers?

Because shortages of farm fuel this summer mean shortages of food next fall. There is nothing better to scare the hell out of the people than propective food shortages, and this little ploy can be engineered at minimum cost with maximum effect.

The Department of Agriculture tells that we have a 1½% shortage of gasoline and fuel oil (diesel) in the country.

Farms use 3% of the national supply.

Farmers are out at the end of the distribution lines. Out in the rural areas, at the end of the supply line, the business is also the least profitable because of the transportation cost and volume per customer.

Furthermore, out there the business has been left to independents and farm co-ops—the big companies don't build their own chains of stations way out in the country for the farm trade.

So, threatening the farmers not only creates maximum alarm with relatively small cutbacks in supply, it will actually help the big companies consolidate their monopoly in a previously neglected area.

The Department of Agriculture says it has set up a voluntary system of getting gasoline and fuel oil into rural areas speedily that is

working well. County ASCS Committees report shortages and threaten shortages daily. They feed this data into the Office of Emergency Preparedness computer twice a day. The OEP immediately advises the Oil and Gas Board at the Department of Interior. They advise the states and an Industry Advisory Board. They call the companies, and the companies squeeze out another quart or two—voluntarily—like noblemen—for the Board of Prairie Farmers, making sure that the farmers don't get enough to reduce the tension and the national alarm about short food supplies next fall and winter.

It is time to quit fooling around, Mr. Secretary. There are many people who wonder whether the energy companies or our government is the most powerful.

We need a legally enacted fuel allocation system which is mandatory and which will guarantee the independent distributors who serve the farmers all the gasoline and diesel fuel they need to meet farm production requirements.

If anyone has to go without gasoline or diesel fuel temporarily, let's start cutting off the yachts starting with the 5 million dollar vessels that the oil tycoons use and moving down from there to the out-board motors some of the rest of us can afford. Cut out power for the casinos in Las Vegas. You can certainly legislate a 2% or 3% reduction in energy consumption without keeping a tractor out of the corn field, or a combine out of the wheat field.

Second, we need an investigation of the energy business in the United States twice as thorough as the investigation of the Watergate episode. Monopoly is rampant. Violation of our anti-trust laws is standard business operating procedure. Congress needs to assemble staff of the finest analysts—a dozen Archibald Coxes of the anti-trust field, give them whatever millions are necessary for staff—and really expose and lay out how the energy monopoly is taking this country by the throat—and I mean that almost literally.

You are out here today because our energy companies are deliberately maneuvering a food scare, threatening the food that enters our gullets, to strengthen their crusade for totally controlled prices and profits. We need a counter attack from the Congress of the United States.

This hearing is an excellent starting point. But it compares as a tiny pine seed to a massive redwood, and we don't have 500 years to wait for it to grow.

The people of this nation are crying for their Government to protect them against the powerful forces which seek to seize both total political power and total economic power over the people of this nation.

Mr. JACKSON. Mr. President, before I yield back my time, I want to commend the able and distinguished Senator from Delaware for the very fine amendment which I believe helps to clarify the ambiguity, strengthen the bill, and leave no doubt about the fact that this is a mandatory bill. I commend him most heartily for his help.

Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 3, strike all of line 8 and insert the following: "to insure the attainment of the following specific objectives—"

On page 3, line 11 through 13, delete all of subsection (c) and insert a new subsection as follows:

"(c) maintenance of all essential agricultural operations, including farming, ranching, dairy and fishing activities and services directly related to the cultivation, production and preservation of food."

On page 6, line 11, after the word "Act." add a new sentence as follows: *"Provided,* That should the President find that on either a nationwide or regional basis a shortage has reached, or may imminently reach, emergency proportions, he may order temporary allocations as necessary to accomplish the objectives of this section, pending promulgation of priority schedules, plans and regulations as otherwise required by this Act."

Mr. CURTIS. Mr. President, I was very much in favor of the Biden amendment which was just adopted. The needs of agriculture are so great that they cannot be met without a mandatory allocation of petroleum products.

This amendment of mine which is now under consideration, its first two parts, would strengthen, in my opinion, the language which gives a clear priority to agriculture, because the production of food is highly important. The amendment would also strengthen the language to require that it shall insure the attainment of the objective of maintaining our agricultural industry.

The last part of the amendment provides that while the publication notice is taking place and the promulgating of the regulations is taking place, where necessary, when there is an emergency situation, a temporary allocation of petroleum products can be made.

Mr. President, I could spend considerable time citing instances of the dire need for tractor fuel, gasoline, diesel fuel, propane and other petroleum products in the agricultural areas. It is acute. My amendment will strengthen it.

I reserve the remainder of my time.

Mr. JACKSON. Mr. President, I merely want to say that the amendment of the Senator from Nebraska strengthens what we are endeavoring to do and makes the intent clear. It is a good amendment, and I am prepared to accept it.

Mr. FANNIN. Mr. President, I commend the Senator from Nebraska, and I agree with the distinguished chairman of the committee that it is a good amendment. It brings into proper focus the tremendous need we have in this country for giving our agricultural operations top priority. I feel that the amendment will be an improvement in the bill. It will also provide that the President will have the alternative of acting in case of emergency operations, whereby he can order temporary allocations. So it is flexible in that regard. I commend the distinguished Senator from Nebraska.

Mr. BELLMON. Mr. President, I should like to commend the Senator from Nebraska for bringing up this amendment.

There is one problem in the bill that I was hoping to correct, and would like to ask the Senator from Nebraska if he feels that his amendment would answer the objective.

On page 9, lines 3 and 4 of the bill, the language states:

* * * no less than the proportion he sold or exchanged to such refiners during the base period; * * *

The problem in my State is that last year was an extremely dry year. In very large areas, literally nothing was raised. As a result, there was no harvest and no need for fuel. For instance, one petroleum products dealer called me saying that last year, during the harvest season, he used less than 100,000 gallons of gasoline but this year he anticipates his needs will be 300,000 gallons of gasoline.

If we set up this allocation system, based strictly on the same quarter as last year, here is an area where this year's plans are for an abundant crop of wheat but they will not have enough fuel to harvest that crop.

Under the Senator's amendment, I take it, the maintenance of such essential agricultural products such as wheat could be met, even though it took more fuel this year than it took in the corresponding quarter last year; is that not correct?

Mr. CURTIS. That is the intention of the amendment. The amendment does that, on page 3, lines 11 through 13, but I think in a little clearer fashion, as well as the fact that we change line 8.

I would call attention to the fact that under section 102, the only industry outside the petroleum industry that is mentioned is agriculture in its broader sense. It is the intention of this amendment, now that it follows the Biden amendment, that all the needs of agriculture are to be met. That that is the mandate of this legislation; because, as the Senator well knows, not only do we have circumstances such as he described, causing the greater need for fuel reserves than this but the policy of our Government is that it is asking for the planting of a good many million more acres in the late spring, and that means it will require more fuel, so that the needs of agriculture are going to be greater this year than last year.

The intention of my amendment, in light of the mandatory requirements, is that all the needs of agriculture will be met, even though they may far exceed last year's requirements.

Mr. BELLMON. The Senator from Nebraska will realize that last year we had a very wet harvest season throughout much of the cornbelt. In my State of Oklahoma, where most of the farm homes are heated with propane or butane, a great deal of that fuel was taken away from them in order to heat the corn and help to dry the crop.

In the coming year, if we have a normal harvest, there will be a demand for the liquefied petroleum products. Does this mean, as it now stands, under the terms of this bill, that the dealers will not get so much as they did last year to dry their crops—although this will not affect my State this year—or that they will still be able to go ahead and get the same allocation?

Mr. CURTIS. That is outside the scope

of the amendment. That would relate to another section of the bill and I would prefer that that question be submitted to the distinguished chairman of the committee.

Mr. BELLMON. I will ask that question of the chairman, and I thank the Senator from Nebraska.

Mr. CURTIS. Mr. President, I am ready to yield back the remainder of my time.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the Biden amendment, No. 172, was agreed to.

Mr. FANNIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 152

Mr. McINTYRE. Mr. President, I call up my amendment No. 152 to the fuel allocation bill, as an amendment to the Jackson amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

PETROLEUM PRICE CONTROLS

SEC. . (a) The Congress finds and declares that, notwithstanding the imposition of mandatory controls by the Cost of Living Council on March 6, 1973, on the prices of crude oil and petroleum products, such prices have increased and are continuing to increase at an excessive rate.

(b) In order to control inflation, promote a sound economy, and carry out the objectives of this Act as stated in section 102, the Congress urges the President immediately to take such further action as may be necessary to stabilize effectively the prices of crude oil and petroleum products.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the name of the Senator from Missouri (Mr. EAGLETON) be added as a cosponsor of this amendment.

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

Mr. McINTYRE. Mr. President, since the termination of phase II of price and wage controls in January of this year, the consuming public in this country has experienced severe price increases on gasoline, home heating oil, and a variety of other petroleum products.

As soon as the President announced the termination of mandatory price controls as contained in phase II, a number of major oil companies announced substantial increases in a variety of products. Because of the indication that without some form of mandatory price controls, the oil industry would use home heating oil and gasoline shortages as justification for substantial price increases, the President's Cost of Living Council on March 6, 1973, placed the major 23 companies in the oil industry back under mandatory price controls.

Under the procedure established by the Cost of Living Council, these major companies could increase their aggregate prices by no more than 1½ percent this year without receiving prior approval from the Federal Government. These controls apparently, however, have had little effect on individual product prices.

At the end of the bill, insert the following new section:

I am sure there is no need for me to tell any Member of this body that gasoline prices have increased substantially over the last several weeks. Newspaper stories have carried articles almost daily indicating that in the near future prices will go ever higher. An article appearing in last Tuesday's Washington Post quotes the president of American Oil Co., Mr. Wayne Yarrington, as saying:

There is no question that the consumer is going to have to pay a substantially higher price.

The article continues to state that Mr. Yarrington said it will soon reach 50 cents a gallon for gasoline.

Mr. President, I request unanimous consent that the article I referred to be printed at this point in the RECORD, together with two items published in Oil Daily.

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

HOLIDAY GAS SHORTAGE NOT AS BAD AS EXPECTED

(By William Claiborne)

Most Memorial Day motorists found the gasoline they needed, providing they wheeled into service stations at the right place and the right time.

The gloomy predictions of a holiday crisis failed to materialize, for the most part. Automobiles didn't gasp and die on the nation's thoroughfares for lack of subsistence; panic didn't grip the motorized nomads on their lemming-like courses to the beaches and the country.

But the demand audaciously challenged the supply, and the close calls in some parts of the country may be a harbinger of widespread rationing later this summer.

They also suggested sharp increases in the price of gasoline, perhaps reaching 50 cents a gallon by the July 4 holiday, according to some oil industry sources.

In the midst of the weekend pinch, the Illinois attorney general's office in Chicago announced it was about to issue subpoenas to officials of major oil companies in connection with an antitrust investigation prompted by the shortage.

Attorney General William Scott said his staff has been investigating closures of independent service stations normally supplied by the large oil firms. "We're hoping that individuals who feel they've been victimized will come forward," Scott said.

The most noticeable effect of the widening shortage of petroleum on homeward-bound motorists late yesterday was the sight of "closed" signs hanging on service stations that would normally be primed for a bonanza of trade on one of the busiest tourist weekends of the year.

"Sell it while you got it and go fishing when you run out," said Mick Eiffert, proprietor of Mick's Mobil in Twisp, Wash., at the terminal of the recently opened North Cascade Highway.

In a more authoritative vein, Gordon Larkin of the California Emergency Services Department warned: "Don't assume there will be gasoline available."

A Washington Post spot survey of 10 states indicated that California's experience yesterday was typical: gasoline was informally rationed across the state, but without any discernible pattern. An Arco station in Sacramento limited customers to 10 gallons apiece, but another Arco station two blocks away was doing a booming business with no limit at all.

Many stations in Oklahoma City and Tulsa and smaller towns across the state were closed on Sunday and yesterday because the biggest suppliers have curtailed wholesale deliveries to last year's maximum consumptions.

There were 10-gallon rations imposed on motorists on the Oklahoma turnpike between Oklahoma City and the southwestern portions of the state, but the allotments appeared to be sufficient to get the travelers to their destinations.

Some service stations in Iowa resort areas ran out of gasoline on Sunday, while many more in northern Iowa reported rationing fuel or cutting back on their hours of business.

Service station operators along busy Interstate 80 in Iowa said they had enough gasoline to meet the demands of holiday motorists.

In New England, branches of the American Automobile Association said they received no reports of stranded drivers. Service station operators in the greater Boston area said that while supplies were not as plentiful as they would like, they were able to meet the demand.

An official of the Port Oil Co., which distributes Mobil Oil supplies throughout New England under the Port brand name, said 80 per cent of its stations are "closed, finished, out of business." The major oil companies have their outlets in the region on quotas ranging from 80 to 95 per cent of the 1972 shipments.

Independent dealers elsewhere in the nation have also felt the pinch the hardest, causing some to charge that the shortage has been artificially controlled by the big oil firms to drive the independents out of business.

However, outlets of the major franchisers were also complaining. Dean Powell, operator of a Standard station in Omaha, Neb., said he closed his business on Memorial Day for the first time in the 11 years he has been in business.

An Omaha Phillips 66 dealer, Les Kardell, said, "A lot of stations will be closed until Tuesday. It doesn't look good for the rest of the summer."

The basic problem is that the demand for gasoline has outstripped the supplies of crude oil and the capacity of refineries to produce.

Amoco, for example, anticipates a 6½ per cent demand increase this summer and a 4½ per cent increase in production, according to its president, Wayne Yarrington.

In an interview with The Washington Post, Yarrington predicted: "There is no question that the consumer is going to have to

pay a substantially higher price." He said it will soon reach 50 cents per gallon.

According to the Treasury Department, American motorists have been using 47 million barrels of gas a week, and the figure is expected to go to 49 million barrels weekly this summer. Average weekly refinery production is 45 million barrels.

[From the Oil Daily, June 1, 1973]

SIXTY CENT GASOLINE

Some West Coast gasoline dealers may have taken advantage of heavy Memorial Day weekend traffic by hiking their gasoline prices.

Oil Daily's Bill Gregg, Los Angeles bureau chief, said prices of 59.9 cents a gallon for premium grade gasoline were spot reported between Los Angeles and San Francisco over the long weekend. The average reference price for premium in that area is 43.9 cents, Gregg said. The price increase was purely a dealer action, and not due to company-wide moves.

[From the Oil Daily, June 1, 1973]

GASOLINE PRICE FREEZE ASKED BY LOS ANGELES

LOS ANGELES.—The Los Angeles county board of supervisors adopted a resolution urging President Nixon to freeze gasoline prices immediately at levels prevailing on April 1 or "before the recent gasoline shortage scare."

The board also created a country emergency conservation committee, charged with responsibility for studying energy saving proposals ranging from free bus passes for county employees to purchase of smaller cars.

Simultaneously, the Los Angeles City Council called on the Federal Trade Commission to launch an immediate investigation of "possible" price fixing and limitation of competition in the oil industry.

The City Council also asked Gov. Ronald Reagan and the state legislature to consider, promptly, the formation of a California Office of gasoline "production" and planning.

The council acted after Warren Lintz, municipal purchasing agent, said he was at a loss to know what will happen when the city's current gasoline supply contract expires June 30.

Mr. McINTYRE. Mr. President, the amendment I am offering today is in the form of a congressional finding which, in my opinion, simply states the obvious fact that even though price controls have been placed on crude oil and petroleum products that these prices have increased and are continuing to increase at an excessive rate.

The amendment urges the President to immediately take such further action as is necessary to effectively stabilize prices on crude oil and products.

Mr. President, the Senate Banking, Housing and Urban Affairs Committee completed hearings on May 11 on the impact of petroleum product shortages on the national economy, and, during those hearings, testimony was received from a number of witnesses representing large users of petroleum products. As an example of the type of testimony received on price increases, the witness at the hearings representing the American Transit Association gave some examples of the size of price increases on contracts between last year and this year: Cleveland, Ohio, 37 percent increase; Atlanta, Ga., 20 percent increase; Boston, Mass., 53 percent increase; Washington, D.C., 30 percent increase.

With price increases of this magnitude taking place, it is obvious to me that either the industry is failing to comply with the mandatory price guidelines established by the Cost of Living Council or the Council itself has not taken the steps necessary to prevent the enormous price increases that we are presently experiencing.

So, Mr. President, I respectfully urge the Senate to adopt this amendment, which is a new section to the bill and which is really an admonition to the President to keep a sharp eye.

I realize as well as everyone else that the simple law of economics governs when supply and demand get out of juxtaposition. Nevertheless, it seems to me that the price increases we have been experiencing and will experience in the future demand that some sort of close supervision be maintained.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. I yield myself 5 minutes.

I ask the distinguished Senator from New Hampshire just what can be done. We are all hopeful that prices can be controlled, that we can keep prices down to protect the consumer. I would like to know how we can possibly control the prices from the standpoint of imports from foreign countries. OPEC operates as it desires. We have little control over what OPEC may decide to do. Can the Senator tell me what can be done in that regard?

Mr. McINTYRE. First, I think I should make clear that the purpose of the amendment is to redefine and reestablish the commitments Congress and the Federal Government have in controlling prices and inflation. I realize that price is a substantial component in the economic supply and demand equation and that shortages of any product result in upward price pressures.

If price increases on petroleum products are necessary, I feel that it is incumbent upon the Cost of Living Council to carefully balance the objectives of the so-called phase III procedure of wage and price controls with the impact that the price increases have on supply.

So that the sense of the amendment I am offering is that every effort must be made to hold down price increases if we are going to meet our commitment to restrain inflation. This is the thrust of the amendment.

I certainly recognize that if we come to the point where the oil industry is bringing in a supply from the world market and they are going to be forced, say, under a controlled system to buy this refined product and sell it at a loss, this does not make very much sense to me or to the oil industry. I am just saying that this is an industry of great importance, a basic supplier of energy.

We are in a shortage situation that none of us likes, that some of us thought we foresaw, but the oil industry did not help much in foreseeing it. I am not very happy about the way the Cost of Living Council has allowed the prices on some of these products to increase.

While we have this forum and are passing this piece of legislation, I want to make sure that every avenue and every agency we have will keep the lid on, so that runaway prices of gasoline and home heating oil do not result. I am willing to join in the conservation aspect and everything else that goes with this problem, but I do not want to see the major oil companies stacking up the sort of profits they made in the first quarter of this year. The distinguished Senator from Arizona knows that the majors never had it as good as they did in the first quarter of 1973.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the increases in net income that the majors have reaped in the first quarter of 1973, which appeared in "U.S. Oil Week," dated April 30, 1973.

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

MAJORS REAP SHORTAGE GAINS

Major oil company profits zoomed ahead in the first quarter as shortages allowed them to charge prices beyond their wildest dreams.

Exxon, the world's largest oil company typically has posted gains from about 3% to 7%, but now its profit has jumped 43% to $508 million.

Only a few of the small refiners took it on the chin as they couldn't get the crude to make out the way their big competitors have.

Here are the ones so far reported:

Net income:	Percent gain
Amerada Hess, $36,706,000	+25
American Petrofina, $4,735,000	+105
Amoco, $121,100,000	+21
Apco, $889,000	−47
Ashland,[1] $38,500,000	+25
Arco, $50,300,000	+52
Citgo, $34,400,000	+17.4
Conoco, $47,500,000	+11.5
Crown, $302,938	+34
Exxon, $508,000,000	+43
Gulf, $165,000,000	+18.7
Marathon, $24,165,000	+49.6
Mobil, $155,800,000	+10
Murphy, $1,900,000	−1.6
Occidental, $8,934,000	+58
Pennzoil, $19,624,000	+24
Phillips, $43,448,000	+22
Shell, $80,200,000	+49
Skelly, $9,961,000	+2.5
Std. (Calif.), $152,800,000	+24
Std. (Ohio), $17,500,000	+48.3
Sun, $49,000,000	+40
Tenneco, $53,413,000	+14.4
Texaco, $264,016,000	+14.8

[1] 1st fiscal half.

Source: U.S. Oil Week, April 30, 1973.

Mr. McINTYRE. These profits are staggering.

But, basically, I am not asking anybody in the oil industry to buy gasoline at a price higher than he is being required to sell it. I am saying to everyone concerned with the consumer and with keeping a lid on inflation that we should make sure that the oil industry must publicly demonstrate the need to increase prices.

Mr. FANNIN. I think the Senator will agree that we have been in a period of change, certainly with the shortages that have existed. The article I inserted in the RECORD earlier today illustrates that the oil company profits have not

been inconsistent with the past, and the profits have not been exorbitant in the past or in the present when one takes all matters into consideration. Oil companies are not drilling to the extent they should on the Continental Shelf. They are not building the Alaskan pipeline. These delays adversely affect their profits.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. McINTYRE. I will be happy to yield in just a moment.

This amendment does not legislate price controls. We are not legislating control over prices. This is not a freeze. It is a strong admonition to the President to keep a watchful eye.

Mr. JACKSON. Mr. President, I am fully in accord with what the Senator from New Hampshire proposes. It is a statement of policy on the part of Congress. It is not a mandatory price-setting measure. What he is saying, in effect, I think is that when you get a tight demand-supply situation you have real pressure on prices. This is what we are talking about.

Second, one-third of the oil that will come in this year will be from OPEC countries. They are engaged in price fixing. They have the world's greatest cartel. Let us not kid ourselves. The producers in the United States are in a different category. It seems to me only common sense that one look at the mix. One looks at the cost of petroleum coming in and the cost of petroleum being produced here to find out whether prices are within reason. Obviously, with the companies that have a very large import factor with the price going up and up on the part of the OPEC countries, this does create some special problems. From what I understand the Senator said he recognizes that. But I think he is saying he recognizes there is a very tight demand situation which, in itself, if nothing is done about it, can result in some exorbitant increases which we want to avoid.

That applies not only to the oil industry but to a long list of things. It happened in my home State with respect to lumber, which is a big industry in my State. Because of enormous demand and limited supply prices have gone up. These are things that we as Senators have to look at in a responsible way.

I believe this is what the Senator is endeavoring to do by his amendment. I commend him for that.

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

Mr. FANNIN. I will yield, but if I may complete my statement, I would like to make clear that this is contrary and inconsistent with the amendment we adopted earlier this afternoon, which I offered. It states:

> No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

I am very concerned about this matter. I do wish we could do something about these OPEC countries by a formula, but I am doubtful that we can. I feel that the procedure the Senator is advocating would be impossible to implement because of worldwide crude price increases. In other words, we do not have any controls. How can we control what foreign countries charge us for their crude?

We talk about the profits, but let us look at the profits over the last few years and the rates of return on investments of U.S. oil companies. I can go down the list, if the Senator wishes. The percentage rate of return for U.S. oil companies, as compared to all manufacturing, was as follows:

	Oil companies	*All manufacturing*
1960	8.8	9.2
1961	8.7	8.9
1962	8.8	9.8
1963	9.8	10.3
1964	10.1	11.6
1965	11.3	13.0
1966	12.3	13.4
1967	12.6	11.7
1968	12.2	12.1
1969	10.9	11.5
1970	9.9	9.3
1971	9.3	9.7

These figures reveal that most of the time the oil companies realize a lower rate of return then all manufacturing. So we have not seen evidence of exorbitant returns on the investment for oil companies. Oil companies have not profiteered. I am not suggesting that the oil companies are not making a profit. I want them to make a profit. I wish they could make more of a profit, so they can do more exploration work, and to make it possible for us to avoid fuel shortages.

The McIntyre amendment would try to freeze profits. If such should come to pass, supply shortages, now critical, would get worse.

Mr. McINTYRE. There is no conflict in my amendment and the amendment the Senator offered which was adopted. This is not legislating any price control. As my good friend, the Senator from Arizona knows, inflation is a problem that abounds in this country today and even surmounts the difficulties we experienced with shortages of crude oil, and refinery products. In this bill we have set up mandatory controls in this area. We do not like to do that to any industry, but in offering this amendment I am trying to emphasize that inflation is our biggest enemy, that the oil industry is a massive industry; it affects everyone. It affects those who live in New England in the winter; it affects those who live in the Middle West in the summer; it affects tourism and everything that goes with it. So the effect of gasoline price increases or fuel oil increases is tremendous. I say let us run a tight ship. I want to be fair, but let us run a tight ship. Let us not let the oil industry buffalo us, and let us be fair to them.

Mr. FANNIN. I agree with the goals the Senator presented. However, the amendment would be impossible to implement because of worldwide crude oil price increases. Foreign prices for crude oil and products have become so high that the administration had to change its Cost of Living Council regulations to prevent a 5 cent loss per gallon. I ask unanimous consent to have printed in the RECORD the regulations to which I have referred.

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

Title 6—Economic Stabilization—Chapter I—Cost of Living Council

PART 130—COST OF LIVING COUNCIL

PHASE III REGULATIONS

SPECIAL RULE NO. 1

Special rule No. 1 in appendix I of subpart K of part 130 of title 6 of the Code of Federal Regulations is hereby amended in paragraph 2.

Paragraph 2 is amended to modify the definition of "base price," and to add definitions for "class of purchasers," "current sales at base price," "deductible exchange revenues," "equal exchange of crude petroleum," and "weighted annual average price increase for the control year."

Paragraph 2 is being amended to modify the definition of base price of products subject to a term limit pricing authorization of January 10, 1973. Prior to this amendment the base price of such a product was the price charged on January 10, 1973. As amended, base price for a TLP product with regard to a class of purchasers is the highest price at or above which 10 percent of the product was sold in transactions with the class of customers concerned during the 30 days prior to January 10, 1973.

The base price of covered products other than products subject to a term limit pricing authorization on January 10, 1973, purchased and resold without substantial change in form or quality is defined as the price that could have lawfully been charged pursuant to 6 CFR 300.13 (the phase II markup rules for wholesalers and retailers) had that provision not been superseded by the Cost of Living Council's Phase III regulations. Pursuant to this amendment the base price of each non-TLP covered product purchased and resold without substantial change in form must be computed for each sale since January 10, 1973. Moreover, the base price changes each time the cost to the seller increases. The purpose of this amendment to the definition of base price is to allow a wholesaler or retailer of covered products to pass through increased costs which he has incurred and over which he has no control, and to exclude, with certain limitations, the resulting price increases in computing the "weighted annual average price increase for the control year" for purposes of paragraph 4. The portion of revenues derived from a sale at a price which exceeds that permitted pursuant to 6 CFR 300.13 is included in total revenues and volume for purposes of computing the weighted annual average price increase. This definition applies only to products which are purchased and resold without substantial change in form or quality. Such products may be commingled with similar products manufactured by the firm if the firm is able to account for the amount of sales attributable to products which were purchased and resold without substantial change in form or quality in accordance with generally accepted accounting principles and its historical practices.

The definition does not apply to the wholesale or retail distribution of products manufactured by a firm subject to special rule No. 1.

The base price for non-TLP products manufactured by the firm means the price determined under the provisions of subpart F of 6 CFR, part 300, which were in effect on January 10, 1973. This definition also applies to products manufactured by the firm which

are commingled with similar products purchased and resold by the firm without substantial change in form or quality.

A definition of "current sales at base price" is added for purposes of computing the weighted annual average price increase. It represents the amount of revenues that would have been derived if every sale made since January 11, 1973, had been made at base price.

Paragraph 2 is further amended to add a definition of "weighted annual average price increase for the control year" for purposes of paragraph 4. A person computes "weighted annual average price increase for the control year" by subtracting from total revenues derived from the sale of covered products since January 11, 1973, revenues received from equal exchanges of crude petroleum and current sales at base price; dividing the difference by current sales at base price; and multiplying the quotient by 100. This computation is illustrated by the following equation:

$$\frac{\text{Total revenues from covered products} - \text{Deductible exchange revenues} - \text{Current sales average price}}{\text{Current sales at base price}} \times 100 = \text{Weighted annual average price increase for the control year}$$

The computation of weighted annual average price increase is based upon total volume sold between January 11, 1973, and the date on which the average is being computed. If for one fiscal quarter the aggregate price increase computed is less than 1 percent, the difference between the increase computed and 1 percent may not be lost to the extent it may be accounted for by volume in the next calendar quarter.

This method of control, therefore, constitutes a cumulative quarterly measurement of average price increases weighted by cumulative volume.

It is different from the method used to calculate and report "weighted average price adjustments" (WAPA) under the general pricing rule applicable to the voluntary sector. The essential difference is that under the general rule the average price adjustment for each quarter is weighted by the volume in that quarter only. Therefore, there is no carryover of unused increase from quarter to quarter. Each quarterly report represents a separate calculation controlled by the prices and volume in that quarter.

Exchanges (i.e. swaps, barters, trades) of crude petroleum are frequently made between firms to accommodate their immediate local refinery needs for a particular type and quantity of crude. These changes (sale with reciprocal purchase) are made at posted prices, plus transportation and other costs. When the posted price of crude in an exchange is above its base price, the revenues received by a firm from the sale portion of such an exchange would be considered derived from a price increase under special rule No. 1 even though the same firm would also be purchasing other crude at a posted price that might also be above its base price. The Council has determined that to the extent crude exchanges are for equal dollar value, the revenues derived from the sale portion of those exchanges should not be included in a firm's total revenues when computing its weighted annual average price increase. Accordingly, definitions are being added to special rule No. 1 to describe what the Council regards to be an equal exchange of crude petroleum and deductible revenues from such an exchange.

The cost justification requirement of subparagraph 4(b) becomes effective at such time as the firm's "weighted annual average price increase for the control year" exceeds 1 percent. Similarly if the weighted annual average price increase exceeds 1.5 percent, the prenotification and profit margin limitations of subparagraph 4(c) become op tive. If at the end of a reporting period during which a firm was subject to either subparagraph 4(b) or 4(c), the "weighted annual average price increase for the control year" decreases to less than 1 percent or less than 1.5 percent the firm once again becomes subject to subparagraph 4(a) or 4(b) respectively.

Because these amendments provide immediate guidance and information for the effective implementation of the economic stabilization program, the Director has found that notice and public procedure thereon is impracticable and good cause exists for making them effective in less than 30 days after publication in the FEDERAL REGISTER. Interested persons may submit written comments regarding the above amendments. Communications should be addressed to the Office of General Counsel, Cost of Living Council, 2000 M Street NW., Washington, D.C. 20508.

In consideration of the foregoing, subpart K of part 130 or title 6 of the Code of Federal Regulations is amended as set forth below, effective March 6, 1973.

Issued in Washington, D.C., on May 11, 1973.

WILLIAM N. WALKER,
Acting Deputy Director,
Cost of Living Council.

(Economic Stabilization Act of 1970, as amended, Public Law 92-210, 85 Stat. 743; Public Law 93-28, 87 Stat. 27; Executive Order 11695, 38 FR 1473; Cost of Living Council Order No. 14, 38 FR 1489.)

Special rule No. 1 in appendix I of subpart K of part 130 of title 6 of the Code of Federal Regulations is amended as follows:

Paragraph 2 is amended to modify the definition of "base price," and to add definitions for "class of purchasers," "current sales at base price," "deductible exchange revenues," "equal exchange of crude petroleum," and "weighted annual average price increase for the control year" to read as follows:

"2. *Definitions.*—"Base price" means:

"(a) in the case of a product subject to a term limit pricing (TLP authorizatiton on January 10, 1973, the highest price at or above which at least 10 percent of the product was priced by the seller in transactions with the class of purchasers concerned during the 30 days prior to January 10, 1973.

"(b) in the case of a product (i) not subject to a TLP authorization on January 10, 1973, and which (ii) was purchased and resold without substantial change in form or quality, the price that could have been lawfully charged the class of purchasers concerned on each day since January 10, 1973, as if the pricing rule set forth in 6 CFR 300.13 and in effect on January 10, 1973, had not been superseded. Such products may be commingled with similar products manufactured by the firm if the firm is able to account for the amount of sales attributable to products which were purchased and resold without substantial change in form or quality in accordance with generally accepted accounting principles and its historical practices.

"(c) in the case of any other product, including those commingled with products described in (b) the price determined under the provisions of subpart F of 6 CFR part 300, which were in effect on January 10, 1973.

"Class of purchasers" means purchasers to whom a person has charged a comparable price for comparable property or service pursuant to a price distinction between those purchasers and other purchasers, where such price distinctions are based on a discount allowance, add-on, premium, or an extra based on a difference in volume, grade, quality, or location or type of purchaser, or a term or condition of sale or delivery.

* * * * *

"Current sales at base price" means an amount equal to the sum of each base price of each product times the volume of each product sold to each class of purchasers since January 11, 1973.

"Deductible exchange revenues" means revenues derived from equal exchange of crude petroleum less revenue that would have been derived from those exchanges if the transactions had been made at base prices.

"Equal exchange of crude petroleum" means a consummated sale and reciprocal purchase of corresponding dollar value of crude petroleum.

"Weighted annual average price increase for the control year" for purposes of paragraph 4 means the total revenues derived from the sale of covered products since January 11, 1973, less deductible exchange revenues and less current sales at base price divided by current sales at base price multiplied by 100 and expressed as a percent. This computation may be illustrated by use of the following equation:

$$\frac{\text{Total revenues from covered products} - \text{Deductible exchange revenues} - \text{Current sales average price}}{\text{Current sales at base price}} \times 100 = \text{Weighted annual average price increase for the control year}$$

Mr. FANNIN. Mr. President, foreign prices are beyond our control and they are impossible to stabilize, I am sorry to say.

Mr. NUNN. Mr. President, would the Senator yield

Mr. FANNIN. I yield.

Mr NUNN. Does the Senator from Arizona know that in phase III we are talking about consumers? Does the Senator know whether there is any regulation on the retail sale of gasoline or are we talking about distributors and major oil companies.

Mr. FANNIN. No. To my knowledge there is none.

Mr. NUNN. The regulation is strictly on the distribution level in this period. Is that correct?

Mr. FANNIN. That is my understanding.

Mr. NUNN. The Senator from New Hampshire has observed that the price is going up. But is it not being raised at the retail level and is not this aimed at the retail level or distribution level?

Mr. McINTYRE. I do not want to get into the question of whether the retailer in New England or Georgia is increasing the price on an unwarranted basis. I am saying the ultimate price to the consumer is the one I am concerned with, but I want to be fair all down the line. This amendment which calls attention to price control is an admonition. It says we are in a period of inflation and I want the Council to do its job. When the oil in-

dustry comes in they should make their case in black and white.

I happen to think that too many times in the past they have not made their case; but once they have made their case and justified their price increases the public interest has been served.

Mr. NUNN. My question is, assuming, as was stated in an article I read the other day, a local filling station had a limited supply of gasoline and was raising its price to 80 or 90 cents a gallon because he knew he was going to sell all he had, and the producer was not raising the price, and the consumer was paying 80 or 90 cents a gallon, would this have any effect on the consumer if this amendment goes only to the distribution level, or are we going to have to get to the retail level?

Mr. McINTYRE. I do not know if somebody is pirating or black marketing or taking advantage of the situation. There are always one or two taking advantage, but I cannot imagine a responsible wholesaler or retailer, under the constraints, taking someone in the back and saying, "Yes, I have plenty of gas, but at this price." That would be illegal.

Mr. NUNN. He was putting the price on the meter, because he knew he would be able to sell all the gasoline he had. Is this proposal effective on the retail level, or is it restricted to the major oil companies? Suppose the major oil companies are not charging that, but the retailer is raising the price.

Mr. McINTYRE. All I can say if somebody up our way is going to charge 90 cents for a gallon and somebody else is selling it for 45 cents. I am not going to buy it at 90 cents.

Mr. NUNN. But we are in a shortage situation, where anybody selling it is going to be able to sell all the gasoline he wants to. I am not arguing against the amendment, but I wonder if we are getting at the heart of the problem, or are we going to have trouble at the retail level?

Mr. McINTYRE. I would hope, if the amendment does not deal with the retailer or wholesaler that is taking advantage of the situation to feather his nest, so to speak, we would put something in the law to take care of that. I am as strongly against that kind of operation as I am against the oil companies not making a case, which has been done in the past so easily.

Mr. NUNN. So the Senator thinks the Cost of Living Council should address itself to that situation if the problem is at the retail level?

Mr. McINTYRE. The Cost of Living Council probably has enough to do to keep itself busy, but in the process of trying to make sure that everybody is treated equitably, if we have somebody who is trying to take advantage of the situation and trying to make an unconscionable profit, I would hope we would put something in the law, if need be, that would take him into court, and quickly.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time.

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

The PRESIDING OFFICER. Does the Senator yield back his remaining time?

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield me time?

Mr. FANNIN. Mr. President, how much time does the Senator from Oklahoma desire?

Mr. BARTLETT. Five minutes.

Mr. FANNIN. I yield five minutes to the Senator from Oklahoma.

Mr. BARTLETT. I would like to ask the Senator from New Hampshire a question.

There are a number of independent producers of crude oil who are currently receiving over what is called the posted price of crude oil. Would the Senator's amendment reduce the amount that they are now receiving?

Mr. McINTYRE. The Senator will have to state again for me the price he is talking about. Is he talking about some of the independent refiners or producers?

Mr. BARTLETT. Some of the independent producers of crude oil are now receiving over and above the posted price. The point is, they are not restricted. Would this amendment in any way restrict the amount they are now receiving?

Mr. McINTYRE. I would not think it would have any effect on them, no.

Mr. BARTLETT. As the Senator knows, the independents produce on leases that are called stripper leases. A stripper well is a well producing 10 barrels a day or less. Would the Senator see this amendment in any way as restricting that production so that it would have to be plugged or not produced at a later time?

Mr. McINTYRE. No, I would not see the amendment as affecting that. I would remind the Senator from Oklahoma again that we are not trying to freeze the price of gasoline or the price of crude oil. We are not trying to legislate price. So I do not see why it would affect the situation the Senator describes at all.

Mr. BARTLETT. I would like to say to the good Senator from New Hampshire that I think it would have a deterrent effect so that there would be great difficulty for the free marketplace to take effect to provide the necessary additional exploration and production. We had reports before the committee studying the fuel shortage that there needs to be an increase of three times as much investment in dollars in the exploration, drilling, and production of oil to reach a proper level to safeguard the industry.

I am just asking the Senator from New Hampshire how we can obtain sufficient capital in order to find the production that is necessary at a time of such a severe shortage.

Mr. McINTYRE. The amendment, of course, makes specific reference to the action of the Cost of Living Council on March 6 of this year, which placed under restraint the 23 large major companies. The Cost of Living Council restraints have no effect whatsoever on independents that were smaller than the major ones. They had no effect on anyone who did not fall within the classification of major oil company.

Mr. BARTLETT. So the whole purpose of the Senator's amendment is not to affect the smaller producer of crude oil, the independent, but to permit the free marketplace to have its effect as far as price is concerned?

Mr. McINTYRE. The 23 majors are under the Cost of Living Council restraints. The Cost of Living Council has power, if it sees fit, to put the smaller independents of the type we are discussing under the same restraints. It would have the power to do that if they thought a hardship was being worked or to take action to have the independents get a fair price.

Mr. BARTLETT. Does the Senator intend this amendment to put any additional restraints or constraints on the independent producer?

Mr. McINTYRE. No. that is not the intent.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. McINTYRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from New Hampshire (putting the question).

The noes appear to have it.

Mr. McINTYRE. Mr. President, I ask for the yeas and nays.

Mr. JACKSON. Mr. President, we do not have a sufficient number here. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that the rollcall vote be taken on tomorrow after the conclusion of the morning business and that there be 5 minutes to the side prior to the vote.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER FOR ADJOURNMENT TO 11:30 A.M. TUESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

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

ORDER FOR CONSIDERATION OF S. 1888 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to propound the following unanimous consent agreement:

I ask unanimous consent that upon the disposition of S. 1570, the unfinished business, the Chair lay before the Senate Calendar No. 165, S. 1888, a bill to extend and amend the Agricultural Act of 1970.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for debate on S. 1888 be limited to four hours, to be equally divided and controlled by the distinguished Senator from Georgia (Mr. TALMADGE) and the distinguished Senator from Nebraska (Mr. CURTIS); that time on any amendment thereto be limited to 1 hour, with the exception of an amendment by the Senator from Maryland (Mr. MATHIAS) and an amendment by the Senator from New York (Mr. BUCKLEY), on each of which there will be 3 hours; and with the further exception that on a second amendment by the Senator from New York (Mr. BUCKLEY) there be a limitation of 2 hours; provided further, that time on any amendment, debatable motion, or appeal there be a limitation of 30 minutes, and that the agreement be in the usual form; with the further proviso that three amendments by the Senator from Indiana (Mr. BAYH), which were offered in committee, and which we think are germane, but regardless of whether they are germane, in view of the fact that they were offered in committee, and also in view of the fact that they have been discussed on the floor of the Senate today with the Senator from Nebraska (Mr. CURTIS) and not challenged, be in order.

Mr. BUCKLEY. Mr. President, reserving the right to object—and I shall not object if one modification can be made—I now have a third amendment, on which I should like to have 2 hours.

Mr. ROBERT C. BYRD. Very well.

Mr. President, I ask unanimous consent that on a third amendment by the Senator from New York (Mr. BUCKLEY) there be a 2-hour limitation; and that the agreement, as I have already stated, be in the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment offered by the Senator from New Hampshire (Mr. MCINTYRE), No. 152, amending S. 1570.

Mr. ROBERT C. BYRD. I thank the Chair.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate tomorrow will convene at the hour of 11:30 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader (Mr. GRIFFIN) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements therein limited to 3 minutes, at the conclusion of which the Senate will resume its consideration of S. 1570, the unfinished business, the energy and fuels allocation bill.

The question at that time will be on agreeing to amendment No. 152, offered by the Senator from New Hampshire (Mr. MCINTYRE), on which the yeas and nays have been ordered.

I would assume that morning business will be concluded by 12 o'clock to 12:15 p.m., tomorrow, and, in accordance with the previous order, there will be 10 minutes of debate, to be equally divided, on the amendment by Mr. MCINTYRE, at the conclusion of which 10 minutes the yea-and-nay vote will occur.

Consequently, Senators are alerted to the fact that there will be a yea-and-nay vote on the amendment by Mr. MCINTYRE around 12 o'clock noon or 12:15 p.m., somewhere along there, tomorrow. There will be other yea-and-nay votes during the day. The final vote on passage of the bill will occur at 4 p.m.

After the vote on passage, the Senate will take up the so-called farm bill, on which there is a time limitation agreement. There will be no yea-and-nay votes thereon tomorrow. The Senator from Georgia (Mr. TALMADGE) and the Senator from Nebraska (Mr. CURTIS) will make their opening statements, they being the managers of the bill, and other Senators, of course, may also wish to speak thereon.

ADJOURNMENT UNTIL 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11:30 a.m. tomorrow.

The motion was agreed to; and (at 5:52 p.m.) the Senate adjourned until tomorrow, Tuesday, June 5, 1973, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 4, 1973:

DEPARTMENT OF DEFENSE

Arthur I. Mendolia, of Delaware, to be an Assistant Secretary of Defense, vice Barry James Shillito, resigned.

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

Robert L. DuPont, of Maryland, to be Director of the Special Action Office for Drug Abuse Prevention, vice Dr. Jerome H. Jaffe.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 4, 1973:

IN THE ARMY

Army nominations beginning David J. Deka, to be captain, and ending Brian E. Rasmussen, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on May 25, 1973.

IN THE NAVY

Navy nominations beginning Rex. T. Aaron, to be ensign, and ending Capt. Ross B. Moquin, to be a permanent commander and temporary captain, which nominations were received by the Senate and appeared in the Congressional Record in May 11, 1973.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 4, 1973:

Robert L. DuPont, of Maryland, to be Deputy Director of the Special Action Office for Drug Abuse Prevention, vice Paul Louis Perito, resigned, which was sent to the Senate on May 1, 1973.

EXTENSIONS OF REMARKS

THE 25TH ANNIVERSARY OF THE STATE OF ISRAEL

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1973

Mr. MURPHY of New York. Mr. Speaker, recently we celebrated the 25th anniversary of the establishment of the State of Israel. The citizens of Israel and the people of the world who made the creation of this state possible should feel proud to look back over the years of struggle Israel has faced as a nation and the success she has had in facing the tremendous odds against such a venture.

Israel has developed a democratic government, has an expanding economy, a stable society, and has become a model of growth and achievement for many emerging nations. In meeting the challenges of a harsh, underdeveloped land, the Israelis have demonstrated an initiative and determination often characterized as the epitome of the pioneering spirit of the 20th century. Israel's progress has been recorded by economic indicators, growth rates, and production figures, but these sometimes sterile numbers cannot describe the pride, the perseverance, or the sacrifices that have contributed to the making of Israel.

Let it be said that Israel's future is dimmed by uncertainty and danger. The war with the Arab States continues, and even when a settlement is found, it will take a long time to erase the hate, distrust, and shame generated by the dispute. But let it also be said that the United States of America is committed to the continued existence and sovereignty of Israel. It is my conviction that