

amendment to the Alaska pipeline bill, provided that amendment has not been disposed of on an earlier date.

At 11 o'clock a ye-a-and-nay vote will occur on the amendment by Mr. GRAVEL, cosponsored by Mr. STEVENS.

At not later than 12 o'clock on Tuesday the vote will occur on final passage of the Alaska pipeline bill.

Other ye-a-and-nay votes may occur during the afternoon on Tuesday.

Under the order already entered, upon the disposition of the Alaska pipeline bill the Senate will turn to the consideration of the minimum wage bill, S. 1861. Ye-a-and-nay votes could occur thereon.

The leadership may from time to time seek to alter the program for Monday and/or Tuesday, with consent, of course, in order to utilize the time to the fullest, and may call up other measures for consideration if they have been cleared for action.

Mr. President, that is as far as I would care to attempt to predict at this time, my political prophecy not being strong enough to attempt to prognosticate beyond Tuesday. But suffice it to say there will be ye-a-and-nay votes daily from here on throughout the remaining weeks of July. Saturday sessions throughout July preceding the August recess will be almost unavoidable.

A look at the calendar will justify this. For example, the following bills are among—and I repeat “among”—those measures which must be disposed of before the August recess, but the bills which I shall enumerate are not necessarily listed in the order in which they will be taken up, and I emphasize that the list is not necessarily complete by any means. They are as follows:

H.R. 8760—Transportation appropriation bill.

H.R. 8658—District of Columbia appropriation bill.

H.R. 6691—Legislative appropriation bill.

H.R. 8917—Interior appropriation bill.

H.R. 8947—Public works appropriation bill.

S. 440—War powers.

H.J. Res. 512—HUD.

S. 426—Premarket testing of new chemical substances.

S. 2101—Truth in lending.

S. 1861—Minimum wage.

S. 356—Consumer product warranties.

S. 782—Antitrust.

S. 372—Equal time provision, Communications Act.

S. 1559—Manpower training.

S. 1560—Public service employment.

S. 4—Pension reform.

S. 1033—Export of timber.

S. 1149—Railroad rolling stock.

S. 1983—Protection of fish and wild life.

Foreign aid authorization.

Campaign spending.

Numerous conference reports.

S.J. Res. 110—Nonpartisan Commission on Election Reform.

In addition, Mr. President, there are various energy bills. There are numerous conference reports. So, Mr. President, I read it and I weep.

I would suggest and I know the distinguished majority leader joins me in stating that I cannot read that list of bills and conceive of how we can avoid Saturday sessions for the remainder of July, especially when we will be going into an August recess of better than 4 weeks. I know Senators will want to fasten their seat belts and prepare for extreme turbulence ahead.

#### ADJOURNMENT UNTIL 10 A.M.

Mr. JACKSON. Mr. President, I move, in accordance with the previous order, that the Senate adjourn until 10 a.m. tomorrow.

The motion was agreed to; and at 4:56 p.m. the Senate adjourned until tomorrow, Saturday, July 14, 1973, at 10 a.m.

#### NOMINATIONS

Executive nominations received by the Senate July 13, 1973:

#### DEPARTMENT OF JUSTICE

Donald J. Stohr, of Missouri, to be U.S. attorney for the eastern district of Missouri for the term of 4 years, vice Daniel Bartlett, Jr., resigned.

#### NATIONAL CREDIT UNION BOARD

William E. Young, of Washington, to be a member of the National Credit Union Board for the remainder of the term expiring December 31, 1973, vice DuBois McGee, deceased.

#### IN THE NAVY

Timothy K. Murphy (Naval Reserve Officers Training Corps candidate) to be a permanent ensign in the line or staff corps of the Navy, subject to the qualification therefor as provided by law.

The following-named EX-USN officers to be permanent commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law:

George F. Humbert

James W. Smith

Waring B. Haselton to be reappointed from the temporary disability retired list as a permanent commander in the Navy, limited duty (Hull) subject to the qualification therefor as provided by law.

John P. Cook, U.S. Navy officer, to be a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Michael B. Sanborn (midshipman, Naval Academy) to be a permanent ensign in the line or staff corps of the Navy, subject to the qualification therefor as provided by law.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate July 13, 1973:

#### THE JUDICIARY

Thomas G. Gee, of Texas, to be a U.S. circuit judge, fifth circuit.

William H. Webster, of Missouri, to be a U.S. circuit judge, eighth circuit.

Harlington Wood, Jr., of Illinois, to be a U.S. district judge for the southern district of Illinois.

John F. Nangle, of Missouri, to be a U.S. district judge for the eastern district of Missouri.

Prentice H. Marshall, of Illinois, to be a U.S. district judge for the northern district of Illinois.

## EXTENSIONS OF REMARKS

### RAIL CRISIS

#### HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 12, 1973

Mr. SHOUP. Mr. Speaker, on June 30, 1973, I introduced H.R. 9142 which relates to the impending rail crisis in the Northeast region. This bill is similar in some respects to other proposals, some of which have also been introduced, but H.R. 9142 has unique characteristics which I feel merit the serious attention of Congress.

H.R. 9142 mandates consolidation of the bankrupt railroads, has extensive and full protection for labor, keeps Government expenditures at a minimum level and vests control of the proposed new system in a private corporation. Nothing in the bill in any way compro-

mises further work on the overall transportation problems facing the Nation, yet the bill is so constructed that it has attributes which constitute a sound basis for further attention to rail problems. For the information and reference of all those concerned with the Northeast rail situation I am submitting the following section-by-section explication of H.R. 9142:

#### SECTION-BY-SECTION EXPLICATION OF H.R. 9142

This is a bill to create a system to restore, maintain and operate a system of essential rail service in the Northeast Region.

#### SUBCHAPTER I

Section 101. Congress finds that certain carriers are in bankruptcy, that continuation of service is threatened; that public interest requires rail service; that federal financial assistance is needed to facilitate the reorganization and continuation of railroads in the Northeast.

Section 102. Definitions:

FNRA—Federal National Railway Association—the planning entity.

Bankrupt railroad is a line which is in reorganization and judged by a court not to have a reasonable likelihood of successful reorganization.

Commission—Interstate Commerce Commission.

Corporation—Northeast Rail Corporation—the operating entity.

Fair and equitable value (1) for bankrupt lines acquired by the corporation and to be abandoned this is the best market price (over a reasonable period of time) less costs of holding and maintaining and less a discount for delay and receipt of proceeds, (2) for rail property of railroads and reorganization to be acquired and operated—the greater of fair liquidation value, (1) above, or going concern value which is the capitalized value of earning power giving consideration to cost of implementing the regional plan and giving a reasonable rate of return.

Nonbankrupt railroad—any railroad in reorganization judged by a court to have a reasonable likelihood of successful reorganization on an income basis.

**Northeast Region**—a listing of the 18 jurisdictions affected by the railroads which are subject to the provisions of the bill.

**Profitable railroad**—line not in reorganization.

**Rail properties**—includes the assets owned and/or controlled by railroads in reorganization (The Chairman of FNRA is to prepare an inventory within 90 days of the enactment of the bill).

**Railroad**—common carrier.

**Railroad in reorganization**—a railroad which is undergoing a reorganization under Section 77 of the Bankruptcy Act.

**Regional Plan**—the design for reorganization of the railroads in the Northeast Region.

**Secretary**—Secretary of Transportation.

#### SUBCHAPTER II

Section 201. This section creates the FNRA known throughout the bill as the "Association". It is to be a profit corporation having existence until dissolved by Congress and being for venue purposes a resident of the District of Columbia.

Section 202. The powers of the Association are: to formulate the Regional Plan; to implement the Plan and; to make loans and advances for purchase, rehabilitation and modernization of rail properties and for protective arrangements for railroad employees adversely affected by the plan.

Section 203. The Association's capitalization shall consist of two types of stock—common and preferred. The common shall be purchased by the Federal Government and shall be voting stock. The preferred, with a par value of \$100, shall be offered to railroads not in reorganization and to shippers and shall be nonvoting with cumulative dividends. The preferred is redeemable by the Association. The Secretary of the Treasury is authorized to purchase common stock with a value of \$6,000,000 and the Association is authorized to issue preferred in an equal amount to railroads and shippers.

Section 204. Identifies the Board of Directors. Five are specified by the Act—the Chairman (appointed by the President), Secretary, Federal Railroad Administrator, Chairman and Vice Chairman of ICC. The remaining 14 are appointed by the President and are to include representation of labor, shippers, railroads not in reorganization, consumer interests, rail passenger corporation, and the regional governors. At the first Annual Stockholders Meeting the first board terminates and the number is set by the common stockholders. Officers of the Association are to be appointed by the Board. This section forecloses conflict of interests by both directors and officers. The proscription of interest by officers is especially strong in that present and past officers of railroads in reorganization are not to be allowed to hold an office in the new corporation.

#### SUBCHAPTER III

Section 301. Directs the District Courts having jurisdiction over a railroad in reorganization to make findings as to the likelihood of successful reorganization and grants rights to appeal such findings.

Section 302. Directs "each railroad operating in the Northeast Region" to provide information to the Chairman or Board for the inventory and gives supreme power to compel compliance.

Section 303. Sets forth the goals to be regarded in the formulation of the Regional Plan. Essentially there are three such goals. The first is a *mandatory* consolidation in the corporation of bankrupt railroads in such a manner as will make income based organizations feasible. Secondly, the plan should include a methodology for downgrading and abandoning railroad properties which are duplicative or economically unprofitable. Thirdly, the plan is to provide for

consensual sales of rail properties by railroads in reorganization to other railroads in reorganization or to profitable railroads and the sale of rail properties of nonbankrupt railroads to the corporation. The Regional Plan will be a detailed scheme which will specify the lines to be operated and the lines to be abandoned. It will enumerate the consensual transfers to be made, and describe the acquisitions by the corporation, non-bankrupt lines, or profitable railroads. The plan will also set forth the changes and additions contemplated by the corporation. The plan will also describe the securities which are to be exchanged for rail properties and a valuation schedule of all such properties.

Section 304. Provides that the Chairman of the Association shall within nine months after the enactment of the bill submit to the Board along with conclusions and recommendations his Regional Plan.

Section 305. This section gives affected parties 45 days within which to respond and comment on the Chairman's preliminary plan. This is followed by a 60-day review period after which the Board shall deliver the final plan to Congress for its approval. It should be noted that both the Secretary and the Chairman of the Commission have veto powers over the Regional Plan before its submission to Congress. Thus the Regional Plan has the approval of two-thirds of the board and the affirmative vote of the Secretary and Chairman and is subject to Congressional approval. If the plan is rejected by the Congress it is returned to the Association for appropriate modifications and the then revised plan is resubmitted to Congress.

#### SUBCHAPTER IV

Section 401. Creates the corporate body to be known as the Northeast Rail Corporation. This is a profit corporation created and existing pursuant to the District of Columbia Business Corporation Act. The Secretary, the Federal Railroad Administrator, and the Chairman of the Commission are the incorporators of NRC and the initial Board of Directors.

Section 402. The powers of the Corporation include the power to operate and rehabilitate rail lines, to abandon and liquidate other rail lines, and to create any other necessary corporations for carrying out the Regional Plan.

Section 403. This section authorizes the issuing of 100,000,000 shares of common stock, gives it voting power, and allows cumulative voting of common stock. This section further provides that the common stock shall be exchanged for the property of railroads which are conveyed to the Corporation.

#### SUBCHAPTER V

Section 501. Provides that within 15 days after the Chairman has submitted the preliminary plan, the Association shall make an application for consolidation into a single three-judge district court of any and all proceedings which in any way relate to the Regional Plan. This provision mandates the consolidation and provides that no judge appointed to the three-judge court shall be a judge which has previously had jurisdiction over any bankruptcy proceedings involving any of the railroads in reorganization. This section then further provides that within three months after the final approval by Congress of the Regional Plan that the Association shall make certification to the above mentioned Special District Court of the following:

- (1) which rail properties of bankrupt railroads are to be conveyed to the Corporation,
- (2) which rail properties of nonbankrupt railroads are to be conveyed to the Corporation,
- (3) which properties of the bankrupt rail-

roads are to be conveyed to nonbankrupt railroads or to profitable railroads.

(4) which rail properties of nonbankrupt railroads are to be conveyed to other nonbankrupt railroads or to profitable railroads,

(5) the fair and equitable value of properties to be conveyed,

(6) the amount, terms, and value of the securities of the corporation to be issued in the exchange for the above properties,

(7) the amount, terms, and value of the Association bonds to be received by the railroads in reorganization in exchange for the properties to be conveyed to nonbankrupt railroads, to profitable railroads, or to the Corporation,

(8) the value of the securities of the Corporation to be received by the respective bankrupt railroads will not be less than the fair and equitable value of the rail properties to be conveyed to the Corporation.

(9) and that the bonds of the Association to be received as provided above will have a value equal to the fair and equitable value of the rail properties conveyed.

This section further provides that within three months after the final approval of the Regional Plan by Congress the Association shall certify to the *various district courts* having jurisdiction over bankruptcy proceedings which properties of railroads under their jurisdiction are to be conveyed to the Corporation and which rail properties are to be conveyed to the nonbankrupt railroads or the profitable railroads.

Section 502. Within ten days after the certification described in 501 the Corporation in exchange for the rail properties to be conveyed to the Corporation shall deposit with the Special District Court securities which have a value which is at least equal to the fair and equitable value of the properties to be conveyed. This section also provides that within ten days after the deposit of the securities with the Special District Court as above provided each district court shall order the trustees of the affected railroads to convey forthwith to the Corporation rail properties as described in the Regional Plan. Conveyance to the nonbankrupt railroads of properties they are acquiring pursuant to the railroad Regional Plan is also provided for in this section.

After the conveyance of the rail properties to the Corporation, to the nonbankrupt railroads and the profitable railroads as provided above the Special District Court shall make findings regarding the adequacy of these securities deposited in exchange for the rail properties. The predicate for the finding of the district court shall be whether or not these securities submitted are of a fair and equitable value pursuant to that value as set forth in the definition section. If the court should find that the securities deposited are of less than a fair value then the Association shall be directed to make adjustments in the Regional Plan. Upon finding of adequacy the district court shall then order distribution of the securities to the estates of the railroads in reorganization. This section further provides that orders of the court made pursuant to this title shall be appealable directly to the United States Supreme Court and all such appeals shall be prosecuted in an expedited manner.

Section 503. This section provides that at the time the Regional Plan becomes effective all rail service not set forth in that plan shall be discontinued at the option of the Corporation 30 days after the effective date of the Plan. The section also provides that there shall be no abandonment of rail properties over which service has been discontinued until a period of six months has elapsed after the effective date of the plan. It is further provided that no rail service may be discontinued nor any line abandoned after two years from the effective date of the Regional Plan if a shipper, or a local



authority agrees to subsidize the difference between the revenue attributable to such lines on the fully distributed costs of handling traffic on such lines plus a reasonable return on the fair liquidation value on such lines. Definitions of the terms 'revenue attributable' and 'fully distributed costs of handling traffic' and a 'reasonable return on the fair liquidation of value shall be set forth in regulations formulated by the Commission.

Section 504. This section contains the provision for interim operation of the bankrupt lines. Rather than an appropriation it creates a debt-free situation for the railroads by diverting creditor interests from the rail properties to the bankrupt estates in the district courts. After a railroad has been adjudged a bankrupt railroad pursuant to the procedures set forth in this bill, it may not thereafter sell, lease, or dispose in any way of its properties, other than in the ordinary course of business, without the express authorization of the bankruptcy court having jurisdiction over said rail properties. Said authorizations shall be granted only upon a showing that the cash flow of the bankrupt lines is such that essential operations must cease absent income from the sale of rail properties.

#### SUBCHAPTER VI

Section 601. The Association is authorized by this section to issue and have outstanding obligations in the amount of \$2,000,000,000. The section further provides that such obligations shall be fully guaranteed by the United States Government.

Section 602. Authorizes the Association to make loans or advances to the Corporation and railroads in the Northeast Region for the purposes of carrying out the Regional Plan and making provision for protection of employees adversely affected by implementation of the Region Plan.

Section 603. Authorizes the Association to inspect the records of the Corporation in any railroad receiving financial assistance under this subchapter with the view to determining the ability of the Corporation or Railroad to repay the loan or advance.

#### SUBCHAPTER VII

Section 701. This section authorizes the Secretary to reimburse a state or local agency for 70 percent of the amount paid by such state or local agency to continue service on a line which could otherwise have been abandoned. The Secretary is to formulate regulations concerning the granting of subsidies. The time for an operating subsidy contract is limited to two years; at which time the contract may be renegotiated. Before the Secretary may enter into subsidy agreements with local agencies, said local agency must have authorization to make such contracts from the appropriate legislative body. The section authorizes \$50,000,000 per fiscal year for subsidy purposes.

Section 702. Initial costs of restoration of rail property which is a condition precedent to service may not be an item in a subsidy contract. However, such capital costs may be prorated over the life of the line.

#### SUBCHAPTER VIII—EMPLOYEE PROTECTION

##### Section 801. Definitions:

*Acquiring railroad* is any entity acquiring some of the properties of railroads in reorganization.

*Employee* of a railroad in reorganization is defined as one who has a current employee relationship and who has 100 days of compensated service immediately prior thereto. Illness or disability are counted as part of the time needed to establish the 100-day period.

*Protected employee* is one who has been offered and accepted employment by an acquiring railroad.

*Item, class, or craft employees* is a group of employees recognized and treated as a unit for purposes of collective bargaining.

*Representative of a class or craft of employees* is the duly authorized labor organization recognized pursuant to the Railroad Labor Act.

*Deprived of employment* is defined as the failure to be assigned to a position with the acquiring railroad after the employee has properly accepted employment with the acquiring railroad. Excluded from the term 'deprived of employment' are: deprivation of employment because of death, retirement, resignation, dismissal, or disciplinary suspension.

*Average monthly compensation*—the average of the last 12 months compensation.

Section 802. Directs that offers of employment shall be made by the acquiring railroad to all employees who are employed on the properties which they acquire.

Section 803. Provides that the acquiring railroad shall have the right to assign, allocate or reassign the employees acquired providing that there is no infringement upon the existing traditional classification of work rights of any craft or class of employees.

Section 804. Directs that the acquiring railroad shall assume all the obligations under existing collective bargaining agreements such that the rights of employees which it acquires shall continue under the existing collective bargaining agreements in force at the time of the reorganization. This section further provides that the representatives of the various employees and the representatives of the railroads shall begin an immediate review of the existing collective bargaining agreements and further provides that the agreements shall be formulated for implementing the transfer of employees and for the protection of employees as required by the next section.

Section 805. This section provides that one who is defined as a protected employee shall be paid a monthly displacement allowance which shall be equal to the difference between his monthly earnings and his former monthly average compensation. The effect of this section is that in the event any employee is displaced or adversely affected he shall continue to receive an amount equal to his average monthly earnings prior to his displacement but such displacement allowance shall be reduced by the amount of any earnings. The section also provides that the monthly displacement allowance shall continue for an agreed period of time and shall terminate in the case of the employee's death, retirement, resignation, dismissal, or disciplinary suspension for cause. It is further provided in this section that any employee may be transferred to another comparable job within his same territorial district as long as such assignment does not infringe upon the seniority or rights of other employees of the acquiring railroad. Any employee refusing such assignment or transfer shall forfeit all future rights to benefits under this subchapter. The section here also provided that an employee may be upon reasonable notice assigned to a position outside his territorial seniority district and that upon such reassignment and acceptance by the employee the acquiring railroad shall reimburse the employee for all reasonable expenses incurred in moving. This section also makes provision for lump sum severance payments which may be made in lieu of other benefits provided for in the section upon the option of the employee.

#### SUBCHAPTER IX

Section 901. Et seq. Miscellaneous provisions for including separability and audit and prohibition against duplicative use of name.

## CIVIL RELIGION AND BIBLICAL FAITH

### HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 12, 1973

Mr. VANDER JAGT. Mr. Speaker, I submit for the RECORD an address by the Honorable MARK O. HATFIELD, U.S. Senator from Oregon, delivered at Hope College, Holland, Mich., on February 22, 1973:

#### CIVIL RELIGION AND BIBLICAL FAITH

(An address by Hon. MARK O. HATFIELD)

Today, I'd like to trespass upon your patience for just a few moments to share some convictions that I have that constantly are being challenged from different sources and for different reasons. I wish to share with you in a sense really from my heart more than from a piece of paper. When we involve ourselves in discussions of Christianity and politics we find that often we focus on how being a Christian is likely to make one a good citizen. Now this makes the presumption that there is nearly a total affinity between the allegiance to Christ and loyalty to the State, particularly in a democracy. I have had many illustrations of this, let me share one with you.

During the period of debate in the United States Senate in 1970, when Senator McGovern of South Dakota and I offered an amendment, what we called an amendment to end the war, I received many letters of communication. One of them said, "Why do you think you have the right to interfere with our President? Have you forgotten that God's way is to respect and honor those in authority? What higher power is there than President Nixon? God put him there. 'Who-soever, therefore, resisteth the power resisteth the ordinance of God.'" Now, this you might say is an extreme example, and it perhaps is; but I think it prevailed at that time and perhaps does so even to this day amongst many in the Christian community who conclude that faith in Christ means that one should basically obey and agree with those in political authority, and beyond that one need not involve his personal faith with politics.

The more I observe contemporary America, and the more I read about the history of the church and the more I study the scriptures, the more I sense how dangerous it is to merge our piety with patriotism. I was asked to make a few comments at the National Prayer Breakfast recently and I made this statement, "Today our prayers must begin with repentance. Individually we must seek forgiveness for the exile of love from our hearts and corporately as a people we must turn in repentance from the sin that has scarred our national soul." What I want to say today is that the Christian, like every citizen, cannot avoid being political in some sense. What he must do is bring the political realm of his life under the authority of Jesus Christ. Our politics must never be ruled by thoughtless conformity to the culture.

Now let me also make very clear that our culture is not Christian in the truest sense of the word, and therefore you cannot equate the two. As a culture, we do not accept the ultimate authority of Jesus Christ over all people and nations and history. We do not all believe that our ultimate allegiance and trust must be placed in God's work of redemption and salvation. Yet our culture is "religious." "In God We Trust" is found on our coins. Nearly every President of the

United States has made a reference to God or divine providence in his inaugural address, although none has ever referred to Jesus Christ. Most Americans, I believe, think that religion in some way is nearly essential to giving their nation strength and success. Americans today have greater faith in their civil religion, and this has been expressed well by President Eisenhower when he said, "Our government makes no sense unless it is founded in a deeply felt religious faith, and I don't care what it is."

American civil religion is faith in benevolent unitarianism. It includes a belief that God has blessed and has chosen America as he did Israel; that Washington was like Moses, leading the people out of bondage into a new land; and that the Constitution and the Declaration of Independence (and remember their authors were mostly deists) were written after inspired prayer meetings. Now, there can be certain kernels of truth in such civil religion, and I don't totally discount civil religion. I only want you to distinguish between civil religion and biblical religion. It is true that many of the first settlers came to America with a deep sense of religious mission and a vision of a new order for the glory of God, and all you have to do is read documents like the *Mayflower Compact* to see that there is in our history a certain spiritual heritage. In fact, Allen Nevins said that the history of America is the history of the spiritual movement.

But our civil religion totally distorts the relationship between the state and our faith. It tends to enshrine our law and order and national righteousness, but it fails to speak of repentance, salvation, and God's standard of justice. The promised land becomes a perfect land in civil religion and we are given a sense of righteous mission to the world. America's actions become spiritually ordained; even in war we are beyond reproach, fulfilling some divine destiny. An American civil religion wants us to believe there is honor in the peace we have achieved; that this past war can be vindicated, that what we have done was necessary and right, and that we can be proud of it.

If we believe in the God of an American civil religion, our faith is in a small and very exclusive deity, a loyal spiritual advisor to American power and American prestige, an exclusive defender of the American nation and the object of a national folk religion that is devoid of moral content. Our faith must be in the biblical God of justice and righteousness who is revealed in the scriptures and in the person of Jesus Christ. Then we shall cease using the trappings of religion to sanctify the status quo. We shall see that a relationship to God begins with repentance and that His will is discovered, not through nationalistic vain-glory, but in acts of humble love and service of justice. Isaiah said it very clearly in the Old Testament, "Is not this what I require of you, to loose the fetters of injustice, to snap every yoke and set free those who have been crushed? Is it not sharing your food with the hungry, taking the homeless poor into your homes, clothing the naked when you meet them, and never evading the duty to your kinsfolk?"

Yes, much of the organized church of today, in my opinion, has allowed its thinking and its values to be conformed to the world. In subtle ways we allow our culture with its civil religion to determine our relationship to political power instead of the scriptures and the revelation of Christ. The church today in many ways is the captive of our culture, and the religion of America is America. If we are to liberate the church and ourselves from the conformity to the world, then we must allow ourselves to hear the Word of God over the tumult of society.

Exploiting or reducing religious faith to make it compatible with political ends is not a temptation unique to our country or to our time. This reoccurs throughout the Old Testament. Christ faced the temptation from

both those who collaborated with the Roman State and those who wanted Him to lead a violent revolt against the Roman State. Most of the history of the church has been dominated by the political prostitution of its faith to serve the powers of emperors, kings and governments.

We see even in the establishment of the king over Israel in the Old Testament when the people of Israel wanted a king like all other nations, they wanted to follow the conventional wisdom of the age and trust in the world's mechanisms to insure their security. Samuel warned of the dangers inherent in setting up such uncontrolled kingly powers. Listen to what Samuel said when he responded to the people's request: "The Lord answered Samuel, 'Hear what they have to say now, but give them a solemn warning and tell them what sort of king will govern them.' Samuel told the people who were asking him for a king all that the Lord had said to him. 'This will be the sort of king who will govern you. He will take your sons and make them serve in his chariots and with his cavalry and will make them run before his chariot. Some he will appoint officers over units of thousands and units of fifty. Others will plow his fields and reap his harvests. Others again will make weapons for war and equipment for mounted troops. He will take a tenth of your grain and of your vintage to give to his eunuchs and lackeys. He will take a tenth of your flocks and you yourselves will become his slaves.'"

I think this prophetic warning has continuing relevance. There are oppressive dangers present whenever a people want to turn to rulers to give them absolute power. Our trust so easily becomes misplaced.

I feel we have good examples of this when Jesus was here on earth in his ministry. Remember the political environment of Palestine. This Jewish land was occupied by Rome. Roman soldiers enforced the political occupation of Israel. There was great resentment amongst many Jews toward Rome. Tax collectors were hated because they collected Rome's revenues. The Jews' anger took the form of direct resistance against Rome in many cases; however, some of the elements of the Jewish political religious establishment were willing to ally themselves with Rome. This was especially true with the Sadducees, religious leaders who justified the political status quo. This is what the Sadducees really represented. They saw politics in one sphere totally divorced from their religion which was in another realm, and they could be called the political collaborationists of their day, for they approved of the Roman occupation without reservation. Christ refused to side with the Sadducees. He was outspoken in his condemnation of the political-religious establishment. In light of the kingdom of God and its demands, the present order could not be accepted; it stood under judgment. And when he called the tax collectors to repentance, like Matthew, it meant that they gave up their former life of collaboration with Roman power and the injustice that it involved.

Now you had another group called the Zealots. They were committed to the forceful overthrow of the Roman power through military effort, a subversive guerrilla-war type of movement. They were also against paying taxes to Rome. The Zealots were foes of the religious establishment that compromised with Rome—the Sadducees—and they condemned the social injustice of their time. They were in expectation of a political messiah that would lead their resistance to the Roman powers and establish a new Israel, a Jewish theocracy. Now Jesus had a relation with the Zealots; he had constant contact with the Zealots and their followers as he did with all the Jews living in Palestine of that time. In fact there were Zealots who were very close to Him within the twelve disciples. One disciple is specifically identified as Simon the Zealot (not Simon Peter).

Some biblical scholars believe that the sons of Zebedee could have had at least some affinity with the Zealot movements. Judas Iscariot is thought likely to have been close to the Zealot movement as well. Now the attraction of the Zealots to Jesus is understandable, for they held in common opposition to the religious political establishment of the day. Remember, Jesus cleansed the temple. He called Herod a fox, and spoke against the kings who ruled over and oppressed the people. And so there was this affinity.

The Romans also had a suspicion toward Jesus. In all probability the Romans looked upon Jesus as a potential political agitator and associated Him with the Zealots. In fact the inscription, we remember, on the cross accused Him of being King of the Jews.

Now what did Jesus say to the Zealots? He refused to embrace the full Zealot movement of violent resistance to Rome, and even regarded it as a temptation of the devil. In the garden when the authorities came to arrest Him and some disciples wanted to fight, Christ said, "He who takes up the sword shall die by the sword." His message of "love your enemies" included even those who were excluded by the Zealots.

So Christ's way was demonstrated to us in His ministry as being a way of love. He forsook both the extremes as they were represented by the Zealots and by the Sadducees. He condemned the Sadducees who were blind to injustice, and He resisted the Zealots who believed that injustice had to be met with violence. He proclaimed the way of love. His very physical force upon the cross was an exemplification of God's love. But His life also demonstrates that God's kingdom does not come through the world's means of political power. Rather it must come through the power of love.

We have in the epistles, as in the Gospels, a very interesting story of this relationship between man and his faith and man and the state. You heard Romans 13 cited many times: "Every person must submit to the supreme authorities." I often say to some of my Christian friends who cite me this ("Therefore all authority is constituted by God and therefore all authority must be obeyed and agreed with"), "What about the authority of Great Britain in 1776? It was a constituted authority, and yet we glorify the American Revolution, a rebellion against authority of Great Britain in 1776? It was against authority." That usually forces them to another reading of Romans 13. But let us not read out of context but let us consider for instance the words in the verses directly before that part of Romans 13. Listen to these words: "Never pay back evil for evil; if possible so far as it lies with you live at peace with all men. My dear friends, do not seek revenge but leave a place for divine retribution, for there is a text which reads 'Justice is mine, says the Lord, I will repay' but there is another text 'If your enemy is hungry, feed him; if he is thirsty, give him a drink.' By doing this you will heap live coals on his head. Do not let evil conquer you, but use good to defeat evil."

Those are the words preceding in Romans 13. And consider the verses right after the injunction to obey those in authority, Romans 13:8-10: "Leave no claim outstanding against you except that of mutual love. He who loves his neighbor has satisfied every claim of the law; for the commandments, thou shalt not commit adultery, thou shalt not kill, thou shalt not steal, thou shalt not covet, and any other commandment there may be are all summed up in one rule—love your neighbor as yourself. Love cannot wrong a neighbor, therefore the whole law is summed up in love." We have many other examples, and I like to cite Revelation 13 and 18 to correspond to Romans 13. Read those chapters of Revelation because they picture the state that has been so glorified in the minds of many Christians in Romans 13. In Revelation 18 we hear the judgment of Babylon: "Fallen, fallen is Babylon the



Great. She has become a dwelling for demons, a haunt for every unclean spirit, for every vile and loathsome bird. For the blood of the prophets and of God's people was found in her, the blood of all who have been put to death on earth." And they had Rome in mind, the State.

The New Testament tells the Christian that we do owe the State respect because the State is ordained by God. As Paul says, it is accountable to Him; therefore the Christian must regard the powers of the State and their potential use for good and for bad even more seriously than the State considers itself. The Christian owes obedience as long as this does not involve disobedience to God. Whenever the State and God come into direct conflict the Christian has but one choice: render unto God, not to Caesar; and God and Caesar are not on a par. The Christian should pray for the State and the authorities, regardless of how good or how bad, just or unjust they may be.

Finally, the Christian must witness to the State by his words and his acts. He must demonstrate that Christ is sovereign over all, that ultimately we are all bound to the law of love. The Bible gives us no basis for uncritically accepting the State, or for totally rejecting it either. Rather, the Bible tells us that at times Caesar and God may come into conflict. And, of course, we know what our priority is.

You see, we do not come by this by chance. All of this attitude that I sense in today's world concerning the church's relation to the culture really has a very interesting history. I will not go into it all, but let me just give you one or two examples. The first Christians in the early church, the primitive church, gave their primary allegiance to Christ and His kingdom, not to the empire of Rome. Early Christians refused to give oaths of allegiance to the emperor and the empire. Early Christians did not join the Roman army. They did not participate in the Roman court system which they thought to be unjust. And you know what happened to them. Maximilian, a young Christian in the third-century, is one of those several recorded in history. Maximilian appeared before an African pro-consul named Dion for induction into the army. Maximilian refused induction simply stating, "I cannot serve for I am a Christian." Dion replied, "Get into the service or it will cost you your life." Maximilian's last remark was, "I do this age no war service, but I do war service for my God." He was executed March the 12th, 295 A.D., and his father, also a Christian, returned home in pride of his son's unbending loyalty to God.

Historians report that there were many cases like this which may have led to the massive persecution of Christians in A.D. 303. Tertullian, a third-century Christian father, asked, "If we are to love our enemies, whom have we to hate? Who then can suffer injury at our hand?" The Roman official Celsus continually insisted that Christians fulfill their duty to the king. He stated that if everybody followed the ethic of nonresistance, the empire would be ruined. Origen, a learned father of the early church, rebutted the position of Celsus, and said this: "We have come in accordance with the council of Jesus to cut down our arrogant swords of arguments into plowshares, and we convert into sickles the spears we formerly used in fighting, for we no longer take swords against a nation nor do we learn any more to make war, having become sons of peace for the sake of Jesus who is our Lord."

At first the State persecuted the Christians. Then we had that very interesting political happening. Now some historians have wondered about the conversion of Constantine. I am not here to judge any man's conversion, but as a part of the conversion of Constantine he made peace with the Christians and he got them on his side. He offered the church, the primitive church in

the fourth century, a kind of a deal, and we have been suffering from this deal ever since. The clergy were exempt from taxes and any requirements to serve in the military, the church was allowed to set up a separate court system of its own, and the church authorities were given the right to hold property.

Thus, the church and its leaders received these benefits in return for the church's allegiance to the Christianized State of Rome. The church began to be put into the service of the State. From that time on the church began to be used to support the Roman empire, and eventually whole Roman legions were baptized *en masse* and sent into battles for the sake of the Holy Roman Empire. The State used the church to justify its own existence and power. That's the legacy of Constantine.

For fifteen hundred years of history since then it has been very difficult for the church to resist the temptation of baptizing the secular state or using the church and religion to serve the ends of the state. Today we still struggle with this legacy and face this continuing temptation.

Our witness is to the world. We must witness to the values of our culture. "Do not be conformed to this world," Romans tells us; as the Phillips translation puts it so succinctly, "Don't let the world around you squeeze you into its mold, but let God remold your minds from within, so that you may prove in practice that the plan of God for you is good, meets all His demands, and moves toward the goal of true maturity." So today we must examine that it means not to be conformed to twentieth-century culture in America. A church that is the captive of the culture, or a message that merely echoes the values of the society cannot be truly evangelistic or truly biblical. We cannot be the light of the world unless our ultimate obedience is to Jesus Christ rather than to the culture of the world and the State. Too often we have let the values of our society, which dictate so much of our lives, go unquestioned. We hesitate to confront or judge the problems of materialism, militarism, racism, and in so doing we run the danger of equating the American way with the Christian way of life, which is direct disobedience to the command, "Be not conformed to this world."

Lastly, we have the witness of our individual personal lives. We have the corporate witness as the body of believers known as the church. But we must offer the world a vision of its future built upon God's promised kingdom. To do so, we must have the spiritual resources from within our individual personal lives. We cannot give out more than what we possess. And this comes through prayer. It comes through reading and studying the scriptures. It comes through sharing one's faith and love and sharing and demonstrating one's faith by works. By works, the Lord said, the world will know that you are my disciples. By the catechism you recite, by the church you belong to? No. The world will know that you are my disciples by the way that you love one another. We have to have this inner vitality, this dynamic from within that Body of believers—a love for one another that reaches not only to the heart of each other but to the needs of each other. Then out of that, a dynamic Spirit spreads and infects the world, and the community about us.

Today we need that kind of individual, and that kind of church, a confessing church, a body of people who confess Jesus as Lord and are prepared to live by their confession. Individual lives lived under the Lordship of Jesus Christ at this point in our history may well be at odds with values of our society, may be at odds with the abuses of political power and with cultural conformity of our church. We need those who seek to honor the claims of their discipleship. We must continually be transformed

by Jesus Christ. So let us be Christ's messengers of reconciliation and peace, giving our lives over to the power of His love. Then we can soothe the wounds of war and renew the face of the earth and all mankind.

## MONEY MANIPULATION AND THE AMERICAN FINANCIAL PICTURE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 12, 1973

Mr. RARICK. Mr. Speaker, as the American people continue to see the rewards of their labors reduced to less and less buying power—called inflation, it is interesting to read the proposed solution from the experts who created the problem.

In the United States the idea of abolishing all State boundaries and redividing the country into regions for regional bank systems and proposed multinational banking institutions is suggested by some to be the wave of the future. Efficiency and control are highlighted in this proposal but nothing is suggested which might restore the people's confidence in their money.

On the international scene, Pierre-Paul Schweitzer, Managing Director of the International Monetary Fund, the financial hangout of U.N. theorists, is pleading for restoration of the "influence" of the IMF of international money decision-making. The IMF crowd, already responsible for two U.S. dollar devaluations through Mr. Schweitzer is calling for a third devaluation based upon the rationalization that it could improve the U.S. balance of payments.

But again nothing is being said or done to bolster the buying power of the American citizen's dollar. The overwhelming majority of American citizens are not engaged in international commerce and are becoming more and more aware that the rhetoric of balance of payments can never be overcome as long as we continue to give away the wealth and substance of our country to welfare nations around the world. Many Americans are also becoming aware that the devaluation of the dollar "abroad" has also devalued the dollar here at home regardless of what governmental spokesmen, economists, and international idealists theorized.

In a contrary action, the Socialist government of Austria has just revalued its schilling. In other words, the value of the schilling has gone up, based on the same explanation to the Austrian people as was given to the American citizens for the value of the dollar going down. The Austrians are told that their money must be increased in value to prevent job migration from Austria, which has a labor shortage, to West Germany and as a measure to hold domestic inflation. Not only were West German imports becoming more expensive but all of the youthful intelligence and initiative of Austria were being encouraged to work in West Germany for more stable money than they could receive at home.

In the meantime the Rockefeller bank, Chase Manhattan of New York, has an-

nounced the opening of a Peking branch in Red China and to fill the financial and credit void in the United States we have learned that eight of the top foreign banks in our country are Japanese. Apparently as our industrialists and financiers seek to enlarge their international markets, the Japanese continue to find gold in the hills of America. The Japanese have also revalued their currency.

It reminds us that if continued devaluation of the dollar is to be sold to the people as good for our economy and an anti-inflation move why not devalue the dollar to 10 cents? This would have the immediate effect of raising everyone's salary 90 percent and all Americans would be happy with their pockets full of new additional paper money. That is, they would be happy until they found out that all of the prices could be expected to likewise increase on the same multiple.

The question remains: Was the American dollar originally created as a medium of exchange for the American people, or was it intended to be exploited as a tool for money manipulation by international speculators? The American people will have to make the decision.

Related newscippings follow:

[From the Evening Star and Daily News, June 20, 1973]

#### REGIONAL BANKING—WAVE OF FUTURE?

(By Phillip M. Kadis)

Jarvis L. Mandercastle doesn't exist, and Multibankshares is also a fiction. But the rest of the foregoing resembles in its main features a Virginia banking scenario for the 1980s recently outlined by one of the top banking executives in the state.

In a speech before the Virginia Bankers Association last week, Frederick Deane Jr., president of the Bank of Virginia Co., presented his view of the shape the banking future will take.

Among his predictions:

The withering of state boundaries for banking and the emergence of as many as 20 large nationwide banking systems.

Establishment of regional holding companies with affiliates engaging in a wide variety of nonbanking financial services.

Growth of correspondent banking services into money-center banks which will charge fees for services that will be based on computer programs too costly and complex for individual banks and holding companies to develop efficiently.

Opening of an office by a major English, German or Japanese banking conglomerate in the Hampton Roads complex with full-scale banking services.

Deane said he foresaw a regional banking market stretching from Charlotte, N.C., to Baltimore, with heaviest concentration in Virginia and the Washington area suburbs.

"There is good reason to focus on the Maryland-District of Columbia-Virginia trade area when considering the development of regional holding companies," Deane told the 80th annual convention of the association at the Homestead in Hot Springs, Va.

"This is where it is likely to happen first—as a way of resolving the many competitive problems now faced by District banks, and because the holding company movement has achieved a maturity in Virginia, and the Southeast generally, that today is lacking elsewhere, except on the West Coast."

Deane's "bank of tomorrow" and its retail-oriented branches would be linked to a super-computerized electronic funds transfer

system that would usher in the checkless society.

There would be remote, automated banking facilities without tellers in industrial plants, department stores, air and bus terminals, civic centers and similar high-volume areas. Machines at these facilities would be able to cash checks, take deposits, make loans and even provide video financial-counseling services.

Management of these centers, Deane said, may be restructured as an industry-owned utility.

Distinctions between such financial institutions as banks, savings and loans, credit unions and finance companies will begin to blur, Deane predicted, citing conclusions of the Hunt Commission Report on financial institutions.

"The extension of banking powers to thrift institutions is being hurried along by three forces," he said. "First, technology and the designing of an electronic funds transfer system; second, a competitive imbalance primarily stemming from developments in the bank holding company movement; and third, certain basic changes in our market economy and how it operates."

"One change is that thrift no longer is enshrined as a national folkway; people would rather have it—a car, a boat, a TV, whatever—now than save for it, and savings is what the thrift industry is all about."

Accompanying the breakdown in geographical and competitive barriers, Deane said, will be a more "extensive and intrusive" role for government regulatory agencies.

"The trend toward a single federal bank regulatory agency appears inevitable," Deane said. "Probably this superagency will be the Federal Reserve or a reconstituted extension of the system developed along the lines suggested a decade ago by recently retired Governor J. L. Robertson."

The role of state governments will shift from an emphasis on an examining function to issues such as consumer rights or chartering entrants into the marketplace, Deane said.

"Compelling this change primarily is the fact that state boundaries and interstate branching restrictions appear as anachronisms in the world of electronic banking," Deane said.

"One must even ask if there is any meaning to a state or federal charter in the environment we have been discussing. It is difficult to conceive of one, at least in the traditional sense."

The advent of electronic banking will open the institution to that portion of the population—estimated at 25 percent to 30 percent—that now is now outside the banking mainstream, Deane said.

To assist in facilitating the changes that he felt were inevitable, Deane proposed formation of a Virginia Bankers Association "Hunt Commission" with representation from the nonbanking community, as well, to analyze the state's banking and financial structure and propose changes.

[From the Washington Post, July 6, 1973]

#### MORE IMF INFLUENCE IS URGED

(By Hobart Rowen)

Pierre-Paul Schweitzer, managing director of the International Monetary Fund, yesterday called for restoration of the "influence" of the IMF, as part of a "return to an internationally agreed system" on trade and monetary matters.

Schweitzer, due to retire as head of the IMF on Aug. 31, conceded that "recent developments have tended to diminish" the IMF's influence in international money decision-making.

Presumably, he had in mind the floating of the major currencies of the world in direct

violation of IMF rules requiring fixed exchange rate relationships.

Moreover, some governments, notably the United States, are known to advocate a reduced role for the IMF in any reconstructed monetary system.

Schweitzer addressing the U.N. Economic and Social Council in Geneva, acknowledged that it will be difficult to resolve numerous reform issues.

But the "central point I want to stress," Schweitzer declared, "is the importance of the return to an internationally agreed system, and to the observance of international decisions with respect to such matters as exchange rates, the use of trade and exchange controls, and convertibility."

An agreed system, he continued, refers "not only to the regulatory respects of the funds work," but to the fund "as a financial institution."

Schweitzer believes that if a "spirit of collaboration" is to prevail, the fund will have to be strong, rather than weak, to avoid the dominance of a few powerful nations.

"It will be important that the new monetary system should meet the needs of all member countries, large and small, rich and poor," he said. "The code of conduct required of smaller and poorer countries should not be more onerous than that accepted by rich and powerful members. And we must remember that the interest of industrialized nations in an effective functioning of the international monetary system is matched by an equally strong interest among developing countries."

He added that the development of the poorer nations of the world is a subject of transcendental importance, and called in the industrialized countries and the developing nations to tackle the problem together.

On current monetary anxieties, the retiring IMF director said that "it is probably inevitable that markets which have suffered so many crises in recent years should continue to be nervous."

But he predicted that the further depreciation of the dollar would improve the competitive situation of the U.S., leading to a "gradual but sustained improvement in the U.S. balance of payments." This, he said, is an essential prerequisite for reform of the international monetary system.

[From the Washington Post, July 9, 1973]

#### AUSTRIAN REVALUATION CRITICIZED

VIENNA, July 8.—Austria's decision last week to revalue its schilling has angered the nation's business and industrial leaders and brought an end to a post-war tradition of bipartisanship in monetary affairs.

Chancellor Bruno Kreisky's Socialist government raised the value of the schilling 4.8 per cent last Monday, declaring that the move was necessary to protect Austria's trade and labor relations with West Germany after Bonn's decision to revalue the mark by 5.5 per cent.

The revaluation, Austria's second this year was vigorously opposed by business circles and the tourist industry and was condemned by opposition leaders in Parliament as "economically unjustifiable."

Rudolf Sallinger, president of the National Chamber of Commerce, said Austria had "clearly reacted too quickly" and he warned that a major, unhealthy result would be "a further concentration of our foreign trade with West Germany," hampering Austria's efforts to diversify its market.

Even before the latest revaluation, Sallinger said, the combined effect of the weakening of the dollar and Austria's 2.25 per cent revaluation in February had been that "repeatedly, long-standing delivery contracts with the United States have been curtailed."

Financial experts here note that none of



the three situations that generally precede an upward revaluation exist in Austria.

Austria has no surplus of exports for the first five months of this year, imports totalled \$3.2 billion and exports were only \$2.2 billion. There has been no speculative flow of dollars into Austria and the Austrian schilling in relation to the currencies of its chief trading partners, was not considered to be significantly undervalued.

Austrian Finance Minister Hannes Androsch, who had called for a revaluation matching West Germany's, defended the regime's decision as a move to prevent migration of workers from Austria, which has a labor shortage, to West Germany, and as a measure to halt domestic inflation.

Trade Minister Josef Staribacher contended that, "If we had not revalued with Bonn, it would have had the inflationary effect of making all our imports from West Germany more expensive."

About 22 per cent of Austria's trade and 70 per cent of its tourism each year is with West Germany.

Trade with Eastern Europe, a key element of neutral Austria's foreign policy that in recent years has dropped from 15 per cent of the nation's foreign trade to 8 per cent—is expected to be seriously affected by the new revaluation. The United States, whose goods are now comparatively cheaper, is likely to benefit as Eastern Europeans seek new suppliers, in the view of trade experts here.

Although U.S. trade with Austria is slight, American tourism is considerable and accounts for a large portion of Austria's foreign earnings. Since the beginning of the year currency revaluations and the imposition of Austria's new value added tax have combined to raise prices 40 per cent for American travelers, excluding inflation and normal price increases.

Since Austria regained independence in 1955, the Socialist Party and the conservative People's Party had practiced bipartisanship in monetary matters.

The first break in this practice came last January when the Socialists, over the objections of the People's Party, removed Wolfgang Schmitz, a respected international monetary expert, from the presidency of the Austrian central bank and appointed Hans Kloss, a former deputy executive director of the World Bank, who has been more receptive to Socialist party policies.

In February, both major political parties and representatives of trade and labor agreed on the 2.25 per cent revaluation.

[From the Washington Evening Star-Daily News, July 6, 1973]

#### JAPANESE BANKS

SAN FRANCISCO.—Of the top 20 foreign banks in the United States, eight are Japanese banks. The Bank of Tokyo, with \$3.6 billion in assets in its American operations.

[From the Christian Science Monitor, June 1, 1973]

#### JAPAN'S INTEREST GROWS IN INVESTING IN UNITED STATES

(By Elizabeth Pond)

TOKYO.—Japanese investment in the U.S. may be an idea whose time has come. At least this is what the sponsors of Tokyo's first "invest in U.S.A. seminar" hope.

As they packed up their displays Wednesday, to go on to Osaka, representatives of the 36 participating American states and territories told reporters that the seminar results have surpassed their expectations.

Wayne Gentry, executive director of the trade-development division of the Washington State Department of Commerce was

typical in his enthusiasm. "We were not prepared for the response we found here," he commented. "It was far beyond our expectations."

Many Japanese businessmen approached the Washingtonians with specific project ideas for the Pacific Northwest," he said. "Many made future appointments for follow-up discussions when they will be in the U.S. later this year."

Some indicated they had been studying the American market for several years and now are ready to go ahead with investments. All of the Washington State literature was exhausted (including the supplies for Osaka distribution), and more had to be airmailed from Seattle.

The Tokyo seminar was a low-budget (\$75,000) affair sponsored by the U.S. Department of Commerce, the National Association of State Development Agencies, and the U.S. Embassy in Tokyo on the American side, and by the Tokyo Chamber of Commerce and Industry, the influential Federation of Economic Organizations, the Foreign Trade Council, and Japan External Trade Organization on the Japanese side. The strong Japanese support was notable as coming from organizations that have pushed Japan's aggressive export drive in the past.

#### SIMILAR SEMINARS

Similar seminars have been held before in Europe and South America. Essentially the idea is to put states that would like to attract foreign investment in touch with potential investors. In particular, the participating states would like to attract Japanese investment in manufacturing plants that would provide work for American labor.

So far Japanese investment in the U.S. is low—slightly under \$300 million in direct long-term capital investment, or about \$1.8 billion book value, the U.S. Department of Commerce estimates. American organizers of the seminar said they would be happy if they could triple those figures in the next couple of years.

This target may prove low. Japan is just now, with an embarrassment of foreign reserves and with a 33 percent yen revaluation in the past year-and-a-half making foreign investment that much cheaper, beginning to invest abroad in a big way. Total current foreign investment (Japanese figures) is about \$6.2 billion, with \$28 billion projected by 1980.

#### GROWING INTEREST

Moreover, the Japanese just now are becoming interested in manufacturing investment abroad. Heretofore they have concentrated on raw-materials procurement, real estate, and hotel and service industries in their foreign investment. Pollution, a labor shortage, and industrial overcrowding at home now are making it more desirable for Japanese companies to expand production abroad, however. And the frictions of Japan's bilateral payments surplus with the U.S. could be reduced in a major way by major Japanese investment in the U.S.

The degree of Japanese interest in this possibility was shown in the turnout for the Invest in U.S.A. Seminar. Close to 300 companies sent decision-initiating representatives to the sessions.

As sketched by seminar participants, there are a number of advantages to Japanese investors in the U.S. What the Japanese fear might turn out to be America's new protectionism might shut out expanding Japanese exports in the future, but Japanese companies manufacturing in the U.S. would have free access to the U.S. market. They would then be able to respond quickly to changing market preferences in the U.S. too—as in the case of YKK zippers in Macon, Ga.

Furthermore, the wage gap is closing rapidly. Seminar spokesmen described American wages as only double Japanese wages at present, and projected that Japan's huge wage hikes will bring wage equality with the U.S. within 10 years.

#### WOMEN'S INSURANCE BILL OF RIGHTS

#### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 12, 1973

Mr. EILBERG. Mr. Speaker, on Thursday, Pennsylvania Insurance Commissioner Herbert S. Denenberg presented a 10-point "Women's Insurance Bill of Rights" in testimony before the Joint Economic Committee. He urged the committee, which is investigating the economic problems of women, to adopt it as a guide for eliminating problems of sex discrimination in insurance.

The bill of rights grants women the rights, among others, to equal access to all types of insurance, to premiums that fairly reflect risks and not prejudice, and to equal employment opportunities in the insurance industry and its regulatory agencies.

Denenberg told the committee that women faced discrimination by insurance companies in the areas of underwriting, coverage, and rates.

The coverage offered women, Denenberg said, is often inadequate, the premiums charged are often exorbitant, and even with these limitations, women still have problems getting and keeping insurance.

Denenberg told the committee that traditionally sex has been used as a distinguishing factor in insurance because it is a convenient, simple, and efficient way to divide people into categories.

Denenberg then suggested that insurance companies begin exploring alternative ways of dividing and classifying policyholders.

Denenberg said that changes in the economic, social, and legal status of women, have made the once homogeneous classification of women less meaningful. It is clearly time to reevaluate the use of sex classifications by the insurance industry.

Denenberg's testimony presented, in addition to the bill of rights, the following specific proposals:

That disability income insurance be made available to homemakers as well as more conventional income producers;

That insurance regulators review underwriting manuals, promotional materials, and agents' training guides for possible sexist content;

That companies revise their total exclusion of disability benefits for wage loss due to pregnancy;

That all women's health insurance include maternity coverage;

That maternity benefits in health insurance policies be increased;

That women be granted greater representation on the boards of directors of insurance companies; and

That insurance companies consider adopting unisex rating—charging men and women equal insurance rates despite somewhat different loss experiences.

In his testimony, Denenberg emphasized the seriousness of the problems, explaining that the denial of equal access to insurance, at fair rates, affects the economic status of all women. Other economic disadvantages of insurance, Denenberg continued, can be magnified by discriminatory, inadequate, or prohibitively costly insurance. Alternatively, insurance protection that serve women's needs can alleviate many economic burdens.

The full women's insurance bill of rights presented by Commissioner Denenberg includes the following rights:

First. The right to equal access to all types of insurance;

Second. The right to premiums that fairly reflect risks and not prejudice;

Third. The right to protection against arbitrary classification based on sex, and against sex classification when other bases which might be appropriate have not been utilized or even explored;

Fourth. The right to equal employment opportunities in the insurance industry and its regulatory agencies, and to a fair share of scholarships and financial assistance for the study of insurance;

Fifth. The right to nonsexist and nonjudgmental treatment by agents, brokers, claims representatives and all others who deal directly with policyholders;

Sixth. The right to representation on the decisionmaking bodies of commercial insurance companies, Blue Cross plans and other nonprofit insurers;

Seventh. The right to buy insurance or qualify for coverage regardless of marital status;

Eighth. The right to adequate health insurance coverage for all needs, including comprehensive maternity benefits for all conditions of pregnancy regardless of age or marital status;

Ninth. The right to disability insurance which fairly measures the economic value of child care and homemaking; and

Tenth. The right to privacy in the claims process.

HON. JAMES SMITH: A GOOD MAN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 11, 1973

Mr. PICKLE. Mr. Speaker, I speak for myself and for hundreds of people in the 10th District of Texas in expressing deep sadness at the passing of our former colleague, the Honorable James V. Smith of Oklahoma.

I came to know Jim Smith when he represented the Sixth District of Oklahoma in the 90th Congress. He was a capable and effective Representative.

Four years ago, he became one of the most capable Administrators of the Farmers Home Administration in that agency's history, and it was in that capacity that he won the trust and gratitude of not only my constituents, but of people across the Nation who came to the FHA for assistance.

Under his leadership, the FHA undertook a massive sewage and water supply program to upgrade the living standard of this Nation's rural population. I well recall Jim's visit to Bastrop, Tex., for the opening of the Aqua Water Corp., which has grown to supply fresh running water to more than 1,600 people in five Texas counties.

I had the opportunity to work with Jim Smith on this and several other projects, and after each meeting with him, I was impressed with both his professional capability and his deep sense of sincerity and duty. He was the quintessential public servant. His job was more than a job; it was a chance for Jim to tangibly express his regard for his fellow man.

Jim Smith was a good man. He was considerate, kind, and helpful. He was one of those men we have to classify as a sweet person. He was indeed a conscientious public servant and a dear personal friend.

When he relinquished his position at FHA last January, many Members of Congress rose to pay tribute to his admirable record. In all his years of public service, his achievements were many and his record flawless.

And now we rise again to pay tribute to Jim Smith. His presence will be missed, but his contributions to rural America will live on, as will his memory in the minds of those he served.

TRIBUTE TO JIM SMITH

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 11, 1973

Mr. MATHIS of Georgia. Mr. Speaker, I rise to join with my friend, the distinguished gentleman from Oklahoma (Mr. CAMP) in paying tribute to the late Hon. Jim Smith. It was not my good fortune to be able to serve with Jim during his tenure in the Congress, but I did have the opportunity to meet him shortly after my arrival here when Jim was serving as Administrator of the Farmers Home Administration. I always found Jim and his staff ready and willing to try and help with problems that might arise in my district involving FHA. He understood, I am sure, the frustrations of a freshman Member of this House and was willing to go the extra mile to help find a solution to a problem.

Jim was always interested in rural America, and when the National Future Farmers of America adopted a project initiated by the Berrien High FFA of Nashville, Ga., called Build Our American Communities, Jim Smith was interested. The project, which stresses self-help for local communities all across the Nation, caught Jim Smith's eye because he was a firm believer in rural America and in the ability of America's citizens to solve their own problems. When a special day was set aside in Nashville, Ga., to honor the project and the Berrien FFA for its part in founding and developing the program Jim Smith came to Nashville to participate. Jim joined the Honorable HERMAN TALMADGE and me in addressing the convocation, and he delivered one of the most moving speeches I have heard, discussing in down-to-earth terms the problems and the potentials for rural America.

Mr. Speaker, I related this incident here to simply demonstrate Jim Smith's deep commitment to his job, to the revitalization of rural America, and to this great Nation.

Jim Smith's life was tragically short, but this Nation is better off because he came our way. His footprints are, and will be, visible in the sands of time.

Mrs. Mathis joins me in extending our heartfelt sympathy to the Smith family.

## SENATE—Saturday, July 14, 1973

The Senate met at 10 a.m. and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

### PRAYER

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

Almighty God, Lord of each day and of all the years, grant that the measures taken in this place may serve the highest purposes of the Nation. May the strenuous exertions of the few minister to the needs of the many. Give us a part

in the cleansing of the Nation and in renewing the moral foundations of our common life. When this day is done send us to worship and rest on the Lord's day with expectant spirits and peaceful hearts.

And to Thee shall be all praise and thanksgiving. Amen.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the

Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., July 14, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,  
President pro tempore.