other values which could be affected by an accelerated level of timber sales.

ENERGY AND MINERAL DEMANDS

In order to help meet present and future energy and mineral demands on National Forest lands, we have initiated Project SEAM (Surface Environment and Mining). It is an on-the-ground, problem-solving research development and applications program geared primarily to deal with problems of surface mine reclamation where coal and other minerals are to be developed.

It will consider surface mine problems throughout the West, with the emphasis on "how" to develop for minerals while protecting the other natural resources involved. Preliminary studies have already begun in New Mexico, Idaho and on the Nevada-California border.

IMPROVED RANGE

Just yesterday, the Forest Service published a comprehensive scientific survey of the nation's range resources. Forest and range grazing lands on 1.2 billion acres were inventoried in the lower 48 States. Assessments were made of probable demands through the rest of the century. From this assembled information a spectrum of alternatives were produced to guide us and other grazing land managers to most efficiently meet those demands.

MORE WILDERNESS

That the public demand for wilderness would require additional actions from us was apparent as early as 1967. Though National Forest System lands already encompassed virtually all the designated wilderness, it was only a beginning.

Since then, we have conducted an inventory of all National Forest roadless areas that are generally 5,000 acres or more. We sought out the opinions of people on the merits of these areas for further study of their suitability for inclusion in the Wilderness System. From over 1,400 roadless areas, 235 were tentatively identified as warranting further study. We hope soon to complete analysis of public comments on the draft Environmental Statement and make a selection of areas most suitable for study as future wilderness.

The bulk of the inventoried areas is in the West.

In the East, the demands—and needs—for wilderness have become just as obvious. Even though the East and South is heavily developed and the wilderness opportunities are sparse, an Amendment to the Wilderness Act with specific criteria for the area East of the Mississippi could be established. Congress is presently considering an Administration Bill, along with several others. With public involvement again as an assist, we feel there are more than 50 areas in National Forests which deserve study for wilderness designation.

I hope these examples illustrate both the size of demands and the variety of actions the Forest Service must take to keep pace with evolving needs and concerns.

We are jealous of our part of the responsibility in maintaining environmental quality and we are proud of the steps we have taken in meeting them.

But unlike Ptolemy, we know our lands are not the center of the environmental universe.

And it's this point I want to stress, in conclusion.

Other federal lands and agencies have their unique contributions. State and county agencies and lands are vital parts of the picture. And, of course, the private landowner must be brought more fully into the national effort to maintain, yes, even improve the environment.

Both our private and public forest lands have their roles, if we are to achieve the national objectives for quality environment and for production of food and fiber. These lands, no matter what the ownership, must be parts of a coordinated context which will assure that the future is as bright for the next generations as it has been for us.

TRADE FOR FREEDOM?

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1973

Mr. SMITH of New York. Mr. Speaker, each year I receive many letters from constituents whose ethnic roots are in countries now behind the Iron Curtain.

Their pleas are the same: Please speak out for the freedom of our brothers and sisters under Communist rule; do not let them be forgotten.

Recently I received a letter from Vaclav Dufek, chairman of the Niagara-Buffalo, N.Y., chapter of the Czechosolvak National Council of America.

Mr. Dufek pointed out that August 21 was the fifth anniversary of the "shameful invasion of Czechoslovakia by Russian armies and its occupation since."

Newsweek magazine reports that the Russians still have 80,000 troops in Czechoslovakia and that Soviet-backed Communist Party Chief Gustav Husak has achieved "normalization" with a combination of Russian financed consumer imports and a purge eliminating "liberal-mined Czechoslovaks from the government, the party, the economy, the schools and even the arts."

We have the ability to do something for these people, Mr. Dufek states:

Now when Soviets need our grain and want access to the financial credits and technology of America is the time to gain some concessions for the captive people living behind the Iron Curtain.

SENATE—*Thursday, September 6, 1973*

The Senate met at 10:30 a.m. and was called to order by Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia.

PRAYER

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

Eternal Father, in whom we live and by whom the humble are guided in judgment, come to us as we come to Thee. Grant us grace and wisdom sufficient for our tasks. Help us to attack the old problems with fresh vigor, to approach the new problems with utmost dedication, and at all times to labor with abiding faith in Thee. In all our ways make us worthy of the high calling to be servants of the common good.

We pray in His name who came not to be ministered unto but to minister and give His life for others. 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., September 6, 1973.

To the Senate:

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

JAMES O. EASTLAND,
President pro tempore.

Mr. HARRY F. BYRD, JR., thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, September 5, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

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

The PRESIDING OFFICER (Mr. ROBERT C. BYRD). Without objection, it is so ordered.

WILLIAM P. ROGERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Rochester, N.Y., Times-Union, written by Paul Miller and Calvin Mayne, entitled "The Nation Owes William P. Rogers an Enormous Debt of Gratitude."

Before the Chair rules, may I say, quoting from what the President has said about Secretary Rogers, the following:

Throughout, your service has been completely dedicated and completely selfless. The Nation owes you an enormous debt of gratitude.

It surely does.

Mr. HARRY F. BYRD, JR. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I came to the Senate this morning prepared to place in the RECORD the editorial captioned "The Nation Owes William P. Rogers an Enormous Debt of Gratitude," which was published in the Rochester, N.Y., Times-Union. I shall not

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place that editorial in the RECORD, because the Senator from Virginia was beaten to the punch, so to speak, by the distinguished majority leader, the senior Senator from Montana (Mr. MANSFIELD), who already has asked unanimous consent that the editorial be placed in the RECORD.

I feel that the editorial is a fair and appropriate appraisal of the work of Secretary Rogers who, in my judgment, served his Nation and his President unselfishly and ably in the very high post to which he was appointed 4½ years ago, and which he left just this past week.

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

Mr. HARRY F. BYRD, JR. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that both the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the Senator from Montana be given permission jointly to place the editorial in the RECORD.

Mr. HARRY F. BYRD, JR. I am grateful to the distinguished Senator from Montana.

Mr. President, one of the authors of the editorial is a very close and dear friend of mine—Paul Miller, who is chairman of the board of directors of the Gannett Newspapers. I feel that Mr. Miller and his chief editorial writer, Calvin Mayne, have, in their editorial, caught the full flavor of Secretary Rogers' service to his Nation.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

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

THE NATION OWES WILLIAM P. ROGERS AN ENORMOUS DEBT OF GRATITUDE

(By Paul Miller and Calvin Mayne)

William Pierce Rogers is leaving the Department of State amid praise for his achievements there and unspattered by any taint of Watergate.

Secretary Rogers is one of President Nixon's oldest and closest friends, and the last of Mr. Nixon's original cabinet appointees to depart.

But neither Rogers nor, so far as is known, anyone else at State ever was even mentioned critically in connection with Watergate matters—including those said to concern national security, which has been part of Rogers' bailiwick.

At a press conference, Rogers spoke out against abuses uncovered by Watergate investigators. He specifically criticized "extralegal" actions authorized by White House aides involving Dr. Daniel Ellsberg and others.

COUNSEL IN CRISES

At one time, the President reportedly considered asking Rogers to clean up the administrative mess at the White House left by Watergate-connected resignations.

Many regret that he didn't. The appointment would have been a natural. Rogers is not only a trusted and loyal Nixon confidant. The President has also relied on his counsel during previous crises.

One came when Mr. Nixon, running for vice president on the Eisenhower ticket, disposed of charges of fund-raising improprieties.

Another was in 1955, when President Eisenhower suffered his first heart attack. Mr. Nixon secluded himself in the home of Rogers, then deputy attorney general, to make many quick, delicate decisions.

At State, Rogers has yielded headlines to President Nixon and Henry A. Kissinger, the President's chief foreign policy adviser who will keep that job while succeeding Rogers as Secretary of State.

Nobody should have been surprised. Every president since Franklin Roosevelt has been "his own secretary of state," with the exception of Dwight Eisenhower who often deferred to Secretary John Foster Dulles.

As the one man in America who can pull the nuclear trigger, a president must make the crucial foreign policy decisions.

And Dr. Kissinger, the skilled and witty negotiator, was the ideal man to turn the Paris stalemate into an agreement that ended U.S. involvement in the Vietnam fighting and brought American prisoners home.

Kissinger was also well suited to pave the way for the unprecedented and highly successful presidential visits to the People's Republic of China and to Moscow.

BEHIND THE SCENES

Meantime, somebody had to direct the 17,000 State Department employes at home or in 108 U.S. missions abroad. Somebody had to cope with hundreds of other foreign policy problems while the President and Kissinger concentrated on Vietnam and the Communist superpowers. Somebody had to smooth over administration relations with congressmen and foreign diplomats when they were ruffled by White House policies or neglect.

For the past 4½ years, that "somebody" has been Bill Rogers—always genial, urbane, handsome, diplomatic and informed.

Rogers may have been privately miffed by cocktail party talk in Washington or snide press comments that his role had been downgraded, even though he had only to pick up a phone to talk frankly with old friend Dick Nixon.

But typically, Rogers never publicly betrayed irritation over upstaging by Kissinger or other differences, if any, with the White House. He simply went about his business at State. And important business it was.

On missions all over the world, the secretary flew 700,000 miles and visited 72 countries during his term.

Rogers directed U.S. negotiators who helped establish and maintain the shaky but still intact ceasefire in the explosive Middle East. He improved touchy trade and other relations with allies from Japan to Germany. He laid the groundwork for President Nixon's expected concentration (if he can shake Watergate) on European problems and disarmament negotiations.

Rogers was active both behind the scenes and up front in concluding the Vietnam peace treaty.

And just last May, his tour of Latin America brought praise for his diplomacy and understanding of nagging problems from some spokesmen south of the border who have rarely had a kind word for the "Yankee colossus."

HIGHEST PRAISE

More compliments came from another unexpected source—Senate Majority Leader Mike Mansfield. Often a critic of administration foreign policy, Mansfield nonetheless said in Washington that Rogers has been "the best secretary of state this country has had in my 36 years here."

Though he never mentioned it in public until this week, Rogers wanted to resign at the end of Mr. Nixon's first term. Again typically, he delayed his departure simply because the President needed him to wind up some tough negotiations.

Now Rogers is returning to a highly successful law practice (he was educated for it at Cornell University Law School) that has frequently been interrupted by calls to national public service. He does so with this tribute, far exceeding conventional compliments as such times, from a President who must be genuinely sorry to see him leave:

"As Secretary of State, you have represented this country abroad with great skill. You have played an historic role in the formulation and execution of those policies which I believe, and I know you believe, can at long last produce a structure of peace in the world that will endure long into the future.

"Not only in foreign policy, but also in the wide range of other issues on which I have sought your advice, it has always been given with candor and courage and with exceptional insight.

"Throughout, your service has been completely dedicated and completely selfless. The nation owes you an enormous debt of gratitude."

It surely does.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if the distinguished acting minority leader does not desire to be recognized at this time, I would like to be recognized under the order granted on yesterday.

The ACTING PRESIDENT pro tempore. Under the previous order, the senior Senator from Montana (Mr. MANSFIELD) is recognized for not to exceed 15 minutes.

PERFORMANCE OF THE 93D CONGRESS

Mr. MANSFIELD. Mr. President, the President of the United States held his second press conference in 2 weeks on yesterday. At that press conference he answered a wide range of questions and I thought conducted himself quite well. At the beginning of the conference he heaped words of praise on a suggestion made by House Majority Leader "TIP" O'NEILL of Massachusetts, who had said, in effect, that there ought to be some way that differences between the Congress and the White House could be negotiated, could be conciliated, could be compromised, in such a way that good, reasonable legislation would be forthcoming.

Then, a sentence or two later, he had a few remarks to make about the Congress and the "disappointing record" that Congress had made up to this time. He said yesterday, of course, that in the fourth quarter the Congress really got "on the ball," and produced some results, and he expected that that would be done this year as well.

He also indicated he would send to the Congress a second state of the Union message on Monday next, at which time he would call our attention to certain areas which he felt had not been attended to.

I think the President should be aware of the fact that the distinguished minority leader, Mr. SCOTT of Pennsylvania, speaking in late July, indicated that there were 35 administration proposals which the executive branch hoped the Congress would face up to.

If my colleagues will look at the final statement of the majority leader on August 3, 1973, just before the August recess, they will note that of those 35 proposals

up to that time, 42 percent had been passed by the Congress.

Well, the President on yesterday chose to pass judgment on the 93d Congress. He described its work as "a very disappointing performance." The joint leadership notes that the Congress does not "perform" at the behest of this President or any President. The Congress acts in accord with its independent judgment of what is best for the Nation and the people.

There are no apologies to make for this Congress. It has done, it is doing, and it will continue to do the people's business.

A vigorous Congress has already addressed itself to a wide range of legislative activity and has a full schedule in the weeks ahead.

We are looking ahead to action on such important legislation as pension reform, manpower, including a public employment program to relieve areas of high unemployment—elementary and secondary education, health maintenance organizations, campaign reform and other equally important measures.

A real spirit of cooperation will give us the Republican votes essential to put these programs into law.

And a real spirit of cooperation has been forthcoming from the Republicans in this Chamber.

Both Houses of Congress have demonstrated their commitment to fiscal responsibility by passing 1974 spending ceilings that are below the President's requests.

May I say in passing that over the past 4 years the Democrat-controlled Congress has reduced the President's budget requests by $22.3 billion, but in those 4 years this administration has increased the indebtedness of this Nation by $104.2 billion. The facts will have to speak for themselves. Rhetoric will not gloss them over.

So far as appropriations are concerned, the final figures cannot be determined until all the bills are passed. The remaining bills, including the big defense and foreign aid bills, are still in the legislative mill.

The Congress intends to carry out its commitment to fiscal responsibility in the development of these bills; if the President has suggestions for ways to cut these more costly appropriations measures, we would be glad to hear them.

The 93d Congress has already enacted 106 public laws for this year. Included is an act giving the President full authority for wage-price controls and other economic stabilization measures to combat inflation. Other important new laws passed by this Congress are an increase in social security benefits, an expansion of services for the elderly, an extension of 12 health-care programs the administration wanted to terminate, a 4-year farm bill, a pace-setting highway bill which for the first time makes trust funds available for urban mass transit and an extension of the law enforcement assistance programs.

Congress has also passed a far-reaching minimum wage bill which would grant coverage to 7 million additional workers and which would bring farmworkers up to their industrial counterparts and the Emergency Medical Service System Act.

In the final stages of the legislative process are important bills to set a fiscal 1974 spending ceiling and to restrict the President's practice of impounding appropriated funds, to limit the President's warmaking powers and to authorize the trans-Alaska oil pipeline.

The Congress is working hard. We want to get the job done. But we cannot do it alone. We welcome help from any source, including specifically the White House. As the elected representatives of the people, we will continue to pursue the legislative needs of the people and the Nation.

THE COST OF OUR NATO COMMITMENT

Mr. HARRY F. BYRD, JR. Mr. President, the issue of how many troops the Nation should maintain in foreign countries has received great attention during this Congress and will be the subject of more and more debate. It is important, as this debate progresses, that accurate figures be made available as to what it costs to maintain our troops overseas.

The cost figures are especially important since we face a very serious financial crisis with spiraling inflation at home and the devaluation of the dollar abroad.

By far, the largest concentration of U.S. personnel abroad is in Europe, where we maintain 300,000 military personnel as a result of our NATO commitments, an additional 250,000 dependents, and 14,000 civilian employees.

One aspect of the total cost of maintaining this force as part of our NATO commitments is the negative effect on the U.S. balance of payments.

I have attempted since early this year to ascertain what the balance of payments deficit has been as a result of our NATO commitments.

During Armed Services Committee hearings on March 28, 1973—this past March—I posed this question to then Secretary of Defense Elliot Richardson. The Secretary's response was that, including certain offsets, the cost to our balance of payments was only $200 million per year to maintain these troops.

On June 7 of this year, Secretary of Defense-designate James R. Schlesinger indicated that the balance-of-payments deficit from our NATO commitments was $1.5 billion annually.

At my request, the General Accounting Office has completed an analysis of the balance-of-payments deficit that can be attributed to our participation in NATO.

The results of this analysis shows a figure of $1.7 billion for calendar year 1972.

It is not my purpose to question our international commitments. A strong NATO alliance is important to the security of both Western Europe and the United States. But it is important also that as Congress debates the extent of our commitments abroad that accurate figures be made available as to the exact cost of these commitments.

I ask unanimous consent that there be printed at this point in the RECORD the GAO analysis dated August 8, 1973.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., August 8, 1973.

The Honorable HARRY F. BYRD, Jr.,
U.S. Senate.

DEAR SENATOR BYRD: In your letter of March 30, 1973, you requested our comments as to the accuracy of the $4.1 billion balance of payments offset figure stated in testimony by the Secretary of Defense. The figure was related to U.S. participation in the North Atlantic Treaty Organization (NATO) for fiscal years 1972 and 1973.

The Department of Defense (DOD) has apparently changed its position regarding the offset figure as you pointed out on the floor of the Senate (Congressional Record—June 8, 1973). This change reflects the annual adverse balance of payments cost in NATO as $1.5 billion, as compared with the $200 million annual deficit previously cited. Irrespective of the position change, your office advised us on June 27, 1973, that an analysis is still desired from the General Accounting Office as to the accuracy of the $4.1 billion.

The $1.5 billion figure is more in line with a $1.7 billion one which we computed from Department of Commerce data (enclosure) for calendar year 1972, and is in general agreement with testimony by a Department of State official at appropriation hearings before the Senate Committee on Foreign Relations in April 1973.

On April 17, 1973, we provided to you the composite elements of the earlier $4.1 billion figure taken from DOD data sheets. The net U.S. adverse balance of payments impact relating to U.S. participation in NATO as computed by DOD for fiscal years 1972 and 1973 was as follows:

	Billions
Gross DOD expenditures in NATO	$4.5
Total DOD offset	4.1
Net adverse balance	0.4

The $4.1 billion figure is not, in our opinion, an accurate measure of offsets to DOD balance of payments expenditures in NATO. While some of the elements in this offset figure are accurate, in our opinion other elements lack relationship as defense offsets and are not accurate in the dollar amounts stated.

Balance of payments concepts include a substantial variety of economic theories related to total international transactions. Contrasted with the 2-year $400 million net DOD deficit presented by the Secretary of Defense, we have recently updated an analysis which indicated a $1.7 billion foreign exchange cost for calendar year 1972 alone.

We are enclosing this analysis for your use. It does not include some of the offsets used by DOD; however, it is a conventional measurement of net deficits recognized by the Department of Commerce.

GROSS DOD EXPENDITURES IN NATO—$4.5 BILLION

DOD data indicate that gross U.S. military expenditures in NATO for fiscal years 1972 and 1973 were $4.5 billion. These expenditures consist generally of:

Expenditures for U.S. military and civilian personnel and their dependents;

Expenditures for foreign goods and services by nonappropriated fund activities;

Direct and contract hire of foreign nationals;

Procurement including major equipment, construction, petroleum and oil and lubricants, materials and supplies;

Services; and

Other payments.

DOD computations did not take into consideration:

Accounts into which deposits are made in the United States but from which checks are drawn by European banks;

Cashed savings bonds;

Money which is spent by forces from funds sent by parents for special trips or purchases; and

Savings accounts which may be expended by personnel apart from pay received.

DOD OFFSET ITEMS

As indicated in your letter, DOD has stated that the above expenditures are offset by $4.1 billion, computed by DOD as follows:

DOD computed offsets fiscal years 1972 and 1973

	Billions
Cash receipts from NATO military purchases in the United States	$1.5
Cash receipts from NATO commercial military purchases in the United States	.5
Increased U.S. exports from U.S. expenditures in Europe	.9
Purchase of U.S. securities by Germany	.7
Barter exports offsetting U.S. defense expenditures overseas	.5
Total DOD computed offsets	4.1

Described below is our analysis of each element in the DOD computation.

Cash receipts from NATO military purchases in the United States—$1.5 billion

The DOD explanation of the $1.5 billion figure attributes $900 million to German military purchases and $600 million to the remaining NATO allies.

The $600 million figure from other NATO allies is based on actual receipts of about $300 million from these nations during fiscal year 1972 plus an assumed like amount during fiscal year 1973. We examined DOD figures for cash receipts from the other NATO countries during fiscal year 1972 which indicate the $300 million amount is correct.

We have no basis for commenting upon DOD's assumption that such receipts for fiscal year 1973 will be a like amount, but believe it to be a fair projection.

DOD officials indicated, however, that the $900 million German portion is not derived from actual cash receipts in accordance with their standard footnote on receipts.

We believe the $900 million in DOD cash receipts from Germany during fiscal years 1972 and 1973 is misleading because the DOD explanation for this figure does not point out that, under the terms of the offset agreement, over one-half (about $512 million) of the German purchases will be financed from funds on deposit with the U.S. Treasury prior to fiscal year 1972. Since the German funds on deposit are a result of military prepayments made prior to the agreement period, we do not believe that the portion on deposit should be considered as an applicable offset for fiscal years 1972 and 1973.

Cash receipts from NATO military purchases in the United States (direct commercial)—$.5 billion

DOD estimates that receipts through commercial sales channels during fiscal years 1972 and 1973 will be $300 million from Germany and $200 million from other NATO countries. Our examination of DOD and Bureau of Census figures detailing such purchases during part of the period in question and before indicates that the estimates are not inflated and, in our opinion, may be somewhat conservative.

DOD instructions direct that the commercial sale of military equipment will be reported as DOD balance of payments transactions if "DOD has exercised a 'demonstrable influence' which has presumably resulted in increasing commercial exports of military materiel." It is questionable, however, that all such DOD-influenced commercial purchases of military materiel are even an indirect result of our defense expenditures in those countries. We believe that a substantial amount of these commercial sales would be made no matter what the level of DOD expenditures. For example, France has continued to make commercial military purchases without substantial U.S. defense expenditures there.

Increased U.S. exports from DOD expenditures in Europe—$.9 billion

DOD also states that 20 percent of the $4.5 billion of U.S. defense expenditures are assumed to return to the United States through exports to Germany and other NATO countries. They state that since about 1968 under offset agreements, Germany generally has been given credit for a 20 percent feedback effect. There is no reference to such a feedback effect in the agreements themselves, and DOD was unable to provide us with documentation of the figure in offset negotiations. The only justification furnished was a 1965 study based on data prior to 1963 which estimated the effect of U.S. defense spending in Western Europe on those nations' imports from the United States.

One example of the study's findings was that a reduction of $10 million in DOD spending in Germany would result in a $1.95 million reduction in German imports from the United States. From this, DOD indicated that 20 percent of U.S. defense expenditures in Germany are returned by exports to Germany in addition to military sales levels specified in offset agreements. This 20 percent feedback is extended to the rest of Western Europe under the same assumptions.

Although it is difficult to assess the actual return from U.S. defense expenditures in terms of feedback to the economy, we have been advised by an expert in the field of balance of payments that in both 1971 and 1972 Germany imported less than 2 percent of its gross national product from the United States. We were not able to find any basis for the assumption that income derived from one source (i.e., U.S. defense expenditures, which constitute a portion of the German gross national product) should return more to our economy in terms of goods exported than any other source.

A recognized authority on international economics, while testifying before Congress on this issue, expressed the opinion that while U.S. defense expenditures do create an impact and a consequent significant feedback effect on underdeveloped areas, the same does not hold true for developed areas. Also it is interesting to note that while both Germany's gross national product and U.S. defense expenditures increased from 1971 to 1972, U.S. exports to Germany decreased.

There may be other factors which could account for the aforementioned decline in U.S. exports to Germany, but it apepars that if the 20 percent feedback effect were accurate, it would have had some increasing effect on U.S. exports to Germany.

Purchase of U.S. securities by Germany—$0.7 billion

Under the terms of the current offset agreement between the United States and Germany, the German Central Bank is to purchase approximately $625 million of 4½ year, 2½ percent U.S. Treasury securities during fiscal years 1972 and 1973. In addition, about $35 million is to be paid to the United States by Germany in settlement of the U.S. interest obligation on the securities. These amounts were rounded by DOD to $700 million and were considered as additional offsets to the balance of payments deficit.

Information provided by the Department of Commerce shows that during fiscal years 1972 and 1973, the German Central Bank has purchased about $647 million worth of Treasury sceurities under the current offset agreement. During this same period, Germany has redeemed approximately $635 million worth of securities purchased under the 1968 and 1969 agreements. While DOD includes the purchase by Germany of such securities on the offset side of its balance of payments, it does not include the redemption on the expenditure side.

The interest payment figure would not have a balance of payments impact because, under the agreement terms, this amount may be paid from funds already on account, as in the case of some German military procurement.

Therefore, we believe the inclusion of purchased securties as an offset to expenditures is misleading. The receipts from the purchased securities are largely canceled by the payments the United States has been making to Germany during the same period for redemption of matured securities purchased under previous agreements.

Barter exports offsetting U.S. defense expenditures overseas—$0.5 billion

DOD further states that barter exports offsetting U.S. defense expenditures overseas totalled $500 million and that DOD receipts associated with barter exports for NATO Europe are about $250 million each year. This amount is considerably understated. For fiscal year 1972 the amount actually totalled $462 million, and for fiscal year 1973 as of April 1973, the amount was about $383 million. The fiscal year 1973 figure, if projected in light of the total world barter export increase, could well exceed the 1972 figure. If these amounts were used in the offsets, the DOD analysis would show a break-even or possibly favorable balance of payments situation as a result of our troop commitment to Europe.

We would also like to call to your attention that the term "barter" is a misnomer for the program, and that it is currently being carried out differently than the original program. The name preferred by Department of Agriculture officials for the program as it currently exists is "the destination export subsidy and credit program." The barter program was initiated at a time when the U.S. Government was procuring strategic materials for stockpiling for which it traded surplus commodities; this type of activity ceased about 10 years ago. Currently the United States does not have surplus commodities for disposal.

The main function of barter is not to offset defense expenditures but rather to encourage the export of more commodities. Also, Agriculture officials recognize that barter, as it now exists, is not what creates or holds back exports of commodities but rather it is the competitive pricing on the world market.

Although we agree that the barter export program had a positive effect on the U.S. balance of payments deficit, we do not see any direct relationship between barter and DOD expenditures to allow DOD to take credit for the offsets.

In addition, we were informed by Agriculture officials that the barter program has been temporarily suspended due to a strong demand for U.S. agricultural commodities which makes unnecessary the export incentives provided by the program.

CONCLUSION

We recognize that in balance of payments transactions some of the above DOD offsets could apply directly to the expenditures in NATO, and reduce the deficit from U.S. military spending. Based upon our analysis and the changed DOD position, we do not believe that the earlier $4.1 billion figure stated by the Secretary of Defense is accurate.

In our discussion with DOD representatives we requested further support for these elements. DOD has not, however, provided additional data to support the validity of its offsets.

Considering these factors, we believe that the figures in the enclosed table are more representative of the true deficit relating to DOD expenditures in Europe.

We have not submitted this report to DOD for formal comment; however, we have discussed our views and conclusions regarding the offset figures with DOD officials.

We plan to make no further distribution of this report unless copies are specifically requested and then we shall make distribution only after your agreement has been obtained or public announcement has been made by you concerning the contents of the report.

We hope this information will be helpful to you. Please let us know if we may be of any further assistance.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

FOREIGN EXCHANGE OUTLAYS ASSOCIATED WITH U.S. FORCES IN EUROPE—CALENDAR YEARS 1970-71-72

[Millions of dollars]

	U.S. foreign exchange expenditure associated with U.S. forces stationed in Europe			Foreign purchases of U.S. military equipment (deliveries)			Net U.S. foreign exchange costs		
	1970	1971	1972	1970	1971	1972	1970	1971	1972
Germany	1,063.5	1,237.1	1,330.0	193.9	594.1	212.1	869.6	643.0	1,117.9
United Kingdom	225.5	251.3	328.7	175.0	104.5	55.4	50.5	146.8	273.3
Italy	97.0	107.3	125.5	48.5	60.5	35.7	48.5	46.8	39.8
Netherlands	40.4	50.1	51.7	9.7	11.6	15.5	30.7	39.5	36.2
Denmark	28.7	32.3	30.2	8.6	10.3	11.4	20.1	22.0	18.8
Belgium	34.1	36.1	43.7	9.8	12.1	7.3	24.3	23.9	36.4
Norway	5.9	7.4	7.8	28.7	13.7	15.3	[1] (22.8)	(6.3)	(7.5)
Other NATO [2]	69.6	65.9	63.9	26.7	35.7 [4]	28.3	42.9	30.2	35.6
Other W. Europe [3]	87.6	103.9	113.2	61.9	64.7	64.3	25.7	39.2	48.9
Unallocated [4]	40.7	62.1	67.1	33.4	31.4	14.6	7.3	30.7	52.5
Total	1,693.0	1,953.4	2,161.8	596.2	938.6	459.9	1,096.8	1,014.8	1,701.9

[1] Purchases of military equipment exceeds U S expenditures in Norway
[2] The low-income countries: Greece, Turkey, and Portugal (Azores)
[3] France, Switzerland, Spain, Austria, Yugoslavia, and Sweden
[4] Includes U S share of NATO infrastructure expenditures, offset by NATO purchases

Source: Department of Commerce, Bureau of Economic Analysis This information made available to Commerce by DOD under instruction 7060.2 (figures were rounded)

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to the time of the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 5 minutes.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER FOR ADJOURNMENT UNTIL TOMORROW, AND UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

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

Mr. ROBERT C. BYRD. I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until the hour of 11 o'clock a.m., on Monday next.

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

(Later in the day this order was modified to provide for the Senate to convene at 12 noon on Monday.)

TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the 2 leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

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

ORDER FOR CONSIDERATION OF THE HUD APPROPRIATIONS CONFERENCE REPORT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately after the period for the transaction of routine morning business, the Senate proceed to the consideration of the HUD appropriations conference report.

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

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AGRICULTURE AND ENERGY

Mr. BARTLETT. Mr. President, today we in the United States are in the center of the world economy. It is a new ball game and we are going to have to learn how to play the game and play it well.

Until recent years in the energy industry and recent months in agriculture, we have had surplus and higher domestic prices than foreign prices, and because of these economic conditions, we have had acreage set-asides, price supports, tariffs, mandatory import quotas, and other programs.

But, today, in both agriculture and energy, we have shortages. In addition, though our prices have increased, our prices are definitely and considerably lower than foreign prices.

Our price structure is no longer a matter of merely domestic supply and demand, but is influenced by the greatly increased demand of several affluent nations. In addition, the devaluation of our currency has increased further the foreign demand for our agriculture products.

Our economic progress in increased number of jobs, a higher standard of living, improved and expanded health care, and a decrease in poverty is dependent to a great extent on an increasing supply of energy. This means we will need additional imports of crude oil and refined products as well as an expansion of our Nation's energy industry.

Our requirements of energy from foreign areas are staggering. John Winger, of Chase Manhattan Bank, estimates by 1976 we will import 50 percent of the oil we consume if we can obtain that much; and if we do, we will have a balance-of-payments deficit of $17.5 billion a year. This is an intolerable deficit.

The best and only opportunity we have for foreign exports as an offset to the monetary drain of energy imports is with large exports of agricultural products.

But we can not accomplish this with price controls on natural gas, crude oil, agricultural products, and fertilizers.

Price controls on natural Gas and crude oil increase the demand for these products as well as reduce the domestic supply. Hence, these controls lead to an increased deficit in the balance of payments and greater difficulty for agricultural products to offset the increased deficit.

The ceiling on fertilizer encourages exports and prevents our American farmers from buying sufficient quantities of fer-

tilizer in order to maximize our food production. The ceiling on meat and restrictions on other food products is a deterrent to maximizing our output of agricultural products at a time we need additional food supplies to feed ourselves, and many other countries as well as balance our trade to strengthen our economy and our currency.

Another real worry is that foreign nations with a surplus of American dollars find it advantageous to invest in American business and industry. The recent investment by Iran in Ashland Oil Co. and investments of Japanese interests in orange groves in Florida and hotels in Hawaii are examples. We need to balance out our trade so foreign dollars are used in trade instead of buying our companies and investments. Equal and fair trade, not selling out our business and industry, must be our goal.

Government shackles on the energy industry have proved to be a failure.

Now is the time to allow thousands and thousands of arms length transactions of food, fertilizer, and energy to take place in a competitive free marketplace to establish fair prices that will insure adequate production of American food and energy to safeguard our national security, to balance our trade, and strengthen our economy.

QUORUM CALL

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

The PRESIDING OFFICER (Mr. BENTSEN). 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.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT ON INFORMATION AND TECHNICAL ASSISTANCE

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on information and technical assistance delivered by that Department, in fiscal year 1973 (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

APPROVAL OF LOAN TO CENTRAL POWER ELECTRIC COOPERATIVE, MINOT, N. DAK.

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting pursuant to law, on the approval of a loan to Central Power Electric Cooperative to Minot, N. Dak. (with an accompanying paper). Referred to the Committee on Appropriations.

REPORT ON CONSTRUCTION PROJECTS PROPOSED TO BE UNDERTAKEN FOR THE AIR RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on construction projects proposed to be undertaken for the Air Force Reserve. Referred to the Committee on Armed Services.

PROPOSED DONATION OF CERTAIN SURPLUS PROPERTY

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain surplus property to the Warren County Chapter, Inc., National Railway Historical Society of Warrenton, N.C. Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE NAVY

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend title 10, United States Code, to realign naval districts, and for other purposes (with an accompanying paper.) Referred to the Committee on Armed Services.

REPORT ON EXPORT-IMPORT BANK OF THE UNITED STATES

A letter from the President, Export-Import Bank of the United States, transmitting, pursuant to law, a report of that Bank, for the fiscal year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT OF COST ACCOUNTING STANDARDS BOARD

A letter from the Chairman, Cost Accounting Standards Board, transmitting, pursuant to law, a report of that Board, for the year ended June 30, 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON VOLUNTARY AGREEMENTS AND PROGRAMS UNDER DEFENSE PRODUCTION ACT OF 1950

A letter from the Attorney General, transmitting, pursuant to law, a report on voluntary agreements and programs under the Defense Production Act of 1950 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON EXPORT ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on Export Administration, for the second quarter of 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON BUDGETARY AND FISCAL DATA PROCESSING SYSTEM AND BUDGET STANDARD CLASSIFICATIONS

A letter from the Secretary of the Treasury, and Director, Office of Management and Budget, transmitting, pursuant to law, a report on Budgetary and Fiscal Data Processing System and Budget Standard Classifications, dated September 1, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON PROPERTY DONATED TO PUBLIC HEALTH AND EDUCATIONAL INSTITUTIONS

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on personal property donated to public health and educational institutions and civil defense organizations, for the period July 1, 1972, through June 30, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements for the Year Ended December 31, 1972," Federal Home Loan Bank Board, Federal Home Loan Banks, Federal Savings and Loan Insurance Corporation, dated August 31, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON LOWER ST. CROIX RIVER, MINN. AND WIS.

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the Lower St. Croix River, Minnesota and Wisconsin (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

REPORT ON RESULTS OF REVIEW OF OUTSTANDING VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Assistant Attorney General, Antitrust Division, transmitting, pursuant to law, a report on results of review of outstanding voluntary agreements and programs (with an accompanying report). Referred to the Committee on the Judiciary.

TEMPORARY ADMISSION OF CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law copies of orders relating to temporary admission of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORT ON CERTAIN DEFECTOR ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting pursuant to law, reports on certain defector aliens (with accompanying papers). Referred to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM SECRETARY OF COMMERCE

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend section 151, title 35 of the United States Code, entitled "Parents", to authorize the Commissioner of Patents to fix the time for payment of an issue fee if the delay has been shown to be unavoidable (with accompanying papers). Referred to the Committee on the Judiciary.

REPORT ENTITLED "RECORDS, COMPUTERS, AND THE RIGHTS OF CITIZENS"

A letter from the Secretary of Health, Education, and Welfare, transmitting, for the information of the Senate, a report entitled "Records, Computers, and the Rights of Citizens" (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT ON PERSONNEL OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, reporting pursuant to law, on personnel in that Administration, as of June 30, 1972. Referred to the Committee on Post Office and Civil Service.

PROSPECTUS ON CONSTRUCTION OF A FEDERAL OFFICE BUILDING AT FAIRBANKS, ALASKA

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus relating to the construction of a Federal office building and parking facility at Fairbanks, Alaska (with accompanying papers). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HARRY F. BYRD, JR.):

A joint resolution of the legislature of the State of Alabama. Referred to the Committee on the Judiciary:

"H.J. RES. 12

"Resolution opposing amnesty for deserters from the Armed Forces of the United States

"Whereas, a few have proposed that the United States grant amnesty to those who deserted the Armed Forces of our Country or escaped their duty to the United States by violating the Selective Service Laws, while our Nation was engaged in armed conflict in Asia; and

"Whereas, since earliest time desertion of one's country in time of war has been one of the most detestable of all offenses; and

"Whereas, in this world our national security depends upon our citizens responding to the call to arms when the Nation is in a state of war; and

"Whereas, the Legislature of Alabama believes the granting of the proposed amnesty would be a disservice to our Country and an affront to the patriotic men and women who performed their duty in the Armed Forces, many of whom sacrificed their lives upon the altar of their Country; and

"Whereas, the Legislature of Alabama deplores the journeys some Americans have made in recent years to North Vietnam; and condemns the unspeakable activities in which they engaged when they were accepting the hospitality of the enemy of our Country; and

"Whereas, the legislature of Alabama believes that the security and welfare of America require that the Congress adopt laws which will prohibit traveling from America to any nation with which America is engaged in armed hostilities, subject to the exceptions prescribed in such laws which should be clearly defined and strictly enforced; and

"Whereas, the Legislature of Alabama believes that if laws in effect during the hostilities between the United States and North Vietnam did not make criminal the activities in which disloyal citizens engaged while in Vietnam, then the laws should be adopted making criminal such activities in the future.

"Now therefore, be it resolved as follows by the House of Representatives of the State of Alabama, the Senate concurring:

"I. That the Legislature of Alabama petition, and it does hereby petition, the President and Congress of the United States to oppose the granting of amnesty to those who deserted the Armed Forces of the United States or evaded their duty to the United States in violation of the Selective Service Laws;

"II. That the Legislature of Alabama petition, and it does hereby petition, the Congress of the United States to enact laws which will prohibit persons traveling from the United States to any nation with which the United States is in armed conflict, subject to exceptions which should be clearly defined in said laws and strictly enforced;

"III. That the Legislature of Alabama petition, and it does hereby petition the Congress of the United States that if the laws in effect did not make criminal the unspeakable activities of disloyalty to America in which American Citizens participate in North Vietnam when the United States was engaged in armed conflict with that nation, then to enact laws which will make criminal any such activities occurring in the future; and

"IV. That a copy of this resolution be sent to the President of the United States, to the Vice President of the United States, to each Member of Congress of the United States and to the Attorney General of the United States."

A resolution of the Senate of the State of California. Referred to the Committee on Banking, Housing and Urban Affairs:

"SENATE RESOLUTION No. 60

"Resolution relative to state employees' wage increase

"Whereas, Section 18850 of the Government Code of the State of California requires that California state employees' salaries be established with consideration given to rates already paid employees in private industry and other governmental agencies; and

"Whereas, The State Personnel Board conducts comprehensive surveys to determine generally prevailing salary levels, and recommends to the Governor and the Legislature inclusion of funds in the state budget necessary to bring state salaries into conformity with prevailing rates of pay; and

"Whereas, Salaries for California state employees, therefore, lag behind salaries paid other workers due to the time delay inherent in California's salary setting process, so that necessary salary adjustments should not be considered inflationary; and

"Whereas, Due to fiscal difficulties, the employees of the State of California have not been granted warranted salary increases during the past several years, resulting in serious salary deficiencies at the present time, while the cost of living continues to increase at an alarming rate which further erodes state employee purchasing power; and

"Whereas, The ability of the State of California to serve its citizens efficiently and effectively is predicated upon maintaining an experienced, skilled, and motivated work force, and additional time delays in granting justified and budgeted salary adjustments can only serve to demoralize dedicated and patient state workers; and

"Whereas, It is necessary for the State of California to provide salary adjustments in excess of the federal guidelines of 5.5 percent in order to achieve salary parity; and

"Whereas, Contributing to the disparity presently experienced by California state workers is the fact that since federal employees are exempt from wage controls, federal salary levels exceed those for the State of California; now, therefore, be it

"Resolved by the Senate of the State of California, That the federal Cost of Living Council is respectfully requested to permit the State of California to grant salary increases to its employees consistent with the increase approved by the California State Legislature and approved by the Governor, retroactive to July 1, 1973, which would bring state salaries into conformity with those generally prevailing throughout the state; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Treasury, to the Cost of Living Council, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Resolutions of the Commonwealth of Massachusetts. Referred to the Committee on Labor and Public Welfare:

"RESOLUTIONS SUPPORTING THE RIGHTS OF SEASONAL AND MIGRANT FARM WORKERS IN CALIFORNIA TO UNIONIZE AND TO BE REPRESENTED BY THE UNION OF THEIR CHOICE

"Whereas, There are five million seasonal and migrant farm workers in the United States; and

"Whereas, Farm workers desire a union to protect their rights and to ensure equal protection under the law; therefore be it

"Resolved, That the Massachusetts House of Representatives supports the rights of the farm workers in California to unionize; and be it further

"Resolved, That the Massachusetts House of Representatives opposes any use of violence by any party in any union dispute; and be it further

"Resolved, That the Massachusetts House of Representatives supports the right of the farm workers in California to vote for the union of their choice in a free and fair election and opposes employers granting exclusive bargaining rights to any union which does not have majority support of the employees and calls for the conduct of a free and fair election in the near future to determine which union shall represent the employees; and be it further

"Resolved, That copies of these resolutions be sent by the Secretary of the Commonwealth to the President of the United States, the United States Attorney General, the United States Secretary of Agriculture, the United States Secretary of Labor, the General Counsel of the National Labor Relations Board and the Massachusetts Congressional delegation."

A joint resolution of the Legislature of the State of South Carolina. Referred to the Committee on the Judiciary:

"No. 364

"A Joint Resolution Ratifying A Proposed Amendment To The Constitution Of The United States Of America Providing That The Right Of Citizens Of The United States To Vote Shall Not Be Denied Or Abridged By The United States Or By Any State On Account of Sex

"Whereas, both Houses of the Sixty-Sixth Congress of the United States of America by a majority of two-thirds, as required by the Constitution of the United States, proposed the following amendment to the Constitution:

"'A JOINT RESOLUTION

"'Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled (two-thirds of each House concurring therein), That the Following Article is Hereby Proposed an Amendment to the Constitution of the United States, which shall be Valid to All Intents and Purposes as Part of the Constitution when Ratified by the Legislatures of Three-fourths of the Several States.

"'"ARTICLE

"'"SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex. Congress shall have power to enforce this article by appropriate legislation."'" Therefore,

"Be it enacted by the General Assembly of the State of South Carolina:

"SECTION 1. Amendment to United States Constitution ratified.—The proposed amendment by Congress to the Constitution of the United States of America which reads as follows: 'The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex. Congress shall have power to enforce this article by appropriate legislation.' is hereby ratified by the General Assembly of the State of South Carolina.

"SECTION 2. Certified copies to be forwarded.—Upon ratification of the proposed amendment by the General Assembly of the State of South Carolina, as required by Article 5 of the United States Constitution, certified copies of this Joint Resolution shall be forwarded by the Governor of South Carolina to the Secretary of State of the United States, to the President of the United States Senate and to the Speaker of the House of Representatives of the United States."

A resolution adopted by the Homebuilders Association of Douglas County, Douglasville, Ga., relating to the money market for home buyers. Referred to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Bristol Bay Native Corp., Dillingham, Alaska, in support of Senate bill 1988, the "Interim Fisheries Zone Extension and Management Act of 1973." Referred to the Committee on Commerce.

A resolution adopted by the council of the city of Middleburg Heights, Ohio, expressing opposition to the imposition of any further Federal taxes on gasoline or fuel oil. Referred to the Committee on Finance.

A resolution adopted by the Indiana Society of the Sons of the American Revolution, Evansville, Ind., expressing opposition of aid to the Communist government of North Vietnam. Referred to the Committee on Foreign Relations.

A resolution adopted by the American Legion, Tacloban City, Philippines, praying for due recognition of certain persons for their military services during World War II. Referred to the Committee on Foreign Relations.

The petition of Statewide Committees Opposing Regional Plan Areas, praying for a redress of grievances. Referred to the Committee on Government Operations.

A resolution adopted by the Rota Municipal Government, Mariana Islands, praying for the enactment of legislation relating to the loss of Micronesian life during World War II. Referred to the Committee on the Judiciary.

A resolution adopted by the County of Hampden, Mass., praying for a redress of grievances. Referred to the Committee on the Judiciary.

A resolution adopted by the Conference of State Sanitary Engineers, Berkeley, Calif., praying for a release of moneys provided in the Water Pollution Control Amendments of 1972. Referred to the Committee on Public Works.

Resolutions adopted by the Polish Legion of American Veterans, Chicago, Ill., relating to veterans. Referred to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SYMINGTON, from the Committee on Armed Services, with an amendment:

H.R. 9286. An act to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes (Rept. No. 93-385), together with separate and individual views.

ORDER FOR PRINTING OF REPORT ON MANATEE COUNTY, FLA. (S. DOC. NO. 93-37)

Mr. RANDOLPH. Mr. President, I present a letter from the Secretary of the Army, transmitting a favorable report dated October 18, 1972, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on Manatee County, Fla., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted Jan. 31, 1967. I ask unanimous consent that the report be printed as a Senate document with illustrations, and referred to the Committee on Public Works.

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. BENTSEN:

S. 2380. A bill to subject the Federal, State, and local governments to the provisions of the Age Discrimination in Employment Act of 1967. Referred to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN:

S. 2381. A bill for the relief of Thomas Nagylaki. Referred to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 2382. A bill for the relief of Caridad R. Balonan. Referred to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 2383. A bill for the relief of Beryl Doreen Payne. Referred to the Committee on the Judiciary.

By Mr. PELL:

S. 2384. A bill to provide uniform procedures for absentee voting in Federal elections for citizens outside the United States. Referred to the Committee on Rules and Administration.

By Mr. TALMADGE (for himself and Mr. NUNN):

S. 2385. A bill to designate the Chattooga River in the States of North Carolina, South Carolina, and Georgia, as a component of the national wild and scenic rivers system, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 2386. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the American River, Calif., for potential addition to the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 2380. A bill to subject the Federal, State, and local governments to the provisions of the Age Discrimination in Employment Act of 1967. Referred to the Committee on Labor and Public Welfare.

Mr. BENTSEN. Mr. President, the Senate-passed version of the minimum wage legislation contained important provisions in section 12 amending the Age Discrimination in Employment Act of 1967. I introduced the bulk of this legislation as early as March 9, 1972, when I noted mounting evidence that Government employees were being discriminated against because of age.

My amendment, later redrafted as an amendment to the minimum wage bill, passed by a vote of 86 to 0 last year and passed, again without objection, this year. Unfortunately, it was dropped in the conference.

Mr. President, I reintroduce the legislation now in the form it passed the Senate in the hope that the Senate Labor and Public Welfare Committee will consider it as a separate measure.

Studies have confirmed what I asserted in my original statement. A May 1972 study by the Special Committee on Aging, entitled "Cancelled Careers", concluded—

Unfortunately, there is very disturbing evidence to suggest that the Federal Government—which it seems clear, ought to be a model employer—may be a leading offender in applying pressure tactics to coerce older workers to retire at an early age.

The study noted further that Federal training programs are frequently "off limits" to persons 45 or older, that older Federal workers are frequently harassed and subject to pressures to retire, that a disproportionate number of the "involuntary" retirements in Government service involved middle-aged and older workers.

The question, frankly stated, is whether we want to treat Government employees at any level differently from private employees; whether we want to hold Government to the same standards we hold private enterprise.

I believe that we must.

This bill would bring protection from arbitrary age discrimination to millions of public employees. I urge its speedy enactment.

At this point, I ask unanimous consent to insert a full text of the bill in the RECORD.

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

S. 2380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty five" and inserting in lieu thereof "twenty".

NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

SEC. (a)(2) The second sentence of section 11(b) is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a state, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate advisor with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision.".

(5) Section 16 of such Act is amended by striking the figure "$3,000,000", and inserting in lieu thereof $5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by add-

ing immediately after section 14 the following new section:

"NONDISCRIMINATORY ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency or unit;

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission, which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission, but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law"

By Mr. PELL:

S. 2384. A bill to provide uniform procedures for absentee voting in Federal elections for citizens outside the United States. Referred to the Committee on Rules and Administration.

Mr. PELL. Mr. President, I introduce for appropriate reference a bill to provide for the establishment of uniform registration and voting procedures by citizens residing outside the United States.

State and local residence requirements and the lack of absentee registration and voting opportunities deny citizens the right to vote in Federal elections.

Civilian citizens residing abroad range in number from three-quarters of a million to 1¼ million and, for the most part, they are not allowed to vote anywhere in the United States unless they can prove residence or domicile in a given State and unless that State has provision in law for registration and balloting by mail.

My bill is predicated on the proposition that each citizen has a constitutional right to vote, at least in Federal elections, and the right to vote should not be conditioned upon residence or domicile in any State or upon the adequacy of election procedures in any State.

The distinguished senior Senator from Arizona, Senator GOLDWATER, and I cosponsored an amendment to the Voting Rights Acts Amendments of 1970 to allow citizens the right to vote for electors of President and Vice President in a State if they register within 30 days prior to the date of that election, or in the State from which they moved.

That amendment was adopted and grants the privilege of voting to absentee citizens, but on a limited basis. It applies only to Presidential elections and requires minimum residence requirements.

This bill which I introduce today goes beyond the provisions of the Voting Rights Act amendments and would restore the voting franchises to all citizens whether they have a residence or domicile in a State or not and would apply to all elections for Federal office.

The Subcommittee on Privileges and Elections, of which I am chairman, will conduct public hearings on this bill and other similar measures on September 26 and 27, 1973, and I sincerely hope that we will receive substantial testimony in support of the objectives we seek.

I ask unanimous consent that the text of my bill be printed in the RECORD at the conclusion of my remarks.

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

S. 2384

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 "Uniform Absentee Voting Act".

FINDINGS AND DECLARATIONS OF PURPOSE

SEC. 2. (a) The Congress finds that for United States citizens outside the United States, State and local residency or domicile requirements which precondition the right to vote in Federal elections, and the lack of sufficient opportunities for absentee registration and balloting in such elections—

(1) deny or abridge the inherent constitutional right of citizens to vote in Federal elections;

(2) deny or abridge the inherent constitutional right of citizens to enjoy their free movement to and from the United States;

(3) deny or abridge the privileges and immunities guaranteed under the Constitution to citizens of the United States and to the citizens of each State;

(4) in some instances have the impermissible effect of denying citizens the right to vote in Federal elections because of the method in which they may vote;

(5) have the effect of denying to citizens the equality of civil rights, due process, and equal protection of the laws guaranteed under the fourteenth amendment to the Constitution; and

(6) do not bear a reasonable relationship to any compelling State interest in the conduct of Federal elections.

(b) The Congress declares that in order to secure, protect, and enforce the constitutional rights of citizens outside the United States, it is the purpose of this Act to abolish, for citizens outside the United States, domicile and residence requirements which precondition voting in Federal elections, and to establish uniform standards for absentee registration and balloting by such citizens in Federal elections.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) "citizens outside the United States" means citizens of the United States who are domiciled or otherwise residing outside the United States;

(2) "Federal election" means any general, special, or primary election held solely or in part for the purpose of selecting, nominating, or electing any candidate for the office of President, Vice President, Presidential elector, Member of the United States Senate, Member of the United States House of Representatives, Delegate from the District of Columbia, the Virgin Islands, or Guam, or Resident Commissioner of the Commonwealth of Puerto Rico; and

(3) "State" and "United States" include the several States, the District of Columbia, the Virgin Islands, Guam and the Commonwealth of Puerto Rico.

ABSENTEE VOTING IN FEDERAL ELECTIONS

SEC. 4. (a) No citizen outside the United States shall be denied the right to register and vote by absentee ballot in any State, or election district of a State, in any Federal election solely because at the time of such election he is not domiciled or otherwise residing in such State or district and does not have a place of abode or other address in such State or district if he—

(1) last voted or last registered to vote in such State or district, or, if he did not so register or vote, was last domiciled in such State or district prior to his departure from the United States;

(2) has complied with any applicable State or district requirement concerning voting by absentee ballot (other than any requirement which is inconsistent with this Act);

(3) is qualified to vote in such State or district but for his failure to maintain residence, domicile, or place of abode in such State or district; and

(4) has not registered to vote and is not voting in any other State or election district of a State.

ABSENTEE BALLOTS

SEC. 5. (a)(1) Each State shall provide by law for the registration or other means of qualification of all citizens outside the United States and entitled to vote in a Federal election in such State pursuant to section 4(a) who apply, not later than thirty days

immediately prior to any such election, to vote in such election.

(2) Each State shall provide by law for the casting of absentee ballots for Federal elections by all citizens outside the United States who—

(A) are entitled to vote in such State pursuant to section 4(a);

(B) have registered or otherwise qualified to vote under paragraph (1) of this subsection;

(C) have submitted properly completed applications for such ballots not later than seven days immediately prior to such election; and

(D) have returned such ballots to the appropriate election official of such State not later than the time of closing of the polls in such State on the day of such election.

(3) In the case of any such properly completed application for an absentee ballot received by a State or election district, the appropriate election official of such State or district shall as promptly as possible in any event, no later than (A) seven days after receipt of such a properly completed application, or (B) five days after the date the absentee ballots for such election have become available to such official, whichever date is later, mail the following by airmail to such citizen:

(i) an absentee ballot;

(ii) instructions concerning voting procedures; and

(iii) an airmail envelope for the mailing of such ballot free of United States postage to the sender.

(b) (1) In the case of a citizen outside the United States, a State or election district may accept as an application for an absentee ballot to vote in a Federal election (and as an application for registration to vote in such election, if registration is required by such State or district) an executed postcard application for absentee ballot for Federal elections, in the form prescribed by paragraph (2) of this subsection.

(2) The postcard referred to in paragraph (1) of this subsection shall be as follows:

(A) The postcard shall be nine and one-half inches by four and one-eighth inches in size.

(B) Upon one side, perpendicular to the long dimension of the post card there shall be printed in black type the following:

FILL OUT BOTH SIDES OF CARD

POSTCARD APPLICATION FOR ABSENTEE BALLOT FOR FEDERAL ELECTIONS

State of Commonwealth of _____
(Fill in name of State or Commonwealth)

(1) I hereby request an absentee ballot to vote in the coming election:

(PRESIDENTIAL) (CONGRESSIONAL)
(GENERAL) (PRIMARY)* (SPECIAL) ELECTION.

(Strike out inapplicable words)

(2) *If a ballot is requested for a primary election, print your political party affiliation or preference in this box:

(If primary election is secret in your State, do not answer)

(3) I am a citizen of the United States, and am qualified to register and vote in the above State in Presidential and Congressional elections, even though I am presently residing outside the above State and the United States

and such State may not be my current domicile, and—

a. I last voted or was registered to vote in the above State

b. The above State was my last _____ domicile even though such State may not be my current domicile

(4) I was born on _____
(Day) (Month) (Year)

(5) Until _____, my home
(Month) (Year)
(not military) residence in the above State was _____
(Street and number or rural route, etc.)
in the county or parish of _____
The voting precinct or election district for this residence is _____
_____
(Enter if known)

(6) Remarks: _____
_____

(7) Mail my ballot to the following address: _____
_____
_____

(8) I am NOT requesting a ballot from any other State, Territory or Possession of the United States, and am not voting in any other manner in this election, except by absentee process, and have not voted and do not intend to vote in this election at any other address.

(9) _____
(Signature of person requesting ballot)

(10) _____
(Full name, typed or printed)

(11) Subscribed and sworn to before me on _____
(Day, month, and year)

_____ _____
(Signature of official administering oath) (Typed or printed name of official administering oath)

_____
(Title or rank, service number (if any), and organization of administering official)

INSTRUCTIONS

A. Type or print all entries except signatures. FILL OUT BOTH SIDES OF CARD.

B. Address card to proper State official.

C. Mail card as soon as your State will accept your application.

D. NO postage is required for the card if deposited with a U.S. Embassy, consulate, legation or other office of a U.S. Government agency, either within or outside the United States.

E. This card is an application to vote only in FEDERAL ELECTIONS. If you wish to request a ballot for State and local elections, as well as Federal elections, and are qualified to do so in your State, you can use the Standard Federal Post Card Application or other form accepted by your State for this purpose.

(C) Upon the other side of the card there shall be printed in red and blue type the following:

FILL OUT BOTH SIDES OF THE CARD

_____ FREE OF U.S.
_____ Postage Including Air Mail
_____
_____ Official Mailing Address

OFFICIAL ELECTION BALLOTING MATERIAL—VIA AIR MAIL

To: _____
(Title of Election Official)
_____
(County or Township)
_____
(City or Town, State)

(c) Such postcards and the absentee ballots, envelopes, and voting instructions provided pursuant to this Act and transmitted to or from citizens outside the United States, whether individually or in bulk, shall be free of postage to the sender, including airmail postage, in the United States mail.

(d) The Administrator of General Services shall cause such postcards to be printed and distributed to carry out the purposes of this Act, and he may enter into agreements with the United States Postal Service, heads of appropriate departments and agencies of the Federal Government, and with State and local officials for the distribution of such cards.

(e) Ballots executed by citizens outside the United States shall be returned by priority airmail wherever practicable, and such mail may be segregated from other forms of mail and placed in special bags marked with special tags printed and distributed by the Postal Service for this purpose.

ENFORCEMENT

SEC. 6. (a) Whenever the Attorney General has reason to believe that a State or election district undertakes to deny the right to register or vote in any election in violation of section 4 or fails to take any action required by section 5, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order, a preliminary or permanent injunction, or such other order as he deems appropriate.

(b) Whoever shall deprive or attempt to deprive any person of any right secured by this Act shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(c) Whoever knowingly or willfully gives false information as to his name, address, or period of residence for the purpose of establishing his eligibility to register, qualify, or vote under this Act, or conspires with another person for the purpose of encouraging the giving of false information in order to establish the eligibility of any person to register, qualify, or vote under this Act, or pays or offers to pay or accepts payment either for registration to vote or for voting shall be fined not more than $10,000, or imprisoned not more than five years, or both.

SEVERABILITY

SEC. 7. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected.

EFFECT ON STATE LAWS

SEC. 8. (a) Nothing in this Act shall—

(1) be deemed to require registration in any State or election district in which registration is not required as a precondition to voting in any Federal election; or

(2) prevent any State or election district from adopting or following any voting practice which is less restrictive than the practices prescribed by this Act.

(b) The exercise of any right to register or vote by any citizen outside the United States shall not affect the determination of his place of residence or domicile (as distinguished from his place of voting) for purposes of any tax imposed under Federal, State, or local law.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect with respect to any Federal election held on or after January 1, 1974.

By Mr. TALMADGE (for himself and Mr. NUNN):

S. 2385. A bill to designate the Chattooga River in the States of North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. TALMADGE. Mr. President, it is with great pleasure today that I introduce a measure that will designate the Chattooga River as a part of the Wild and Scenic Rivers System. The Chattooga River is without question one of the most dramatically beautiful rivers in the entire country. Because of a great deal of publicity in the past 2 years, people from all over Georgia, the South, and

the Nation have become interested in its future. I believe that most Georgians want to see this valuable natural resource preserved rather than subjected to unplanned development. This is not to say that it will be set apart and kept away from the people. There will be ample public recreational access. But among our national shortages is a shortage of primitive natural beauty. We have so developed our woods and mountains that these relatively untouched places are in truly short supply.

Senator AIKEN and I have previously introduced a measure that allows for the creation of a new designation of wild areas to be preserved in the East. The measure that I introduce today is another step in the proper use of our valuable natural resources.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 2386. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the American River, California, for potential addition to the National Wild and Scenic Rivers System. Referred to the Committee on Interior and Insular Affairs.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to add the North Fork of the American River to the study category of rivers being considered for inclusion in the National Wild and Scenic Rivers System. This bill is identical to H.R. 4326 already introduced in the House by Congressman HAROLD T. JOHNSON of California.

The North Fork of the American River is one of the last free-flowing wild rivers remaining in the Sierra Nevada. Originating in the eastern portion of Placer County at an elevation of 7,000 feet, the river flows undisturbed for 46 miles, cutting through igneous rock and forming gorges and deep canyons. These river canyons offer magnificent vistas, like those from Big Valley Bluff and Lover's Leap rising 2,000 feet above the river. The North Fork is generally inaccessible except by trail and its water is clear and unpolluted. Nor, surprisingly, the river is an outstanding wilderness trout fishery. The area abounds with small and large game. It also is of historic value as it relates to the California gold rush days.

The State of California has demonstrated its support for the area by adding the North Fork of the American River to the California State Wild Rivers System through passage of State legislation last year, 1972. However, the State statute applies only to State and private lands, while in the case of the North Fork canyon more than 50 percent of the property is federally owned. The overwhelming percentage of the private land in the canyon is owned by the Southern Pacific Railroad.

Since the State of California lacks the authority over the Federal lands in the area, Federal legislation is necessary to insure the protection of the river. The bill I am introducing today would authorize the Secretary of the Interior to conduct a feasibility study of the North Fork between the Cedars and the Auburn Reservoir for possible Federal wild and scenic river designation. The bill requires the completion of the study within 2 years.

I am hopeful that early congressional action on this bill will allow full preservation of the North Fork of the American River as envisioned by the State of California.

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

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

S. 2386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5 of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end thereof the following:

"(28) American River, California: The North Fork from the Cedars to Auburn Reservoir."

SEC. 2. The study authorized by this Act shall be conducted by the Secretary of the Interior in accordance with the provisions of the Wild and Scenic Rivers Act: *Provided,* That such study shall be completed and submitted to the President and the Congress no later than two years from the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 159

At the request of Mr. DOLE, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 159, to provide for reimbursement of extraordinary transportation expenses incurred by certain disabled individuals in the production of their income.

S. 328

At the request of Mr. HARRY F. BYRD, JR., the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 328, to amend section 2307 of title 10, United States Code, to limit to $20 million the total amount that may be paid in advance on any contract entered into by the Departments of the Army, Navy, and Air Force, the Coast Guard, and the National Aeronautics and Space Administration.

S. 367

At the request of Mr. GOLDWATER, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 367, to provide for the reimbursement to taxpayers of all costs, including legal and accounting fees, incurred by them in contesting unwarranted second audits of their income tax liability.

S. 1841

At the request of Mr. PASTORE, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 1841, to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams.

S. 1914

At the request of Mr. PERCY, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of S. 1914, to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes.

S. 2304

At the request of Mr. DOLE, the Senator from California (Mr. TUNNEY), the Senator from Texas (Mr. TOWER), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 2304, to provide for mobile home State offices for Senators.

SENATE JOINT RESOLUTION 13

At the request of Mr. HARRY F. BYRD, JR., the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of Senate Joint Resolution 13, proposing an amendment to the Constitution of the United States with respect to reconfirmation of judges after a term of 8 years.

SENATE JOINT RESOLUTION 84

Mr. SCHWEIKER. Mr. President, yesterday, I mistakenly added the Senator from West Virginia (Mr. ROBERT C. BYRD) as a cosponsor of Senate Joint Resolution 84, the school prayer amendment. I should have added the Senator from Virginia (Mr. HARRY F. BYRD, JR.). I regret any confusion this may have caused.

SENATE RESOLUTION 166—SUBMISSION OF A RESOLUTION RELATING TO THE SELECT COMMITTEE ON CAMPAIGN ACTIVITIES

(Referred to the Committee on Rules and Administration.)

REVISED RESOLUTION ON THE WATERGATE COMMITTEE

Mr. DOLE. Mr. President, yesterday I introduced Senate Resolution 164 which was designed to help place the issues facing America in perspective insofar as the activities and efforts of Congress are concerned. The resolution was designed to put an end to the wave of excessive publicity directed at the hearings of the Senate's select committee on the Watergate matter.

Upon introduction, I made a detailed statement which does not require repetition today; however, one point of clarification is necesary.

I stated that the resolution was not intended to interfere with the unquestioned rights of the news media to cover the activities of the committee or the general issues involved in Watergate. And this remains my position. Neither was it intended to limit the public's opportunities to witness the hearings and observe them firsthand. However, due to some ambiguity in the language of the resolution, a possible misunderstanding of the intention behind it may have arisen. Therefore, I am today introducing a revised version of the resolution in order that there may be no misconstruction or incorrect interpretation of its thrust or the purpose in offering it.

The new resolution specifically indicates that the only intended limits are to be on live radio and television broadcasting of the hearings. Full access for all media representatives is to be maintained. The public can attend and observe the proceedings. The resolution is only designed to put the select committee's hearings on the same level as those of any other standing, select or special committee of the Senate: open to the news media and public but shielded from the glare of live broadcasting which has

placed such a distorted emphasis on them—to the exclusion of nearly every other issue confronting Congress.

As I indicated yesterday, major challenges are facing the United States today. Congress cannot afford—and the public will not tolerate—an unending and all-consuming preoccupation with Watergate.

It is time to turn toward such matters as inflation, interest rates, food prices, boxcars, and LP gas supplies. We must consider today's problems and those of tomorrow. We cannot remain shackled to the past.

I ask unanimous consent that my resolution be printed in the RECORD at this point.

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

S. RES. 166

Whereas, the United States is engaged in a crucial period of dealing with domestic and international challenges;

Whereas, the impact of inflation is a serious concern to older citizens, working men and women, the business community, and governments at federal, state and local levels;

Whereas, energy, its sources, ultimation, conservation and study, embody areas of profound importance to the future of this nation and the other countries of the world;

Whereas, assuring the availability of plentiful and wholesome foods and other agricultural products at reasonable prices for use in this country and in sales abroad is a primary responsibility of government;

Whereas, the strength of the American economy in the international arena requires a sound, effective and progressive foreign trade policy;

Whereas, other matters involving the national defense, the size and scope of the Federal budget, preservation of the environment and a broad range of social, economic, and human concerns require the serious and studied attention of the Federal Government; and

Whereas, the Senate is mindful of these matters as well as its legitimate interest in pursuing a full and unfettered inquiry into any illegal, improper or unethical activities engaged in by any persons, acting individually or in combination with any others in the Presidential Election of 1972, or in any campaign, canvass, or other activity related to it: Therefore, be it

Resolved, That notwithstanding the provisions of Senate Resolution 60, 93rd Congress, agreed to February 7, 1973, or any rule of the Senate, the Select Committee on Presidential Campaign Activities, established pursuant to such resolution, shall not permit the live broadcasting, by television or radio, of any hearing or meeting conducted by such committee, or any subcommittee thereof, on or after the date on which this resolution is agreed to by the Senate.

AMENDMENT OF URBAN MASS TRANSPORTATION ACT OF 1964—AMENDMENT

AMENDMENT NO. 466

(Ordered to be printed, and to lie on the table.)

Mr. TAFT. Mr. President, today I am submitting an amendment to S. 386, the Emergency Commuter Relief Act of 1973. My amendment would require the Secretary of Transportation to suspend Federal operating assistance to any recipient who is not making improvements in its mass transit system at a reasonable rate.

As I stated in my supplemental views, I have consistently supported legislation to provide operating subsidies for mass transit systems. In view of the environmental problems and congestion caused by automobiles, as well as the necessity to provide an alternative means of transportation for our poor, young, and elderly citizens, I believe that improving our mass transit systems must constitute a very high priority at the present time.

Testimony before the Housing and Urban Affairs Subcommittee has convinced me that the additional capital grant assistance provided in the new highway bill will not do this job sufficiently, and that additional emergency funding for mass transit systems is necessary.

Nevertheless, we will simply be throwing money down a rathole if the subsidies provided are used to allow existing systems to continue operating exactly as they have in the past. In that respect, I consider the language in the bill requiring applicants to submit a comprehensive mass transportation service improvement plan to be extremely important.

This plan must set forth a program for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in the applicant's urban area, and for placing the system on a sound financial basis.

I am concerned, however, that there is nothing in the bill which requires any followup once the plan is submitted. If provision is not made for the Secretary of Transportation to review the progress of the subsidy recipients in this respect and take action to insure that all recipients are attempting to implement their plans, it is all too possible that the major effect of the comprehensive plan requirement would be to occupy a few lines in the United States Code.

Accordingly, my amendment would require recipients of assistance to submit annual reports describing the implementation of their mass transportation service improvement plans. The Secretary would be required to suspend further assistance if the recipient is not making reasonable progress in the implementation of its plan. Assistance could be resumed when he determines that reasonable progress is being made. Recipients would be given an opportunity for a hearing on the record prior to any suspension of assistance.

I ask unanimous consent that the text of the amendment be printed in the RECORD at this point.

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

AMENDMENT NO. 466

On page 4, after line 22, insert the following:

"The Secretary shall require, as a condition of assistance under this subsection, each State or local public body to submit an annual report describing the implementation of its mass transportation service improvement plan. If the Secretary finds, after receiving any such report and after opportunity for a hearing on the record, that a State or local public body receiving assistance under this subsection has not made reasonable progress in the implementation of its plan, he shall suspend further assistance under this subsection until such time as he determines that reasonable progress is being made."

PROTECTION OF CONSUMERS FROM ADULTERATED FOOD — AMENDMENTS — NOTICE OF HEARINGS

AMENDMENT NO. 467

(Ordered to be printed, and referred to the Committee on Labor and Public Welfare.)

Mr. KENNEDY. Mr. President, as chairman of the Subcommittee on Health, I would like to announce that hearings will be held on S. 2373 on September 13. S. 2373, a bill to require the establishment of surveillance regulations for the detection and prevention of adulterated food, was introduced by the distinguished chairman of the Commerce Committee, Mr. MAGNUSON.

I am today submitting an amendment to that bill—an amendment to require the registration of all food plants. In part, this amendment is based upon legislation which was introduced in 1972 in the House by the distinguished chairman of the House Health Subcommittee, PAUL ROGERS. Those testifying at the September 13 hearings will be asked to comment also on this amendment.

The registration amendment is designed to plug a significant loophole in the present law and to provide the Food and Drug Administration with authority necessary to carry out its mandate to detect adulterated food and prevent it from reaching the Nation's marketplaces. FDA is empowered to inspect all food establishments and to sample and test their products. Such inspections and surveillance procedures have long been considered vital to FDA's task of preventing the flow of adulterated food. However, at the present time, FDA is unable to locate many food establishments. Despite the importance of factory inspections, FDA lacks the authority to require the registration of food manufacturers.

The severity of this lack of legal authority was emphasized in a report of April 18, 1972, by the General Accounting Office on insanitary conditions in the food manufacturing industry. The report noted that FDA orders inspections based upon its inventory of food plants, but that inventory is largely inaccurate. FDA officials admit that without authoriy to require registration, they lack the means of identifying all food plants.

FDA sets its inspectional priorities on the basis of the relative potential for danger to health. Potential danger to health may be evaluated on the basis of the products produced, the processing procedures or the dollar volume of sales of a particular plant. However, FDA is at the manufacturer's mercy in attempting to obtain this information. It is clear that without the authority to obtain a complete inventory, FDA cannot effectively set inspection priorities, nor can it trace all of the sources once a problem has been identified with a particular food or processing procedure.

FDA estimates that there are 60,000 food plants in this country. The industry is growing rapidly. The GAO report indicates that sanitation conditions in food plants are deteriorating. And we are all too familiar with problems of microbiological contamination of foods.

We have enacted legislation requiring the registration of drug plants because it was recognized that without such authority FDA was hampered in its enforcement of the law. It is equally clear that FDA needs the authority which my amendment will provide to aid its effort to keep the markets of this Nation free of adulterated foods.

I ask unanimous consent that the text of the amendment be printed in full in the RECORD.

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

AMENDMENT No. 467

On page 1, line 3, strike the words "Federal Food Inspection" and insert in lieu thereof the words "Federal Food Registration and Inspection".

On page 1, insert between lines 4 and 5, the following:

SEC. 2. The Congress finds and declares that in order to make regulation of interstate commerce in food effective, it is necessary to provide for registration and inspection of all establishments in which foods are manufactured, processed, packed, labeled or stored; that the products of all such establishments are likely to enter the channels of interstate commerce and directly affect such commerce; and that the regulation of interstate commerce in food, without provision for registration and inspection of establishments that may be engaged only in intrastate commerce in such food, would discriminate against and depress interstate commerce in such food and adversely burden, obstruct, and affect such interstate commerce.

On page 1, line 5, strike "2" and insert in lieu thereof "3".

On page 4, add after line 18, the following:

SEC. 4. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended by this Act, is further amended by adding after section 410 the following new section:

"REGISTRATION OF FOOD ESTABLISHMENTS

"Definition

"SEC. 411. (a) As used in this section, the term 'name' includes in the case of a partnership the name of each partner and in the case of a corporation the name of each principal corporate officer and the State of incorporation.

"Biennial Registration

"(b) On or before December 31 of each year, every person who owns or operates an establishment in any State engaged in the manufacture, processing, packing, labeling or storage of food shall register with the Secretary his name, principal place of business, the location of each such establishment, and for each such establishment, a complete list of all foods or classes of foods manufactured, processed, packed, labeled or stored at that establishment. Such list shall define the types of processing for each food or class of food. To achieve uniformity in the registration of classes of foods and types of processing, the Secretary shall promulgate regulations defining food classes and types of processing for purposes of the registration required by this section.

"New Producers

"(c) Any person upon first engaging in the manufacture, processing, packing, labeling or storage of food in any establishment which he owns or operates in any State shall immediately register with the Secretary the information required by subsection (b).

"Additional Establishments

"(d) Every person registered in accordance with subsection (b) or (c) of this section shall immediately register with the Secretary, any additional establishment which he owns or operates in any State and in which he begins the manufacture, processing, packing, labeling or storage of food. Such registration shall include the information required by subsection (b).

"Registration Number; Fees

"(e) The Secretary may assign a registration number (or numbers) to any person registered in accordance with this section.

"Availability of Registrations for Inspection

"(f) The Secretary shall make available for inspection to any person so requesting, any registration filed pursuant to this section.

"Exclusions from Application of Section

"(g) This section shall not apply to such classes of persons as the Secretary may by regulation exempt from the application of this section upon a finding that registration by such classes of persons in accordance with this section is not necessary for the protection of the public health.

"Inspection of Premises

"(h) Every establishment in any State registered with the Secretary pursuant to this section shall be subject to inspection pursuant to section 704.

"Foreign Establishments

"(i) Any establishment within any foreign country engaged in the manufacture, processing, packing, labeling or storage of any food shall be permitted to register under this section pursuant to regulations promulgated by the Secretary." Such regulations shall require each establishment to provide the information required by subsection (b).

SEC. 5. Section 301 of the Federal Food, Drug, and Cosmetic Act is amended by adding after paragraph (p) the following:

"(q) The failure to register as required by section 411.".

SEC. 6. Section 403 of the Federal Food, Drug, and Cosmetic Act is amended by adding after paragraph (n) the following:

"(o) If it is offered for sale or transferred from an establishment which is required by section 411(s) to register, but which has not so registered under section 411.".

SEC. 7. Section 801(a) of the Federal Food, Drug, and Cosmetic Act is amended by striking the words "subsection (b) of section 510 and shall request that if any" and inserting in lieu thereof "sections 411 (i) and 510 (i) and shall request that if any food or".

SEC. 8. The amendments made by sections 4, 5 and 6 of this Act shall take effect on the first day of the seventh calendar month which begins after the month in which this Act is enacted, except that the Secretary of Health, Education, and Welfare shall, within ninety days of the date of the enactment of this Act, proposed the regulations required by section 411 of the Federal Food, Drug, and Cosmetic Act.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 448 TO S. 1866

At the request of Mr. GURNEY, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Michigan (Mr. HART) were added as cosponsors of amendment No. 448 to the bill (S. 1866) to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes.

NOTICE OF HEARING ON "HEARING AIDS AND THE OLDER AMERICAN"

Mr. CHURCH. Mr. President, the Subcommittee on Consumer Interests of the Elderly, Senate Committee on Aging, will conduct hearings on September 10 and 11 on "Hearing Aids and the Older American" in room 1318, Dirksen Office Building.

NOTICE OF HEARING ON S. 1005 AND S. 1063

Mr. ALLEN. Mr. President, the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture and Forestry will hold a hearing Thursday, September 13, on S. 1005 and S. 1063, bills relating to the school lunch program. The hearing will begin at 9 a.m. in room 324, Russell Office Building. Oral presentations will be limited to 10 minutes with the privilege of filing longer statements. Anyone wishing to testify should contact the committee clerk as soon as possible.

NOTICE OF HEARINGS ON BILLS TO REDUCE SMALL BUSINESS PAPERWORK AND RESOLUTION ON FEDERAL USE OF ECONOMY CARS

Mr. NUNN. Mr. President, at the request of the chairman of the Committee on Government Operations, I would like to announce that the committee will hold 3 days of hearings on S. 200 and S. 1812, bills designed to reduce the paperwork burden of small business, and a resolution, Senate Joint Resolution 115, to limit the use of limousines in the executive branch and require Federal agencies to use economy cars.

The hearings will be held on September 11, 12, and 13, 1973, in room 3302, Dirksen Office Building, and will commence at 10 a.m.

The committee will welcome statements for inclusion in the record of hearings.

NOTICE OF HEARING ON S. 1388

Mr. ALLEN. Mr. President, the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture and Forestry will hold a hearing Thursday, September 27, on S. 1388, a bill to establish a cooperative program of animal health research. The hearing will begin at 9 a.m. in room 324, Russell Office Building. Oral presentations will be limited to 10 minutes with the privilege of filing longer statements. Anyone wishing to testify should contact the committee clerk as soon as possible.

NOTICE OF INVESTIGATIVE HEARINGS—JUVENILES AND JAILS

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary is beginning its hearings to investigate the extent, necessity and conditions of the detention, in jail and detention facilities, of juveniles.

The hearings have been scheduled for

September 10 and 11, 1973, at 10 a.m., in room 2228 Dirksen Senate Office Building. The following witnesses have been scheduled to testify on September 10: Prof. Rosemary Sarri, project co-director, National Assessment of Juvenile Corrections, Ann Arbor, Mich., accompanied by formerly jailed youths; Superintendent Louis S. Aytch, Philadelphia County Prisons, Philadelphia, Pa., accompanied by a former prison inmate; and the Honorable Lois G. Forer, Municipal Court, Philadelphia, Pa. Witnesses scheduled to testify on September 11 are: Prof. Philip G. Zimbardo, department of psychology, Stanford University, Stanford, Calif., accompanied by Mr. Carlo Prescott, project consultant and former prison inmate; Prof. Peter Smith, school of law, University of Maryland, Baltimore, Md., accompanied by Mr. Ken Witherspoon, a psychology student and participant in Professor Smith's study of the Baltimore Lock-Up; Sid Ross, editorial consultant to Parade magazine, New York, N.Y.; and Sheriff Kenneth Preadmore, Mason, Mich., representing the National Sheriffs' Association.

ADDITIONAL STATEMENTS

OUR SYSTEM OF JUSTICE

Mr. SAXBE. Mr. President, I was deeply impressed with a recent article syndicated by its author, David Broder, to newspapers across the country, including the Cleveland Plain Dealer, regarding the danger to our system of justice, from the use of anonymous "leaked" information. Our system of justice theoretically holds that any man is innocent until proven guilty in a court of law. Yet, the reputation of a person, of high station or low, can be severely damaged by published information that is improperly "leaked" from official or appointed investigative bodies. We have recently witnessed a number of such "leaks" that have deplorably tarnished the image of many people—before they have even been charged with any wrongdoing by any official of the law, or by secret grand jury.

I deeply respect and support a free press, but I think Mr. Broder in his article, makes some valid observations and has done a great service toward protecting our system of justice and the rights of individuals, upon which this great Nation was founded.

I ask unanimous consent to have Mr. Broder's article printed in the RECORD.

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

USE OF LEAKS PERILS JOURNALISM'S STANDARDS

(By David S. Broder)

WASHINGTON.—A couple of weeks ago, in commenting on the President's last formal speech on Watergate, the Washington Post editorially criticized "the curiously detached status—almost that of bemused spectator—which Mr. Nixon assumed for himself." It was "this studied sense of remoteness," the editorial said, that stripped all conviction from his statements deploring the transgressions committed by those in his employ.

That editorial came to mind last week when looking at the way leading newspapers handled Vice President Agnew's complaint that there was an effort "to indict me in the press" through calculated Justice Department leaks of kickback allegations, now being investigated by a federal prosecutor and grand jury in Baltimore.

Talk about curious detachment and a studied sense of remoteness: My favorite editorialists acted as if they had no kinship to the newspapers where these leaks had appeared.

My own beloved Post, which on Aug. 15 reported that "informed sources" said several Maryland contractors had told the prosecutors of personal cash payments to Agnew, editorialized rather grandly that ". . . the vice president is well within his rights to be powerfully annoyed. . . ."

Our friends across town at the Washington Star-News, which on Aug. 13 cited "reliable sources" as the basis for a similar story, now said editorially: "The vice president is entirely correct in insisting that the Justice Department . . . find and stop the many sources of leaked information . . ."

And the mighty New York Times, which on Aug. 16 named "sources close to the investigation" as buttressing its version of the payoff allegations, editorialized: "Vice President Agnew has every right to complain that his constitutional rights are being violated by leaks attributed to 'Justice Department sources' . . ."

There hasn't been such a suspiciously conspicuous display of civic virtue since a San Francisco madam led her string of girls to the Red Cross blood bank during World War II.

All three papers washed their hands of responsibility for publishing the "leaks" by quoting Mr. Agnew's own statement that "the blame must rest with those who give this information to the press."

But that rationalization works only if those of us in journalism are going to set a lower standard for ourselves than the law applies to pawn shop owners when it orders them not to "fence" stolen goods.

There are many reasons why the press ought to be wary of "fencing" leaked information from criminal investigations. For one thing, the great lesson we were supposed to have learned from the McCarthy area was that responsible journalism requires that accusations against individuals not be delivered naked to the reader but be presented with due regard to the motives and credibility of the accuser.

The "sources close to the investigation" evasion makes this impossible. If the sources are, as Agnew suspects, on the government side, one has to wonder why a prosecutor with a genuinely strong case would risk it by premature publicity that could easily get him thrown out of court.

If, on the other hand, as the No. 2 man in the Justice Department says, the sources are "close to the investigation" because they are the very contractors who are under investigation, or their lawyers, then the reader should be told the mudballs hitting Agnew are coming from that direction.

Those who "fence" leaked information forget that we as journalists have just as much stake in the probity of the criminal justice system as any other citizens. A while back, several hundred American newspapers published Jack Anderson's columns containing verbatim excerpts of Watergate grand jury testimony. The rationalization one heard from editors was that "somebody's going to publish it, whether I do or not."

Not a single editor I know argued that the grand jury system could survive repeated disclosure of confidential testimony. Not a single editor contended that the rights of accused persons can be protected if accusations made in that nonadversary forum are publicized. Nonetheless, the leaked testimony was published—and to hell with the consequences.

Now Time magazine, with its vast circulation, has told its readers that unnamed "Justice Department officials" believe Agnew's indictment is "inevitable," despite the fact that the prosecutor says not one scintilla of evidence has yet been given to the grand jury, which alone can determine that question. What does that imply about our system of justice? It implies that some journals, at least, think it is a farce and a fraud.

By trafficking in such leaked information, the press has made a third error. It has begun to accept and to propagate the thoroughly un-American notion that some people—namely, prominent politicians—are guilty until proven innocent.

If that seems exaggerated, just consider what the reaction would have been if Time had announced that Justice Department officials had decided, in advance of any grand jury, that Agnew's indictment must be considered "impossible."

Instead of Agnew being the lone complainant, as he is today, the air would be filled with cries of indignation. Why? Because much of the press and public has come to believe, first, that a prejudgment of guilt is proper for a politician and, second, that a prejudgment of innocence must be taken as evidence of a political fix.

In this climate, what we need from our leading newspapers is not an attitude of lofty detachment, but the reassertion of some fundamental truths.

One truth is that Spiro Agnew is innocent. He is innocent (and not just presumed innocent) because he shares with you and me the blessing of citizenship in a country which, thank God, decided 200 years ago that the burden of proving any one of us guilty falls entirely on the state, through a deliberately laborious process of indictment, prosecution and conviction at public trial in a court of law.

And that is a process in which the press interferes, not only at its own peril, but at hazard to the most important of everyone's fundamental rights.

FORMER REPRESENTATIVE WESLEY A. D'EWART

Mr. MANSFIELD. Mr. President, it was with deep regret that I learned from Montana this week of the death of former Representative, Wesley A. D'Ewart. Wesley D'Ewart was a friend and a colleague for many years and had an illustrious career both in the Nation's Capital and in his home State of Montana. Congressman D'Ewart began his career in the House of Representatives in Montana and was elected to the U.S. House of Representatives in a special election in 1945. It was at this time that I developed a warm working relationship with the new Congressman from my State. Until 1953, we worked closely together in the House on matters of importance and concern to the people of the Big Sky Country.

Although we were of different political affiliations, Wes D'Ewart never let this interfere in his desire to give fair representation to the people of our State. At the end of his House career in 1955, he moved to an administrative post in the Department of Agriculture and, in 1958, he returned to his beloved Montana where he remained active in State politics and as a prominent businessman. Wes D'Ewart was especially effective in the areas of importance to the agricultural economy of Montana. He was a champion of the rural electrification program and, at his retirement, was a senior member of the House Interior Committee. Rep-

resentative D'Ewart lived a long and full life and Montana is better off for his long and devoted service. Mrs. Mansfield joins me in extending our deepest sympathy to the D'Ewart family at this time.

THE SCHOOL MILK PROGRAM

Mr. JAVITS. Mr. President, now that the Congress has returned from its summer recess, I would like to remind this body of the pressing needs of an equally important segment of our population that has also just returned from recess: the Nation's schoolchildren.

Specifically, I urge speedy action on the agriculture appropriations bill, H.R. 8619, which contains the funding authority for the school milk program. Although the House Conferees have not yet been appointed they should be promptly and our able colleagues must do their utmost to insure that the differences in the Senate and House versions are resolved justly and quickly.

The school milk program is vital to the health and well-being of our schoolchildren, particularly those of poor families that may not receive their necessary nutritional requirements at home. The Senate has recognized the program's importance by increasing the appropriation from a scant $25 million requested by the President to $97 million, a level at which the program can function adequately.

I urge the Senate Conferees to press for retention of this necessary funding, and to report the bill out of conference at the earliest feasible time.

The New York Times last Sunday wrote an editorial on precisely this point. That item alerts us all to the vital need for an immediate solution. I ask unanimous consent that the editorial be printed in the RECORD and urge my Senate and House colleagues to give it that utmost consideration.

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

MILK FOR CHILDREN

When schools open across the country this week, more than forty million children will find no milk on their lunch trays, unless local communities or their parents pick up the tab. The Federal subsidy, which amounted to $95 million last year, has for the moment been wiped out—a victim of President Nixon's budget slashing and of an unresolved conflict between the Senate and the House.

The President's budget requested only $25 million for the milk program, a $70 million reduction and just enough to provide milk for the approximately six million children in schools without lunch programs. While the House went along with the President's cutback, the Senate called for an expenditure of $97 million. Until House-Senate conferees arrive at a compromise, there will be no subsidized milk for school lunches. In schools that have no lunch programs, the Agriculture Department will continue to provide children with milk by using leftover funds for day-care centers and camps.

The lapse in the general school milk subsidy comes at the worst possible time—when the price of milk and most other food has risen to record levels. Many children will be getting less milk at home because of the squeeze on family budgets, thus making its availability in school doubly important to their over-all nutrition.

To make matters worse, there is also the threat of a serious shortfall in the amount of Government-donated food available for the school lunch program. Many former surplus items are now on the scarcity list. In addition, some food companies, which had been eager to get the schools' lunch business when supply exceeded demand, are now delaying acceptance of local school board contracts in the expectation of getting more lucrative customers later on.

Contrary to the self-congratulatory folklore of America as a child-centered society, Congress shows no sense of urgency about preventing children from becoming victims of the adult world's preoccupation with profits and budget-cutting. The conferees have acted irresponsibly in delaying action beyond the opening of school. It is now up to both houses, as soon as Congress returns this week, to press for an appropriation adequate to assure that milk will not be taken away from children.

1973—THE YEAR FOR FINAL PASSAGE OF STRONG AND COMPREHENSIVE PENSION LEGISLATION

Mr. BENTSEN. Mr. President, just 2 weeks ago the Departments of Treasury and Labor released a joint study which indicated that during 1972 alone more than 15,000 pension plan participants lost retirement benefits because their pension plans terminated with insufficient assets to meet all plan obligations. These losses amounted to more than $40 million in anticipated retirement incomes. Several thousand of these victims of pension plan terminations actually lost their entire earned pension, every single cent of it. For these individuals, the collapse of their retirement plan resulted in the loss of 100 percent of their hard earned pension.

Based upon this study we can anticipate that over a 10-year period more than 150,000 American workingmen and women will see promised pension benefits vanish—benefits that had been earned through years of long, hard labor.

Mr. President, these statistics dramatically highlight the need for immediate congressional approval of strong and comprehensive pension reform legislation such as S. 1179, the Bentsen pension reform bill, which has been approved by the Senate Finance Committee and S. 4, the Williams-Javits pension reform bill, which has been approved by the Senate Labor Committee. Both of these bills contain reasonable standards of vesting, funding, termination insurance and portability to protect the pension rights of the American worker. The provisions of these bills were carefully selected to safeguard the retirement benefits of our workingmen and women while avoiding the imposition of unreasonable costs on employers.

It must be emphasized that private pension plans across the country have performed very well in a vast majority of cases. The objectives of these major legislative proposals are to eliminate some aberrations in our private retirement system and to prevent some individuals from taking advantage of their employees. The purpose of pension legislation is not to establish an ideal pension plan but rather to set up certain minimum standards to avoid plan abuses. One must remember that a pension plan can always be more generous than the minimum standards legislated by Congress. It is important that Congress not make these standards so tough that we actually discourage the installation of new plans and thereby prevent those workers who do not now participate in private retirement plans from ever doing so.

Mr. President, the statistics I have recited from the Joint Treasury-Labor Department study represent far more than a list of numbers compiled for a Government report. These statistics represent real human tragedies for the unfortunate workers who were victims of plan terminations.

The loss of hard-earned retirement benefits was certainly a personal tragedy for workers like Stephen Duane, Thomas Litchko and Olaf Anderson who described their experience before a congressional committee.

Stephen Duane worked at a New Jersey warehouse for 32 years during which time he was accumulating a pension. The warehouse was closed down in 1970 and Stephen Duane lost his job. He was 51 years old at the time. However, this was 4 years short of his company's minimum pension age and as a result he lost all of his pension rights. Despite 32 years of service, during which time he was earning a pension, Stephen Duane received absolutely no pension.

The experience of Thomas Litchko, a father of five, is equally tragic. Mr. Litchko had been employed by the same Pennsylvania corporation for 20 years during which time he was earning a pension. In the spring of 1972—when Mr. Litchko was 39 years old—his company closed down and he was informed that he had no vested rights, that he was not entitled to any pension whatsoever. Under the provisions of his pension plan an employee had to reach the age of 40 before he would receive any vested rights. Thomas Litchko was only 1 year short of vesting and consequently lost 20 years worth of accumulated pensions.

The experience of Olaf Anderson of Philadelphia provides yet another tragic illustration of a victim of a pension plan termination. After working for the same company for 48 years he retired in 1970 and began to receive a pension of $100 a month. However, the company pension plan was terminated in 1971 and Mr. Anderson now receives no pension at all. It is interesting to note that this company provided its employees with a booklet describing the pension plan. The booklet informed the employees that:

You can look forward to retirement with peace of mind knowing that under the plan there will be a pension check in the mail to you from the company every month for life.

The occurrence of countless human tragedies such as these prompted me to introduce my own pension reform bill, S. 1179, earlier this year.

Mr. President, it is now more than 6 years since an interagency task force of the Federal Government, consisting of experts from the Departments of Treasury and Labor, recommended legislation which would guarantee that all American workers actually receive the pension benefits that they have earned through years of long, hard labor. Very shortly, the full Senate will begin consideration of landmark pension legislation which

hopefully will end, once and for all, the tragic losses of pension benefits that have occurred all too frequently in the past.

Earlier this year the Senate Labor Committee once again approved the Williams-Javits pension reform bill, S. 4. This bill represents the culmination of years of dedicated effort by the distinguished chairman of the Senate Labor Committee and the distinguished ranking minority member of that committee. Also this year the Senate Finance Committee approved the Bentsen pension reform bill, S. 1179, with some revisions.

Although there are some differences between the Bentsen and the Williams-Javits bills, I am very confident that these differences can be resolved so that the Senate can quickly pass strong and comprehensive pension legislation in the very near future.

When I introduced S. 1179 last March I opened my floor remarks by stating that reform of America's private retirement system is "one of the domestic issues that must receive top priority during the 93d Congress." I repeat that statement today and urge my colleagues in the Senate as well as the Members of the House to approve final pension legislation this year. Each year that we delay enacting pension reform legislation thousands of American workers will see their dreams of a retirement income shattered. This must be prevented by acting now.

I hope that in the years to come we will be able to look back upon 1973 as the year Congress approved landmark legislation to eliminate the abuses in America's private retirement system.

Before concluding I would like to point out that while legislation is essential to safeguard the pension rights of those Americans who currently participate in private retirement plans, Congress must give equal attention to the tens of millions of workers who do not now have the opportunity to participate in any retirement plan. It is discriminatory for Congress to provide special tax benefits for participants of private retirement plans while totally denying any tax benefits to the tens of millions of workers who presently do not participate in these plans.

When I first introduced S. 1179 this bill included provisions to offer a tax incentive to encourage individuals who do not now participate in retirement plans to set aside a portion of their current income for retirement savings. This concept has been approved by the Senate Finance Committee. Under S. 1179 any individual who is not an active participant in a qualified retirement plan will be permitted to make tax deductible contributions of up to $1,000 a year toward his own qualified retirement plan. Hopefully, this will encourage Americans to save for their own retirement security.

WARREN C. GRIMES

Mr. SAXBE. Mr. President, September 26 marks the 75th birthday of one of Ohio's foremost citizens, Warren C. Grimes of Urbana, and the 40th anniversary of the Grimes Manufacturing Co. he founded.

Mr. Grimes' achievements in the business world and his philanthropic activities in support of worthy social and public causes are indeed noteworthy.

Born September 26, 1898, Mr. Grimes was left fatherless early in life and was raised in a Tiffin, Ohio, orphanage.

In his youth, the pressures of earning a living to sustain himself forced Mr. Grimes to drop out of high school, so he went to Detroit and got a job at the Ford Motor Co.

His electrical wizardry was soon recognized and he got his big chance when he was asked to design lights for the Ford tri-motor airplane.

With that experience, he returned to Ohio in the early 1930's, rented a garage in Urbana, and started the Grimes Manufacturing Co. with a single employee.

After some lean times, he was awarded Federal approval for the red and green navigation lights that still wink from the wings of aircraft throughout the world.

Grimes Manufacturing Co. today is an acknowledged leader in the field of specialized transportation lighting equipment and related electronic systems. Over 6,000 different lighting and integrated electronic items are produced for a worldwide market by more than 1,000 employees, the largest single work force in the Urbana area.

Over the years, Warren Grimes has been active in building his home community and the State of Ohio, serving as Urbana's mayor and as a member of various State commissions, including the State aviation board, on which he served as chairman.

In 1961, he was honored by the American Schools and Colleges Association, Inc., when he received the Horatio Alger Award granted to persons whose careers exemplify the results of individual initiative, hard work, honesty, and adherence to traditional American ideals. He also holds an honorary degree of doctor of engineering in aeronautics from Bowling Green State University.

His philanthropic contributions are many. He has provided perpetual scholarships to Ohio State University for a deserving boy and girl from each Urbana high school graduating class, spearheaded fundraising drives for worthy social causes including the construction of the Urbana Mercy Memorial Hospital.

For all his many contributions to the aircraft industry in America, to his community, State and Nation, and to his fellow man, I take pleasure in recognizing Mr. Grimes on the occasion of his 75th birthday and the 40th anniversary of his important business enterprise.

THE GENOCIDE CONVENTION AND THE AMERICAN BAR ASSOCIATION

Mr. PROXMIRE. Mr. President, much of the opposition to the Genocide Convention comes from the American Bar Association. But there are several reasons why the ABA's position should not be given too much weight.

First of all, the organization was closely divided on this question: The vote to endorse ratification failed by a mere four votes. This shows that there was no overwhelming objection within the ABA to the convention.

Second, the sections of the ABA most directly concerned with the treaty—that is, the standing committee on world order under law; and the sections on individual rights and responsibilities; criminal law; and international and comparative law—were in favor of ratification.

And last, we must not forget that it is the constitutional responsibility of the Senate to advise and consent to treaties that are submitted to it by the Chief Executive. Moreover, we cannot allow the ABA to substitute its judgment for that of the President in conducting our foreign affairs.

For these reasons, then, ABA opposition to ratification of the Genocide Convention must be taken with substantial reservations. Mr. President, there is no excuse for the Senate's failure to act favorably on ratification of this treaty. I urge my colleagues to ratify the Genocide Convention without any further delay.

MULTINATIONAL CORPORATIONS

Mr. PACKWOOD. Mr. President, during the final few days of our frenetic rush to recess, I fear that many of my colleagues may have allowed a series of articles in the August issue of Fortune to pass them by. These articles offer an excellent discussion of multinational corporations and the myths and realities associated with them.

As I reviewed these articles, it occurred to me that they do, in fact, go far to dissipating the "dense clouds of misunderstanding" that the authors cite as having hovered miasmically over our debate on multinationals. Indeed, much of the debate surrounding multinationals during recent months has, I fear, generated substantially more heat than light—much clearer evidence of adrenalin flow than thought.

In an effort to transform some of this heat into light, allow me to suggest that each of us would be well served by a careful study of these articles. Granted, this brief a review of multinationals cannot—and does not—masquerade as a comprehensive analysis of the situation.

These articles do provide a better-than-average review of the characteristics of multinational corporations—the benefits that we as a Nation derive from their operations, the failings they evidence from time to time in their operations, and the negative side effects sometimes felt as a result of well-intentioned undertakings on the part of multinational corporations.

There are those in the Nation who suggest that we should apologize for the existence of multinational corporations. Others suggest that multinationals should be thoroughly bled in the finest medieval tradition in the mistaken belief that by so doing all of our national economic ills might be cured. Still others would urge that we blindly extoll their virtues.

To all of these voices, I say no.

Rather, let us seek to understand the nature of multinational corporations—warts and all—and then proceed to ad-

dress such problems as they do represent in an atmosphere of enlightenment.

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

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

MULTINATIONAL CORPORATIONS IN A TOUGH NEW WORLD

The several thousand U.S. companies that have substantial direct investments abroad, and that are today called "multinational," have been enveloped in dense clouds of misunderstanding almost from the time the word came into vogue about a dozen years ago. The companies have for years been perceived as large and predatory. Jean-Jacques Servan-Schreiber's famous dictum that the world's great industrial powers would soon include "American industry in Europe" seemed to many anxious Europeans a brilliant perception of an irresistible new reality. Most judgments in the U.S. have been less extravagant; even so, they have generally taken it for granted that the multinational companies represent an awesome new force in world business and will continue to expand dynamically. To the U.S. labor movement, which has been the companies' most persistent critic, their power and autonomy have appeared self-evident.

Against this background, some findings spread through this issue of Fortune may come as something of a surprise. The central finding, as this article will detail, is that multinational corporations are entering upon a new era of consolidation; their growth rates will be decelerating in the years ahead. At the same time, they will be obliged to confront some rather serious management problems that have to some extent been swept under the rug during the years of rapid expansion. Some of these management problems will be discernible in the articles that follow on multinational companies' peculiar tax problems, their money-management techniques, and their contributions to the U.S. balance of payments. In addition, this is a report on the special problems of one large multinational company.

For almost a quarter-century now, U.S.-based multinational companies have been expanding their overseas investments at a breathtaking rate of about 10 percent a year. Despite this remarkably durable trend, the forecast of a slowdown can now be made with some confidence. For most of the postwar period, two major pressures led the companies into overseas production. Ray W. Macdonald, president and chief executive officer of Burroughs, identifies these pressures succinctly: "In the Fifties the basic reason was foreign restrictions on U.S. exports. In the Sixties the basic reason was cost." Neither reason seems especially compelling in the Seventies.

The industrial countries have long since dismantled their steepest barriers to U.S. exports and, under relentless pressure from Washington, can be expected to eliminate nearly all the remaining obstacles to industrial trade in the Seventies. Even more important, overseas production no longer looks particularly cheap to Americans: wages in many European countries are getting close to U.S. levels. And the revaluations of major European currencies and the Japanese yen are gradually erasing the huge differences between the dollar cost of producing here and in other countries. Otto Dax, president of Siemens Corp., a U.S. subsidiary of a German multinational company, is very much aware of comparative costs these days. He remarked recently: "In many product lines the cost of production in Germany is nearly as high as in the United States. And German costs are rising much more rapidly."

It is ironic that, just when the great expansion of U.S. multinational companies is subsiding, the U.S. labor movement has entered the hysterical phase of its long campaign against the companies. The A.F.L.–C.I.O. recently issued a statement proclaiming that multinational operations are responsible for "the dimming of America"; they are said to have emptied U.S. factories and given away U.S. technology. The federation believes the companies are rapidly turning the greatest industrial power into "a nation of hamburger stands."

A FALSE OBJECTIVE

The unions have, accordingly, sponsored legislation that would impose an almost confiscatory level of taxes on the overseas operations of U.S. multinational companies. Although this legislation is unlikely to pass in the form proposed by the A.F.L.–C.I.O., there is considerable sentiment in Congress for curbing foreign investment. The proclaimed objective of labor's offensive is to save an appreciable number of U.S. jobs that are about to be lost. In the circumstances, however, the effect on jobs would be minimal. The legislation would serve principally to weaken the earning power of overseas investments that are already in place. This earning power is a major matter: by 1980 the U.S. can expect to receive an annual return of about $20 billion in dividends, fees, and royalties from foreign investments.

Given the impact of labor's argument on so many Congressmen, it is important to be clear about its basic premise. The argument assumes that the companies have always had the *option* of serving foreign markets either from the U.S. or from overseas facilities. It assumes further that businessmen have simply decided to go abroad because the profits were higher there. Many labor spokesmen contend that, in going abroad, the companies hurt the U.S. in two distinct ways. First, by sending money overseas they reduced the amount of capital available in the U.S. to create new jobs and improve domestic productivity. And second, the companies' activities have given birth to overseas industries that would not otherwise have come into existence. Instead of fighting foreign competition, that is, the multinational companies stand accused of creating and training it.

In fact, it seems most unlikely that the foreign operations of U.S. companies have siphoned off capital that might have helped create jobs at home. In principle, to be sure foreign investment usually takes the form of an outflow of U.S. cash that provides other countries with future claims against U.S. resources. As these claims are honored, the U.S. must export more goods and services than it otherwise would have; and when our economy is running taut, we can increase exports only by reducing domestic consumption or domestic investment. But in most postwar years the economy has not been taut, and there have been unemployed resources—including unemployed workers—that could be used to help create those additional exports. Most of the time, accordingly, our foreign investments have not created any real pressures to reduce domestic investment.

HOARDING THE CHIPS

In any case, investment in the U.S. would be curtailed only if other countries actively used their dollars to bid for U.S. resources. But during much of the postwar period, a great deal of the U.S. cash that flowed abroad, whether for private investment or government (e.g., military) purposes, was never converted into U.S. goods. Other countries chose, instead, to accumulate large dollar reserves, representing deferred claims on U.S. resources. As a result of the two dollar devaluations, some of the chips held abroad may eventually be cashed in, but not immediately and still not necessarily under conditions that will reduce investment here. So far, at least, the reality about those dollars abroad is that other countries have shielded the U.S. economy from some of the potentially undesirable effects that the union spokesmen keep citing.

And to the extent that overseas ventures are financed with foreign money, the likelihood that foreign investment has displaced domestic investment becomes even more remote. During the postwar period a steadily increasing proportion of U.S. foreign investment has been financed with foreign money. A Department of Commerce survey for the 1957–59 period found that only about 25 percent of the funds used by foreign affiliates of U.S. companies came from their parent companies. From 1966 to 1970—the latest period for which adequate figures are available—the parents supplied only about 15 percent of their affiliates' funds. More than half of the money was internally generated, i.e., by retained earnings and depreciation, and more than a quarter of it was borrowed overseas.

If multinational companies have been scrimping on domestic investment in order to put up plants overseas, this fact would presumably show up in the employment figures. As a general rule, it seems clear, the multinational companies dominate the U.S. industries in which they operate. They account for the bulk of output and most of the research and development, and they play a leading role in setting prices. In brief, they have a lot more "market power" than most companies. Thus when employment is declining, they should normally retrench less than the average company. But if labor's arguments are valid, the multinational companies' margin of superiority should narrow greatly in periods of heavy foreign investment and expand in periods of limited foreign investment.

To test this hypothesis, FORTUNE collected domestic figures from seventeen large multinational companies that were carefully chosen to represent a cross section of direct investors abroad. The figures, which were adjusted to take into account the impact of mergers on employment growth, covered the periods 1956–59 and 1966–69. Investment activity abroad was comparatively light in the earlier period, quite heavy in the later period.

From 1956 to 1959, U.S. employment in the average manufacturing company declined by about 20 percent, while in those seventeen multinational companies it fell by only 8 percent. From 1966 to 1969, employment in the average manufacturing company dropped again, this time by about 2 percent. But the seventeen multinational companies increased their U.S. employment by just over 7 percent. This exercise is by no means conclusive, but it suggests that the foreign activities of the leading U.S. companies have had little impact on a better-than-average record of job creation at home.

THE IMPORTANCE OF BEING LOCAL

There are many who argue, however, that the multinational companies might have done even better at creating jobs in the U.S. if they had exported their products rather than their plants. Some labor spokesmen blame the seemingly steady decline in our share of world exports on the rise of U.S. overseas production. But the plain fact is that our share of exports began falling before most U.S. companies started their overseas expansion. It deteriorated about as much from 1952 to 1960 (when the value of our foreign direct investment increased by less than $20 billion) as it did from 1960 to 1970 (when the value of our investment rose by over $45 billion). All of which suggests that the extent of foreign investment activity has had little bearing on the erosion of our competitive position.

Actually, the companies that went multinational had no real options about producing

overseas or exporting from the U.S. Overseas barriers to U.S. goods were once almost impossible to hurdle, and governments threatened to build still higher barriers unless U.S. companies established local plants. Furthermore, local competitors or multinational companies based in other countries would have used these barriers to their own advantage if American firms had not seized the opportunity to produce locally.

If Procter & Gamble had not gone to Algeria, for example, Unilever would have preempted the local soap business. If Caterpillar Tractor had not gone to Britain, Vickers might today be that country's leading producer of bulldozers. If Squibb had not gone to Italy, it would have surrendered the Italian market to Hoffmann-La Roche.

One might suppose that the multinational companies moving overseas to forestall foreign competition would be applauded for their prescience and enterprise rather than denounced for leaving home. Indeed, by getting there ahead of local or third-country competitors, the companies have actually stimulated exports, since a U.S.-owned foreign subsidiary will obviously buy more raw materials and components from the U.S. than will a German- or British-owned subsidiary.

It must be conceded that some companies went abroad early, at a time when they could still have exported for a while. For example, Deere began making farm tractors in Europe during the Fifties in order to move inside tariff barriers of about 18 percent. It is conceivable that the company might have been able to manufacture in the U.S. and tack the tariff on to its European selling price. Sales would have been hurt but not eliminated because local producers were not then strong enough to challenge the American label.

But local producers soon developed into very active competitors and would no doubt have become more active still if Deere and other U.S. companies had not arrived on the scene. Says Ellwood Curtis, Deere's president: "If the U.S. farm-tractor companies had not taken a part of the European market, Deutz in Germany, Fiat in Italy, and Zetor in Czechoslovakia would now be challenging us not only in their home markets, but also in the United States." In other words, multinational tractor production may have cost the U.S. some jobs in the past, but it is now saving the jobs of those who might have been laid off because of rising imports of machinery.

A similar thought is expressed by Macdonald of Burroughs: "Our overseas operation slowed down the growth of companies like Philips, Siemens, Olivetti, Bull, and Telefunken. If we hadn't been over there, those companies would have made a lot more money, would have greatly expanded their research effort, and would now be making much better calculators, accounting machines, and punch-card systems. As a result, the U.S. market would be flooded with their products."

WHEN INVESTMENT REPLACES TRADE

From another point of view as well, the logic of investing overseas came to seem steadily more powerful in the postwar years. In 1949 a total of thirty-one countries drastically devalued their currencies. Britain, France, Germany, and Austria devalued by between 20 and 53 percent relative to the dollar. Although it was not at all evident at the time, these adjustments, coupled with a second French devaluation of 18 percent in 1958, proved excessive. They helped topple the dollar from its position as the world's soundest currency. In the Forties and Fifties, the dollar was in very short supply. But by the early Sixties, the supply of overseas dollars had increased dramatically, and many observers began speaking about an overvalued dollar.

At this point, companies that had embraced an exporting rather than overseas-production strategy might have been in trouble. Companies based in a country with a significantly overvalued currency find it difficult to export because their costs and prices, expressed in foreign currencies, are artificially high. On the other hand, the same companies can buy more foreign assets with a given amount of their domestic currency than they could have if exchange rates were properly aligned. In consequence, when exchange rates are overvalued, investment tends to substitute for trade.

By the time the Common Market was created in 1958, many European producers were already in a position to enlarge their market shares in competition with the exports of leading American companies. The Common Market made this even easier by encouraging the construction of larger, more efficient plants that could maximize economies of scale.

Nowhere is this more evident than in the chemical industry. From 1960 to 1972, the major European chemical producers vastly expanded their capacity for making low-density polyethylene, one of the most versatile and widely used themoplastics. Montedison increased its capacity from 35 million pounds to 352 million pounds; Rheinische Olefinwerke (ROW) from 165 million to 990 million pounds; and Netherlands States Mines (DSM) from 18 million pounds to 396 million pounds. The reaction of the U.S. chemical companies is typified by that of Union Carbide. From 1951 to 1956, Union Carbide's exports of chemicals and plastics to Continental Europe had increased from $4.5 million to $21.3 million. But in the late Fifties, that export growth began to level off. Threatened by rapidly expanding local competitors, company executives projected further export stagnation, even decline. And so Carbide began producing low-density polyethylene in Belgium in 1961 and in Sweden in 1963. By 1972 both plants had been expanded to more than thirteen times their original capacity of about 30 million pounds.

LOSING THE COMPETITIVE EDGE

By the mid-Sixties, the leading U.S. exporters were under a lot of pressure to do something about their rising wage costs. The increasing efficiency of foreign competitors in most industries—computers and aerospace were two exceptions—had wiped out the large cost advantage once enjoyed by the exporters. Although their operations in the U.S. had on average more than twice the productivity of a typical French or German manufacturer, the big U.S. companies also paid more than twice as much in wages. In consequence, their unit labor costs were about the same as those in a French or German company. It is easy to understand why, after freight charges and tariffs were added, many U.S. companies had trouble exporting to the major Continental markets, and why they chose to manufacture inside these markets.

As some of these details suggest, one of the unions' charges against the multinational companies is perfectly correct. The companies went abroad, in large part, because they saw an opportunity to flee from the U.S. wage structure. Most multinational companies tend, of course, to be large. On this year's list of the 500 largest industrials, virtually all the companies among the top fifty are now multinationals. Most of these companies are heavily unionized—or else pay high enough wage rates to keep unions out. Moreover, they have tended to employ large staffs of expensive research and development personnel. All of which helps to explain their increasing competitive problems as exporters in the mid-Sixties.

While the large industrials were having this new range of problems with exporting, many of them were also in new kinds of trouble in their domestic markets. The dynamics of this process are somewhat obscure, but the figures suggest forcibly that the smaller U.S. manufacturing companies had been more successful in resisting unionism in many industries and in holding down wage costs generally. The pressure to move overseas or (more likely) to expand overseas operations is evident in some data for 1966, the last year in which the Commerce Department made a complete census of multinational operations. The data show that productivity in the average manufacturing company was comparable to that in the multinationals—while unit labor costs averaged 27 percent less.

Many large companies had, of course, been competing for years on a good deal besides prices and cost. Indeed, one of their great assets has been a reputation for product quality, dependability, and service—advantages that sometimes make possible price premiums of as much as 20 percent.

In recent years, however, these advantages have begun to erode. A fair number of companies outside the U.S. have also built up reputations for excellent products and dependable service. The Japanese and the Italians, who not so long ago were regarded as producers of low-cost, relatively shoddy goods, have transformed their images in the last decade and a half. Hence the knowledge that their own costs were getting out of line must have seemed increasingly worrisome to many large U.S. companies.

By going overseas, then, many of these companies were able to establish an edge in costs over the foreign competition—and also to neutralize their domestic cost disadvantages. In 1970, unit labor costs of the foreign affiliates of U.S. multinational companies were about one-quarter to a half below those of the parents and about the same amount below those of local European competitors.

ADJUSTING TO DEVALUATION

During the past three years, however, those cost advantages overseas have been disappearing. The competitive climate has changed dramatically, primarily because of the worldwide adjustment in exchange rates. Since 1970, the value of the Japanese yen and the French and Belgian francs has risen by between 25 and 30 percent. The German mark has appreciated the most of all—by nearly 35 percent. At the same time, wage inflation in Germany has increased faster than in the U.S. As a result, German wages, which were about 65 percent of the U.S. level in 1970, are expected to reach 85 percent of the U.S. level by the end of this year.

Since the bulk of the currency changes took place this year, complete and fully comparable unit-cost data are not yet available. But in many industries, costs and prices in the U.S., expressed in foreign currencies, no longer seem so high, while the dollar costs of foreign producers, including those of U.S. foreign affiliates, are much less attractive. Some idea of the extent of the change can be gathered by converting 1972 unit labor costs into dollars at the exchange rates prevailing as of June, 1973. From 1970 to 1972, U.S. unit labor costs increased by only 3 percent. But Italian costs went up 30 percent, French costs 44 percent, Belgian costs 52 percent. And in both Japan and Germany, unit labor costs rose by a whopping 60 percent.

Most executives have not yet adjusted their investment planning for the effects of these recent changes. There have been, however, some rather suggestive events here and there. A few years ago Zenith found that it could not compete with Japanese-made stereo components being sold in the U.S., and so the company decided to build its own components plant in Hong Kong. But successive revaluation of the yen since then have made it much more difficult for the Japanese to compete in the U.S. market. So Zenith recently junked its Hong Kong investment blueprints.

Another portentous event: Last year, Ford imported the engines for its Pinto car

from Britain and Germany. Recently, the company announced that it would henceforth build many of its Pinto engines in Lima, Ohio. Says John Sagan, Ford's treasurer: "Although many of the reasons for this shift have nothing to do with costs, there is no doubt that the impact of currency revaluations played some role in our decision to produce engines domestically."

It is true that these examples are somewhat unrepresentative, since they involve overseas production earmarked for sale in the U.S. Less than 10 percent of the output of the foreign affiliates of U.S. multinational companies is sold in the U.S. More than 90 percent is produced for the local market or for export to a third market, and thus far there are no notable cases of decisions to invest overseas for local production being canceled because of currency changes.

Still, many of these decisions are clearly being restudied and may ultimately be postponed. Notes Harry Heltzer, chief executive officer of Minnesota Mining & Manufacturing Co.: "The currency revaluations will obviously lengthen the time between the introduction of a 3M product line into a foreign market through exports and the company's decision to shift to overseas manufacture."

The changing competitive climate should be especially discouraging to U.S. foreign investment in industries where final demand is particularly sensitive to price changes. These include automobiles, farm machinery, consumer electronics, most basic chemicals, and many types of office equipment. It should have no effect on the primary-metals and oil industries because of domestic shortages of oil and minerals. And it should have only a marginal impact on special-situation products like computers and power-generating equipment.

These products belong to a small class of goods that most industrial countries insist on making locally regardless of cost. Since computers and generators are usually essential to government operations and services, countries find it embarrassing to remain dependent on external sources of supply. Even though I.B.M. could always make large computer systems and Westinghouse could always make big generators much more cheaply in the U.S., they still feel obligated to go overseas. As George Wilcox, vice chairman of Westinghouse, puts it: "My friends in nearly every European country tell me that unless Westinghouse can make the equipment locally, we had better forget about submitting a bid."

THE NEW ARITHMETIC OF INVESTMENT

Although the incentives for overseas investment are weakening, the book value of U.S. foreign investment will obviously continue to rise. And in the short run it could rise rather sharply because European business conditions are good. Moreover, U.S. cash outflows are bound to increase over the next eighteen months. It takes far more dollars to buy a given amount of foreign assets than it did a while back.

Still, by the mid-Seventies, overseas investment should begin to lose its attractiveness. It is expected that, instead of expanding at a rate of 10 percent a year, multinational companies will maintain a more modest rate of overseas growth—say, between 5 and 7 percent.

Those rates imply that by 1980 the value of U.S. direct investment abroad should range between $160 billion and $180 billion and should produce between $400 billion and $450 billion worth of goods and services. By the end of the decade these investments could yield the U.S. an annual income equal to about 40 percent of our present export revenues. This income should help us balance our international payments position without having to go through the trauma of additional dollar devaluations.

In the years ahead, as our capital outflows begin to stabilize, the flow of European and Japanese capital to the U.S. should be increasing. Foreign companies are quickly learning to unravel the hitherto baffling mysteries of the inviting U.S. market. The U.S. may become, at least for a while, a net importer of capital as well as the recipient of all those earnings on our past investments. Indeed, so much foreign money may eventually pour into the U.S. that labor might become receptive to the idea of foreign investment. The multinational companies might even become noncontroversial.

THE PUSH TO MAKE THEM PAY MORE TAXES

As tax reformers are keenly aware, U.S. corporations do not pay U.S. taxes on the profits of their foreign subsidiaries until these are remitted to the U.S. Moreover, the law grants the companies a dollar-for-dollar credit for their foreign taxes. Say the Swiss subsidiary of the U.S. multinational—call it Omnia Corp.—earns $100,000 and pays Swiss taxes of $30,000. If and when Omnia decides to bring the remaining $70,000 to the U.S., it would pay the IRS $3,600 (48 percent of $70,000, or $33,600, less the $30,000 credit). The total tax burden would amount to about 34 percent.

Pending in Congress are a number of proposals to make multinationals pay more tax on foreign earnings, or at least pay sooner. The sternest measure advanced so far is the much-discussed Burke-Hartke bill, which is backed by the AFL–CIO. Under the provisions of Burke-Hartke, Omnia would pay U.S. taxes on its Swiss profits as soon as they are earned. And the taxes paid in Switzerland would be treated as a deduction rather than as a credit. Omnia would end up paying Switzerland $30,000 and the U.S. $33,600 (48 percent of $70,000). In this case, the total tax burden, none of it deferrable would amount to about 64 percent.

THOUGHTS OF EMIGRATING

Some executives sputter with rage at the mention of Burke-Hartke, and some warn of dire consequences. Franklin E. Agnew, senior vice president of H. J. Heinz, said not long ago: "If Congress passed this bill, Heinz would give serious thought to disincorporating in the U.S. and moving its headquarters to another country."

Burke-Hartke's supporters, however, have now backed away from the more extreme provision—killing the tax credit—and concentrated on the campaign to end the deferral privilege. With deferral eliminated, Omnia would have to pay IRS $3,600 on the Swiss profits right along with other income taxes for the year, whether or not the profits were brought back to the U.S.

After more than a decade of unsuccessful congressional efforts to end tax deferral, it now seems certain that the privilege will shortly be either ended or modified. The Nixon Administration has been trying to forestall the complete demise of deferral by proposing two limitations on its use. Under the Administration plan, companies would not be allowed to defer U.S. taxes if they went overseas to take advantage of special local tax benefits, or if they built foreign plants for the specific purpose of supplying the U.S. market—"runaway plants" they are called.

ESCAPE TO THE CARIBBEAN

Despite some reservations about the rather loose drafting most businessmen have embraced the Administration proposals. PepsiCo is one of the companies that could be affected by the runaway-plant section of the Nixon plan—the Wilson Division makes a lot of baseballs in Haiti for export to the U.S. But in the opinion of Chairman Donald Kendall, "It would be very difficult for the multinationals to get a better bill than the one the Administration offers."

Some spokesmen for the oil industry are less pleased with the Nixon proposals. In the last few years a number of oil companies have begun building refineries in the Caribbean in order to escape the high cost of installing antipollution equipment in domestic refineries. Says Emilio Collado, executive vice president of Exxon: "The runaway-plant section of the Nixon plan may have been originally designed to catch Mexican metalworking operations and Taiwanese consumer-electronics facilities. But the authors of the proposal soon discovered that it has the nice secondary effect of hitting the oil companies."

Collado says the Administration plan would eliminate the "modest incentive" to build offshore refineries for the U.S. market. But Walter Burkhiser, assistant treasurer of Gulf Oil, feels that the tax penalty would be much less burdensome than the cost of complying with domestic antipollution requirements. "The Nixon proposal," Burkhiser says, "will not slow down the offshore movement at all."

Red-blooded tax reformers, of course, regard the Administration's plan as painfully inadequate. Jerome Levinson, director of research for the Senate subcommittee on multinational companies, calls the plan "the very minimum necessary to try to steal the opposition's thunder." Also distressed at the mildness of the Administration measure is the most important Congressman of all in tax matters: Wilbur Mills, Chairman of the House Ways and Means Committee, and a man whose mind is usually open to the viewpoint of business. Mills proposes that multinationals be allowed to defer U.S. taxes on only one-half of their foreign earnings.

AN INTENSIFYING STRUGGLE

Although the companies are not optimistic about winning over many congressional votes, they have presented a strong case for retaining the deferral privilege. They point out that no other major industrial country subjects its multinationals to current taxation of earnings generated by their overseas subsidiaries. Germany, Canada, and the Netherlands do not even tax those earnings when they are brought home. And France and Japan tax dividends from abroad at very gentle rates.

Many companies claim that immediate taxation of their overseas profits will seriously hamper them in their competitive struggle with foreign-owned multinationals that bear much lighter tax burdens. What Congress does not understand, say some executives, is that with competition becoming ever more intense, the additional tax load could conceivably drive them out of many overseas markets.

HOW THE MULTINATIONALS PLAY THE MONEY GAME

Since they operate in many different countries and economic environments, multinational companies have unusual opportunities for making money on money. They can shift profits from jurisdictions with high tax rates to those with low rates. They can borrow where interest rates are low and employ the funds where rates are high. And their worldwide operations provide them with invaluable intelligence on the strengths and weaknesses of national currencies—information that they can use to speculate in foreign exchange.

But how well do the multinationals actually manage this global arbitrage? They are sometimes portrayed as superefficient engines ceaselessly alert to their opportunities. But a gradually accumulating body of evidence on corporate financial behavior points to a different conclusion. The large multinational companies, it appears, are by no means the sharppencilled arbitragers many people believe them to be.

A major part of the evidence about the financial activities of multinational companies comes from research done by two Americans, Robert B. Stobaugh, professor of business administration at Harvard Business

School, and Sidney M. Robbins, professor of finance at Columbia Business School. They bring impressive credentials to the job of analyzing multinational behavior. Stobaugh worked for three multinational companies—Exxon, Caltex, and Monsanto—over a span of eighteen years before taking his doctorate in business administration at Harvard. He is a perennial witness at congressional hearings on various aspects of multinational operations. Robbins has written four books and innumerable articles on financial management in the course of a forty-year career as a teacher, government economist, and consultant.

Over the past seven years, with help from the Ford Foundation and other donors, Stobaugh and Robbins have studied the finances of nearly 200 multinational companies. These companies (all of them on the FORTUNE 500), account for about three-quarters of U.S. direct investment abroad. The research included extensive interviews with financial executives as well as analysis of company records, both published and unpublished. Assisted by Daniel Schydlowsky, a leading Harvard econometrician, Stobaugh and Robbins used their data to build a model of a hypothetical multinational enterprise. This enabled them to estimate how far actual financial performance deviates from the optimum—that is, what the companies might have earned if they had been willing and able to pursue the single-minded goal of maximizing profit.

The authors' findings will be published this month in a book entitled *Money in the Multinational Enterprise: A Study of Financial Policy* (Basic Books). Recently, Fortune asked Stobaugh and Robbins to discuss and enlarge on some of the points raised in their book.

Stobaugh and Robbins muster impressive evidence that multinational companies are not very sophisticated financial managers. Last year U.S. companies earned an estimated $12 billion on their direct investments abroad. But if if they had exploited all the financial opportunities created by their network fo foreign affiliates, they could have increased their foreign earnings by about $3 billion or 25 percent.

STOBAUGH. Of the 187 industrial companies we studied, only about sixty could be described as financially aggressive. In general these are the middle-sized companies—those with foreign sales of between $100 million and $500 million. The rest of the companies do not manage their money very effectively. One would expect this of the small enterprises, since most of them are newcomers to multinational business, and they lack the experience required for efficient global arbitrage. But the surprising fact is that the largest and best-known companies—the G.M.'s, the I.B.M.'s, the I.T.T.'s—are missing so many opportunities for extra profits through better financial management.

ROBBINS. Many of the big companies don't borrow as cheaply as they might because they ignore low-cost funds that are available from affiliates within the same worldwide enterprise. Most don't invest their cash effectively. They prefer to place temporarily idle funds in the U.S., regardless of the opportunities available in foreign money markets. The great majority of companies manage their foreign inventories very poorly. In fact, we estimate that nearly half of their overseas stocks are superfluous. More managerial attention to inventory problems could free substantial funds for additional investment abroad or for repatriation to the U.S.

The companies have been accused of evading large amounts of taxes, but our research indicates that they often fail to use some very elementary techniques for minimizing their international tax liability. And although many enterprises are becoming adroit at measuring their exposure to the risk of currency devaluation or revaluation, a large number have only recently begun to make a profit on foreign exchange.

The principal reason for the lack of financial aggressiveness in the large enterprises is the enormous scope and complexity of their global operations. Some multinationals are composed of scores of foreign holding companies, subsidiaries, and branches. Managements would like to maintain tight, centralized control over the financial affairs of these behemoths, but in practice they find that impossible. Headquarter staffs simply cannot monitor all the financial links in the system. And since they cannot do that, they spend most of their time preparing and revising rulebooks that are used to guide the foreign affiliates and prevent egregious blunders.

Meticulous attention to rules has its virtues no doubt, but the lack of flexibility can be costly.

STOBAUGH: As our computer model shows, the way to maximize profits is to stay loose. Companies must be prepared to change direction quickly. Yet for the most part, the large companies are hemmed in by standard operating procedures.

For example, one company we studied had a rule against financing subsidiaries through accounts receivable. Companies can grant credit to their foreign affiliates not only by making loans, but also by delaying the collection of accounts owed by the affiliate to either the parent or another affiliate. Deferral of intercompany accounts represents a highly flexible way of providing working capital. No formal loan document is required, and the amount of the credit can easily be regulated by adjusting the period of repayment.

To prevent intercompany accounts from being used as a financing tool, this particular company charges an interest rate on any account outstanding over thirty days. Since this charge is deducted from the annual bonuses of the executives responsible for the debt, it is a pretty effective deterrent.

Nevertheless the European treasurer of this company has tried to circumvent the rule. A few years ago the company's German subsidiary was short of funds and was reluctant to borrow from German banks at the then-going rate of 8 percent. The European treasurer tried to get the company's French affiliate, which routinely sells about $2 million worth of goods each year to the German affiliate, to forgo payment on its German receivables for nine months, covering itself by borrowing francs locally at only 4 percent. The French affiliate agreed, provided the Germans paid a 5 percent interest charge. Since this charge would come out of his bonus, the German treasurer balked and instead borrowed the $2 million from a Belgian bank at 5.5 percent. The German executive saved his bonus, but the company's rigid adherence to the rulebook cost $22,500—the difference between the Belgian and French cost of borrowing $2 million for nine months.

ROBBINS: Of course, it is sometimes possible to bend a rule when circumstances warrant. But it usually takes quite a lot of push. The manager of a Japanese affiliate of one of the companies wanted to invest a considerable sum in local money-market instruments. Since he did not have authority under the rules, he requested permission from the company's Far Eastern treasurer. The treasurer didn't have the authority either, so he cabled headquarters. Headquarters misunderstood the request and refused. There followed a lengthy and somewhat humorous exchange of cables, which the company actually showed us. Finally, the local manager got his permission, but it hardly seemed worth all that effort.

STOBAUGH: A major organizational dilemma is involved here. On the one hand, the companies are convinced that they cannot operate without fairly stringent rules. On the other hand, they recognize the inhibiting effects of these rules. One of the ways of resolving the dilemma is to create separate regional financial headquarters with nominal authority to interpret and presumably modify the rules.

But the regional financial managers rarely get the authority they need, or else they're unwilling to use it. For example, the European treasurer of one of the Big Three auto manufacturers told us he did not change many rules because he was afraid of home-office criticism. Another European treasurer told us he had reasonably wide latitude to devise a strategy for dividend remittances for the affiliates in his area. But he used that authority to set an inflexible rule of his own—namely, each affiliate must remit 50 percent of earnings to the U.S. in the form of dividends. In other words, organizational gimmicks are unlikely to produce greater flexibility if the over-all company climate makes for conservative financial management.

ROBBINS: The same conservatism sometimes extends to tax planning. Many companies pay insufficient attention to one rather obvious way of avoiding taxes. Companies have considerable leeway in capitalizing their foreign affiliates with either loans or equity. Interest on loans is usually tax deductible to the foreign affiliate, whereas dividend remissions are not. Moreover, when an affiliate repays a loan to the parent company, the payment does not constitute taxable income. But when an affiliate sends home a dividend, the parent must pay U.S. taxes on the money.

Many tax lawyers advise companies that the Internal Revenus Service will permit them to label as debt $4 out of every $5 they send overseas to finance their affiliates. This debt-to-equity ratio is also acceptable to most foreign governments. But the large companies usually follow fairly rigid formulas in determining their equity contribution. These formulas may require that equity be equal to fixed assets, or fixed assets plus inventory, or 50 percent of total assets. In almost all cases these formulas provide for far more equity and less debt than would be acceptable to the IRS. As a result, affiliates end up remitting overseas profits as dividends rather than as loan repayments. And this means more taxes than would have been necessary.

Corporations do not have to pay U.S. taxes on the profits of their foreign subsidiaries until these are repatriated to the U.S. Accordingly, they can save money by leaving profits overseas wherever tax rates are lower than in the U.S. And they can increase their savings by concentrating profits in countries with the lowest tax rates.

STOBAUGH: I have just completed an analysis of tax rates here and abroad for 1970, the last year for which we have adequate data. Most multinational companies paid an effective U.S. tax close to the statutory rate of 48 percent. But abroad, their average tax rate came to roughly 33 percent.

Logically, one would expect the companies to keep the money overseas. And many try to do so. But the large companies do not have as much freedom of action as most people think. First, their overseas operations tend to be very well established and, in most cases, are growing at a much slower rate than a decade ago. So they don't need the money overseas. Second, these companies have come to depend on their foreign earnings to help them pay their corporate dividends. As a result, they bring home a great deal of money.

For the last two years, however, companies have had extra incentive to leave money abroad. With the dollar shrinking in value, many of them have held on to their local-currency profits as long as possible, hoping to convert them into dollars at the highest possible exchange rates.

ROBBINS: There is enormous potential for saving on taxes by adjusting prices within

the corporate structure—so-called transfer prices. But, again, we have found that most of the large enterprises tend to be somewhat conservative. When they change prices, it is usually not so much to reduce taxes as to withdraw profits that have been frozen by governmental decree. In the mid-Sixties, for example, one U.S. corporation found itself unable to bring home profits earned by its Japanese affiliate. So the company raised prices on its shipments to the affiliate and repatriated the money that way.

STOBAUGH: Of course, everybody blames the companies for transfer-price abuses. The governments of other countries claim that U.S. companies are charging their foreign affiliates exorbitant prices in order to shift profits back to the U.S. On the other hand, the IRS argues that the companies undercharge their affiliates. The IRS has been quite vigorous in reallocating income from affiliate to parent in order to collect more U.S. taxes. In some cases the reallocation is justified, but often the companies are treated in an arbitrary fashion.

Last December I was an expert witness before a tax court in a case involving Du Pont. The case is still pending. Du Pont is suing to recover taxes on profits the IRS says were earned in the U.S. rather than by Du Pont's Swiss sales affiliate. The government claims that Du Pont deliberately cut its export prices to Switzerland in order to take advantage of that country's much lower tax rate.

But Du Pont had put together a unique team of high-powered R. and D. and marketing talent in Switzerland. Without that team the company's European business would have suffered greatly. Who can say where the profits should have been allocated—to the U.S. company that produced the goods or to the overseas company that was responsible for a highly sophisticated and indispensable sales effort?

The government argues that the profits belong in the U.S. because the investment necessary to manufacture the exports was much larger than the investment required to sell them. But Du Pont produced these exports in a domestic plant that was already on stream. On the other hand, its overseas sales force was created specifically to help sell Du Pont exports. The marginal cost of producing the exports was insignificant, but the marginal cost of selling them was huge. Viewed from this perspective, the government's case collapses.

The oil companies seem to do a much better job of handling money than most large multinational enterprises. Since they are vertically integrated, they have a great many intrasystem transactions. Yet the oil companies have been able to reduce, and in some cases altogether eliminate, the transfer of cash among affiliates. They also adjust their transfer prices wherever a tax saving can be made.

ROBBINS: The oil companies have developed masterful techniques for controlling international "float." A chain of transactions in an oil company might work somewhat along these lines. The parent company lends $500,000 to its North African affiliate, which produces crude and sells it at $600,000 to a European refining affiliate of the same company. This affiliate in turn forwards the refined product at a price of $700,000 to a European marketing affiliate, which sells the product to the public for $800,000 and remits the profit to the U.S.

Very likely, the oil company sees to it that none of these payments actually crosses a national boundary. The initial loan to the North African affiliate is deposited in a New York bank, and the affiliate writes a check to pay for U.S. equipment. All subsequent transactions are recorded in a New York clearing center where they are simply offset against each other. A final balance is credited to each affiliate, but is kept in New York. This guarantees prompt settlement of intrasystem accounts and eliminates the risks of operating in a variety of currencies.

STOBAUGH: Traditionally, those oil-company affiliates that produce the crude have been organized as foreign branches rather than as foreign subsidiaries. A branch is legally a part of the parent corporation (or a part of one of its domestic affiliates); while a subsidiary is a separate foreign corporation. The branch form of organization enabled the companies to charge the expenses of oil exploration against U.S. income. And when oil was discovered, the U.S. depletion allowance could be used to reduce taxable profits.

So the companies could save a substantial amount of taxes by concentrating their profits in the branches producing crude. Those branches would usually sell the crude to the refining and marketing affiliates at inflated prices. As a result, the oil companies sometimes showed losses in their European marketing affiliates. These losses were entirely fictitious, but when I worked in the oil industry some years ago, many executives said with great seriousness that the marketing end of the business is unprofitable. Such is the power of self-delusion.

The opportunities for this type of transfer-price manipulation are gradually being narrowed by more effective governmental surveillance. In 1971, Germany negotiated with the oil companies to reach a so-called fair income-tax payment, rather than one based on the posted price of crude imported by the German affiliates of international oil companies. We anticipate that there will be many more of these adjustments in the future, both in Europe and in the U.S.

Many foreign companies envy the sophisticated way U.S. companies manage their inventories. Yet the foreign affiliates of U.S. companies really don't manage their inventories any better than do their local, non-American competitors. Stobaugh and Robbins estimate that as much as $15 billion of the $32 billion inventories held by the foreign affiliates of U.S. companies at the end of 1970 were in excess of what would have been needed for a similar volume of operations in the U.S.

ROBBINS: When U.S. companies go overseas, they encounter problems that greatly reduce their efficiency in managing inventories. In many cases inventories must be imported, traveling great distances on shipboard. Since goods in transit are commonly included in the affiliates' inventories, the stock-to-sales ratio would normally be higher overseas than in the U.S. Another factor is government interference. Many governments, particularly those of the less developed countries, periodically ban imports or else refuse to allocate the foreign exchange needed to purchase them. As a result, the local managers tend to be apprehensive about the level of their stocks, and whenever the opportunity arises, they accumulate excess inventories just in case.

For these and other reasons, overseas inventories can never be reduced to domestic levels. But the companies could do a much better job of inventory management if they tried. They seem too willing to ascribe their inventory problems to "uncontrollable variables," like travel time or delays in port. But in reality some of these variables are controllable. It is possible for the corporations to bargain with local governments to, say, speed up customs clearance. Of course, the time to bargain is before the corporations make the investment, not after the funds have been committed.

Also, corporations can reduce transportation time through better coordination of shipping schedules. In practice, this means centralized control over both inventory levels and the choice of shipping points. It means advising each affiliate what to buy, when to buy, and where to buy.

Large companies find it especially difficult to exercise such immediate and sensitive control. Instead they indulge their penchant for rule making. For example, one large company reacted to a report showing an unacceptable level of inventories by ordering its affiliates to reduce supplies of spare parts for maintenance and repair. To comply with the order, the manager of one affiliate was forced to junk his excess parts, since there was no local market in which to resell them. When major repairs were needed the following year, maintenance supervisors had to scour the junk piles in order to reacquire the discarded parts.

The gap between the prevailing image of multinational companies and the realities of multinational operations is nowhere greater than in the area of currency speculation. Executives of most multinational companies protest that they do not speculate in foreign exchange. They argue that whatever actions they may take are motivated by fear of loss rather than hope of gain.

ROBBINS: The subject of foreign-exchange gains and losses is so complicated that it would be best to review some fundamentals. There are two categories of gains and losses: those arising from conversion and those arising from translation. A conversion gain or loss occurs when one currency must be changed or converted into another in order to settle an outstanding liability. Conversion gains and losses are not restricted to multinational enterprises. They may arise whenever an individual or company buys something from someone in another country, and the value of that country's currency changes between the time the sale is made and the time the payment is due.

On the other hand, translation gains and losses are unique to the multinational enterprise. They do not result from any payment, but rather from the restatement of an affiliate's worth in terms of the parent's currency. To take an imaginary example, suppose a Ruritanian affiliate of a U.S. multinational is holding a certain amount of cash in local currency. If Ruritania suddenly devalues, that cash is worth fewer dollars than before. From an accounting viewpoint, the multinational enterprise as a whole sustains an unrealized loss. On the other hand, if Ruritania upvalues its currency relative to the dollar, the affiliate's cash is worth *more* dollars than before, and the enterprise has an unrealized gain. That's translation.

STOBAUGH: Our research indicates that, until very recently, many treasurers did not appreciate the distinction between translation and conversion. In fact I recall interviewing one European treasurer of a large multinational company who was completely unfamiliar with the concept of a translation loss. It wasn't until three weeks after the sterling devaluation of 1967 that he discovered his company had an accounting loss of $500,000. His ignorance nearly cost him his job.

Of course, an accounting loss will not necessarily become an economic loss. Sterling devaluation may have improved local business conditions and thus stimulated the sales of U.S. affiliates. Profits may have risen much faster than they would have without the devaluation.

Similarly, an accounting gain may never become an economic gain. As a result of recent upward revaluations of European currencies against the dollar, a number of U.S. multinational companies have amassed substantial unrealized gains. Much of the time, the companies did not have to lift a finger to earn these paper profits.

In many cases the accountants choose to translate only current assets and liabilities at the new exchange rates. This means that if their cash, receivables, and inventories exceeded their payables and other short-term debt—which is the normal way for a solvent business to operate—the companies showed translation profits. But whether they will be able to convert many of these unrealized

gains into actual dollars depends on—among other things—the effect of the revaluations on overseas business conditions.

ROBBINS: Of course, many companies build up their current assets in countries with strong currencies. And after the currency is revalued, they quickly convert these assets into dollars, thereby showing real as opposed to paper profits. We don't want to suggest that the multinationals don't speculate. Indeed, I feel they are compulsory speculators. They have to decide on a daily basis whether to collect a receivable from, say, Germany or to wait, hoping to profit from a rise in the value of the mark.

The companies don't regard a delay in the collection of a German receivable as speculation. To them, it is part of the normal conduct of business. Yet its impact on monetary conditions is the same as if the companies had sent money into Germany. Their action, or rather inaction, keeps Germany awash in foreign exchange and eventually contributes to a decision to upvalue the mark.

STOBAUGH: A great deal of this so-called speculation is of relatively recent origin. For many years the large companies were unable to make any money on foreign exchange. If they were lucky and very skillful, they managed to avoid serious losses, but not much more.

For example, some years ago one of the Big Three auto makers developed an extremely elaborate program to protect itself against exchange risks. This program included, among many elements, detailed estimates of the probability of devaluation of each European currency over the following three, six, and twelve months. Based on these estimates, the company's financial managers decided whether to buy forward exchange to hedge their exposed assets.

In spite of this relatively sophisticated approach, the company found it very difficult to forecast exchange-rate changes with any degree of accuracy. So it kept buying forward exchange just to be safe. Company officials indicated to us that they spent more money protecting themselves against possible currency fluctuations than they would have lost had they done nothing to offset the consequences of the devaluations.

In recent years there have been a lot of changes in exchange rates, and many of these have been so easy to predict that almost anyone could have made money. For example, once it became apparent that Germany was reconciled to a rising exchange rate, one merely had to jump on the bandwagon. Every time funds began flowing into Germany, corporate treasurers left their money in Germany, or sent more in. After the mark rose in value, the treasurers were able to tell their boards of directors that they had made substantial profits. As a result, these executives have developed a somewhat breezy confidence in their ability to gauge exchange-rate movements.

This confidence is largely misplaced. We are now in a period of floating rates in which it is rapidly becoming much more hazardous to predict the pattern of exchange-rate movements. Based on what we know about their behavior, we would expect the treasurers to shed their swagger rather quickly. These are extremely conservative men. While they may relish the image of gamblers, they recognize that their principal duty is not to earn exchange profits—whether realized or unrealized—but to protect their p. and l. statements from exchange losses. A foreign-exchange gain rates a pat on the back; a foreign-exchange loss invites dismissal.

In recent years many industrial countries have placed stringent restrictions on the activities of multinationals. For example, France now insists that French affiliates of U.S. multinational companies collect their receivables from sister affiliates elsewhere whenever the franc comes under pressure. If the current trend continues, companies may soon find their opportunities for global arbitrage greatly reduced.

ROBBINS: Most governmental restrictions on multinational companies are designed to minimize international monetary turbulence. If currencies were reasonably free to float, many controls would gradually disappear. Of course, there would also be less incentive for the companies to move money around. But as long as there are different tax rates and interest costs among countries, the companies will have scope for the manipulation of financial practices.

Governments may try to contain these manipulations, but I don't think they will disappear. For one thing, once the potential for making large profits on foreign exchange is eliminated, the amount of money sloshing across national boundaries will fall to a level that most governments can tolerate. They may still disapprove of the practice of shifting funds to save on interest costs or to avoid taxes, but in deciding whether to control these flows, governments will have to consider the impact of their policies on future corporate investments.

The companies have a great deal of clout, which they have not used extensively in the past, because they did not care to or did not have to. Generally speaking, foreign tax authorities have not been alert enough to detect instances of tax arbitrage. But tax collectors in most countries are undoubtedly becoming more sophisticated and demanding, and thus the companies may be forced into very hard-nosed negotiations in the future. For example, a multinational company may say to the French government: "We will invest here if you will allow us to make two-thirds of our profits locally and shift the one-third to a lower-tax jurisdiction such as Switzerland. If you don't like this arrangement, propose another one. But, remember, Italy is also interested in getting this factory and she has already approved this deal in principle."

STOBAUGH: Of course, the potential for this type of bargaining could vanish rather quickly. There are many in Congress who want to eliminate the present system of deferring U.S. taxes on unrepatriated foreign earnings. They want to tax foreign profits at U.S. rates when they are earned, rather than when they are remitted.

If the companies lost the deferral privilege, they would have no further incentive to manipulate transfer prices. Assuming that floating exchange rates are here to stay, the one area for exercise of financial ingenuity would be in minimizing world-wide interest costs. Even in this rather limited arena, however, there are substantial opportunities for earning additional profits through more rational policies.

A RETURN FLOW OF TECHNOLOGY FROM ABROAD

In most product lines, U.S. multinational corporations still hold a commanding technological lead over their foreign competitors, but other countries are catching up. Indeed, U.S. multinationals now bring home quite a bit of new technology from abroad.

In some instances, acquiring foreign technology is the goal of an overseas investment. Minnesota Mining & Manufacturing, for example, purchased an Italian subsidiary, Ferrania, in order to improve its own film products. The immediate result was Type HL medical x-ray film, which can be developed in subdued lighting, away from the darkroom. 3M now markets Type HL in the U.S.

W. R. Grace did the same sort of thing in England, and TRW in Germany. This year, Grace's Davison Chemical division joined with Laporte Industries of London to make and sell Laporte's catalysts for synthetic gas. Laporte-Davison, Inc., will open its new Baltimore plant in 1974. When TRW acquired the Pleuger company of West Germany in 1972, the reason was Pleuger's superior pump technology, which helped TRW to market a line of submergible pumps on a worldwide basis.

ROUTES AROUND OBSTACLES

Some U.S. multinationals have endowed their foreign subsidiaries with R. and D. facilities and received a substantial payoff. A microphotographic study of shaving by Norman C. Welsh, director of Gillette's British laboratories, led to the double-bladed Trac II, the most successful razor Gillette has ever introduced. National Cash Register's 230 electronic register, sold around the world, was developed and tested by N.C.R.'s Japanese subsidiary.

Domestic restrictions of one kind or another can force a multinational to go overseas for development work. Union rules in the U.S., for example, require that elevators and escalators be built at the construction site. When Otis Elevator Co. saw possibilities of better design and lower costs in prefabrication, it turned to the R. and D. skills of Flohr-Otis G.m.b.H., its German subsidiary. Flohr-Otis now sells a line of compact, simplified, prefabricated elevators and escalators in Europe. Though union restrictions keep Otis from selling this line in the U.S., the company will soon incorporate a number of European features into stateside escalators.

U.S. drug companies have found that foreign subsidiaries can ease the difficulty of introducing new drugs in compliance with Food and Drug Administration regulations. In the words of Robert M. Furlaud, president of Squibb, "A new drug application can easily total 170 volumes, and the cost of bringing a new drug to the U.S. market can exceed $7 million." In other countries, he says, the process is much simpler (though documentation runs to hundreds of pages). What's more, the FDA permits companies to use experience abroad as 25 to 50 percent of the clinical basis for a new drug application. So Squibb can reduce the cost and delay of introducing a drug in the U.S. by bringing it to foreign markets first. Prolixin Decanoate was developed in the U.S., but its usefulness in the treatment of schizophrenia was proved in Britain.

A LONG TRIP FOR DISC BRAKES

Sometimes technology reflows arise from efforts of U.S. multinationals to meet competition in foreign markets. When Michelin brought out the steel-belted radial tire in France, Uniroyal's French subsidiary, Engelbert, was forced to develop technology for producing a comparable tire. As a result, Uniroyal was able to pioneer steel-belted radials in the U.S. R. H. Snyder, director of product development, predicts that before long, 95 percent of new car tires will be steel-belted radials, and he adds, with understandable satisfaction, "We're off to a clear-cut lead."

When a new product fails to find a market in the U.S., a multinational can sometimes transfer production to a more receptive country, refine the product through experience, and then reintroduce it at home. Bendix, for example, licensed a form of disc brake from Dunlop in the early 1950's and tried to adapt it for American cars. But its cost, novelty, and complexity limited the domestic market. Bendix shifted developments and manufacture to its French subsidiary, Société Anonyme D.B.A.

By 1957, D.B.A. had developed a simpler and less expensive version. Volume production followed, but only for foreign cars. Then, in 1969, Ford decided to equip the Pinto with disc brakes. Bendix's European experience helped the company tool up so quickly that only the first Ford shipment had to be imported. The second came from the Bendix plant in St. Joseph, Michigan.

A BIG BOOST FOR THE B.O.P.

The impact of multinational companies on the U.S. balance of payments is an important

but very elusive issue. Multinational companies exert all sorts of unmeasurable influences on the balance. They raise incomes in other countries, which should help U.S. exports, but they also improve the efficiency of local production, which means more competition for our exports.

Other influences of the multinationals on the balance of payments are quite measurable and reasonably unambiguous. When the companies send capital overseas, they obviously hurt the balance of payments. They import goods from their foreign affiliates, which also hurts. But they sell a lot of their foreign affiliates, which helps. And each year the affiliates send home dividends, royalties, and management fees—which help a lot.

If the discussion is confined to the transactions that can be measured, there is no doubt that multinational companies earn high marks for consistently strengthening the U.S. payments position—at least, they did up through 1970, the last year for which reasonably complete data are available. From 1966 to 1970 the U.S. trade surplus was just about halved, falling from $3.8 billion to about $2.1 billion. But the trade surplus generated by the multinational companies themselves did not fall at all during this period. In both 1966 and 1970 the foreign affiliates of multinational companies bought about $2 billion more from the U.S. than they sold to the U.S.

SUPPORTING THE SERVICES

The companies have also contributed heavily to the "service" account of the balance of payments, which includes items like travel and transportation, dividend remittances, and royalty payments. In 1966 the private, nongovernment sector of the U.S. economy recorded a $4-billion surplus in the service account. The multinational companies alone accounted for a $4.5-billion surplus in this account, which means that the rest of the private sector was running about $500 million in the red. By 1970 "the rest" was in deficit by $1.9 billion, while the multinationals increased their surplus to $6.4 billion.

The combined trade and service accounts are often referred to as the "current account" of the balance of payments (as distinguished from the capital account, which measures net flows of long- and short-term capital). As might be expected, the multinational companies, which are by definition capital exporters, generally run a deficit in the capital account. But their current-account surplus more than offsets this deficit. In 1970 the companies exported about $2.4 billion in long-term capital. Since their current-account surplus totaled $8.4 billion—$2 billion on trade plus $6.4 billion on services—the companies' contribution to the private economy's basic balance was about $6 billion.

Since 1970, of course, the nation's payments position has worsened considerably. In 1971 the trade balance went into the red for the first time in the twentieth century. And last year the trade deficit reached $6.9 billion, while the deficit in the basic balance exceeded $9 billion for the second consecutive year. To what extent has the multinational sector contributed to, or offset, this weakness?

COUNTING THE CASH

The evidence is fragmentary, but what is known of the contributions of particular companies suggests that the sector is still strong. FORTUNE has pulled together some evidence on this matter by querying many of the largest and best-known companies. Each company was asked to compute its own balance of payments for the latest fiscal year ending on or before December 31, 1972, by subtracting the total cash it sent abroad from the total cash it received from overseas during the year.

Since the companies could not be expected to have records of all cash transactions, the inquiry was confined to the most important items. Included in cash receipts are exports, dividends remitted from foreign subsidiaries, the profits of foreign branches, interest and loan payments, fees, rentals, and royalties, foreign borrowings repatriated to the U.S., and all other capital inflows. Included in cash payments are imports, capital outflows to finance affiliated foreign businesses, any increase in export credit, investments in the securities of unaffiliated foreign businesses, and service on the company's overseas debt.

Altogether, 105 companies provided consistent and usable data. These 105 include a solid majority of the nation's fifty largest foreign direct investors, according to an estimate recently published by the Senate Finance Committee.

WHO DOES WHAT FOR THE BALANCE OF PAYMENTS

Positive balance

	(Thousands of dollars)
Caterpillar Tractor	[1] 827,000
Eastman Kodak	422,800
General Motors	396,000
Du Pont	374,000
I.T.T.	332,000
Gulf Oil	321,000
Union Carbide	200,000
Xerox	190,000
Dow Chemical	181,000
International Paper	155,000
National Cash Register	151,000
Monsanto	148,800
3M	142,000
Goodyear	138,040
International Harvester	[1] 127,000
FMC	121,584
Borg-Warner	[1] 116,555
Dresser Industries	116,000
Honeywell	105,800
Bendix	[1] 105,000
Eli Lilly	104,810
Kennecott Copper	97,618
Deere	97,600
Brunswick	94,163
Clark Equipment	91,869
Hercules	90,249
AMF	90,000

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American Cyanamid	84,100
Phillip Morris	79,700
Weyerhaeuser	72,709
Warner-Lambert	72,000
R. J. Reynolds Industries	70,100
Continental Oil	70,000
Tenneco	68,272
Corning Glass Works	66,200
Armco Steel	64,700
Pfizer	64,000
Colgate-Palmolive	62,556
TRW	59,200
Rohm & Haas	58,559
B. F. Goodrich	58,500
Squibb	57,000
Johnson & Johnson	55,330
Cummins Engine	55,100
Texas Instruments	55,000
Burroughs	54,411
Schering-Plough	53,382
Singer	52,500
Allied Chemical	51,000
Upjohn	44,817
American Standard	44,141
W. R. Grace	42,369
St. Regis	41,400
Sterling Drug	40,000
Owens-Illinois	31,816
Federal-Mogul	29,490
Addressograph Multigraph	29,444
Gillette	28,249
Norton	26,644
Dana	26,600
H. J. Heinz	24,500
Armstrong Cork	23,332
American Metal Climax	23,073
Reynolds Metals	22,000
Continental Can	21,500
Champion Spark Plug	19,900
Eltra	18,400
Genesco Inc	17,344
Maremont	17,270
Parker Pen	15,118
Otis Elevator	14,953
Inmont	12,070
Rockwell Mfg	11,600
Owens-Corning Fiberglas	10,602
Sunbeam	10,500
Black & Decker	10,245
ESB	10,000
Standard Oil (California)	9,397
Quaker Oats	8,803
Smith Kline & French	8,300
Scovill Mfg	8,131
Bristol-Myers	7,000
Scott Paper	6,969
H. H. Robertson	6,850
Chesebrough-Pond's	6,775
Carborundum	6,492
PepsiCo	5,864
Richardson-Merrell	5,432
U.S.M.	4,800
Bundy	3,000
Hesston	2,971
Pillsbury	2,390
H. K. Porter	1,666

Negative balance

Fruehauf	2,200
Pet	4,856
Nabisco	11,335
Hygrade Food	12,109
Uniroyal	17,174
General Dynamics	29,470
Kimberly-Clark	30,800
General Mills	37,600
American Smelting	73,148
Procter & Gamble	240,000

[1] Not strictly comparable to other figures because some receipts have been reported on an accrual (not cash) basis.

THE PAYOFF ON TECHNOLOGY

Ninety-five of the 105 companies reported surpluses; only ten had deficits. Most surpluses of over $100 million were registered by high-technology companies, chemical companies, and heavy-equipment manufacturers. Most of the drug companies had comfortable surpluses, ranging from about $40 million to $105 million.

On the other hand, a great many food companies had small deficits, ranging from $5 million to $38 million. General Mills, the second-largest food company on the list, attributed its deficit mainly to imports of frozen fish by its Gorton subsidiary. Says Ross Clouston, Gorton's president: "Japanese and Danish fishermen are simply more efficient than American fishermen. They have the use of better equipment, and this means they can bring in bigger catches at lower cost."

The largest paper company on the list, International Paper, had a surplus of $155 million. But another paper company, Kimberly-Clark, had a $31-million deficit, and nearly $80 million of the $240-million deficit recorded by Procter & Gamble was connected with paper operations.

Procter & Gamble's deficit reflects its export of capital to construct a Canadian paper mill. Kimberly-Clark's problems are related to new U.S. environmental regulations. A few years ago much of Kimberly-Clark's pulp came from its Wisconsin and Niagara Falls mills. But this was sulfite pulp, which is a heavy pollutant. Anticipating antipollution regulations, the company faced a choice of converting its U.S. mills to kraft pulp, which is less of a pollutant, or expanding its mill in New Brunswick, Canada, which was already producing kraft pulp. Kimberly-Clark decided that it was cheaper to close down its U.S. operations and rely on imports.

In the rubber industry, Goodrich and Goodyear show large surpluses, while Uniroyal shows a small deficit. Uniroyal makes a lot of truck and airplane tires, which require a great deal of imported natural rubber. On the other hand, Goodyear and Good-

rich deal heavily in products made with synthetic rubber, manufactured domestically. They have much lower import bills.

THE DECADE AT I.B.M.

Since many of the largest multinational companies did not respond to the FORTUNE survey, there may be some bias in the list—i.e., those companies with positive balances were probably more likely to supply figures than those with negative balances. The effects of this bias are probably quite limited, however. Many of the surveyed companies do not normally report any such data and were simply unwilling to allocate the time necessary to gather the figures. Others have policies against disclosing any more data than they have to, regardless of whether the figures are favorable or unfavorable. For example, I.B.M. would not release annual data, but it reported a 1963–72 surplus of $4.4 billion (which is actually a matter of public record).

Most oil companies also had good reason to ignore the questionnaire. Rising oil imports have turned a once healthy industry surplus into a deficit. Exxon indicated that it would have had a $463-million payments surplus—if its oil imports weren't counted.

On the other hand, a few oil companies were able to post surpluses. Continental Oil is in deficit on its oil operations, but its huge exports of coal pulled the whole payments balance into the black. Gulf Oil would have been in deficit but for some substantial spin-offs of foreign operations. In 1972, Gulf sold its Spanish chemical operations and its entire German and Philippine businesses. The proceeds of these overseas divestments are recorded as capital inflows, helping to raise Gulf's positive balance for the year to $321 million.

CONTINENTAL CAN'S INTERCONTINENTAL TRIBULATIONS

(By Peter Vanderwicken)

That castle of cans, cartons, and plastic bottles pictured on these pages is built of products of Continental Can Co.'s European subsidiaries. And as their variety suggests, Continental's European business is substantial indeed. Last year it provided 17 percent of Continental's worldwide sales of $2.2 billion. In managing all that business, Continental confronts the full range of difficulties that plague other multinational companies, including uncertain exchange rates, surging inflation, and stringent controls on capital movements.

But Continental, one of the biggest of the multinationals, has just emerged from a special trial—the most important antitrust suit ever brought by the European Community. The company won its case, more or less, but so did the Community. In finding for Continental, the European Court of Justice, in a startling decision, gave the E.C. sweeping new powers to prohibit acquisitions and mergers by large companies. The limits of the new powers are so foggy, however, and the Community's competition-policy division is so thinly staffed (only twenty investigators for the entire Common Market), that the European antitrust drive still has little more force than a paper tiger.

Nevertheless, the Continental case has set off an intense debate over regulation of large companies by the Community. It has become a widely cited symbol of the concern felt by Europeans about the activities of multinationals. Among the wits within Common Market headquarters in Brussels, the Continental case even inspired a wicked password: "Congo"—meaning "Continental go home."

The password, fortunately, does not accurately describe Continental's relations with its European licensees and partners (see "How Continental Licensed the World," page 78). Those ties have been close and warm since 1930, when Continental first began licensing local European packaging companies to use its can-making technology. Over the years, the company acquired stock in some of its licensees. In the late 1960's, Continental and some of these licensees decided to get together to better position themselves for growth in the Common Market.

THE FRENCH DROP OUT

The plan was to form a new company, Europemballage ("emballage" is the French word for "packing") to absorb part of the business of the leading can makers in Britain, Germany, France, Italy, Austria, and the Benelux countries. Continental would control Europemballage which in turn would control about half the market for cans in all those countries, except Britain.

But the plan began to falter even before it was announced in March, 1970. Continental's French licensee, J. J. Carnaud et Forges de Basse-Indre, which has half the French market for cans, dropped out first. Its majority stockholder, a French steel company, objected that the venture would violate the terms of loans it got from the French government. When the remaining companies went ahead with the plan, the Commission of the European Community warned them that they would be violating an antitrust provision of the Treaty of Rome.

The warning alone was enough to make the British participant, Metal Box Co., Ltd., decide against joining Europemballage. Metal Box had just gone through the wringer with the British Monopolies Commission and wanted no more antitrust problems.

Continental formed Europemballage as a wholly owned Delaware corporation, and handed over to it some substantial interests—86 percent of the leading German can manufacturer, Schmalbach - Lubeca - Werke AG of Braunschweig, and 10 percent of the largest Dutch packaging company, Thomassen & Drijver-Verblifa N.V. of Deventer. Europemballage soon increased its interest in Thomassen & Drijver to 91 percent.

Made up as it is of these two companies, even the scaled-down Europemballage is a good-sized enterprise. Last year it had sales of $368 million and earnings of $13.4 million (after taxes but before an extraordinary charge). As the largest can producer on the European continent, Schmalbach has about 40 percent of the German can market. It employs 11,800 people at sixteen plants and dominates the Austrian market through a subsidiary of its own. The company sells scores of products other than cans—everything from industrial machinery to outdoor grills.

Thomassen & Drijver holds about 65 percent of the Dutch market for cans (large numbers of which are used for condensed milk, beer, and hams exported to the U.S.). In addition, it owns subsidiaries in Belgium and Curaçaó.

A CHARGE OF "ABUSIVE EXPLOITATION"

In late 1971, after a twenty-month investigation, the European Commission issued a formal complaint against the formation of Europemballage. Because Continental's holding in Schmalbach gave it a "dominant position" in cans for meat, fish, and seafood and in caps for glass bottles, the Commission charged, the company's purchase through Europemballage of Thomassen & Drijver "led to the practical elimination of competition in the aforesaid containers throughout a substantial part of the Common Market."

The Commission's complaint was the first significant test of Article 86, a key antitrust section of the Rome Treaty. That section prohibits "abusive exploitation" by one or more enterprises of a dominant position within the Common Market or a substantial part of it.

Continental appealed the Commission's decision to the European Court of Justice, the Common Market's supreme court. The company argued that Article 86 was not intended to control mergers, and went on to deny that Schmalbach and Thomassen & Drijver together held as much of the market for the types of cans cited as the Commission claimed. Even if the Commission's figures were correct, Continental maintained, this did not constitute a "dominant position" that it could have abused. The Commission, the company said, had defined the relevant markets incorrectly, and had ignored the ability of Continental's customers to substitute other packaging materials for its cans if they wished.

Many of its customers, Continental added, were perfectly capable of manufacturing their own cans, as some of them already did for certain products. Its largest customer for the cans at issue was Unilever (1972 sales: $8.9 billion), hardly a helpless consumer.

The court accepted Continental's arguments and agreed that its subsidiaries did not dominate the market. Therefore, the company's purchase of control in Thomassen & Drijver was not an "abusive exploitation of a dominant position." But having awarded Continental the case, the court gave the Community the principle. In a political balancing act, the judges virtually rewrote Article 86 and vastly expanded the Commission's powers to prohibit *any* corporate action that might endanger effective competition.

The decision's sweeping implications have left lawyers' heads spinning from Hamburg to Milan. But the language and scope of the court's decision are both so vague that nobody is entirely certain what the decision means.

A BOLD INTERPRETATION

Its central holding is that "the strengthening of the position of an enterprise may be abusive and prohibited under Article 86 of the Treaty, regardless of the means and procedure by which it is achieved, if the degree of dominance . . . essentially affects competition. . . ." The effect on competition would be shown if the behavior of enterprises remaining in the market "depends on the dominant one."

The decision clearly gives the Europan Commission the power to prohibit mergers, joint ventures, or acquisitions that would increase a dominant company's market share. Some lawyers think the decision also allows the Commission to prevent mergers between nondominant companies if the resulting enterprise would be dominant. But the decision leaves many other questions affecting corporate strategy unresolved. For example, it is not clear if a company that is dominant in one geographical region can safely expand into a new market area by acquisition, or at all.

An admittedly bold interpretation of the court's decision has been reached by Willy Schlieder, the Community's vigorous director-general for competition policy (whose powers combine those of the U.S. Justice Department's Antitrust Division and the FTC). In his view the court held that if a company has a dominant market position, it cannot improve its position by any means whatever. "If you have a dominant position," says Schlieder, "that is, if your competition depends on you for their behavior, you shouldn't enlarge your dominant position by any means." Schlieder himself is uncertain whether the decision means that a large company may not become bigger or increase its market share through internal growth.

He is still studying these questions and they will keep his minuscule staff busy for some time. Although he was given broad powers to regulate competition, Schlieder hasn't the resources to do more than bring an occasional suit to define the limits of Article 86. At present he is working on two new antimerger cases involving European-owned companies to test aspects of the Continental decision.

The eventual outcome, according to some European lawyers, is likely to be a Common

Market antitrust policy modeled on the Sherman and Clayton acts. But it will be years before such a policy is finally developed.

"WE HAVE TO BE CAREFUL"

For Continental, one thing is certain now. It is barred from ever creating the European-wide packaging subsidiary it once envisioned, but Europemballage can continue to operate in its present markets and expand into new ones. Says Ben ter Haar, the president of Europemballage, an ecology-conscious Dutchman (he helped develop an intensive anti-litter campaign in the Netherlands): "We have to be careful not to broaden our base too much in the light metal packaging business. But this doesn't mean we can't expand in Europe."

And there is plenty of room for expansion. In Europe, unlike the U.S., very little beer is sold in cans, and most soft drinks are also still bottled. The markets for soup, meat, vegetable, and condensed-milk cans are growing, because Europeans are doing more of their shopping in American-style supermarkets. The use of cans for automotive motor oil, paints, chemicals, and other products is also increasing. Continental's executives think their markets in Europe will grow faster than those in the U.S. for years to come.

The company is already shifting into new markets. Schmalbach recently bought Elbatainer Kunststoff-und Verpackungs, a German producer of plastic packaging. Europemballage has hired an acquisitions specialist from I.T.T., and scouts from Continental's domestic paper division are looking for wood-pulp suppliers to acquire. Continental's Tee-Pak division, which makes edible casings for sausages and hot dogs, plans to begin European production with a $25-million plant in Belgium.

HOW TO USE A CASH SURPLUS

With the spread of currency and capital controls throughout Europe, it is not antitrust regulations alone, but a variety of other new controls and rules that restrain Continental's ability to invest abroad—or even to make optimum use of its short-term operating surpluses. Initially, Europemballage was able to transfer funds from one unit to another, as needed. This efficient management of cash is no longer possible.

The Dutch company has recently had a $12-million cash surplus, while the German company needed short-term financing. If Thomassen & Drijver had lent the cash to Schmalbach, regulations would have required Schmalbach to deposit at least half the amount of the loan, interest-free, with the German Bundesbank. The cost of that would have been prohibitive, so instead the Dutch company was forced to invest its surplus cash in Holland at a 4.5 percent yield, while the German company borrowed in Germany at 10 percent.

Continental's financial managers are also learning to live with a rash of rapidly changing rules designed to cool the superheated European economies. The German government, for example, has imposed a temporary 5 percent surcharge on corporate income taxes. In May Germany added an 11 percent tax on capital expenditures and suspended the use of accelerated depreciation in tax reporting.

Like other multinationals, Continental has discovered the great impact on profits that the controlled timing of international payments can have under the present system of fluctuating exchange rates. As the dollar declined in value, Continental has sometimes delayed payments sent to the U.S. by its European subsidiaries. William L. Strong, the company's treasurer, recently asked the Dutch company to postpone a $1.5-million dividend payment. "We said, 'Don't hurry sending that over."

For the most part, however, Continental avoids fiddling with the normal leads and lags in its payments. It has no wish to hedge against or speculate in currency changes. The company keeps generally to the payment terms customary in each country, ranging from ten days with a 2 percent discount in Germany to thirty days net in Holland.

THE COST OF NOT SPECULATING

These days, currency controls and exchange risks make long-term financing in Europe somewhat more nerve-racking and difficult than ever before. In May, Continental refinanced a 45-million Swiss-franc loan ($15 million at recent exchange rates) that is due to mature in November. "I sweat blood on this," says Strong. "The thought came to us before the [February dollar] devaluation that we should hedge the 45 million Swiss francs. We said no, because speculation in currency for non-experts is more precarious than the stock market. So it worked out that we lost $1.8 million, or 16 percent, on the last devaluation." The company has not yet decided whether to amortize the loss over a period of years through a foreign-currency reserve account, or charge the entire amount against the account this year.

Refinancing the loan by borrowing 50 million Swiss francs through a 6 percent bond issue, Continental immediately confronted a Swiss currency-control regulation that imposes a 2 percent negative interest charge per quarter on deposits by foreigners. In order to avoid paying this penalty on its 50 million Swiss francs until it pays off its previous debt in November, Continental will invest the money in Eurodollars outside Switzerland. Through a series of intricate maneuvers, the company hopes in the end to come out with a small net gain.

Frequent and substantial changes in exchange rates also add to the difficulty of stating true earnings and assets. For example, Schmalbach reports its results to Europemballage in German marks, while Thomassen & Drijver reports in Dutch guilders. But Europemballage reports to Continental in dollars. Last year Schmalbach's earnings, in marks, rose 65 percent, while Thomassen & Drijver's earnings, in guilders, declined 14 percent (largely because government price controls prevented it from passing on rising costs).

In their own currencies, the combined earnings of the two companies increased by 16 percent. But when their profits were combined *and* translated into dollars as Europemballage's earnings, the reported gain (before minority interests) amounted to 32 percent.

UNREAL FIGURES

Since Europemballage's figures, in dollars, are those that must be used in Continental's corporate financial statements, the earnings gain in Europe is unavoidably distorted upward. In the same way, currency fluctuations also distort asset values. Continental has an investment of more than $120 million in Europe, $100 million of it in dollars. But those dollars were used to buy assets valued in foreign currencies, which have risen in relation to the dollar. This produces a paradoxical result. "If the dollar weakens 10 percent," says Strong, "we gain 10 percent on the $100 million but we lose on the other $20 million."

In its balance sheet, however, Continental—following accepted accounting practice—does not record such changes, and thus is forced to understate the actual current value of its foreign fixed assets. Compounded over time, such an undervaluation of assets will inflate its return on investment.

Europe's roaring inflation—more than 7.5 percent in Germany and Holland—also creates distortions in reporting. Cumulative variations caused by inflation and the changes in exchange rates have pushed budgets, stated in dollars, off target by 15 percent or more in the course of a year. Continental meets the problem simply by having each national company operate in its own currency. The parent corporation then absorbs the distortions that result when Europemballage's accounts are translated into dollars.

TURKS IN A MONASTERY

Some peculiar characteristics of its European labor force present Continental with some added operating problems. Twenty-three percent of Schmalbach's employees in Germany are foreigners (called "guest workers"). Many of them are illiterate Turks; few can speak any language but their own. Both Schmalbach and Thomassen & Drijver, whose work force is 10 percent Turkish, have to employ special translators in their plants.

The extensive use of foreign workers—as many as 60 percent of the payroll in some Thomassen & Drijver plants—does not keep labor costs down. Indeed, costs at both the Dutch and German companies are climbing by about 13 percent a year. The guest workers receive the same pay and benefits as native workers. In addition, Schmalbach has had to build special housing for them in Braunschweig, and Thomassen & Drijver has leased a monastery for some of its Turkish employees.

Recruiting, training, and housing cost Thomassen & Drijver more than $1,000 a year per man. "But does it matter?" asks Ido A. Stuit, the company's president. "A Dutchman doesn't like this kind of work anymore. Ouly the Turks make it possible to work three shifts. So we have no choice."

With the European economies at full employment, the power of unions is increasing in several ways. A Dutch law enacted in 1970 gives labor unions a veto over the appointment of new members to a company's board of directors. In Germany, the government has pledged to give workers half the seats on company supervisory boards.

THE LAST SHUTDOWN

The metalworkers' unions, to which many Schmalbach and Thomassen & Drijver employees belong, are among the most active in seeking to bargain and strike on a multinational scale. The day is coming when a plant manager who decides to accept a strike over a local issue might risk having his company's operations in other countries shut down as well.

The growing militancy of labor also makes it difficult to close an unneeded plant. One of Continental's objectives when it created Europemballage was to improve efficiency by eliminating redundant production and excess capacity. Since Europemballage was formed, Schmalbach has closed four plants and Thomassen & Drijver two.

The Dutch company, under an agreement with its unions, is closing a third factory. But Stuit says that will be the end—the company has agreed that there will be no more closings for at least three years. "It is impossible for me to close another factory," he says.

Despite their gravity and complexity, Continental's problems are no more onerous than those encountered by other multinationals in Europe. And the corporation certainly has compensating benefits. Vice Chairman Charles B. Stauffacher, who oversees international operations, says that "profits have been at a satisfactory level and justify our investment. Those two companies are very well managed." And Chairman Robert S. Hatfield adds, "In terms of opportunities, there are interesting problems in selecting which markets they should devote resources and energy to for the future. They have a splendid base to grow from."

Despite that "Congo" quip in Brussels, Continental has avoided acquiring an "ugly American" image. Unlike some other U.S.-based multinationals, it has carefully preserved the national identities of its subsidiaries. A Dutchman thinks of the cans he buys as the product of Thomassen & Drijver,

a company he has dealt with for many years and a Dutch name if ever there was one. He does not think of the connection with Continental.

A MULTINATIONAL ASSET

And Continental aims to maintain the identity of its national components. Says Hatfield, "They will operate as identifiable separate national companies for the foreseeable future. As long as people in countries in which we operate do things in a certain way, we'll do it that way."

Hans Munte, president of Schmalbach, adds: "The image on the market is not Continental Can. The image Continental has in Germany is Schmalbach-Lubeca." In a barely common market where nationalism is still a potent force, its national image is a great asset for a multinational like Continental.

THE PROMISE OF AMERICA

Mr. SAXBE. Mr. President, in recent years—and particularly in recent months—our Nation has been plagued with a host of problems that are of great concern to the American people. Many of these problems have posed tremendous challenges to us in Government and to the people as a whole.

Unfortunately, the magnitude of these difficulties has created doubts in the minds of some of our citizens as to the viability of the American system. While we should never minimize the problems that confront us, we should do everything in our power to keep our perspective, and to maintain the wisdom, fortitude and the perseverance necessary to make the great plan laid out by the framers of the Constitution work so that freedom and opportunity for all shall be forever maintained in our country.

I am among the first to criticize something when I think it is wrong, and when I think such criticism serves the best interests of the Nation.

But I hold firm in my belief that the American system is based on the most noble principles ever devised. And I further believe that our system is, and can remain, the greatest system on earth, so long as we are diligent in our efforts to keep it so, and so long as we are alert to abuses, deficiencies and shortcomings as they appear, and are willing to remedy them in a speedy and forthright manner.

A recent editorial in the Columbus, Ohio, Dispatch drew my attention because it reminded us that with all our problems, the promise of America is still as "bright as ever."

I ask unanimous consent to have the aforementioned editorial, including its title, printed in the RECORD.

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

U.S. SKY NOT FALLING; IT'S BRIGHT AS EVER

Pity the poor soul with the Chicken Little complex—he is running around wailing that "the sky is falling." Nonsense!

America's sky is as bright as ever, if not brighter. There is nothing wrong with this country that a rousing cheer won't cure.

In fact, Americans would do well to broaden Ohio's latest slogan and start cheering to the tune of: "Let's hear it for America!"

Too many Americans are complaining about high prices. Sure they are high. They may go higher. This regrettably will be felt by those on fixed incomes. But what wage-earning downgraders of America fail to acknowledge is that their incomes have risen, too. They want the good old days of the 50-cent steak, but not at the price of a $1-an-hour wage.

Let's hear it for America and its prosperity!

Too many Americans are complaining about Watergate, and all the publicity given it by the news media. Just check today's edition of The Dispatch—about 350 pages of not only Watergate news but a lot of good news and important information as well.

Let's hear it for America and its good news!

Too many Americans are viewing Watergate as evidence our nation's system is rotten to the core and should be replaced. These Chicken Littles are not certain what they want as a replacement. Still they squawk that the sky is falling.

Let's hear it for America and its system which is working!

Too many Americans are complaining about crime. But they forget that the Federal Bureau of Investigation reported recently that for the first time in 17 years, serious crimes declined in the U.S. In large cities like Columbus, where crime had been most serious, the decline in crime averaged eight per cent.

Let's hear it for America and its efforts to cleanse its lawlessness.

Too many Americans are complaining about this nation's penchant to get involved in war. These Chicken Littles, who had spent so much time demonstrating and shouting against our involvement in Southeast Asia, are strangely quiet now that our military personnel no longer are participants there.

Let's hear it for America and its endeavors for peace.

Too many Americans are complaining that Congress is so enchanted by the Senate Watergate committee investigation that the nation's business is being totally neglected.

These Chicken Littles forget that the Senate committee is only one of scores of legislative groups which are working their ways through various proposals and can be expected to reach consensus on myriad problems.

Let's hear it for America and its government by, for and of the people!

Of course we are fed up with politicians who posture rather than perform, the shiftless who demand the world owes them a living, the ungrateful nations who take our largess and mock us, the do-gooders who would squander our treasure, the lawbreakers who place ideology above the common good, the drift away from the moral principles on which this great country was founded.

But is the sky falling? No, indeed!

The Chicken Littles should join us when we shout:

Let's hear it for America!

WORLD DIPLOMACY AND THE AMERICAN CORPORATION

Mr. HARTKE. Mr. President, I am greatly disturbed by recent disclosures of American corporate involvement in the international diplomatic process. Not only does it appear the multinational corporation influences the decisions and process of countries irrespective of the countries' welfare, but it appears that Standard Oil Co. of California has undertaken the task of stockholder influence at the expense of American foreign policy.

I am not unmindful of the energy crisis facing the world, and the vast supply of crude oil in the Arab countries. However, the letter addressed to the stockholders of Standard Oil Co. of California by its chairman of the board, Mr. O. N. Miller, calling upon the United States to "work more closely with the Arab governments," for the sheer profit of the corporation, is the lowest form of involvement by a multinational corporation in the arena of international diplomacy yet revealed. The Congress cannot allow such irresponsibility to continue unabated. We must act to curtail any future involvement of this nature. I, therefore, call upon my colleagues on the Foreign Relations Committee to begin hearings, at the earliest possible opportunity, leading to the enactment of legislation prohibiting the involvement of American corporations in international diplomacy before further stain is splashed upon the United States irrespective of the interests of all the people.

Mr. President, I ask unanimous consent that the letter from Standard Oil Co. of California to its stockholders be printed in the RECORD for the purpose of informing the Senate of the audacity of one multinational.

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

STANDARD OIL CO. OF CALIFORNIA,
San Francisco, Calif., July 26, 1973.

To our Stockholders:

All of us are well aware that the United States is not producing enough oil and gas to meet the overall demands which exist today for these energy resources. We are becoming increasingly dependent on foreign oil imports.

Here in the United States we must increase our exploration efforts to find new oil fields, and do all that we can to develop all sources of energy. However, even with our strongest efforts in these directions, it is clear we must look to increased imports of foreign oil in sizable quantities.

Since 1960, the Nation's volume of petroleum imports has increased more than three-fold, and now amounts to more than 35% of our domestic requirements. The foreign oil we will need could rise to 45–50% by the end of the 1970's.

A key question certainly is, "From where is all this oil to come?" Obviously, we must look to all parts of the world, but primarily to the prolific oil fields of the Arab/Persian Gulf area which contain almost two-thirds of the Free World's oil reserves.

Standard Oil Company of California has had a long association with the Gulf area, which has become important as a basic supply source for Western Europe and Japan, and will be an important source for the United States in the years ahead. California Standard made the first oil discovery on Bahrain Island in the Gulf in 1932. A year later it concluded an historic agreement with King 'Abd al- 'Aziz to explore and develop the Eastern segment of Saudi Arabia, which contains nearly one-fourth of the world's known oil reserves.

During these 40 and more years, we have maintained a continuous and cordial relationship with the Arab people. The development of their oil fields has been a story of mutual cooperation and benefit, reinforcing bonds of friendship between our two peoples that were forged decades before.

There now is a growing feeling in much of the Arab world that the United States has turned its back on the Arab people. Many are said to feel that Americans do not hold in proper regard the national interests of the Arab states, their long history of important contributions to civilization, their efforts to achieve political stability and to develop sound and modern economic structures.

All of this is occurring at a time when the Arab states—because of their vast reserves of crude oil—are becoming increasingly important to the future welfare of the Western world. The Arab states—and Iran—hold the key to the energy resources which fuel the industrialized nations of Western Europe and Japan. They represent the only major source to which the United States can look for any substantial increase in its crude oil imports to meet our needs.

It is highly important at this time that the United States should work more closely with the Arab governments to build up and enhance our relations with the Arab people. We as Americans have a long history of friendship and cooperation with Arabs. It goes back more than 100 years, long before the first oil operations, and involves cultural relationships which encompass education and religion, as well as commercial trading.

During this time, much good will has been established which must be enhanced. There must be understanding on our part of the aspirations of the Arab people, and more positive support of their efforts toward peace in the Middle East.

It is in the best interest of all of us who are citizens of the United States to urge our Government to work toward conditions of peace and stability. We must acknowledge the legitimate interests of all the peoples of the Middle East and help them to achieve security and a dependable economic future.

Looking forward to the energy needs in the years ahead, it is in our mutual interest to encourage a United States Government course which recognizes the importance of these objectives to the future of all of us—a course which above all seeks a peaceful and just settlement of conflicting viewpoints.

O. N. MILLER.

TRIBUTE TO R. H. BARRY

Mr. YOUNG. Mr. President, in the Minneapolis Tribune for Sunday, August 5, there appeared a story by Mr. Robert J. Hagen concerning one of North Dakota's outstanding financial consultants, Mr. R. H. Barry of Fargo, N. Dak.

Mr. Barry has devoted much of his life to working to save Upper Midwest small industries and small businesses which have financial problems. He has always worked to save these small businesses and small banks for local ownership rather than their being taken over by people far removed from the communities in which they are located.

In many cases Mr. Barry has successfully worked out arrangements whereby the employees of one of these businesses have been able to purchase the business and place it on a sound financial basis, continuing this important economic asset in their community.

What Mr. Barry has done for the Upper Midwest could be accomplished in other areas of the United States. It is especially important in this era when we seem to be moving to big conglomerates rather than continuing the enterprises which are such an integral part of our economic system and have contributed so much to our way of life.

I ask unanimous consent to have Mr. Robert Hagen's article printed in the RECORD as a part of my remarks. In his article Mr. Hagen deals with one specific case which Mr. Barry recently successfully resolved involving a small business at Maple Plain, Minn. This particular case is typical of so many which Mr. Barry has successfully handled in his own unique and very down-to-earth fashion.

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

HE LEADS AILING FIRMS TO HEALTH

(By Robert J. Hagen)

The employees at Moulded Products, Inc., weren't sure what was going to happen when Richard H. Barry called them together for a talk two years ago, but they knew the outlook was bleak.

The company, Maple Plain's largest employer, had liabilities of about $2 million, compared with assets of $1 million which were encumbered by liens, and only $100 in cash with which to meet a $17,000 payroll that already was a week late.

Insolvent and 24 hours into reorganization proceedings under Chapter 10 of the federal Bankruptcy Act, it appeared that the Company was in danger of sinking into a morass of liquidation unless new capital could be obtained quickly.

But of more immediate importance to Barry, as the trustee, were the employees. They needed reassurance badly, so Barry, a 63-year-old business consultant from Fargo, N.D., who describes himself as a financial catalyst and healer of sick companies, "put the evangelism to work."

"I know that you're worried," Barry said in his most comforting tones, "but business is 90 percent people and if you're with me on this, we can make it. Your attitude has a large bearing on whether we'll be successful or not.

"I'm successful at this kind of thing nine times out of ten, but I need your help and support. I'm going straight to work to raise money to pay the back payroll and meet those coming up, but in the meantime, I'm depending on your good faith."

It was exactly what the employees needed to hear, spoken persuasively by a man who exuded confidence and looked like he knew what he was doing.

They rallied around him and Barry, using his own brand of folksy sermonizing, good-humored tenacity and positive thinking, this month brought the company out of Chapter 10 without missing a payroll or losing a customer and with a $1-million backlog of orders besides.

He never doubted that he could do it, but he concedes that it wasn't easy.

The factors precipitating the company's crisis, according to court records, were mainly "poor marketing decisions coupled with poor and often inadequate financial policies "

It lost $1 million between January 1969 and December 1970, trying to finance and market a "pogo pony" toy. It lost "several hundred thousand" dollars between 1970 and 1971 developing a large garbage can on wheels that was called "Waste Aid."

By the second week in July 1971, when company officials brought Barry in to help, the company was in danger of folding.

Barry, who tends to think of companies as living beings, said, "Half of the chapters in the bankruptcy act are for morgue cases that can't be helped and the other half are for hospital cases. Moulded Products was still a hospital case, but rigor mortis wasn't far away."

Under Chapter 10, Barry could protect the company from a storm of due bills and lawsuits while trying to reorganize its financial structure, but he still needed fresh money—financial "plasma" in his terminology—to pay employees and buy raw materials.

He estimated that he needed to raise about $40,000 a week for five weeks in order to keep the patient alive, a task complicated by the fact that many of the usual lenders believed the company's illness to be terminal.

Barry's sermonette to the employees about cooperation and positive thinking helped the company weather the first few critical days.

A day after the talk, a supplier with a load of plastic resin the company needed to keep production going called to say he'd deliver it, but only for cash on delivery.

Barry was out trying to scrape up money, so Mrs. Violet Luhman, Moulded's purchasing agent, promised the supplier that the funds would be ready. She drove to the State Bank of Maple Plain and took out a personal loan for $2,700 to pay for the materials.

"My husband said it was the most logical thing in the world to do," Mrs. Luhman said.

Through it all, Barry, who is regarded as a dreamer by some and a maverick by others, maintained a distinctly personal approach.

"You have to be a kind of a Billy Graham in this business," he said.

He offered cash prizes to employees if they could recall the essence of four "rules" he formulated about positive thinking. He sent out employee memos saying it was essential that positive thinkers outnumber negative thinkers by at least nine to one.

He gave away copies of a paperback book that promised to show the reader "how to turn your desires into realities by using the powerful forces of your subconscious mind." He suggested employees organize themselves as he did by writing their plans for the day on 3 by 5 cards.

"In order to successfully reorganize a company," he said, "The employees have to get themselves organized as individuals."

He remained unflappable.

One employee remembers sitting in a meeting with Barry and other company officials when the situation seemed grave.

Barry simply said, "The trustee refuses to become upset about things like that, because the trustee is past the point of getting upset about them."

During the first week of the reorganization, for example, one of Moulded's larger customers said it needed particular components immediately or 400 of its workers would have to be laid off.

"The items were in town," said Barry, "but we had to have $5,000 to get it released. Where was I to get that kind of money at 4 p.m. on a Friday?"

He wrote out a personal check for the amount. Eventually, he was to put $32,500 of his own money into Moulded Products without benefit of security or interest when he was repaid.

"I'm not supposed to do that," said Barry, "but I do it anyway and tell them (the court) later. I learned years ago that if I don't save the company, everything else is academic."

Not long after that, 33 employees loaned Moulded Products a total of $8,232.40 at 8 percent interest.

"That really gave us a lift psychologically," said Barry, "and it had a bearing on the banks and people to whom we went for money. They said that if the employees felt that strongly about the company's future, by God, let's help 'em."

The first places Barry went to for additional financial assistance were those like the Wood-Nelson Co., for example, to which Moulded Products already owed about $40,000 for property insurance.

"Our hair was up pretty good when he came in here," said Martin Anderson, president of the firm, "but we settled down. He's got a unique personality and comes on with a marvelous blend of horse-sense and business-sense in a country philosophy that puts priorities in order.

"Our interest was in keeping the company going because we could lose by letting it go under."

Wood-Nelson put in another $1,500.

Barry managed to borrow enough money during the next few weeks to repay the employees and to get the company's business growing. By the end of the first month of the reorganization, he raised the employees' wages by 5.5 percent.

By this month, most of the company's debts were worked out under the reorganization, a new president was named and Barry's duties were narrowed to two legal matters.

He is proud of the results and particularly satisfied in having helped to save 100 jobs. He doesn't worry about what people may think of his approach.

"Once a few years ago, I was involved in reorganizing a company in Willmar," he said, "and after I gave my speech to the employees about positive thinking and the need to save industries as well as get new ones, they applauded.

"There were five banks involved in that one and the sheriff already had taken possession of the property. The banks were leery of putting more money in, so I pulled out my checkbook and told them I'd put in 5 percent of the $100,000—you need to be part P. T. Barnum in this business, too—if the community would make up the rest.

"We raised the rest in three days and that company is still operating.

"A lot of people think what I do is corny, but I don't care. They're the ones who think life is scientific, but there are a lot of mysteries in life. Like positive thinking."

A FRESHMAN LOOKS AT THE SENATE

Mr. McINTYRE. Mr. President, there is an old custom here which dictates that freshmen Senators be seen often and heard seldom during their first months in this Chamber.

While we may debate the merits of such a custom, I think we would all agree that it is a good idea from time to time to find out how we look to the rookies.

My good friend and colleague from Maine (Mr. HATHAWAY) has given us all just such an opportunity by writing a guest column which appeared in several newspapers, including the Baltimore Sun.

I want to share the Senator's observations with my colleagues and therefore ask unanimous consent that his column, entitled "Senate Is Some Trip for a New Member," be printed in the RECORD.

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

SENATE IS SOME TRIP FOR A NEW MEMBER

(By Senator WILLIAM D. HATHAWAY)

Being a freshman Senator is knowing there are 89 guys ahead of you when it comes to allocating office suites, parking spaces, patronage jobs and other plums of seniority. I rank 90th and not 100th in the pecking order of the Senate only because of prior service as a congressman. (Thank God for small favors!)

Being a freshman senator is being identified by your predecessor. In my case I was—and still am to many people—the man who defeated Margaret Chase Smith. The chauvinists are friendly, glad that I made the Senate again an exclusive men's club. The feminists view me with suspicion, keeping me under active consideration for the misogynist of the year award—although my mother, my wife, my daughter and Representative Bella S. Abzug still speak to me.

Being a freshman senator and a Democrat is to be somewhat horrified to discover you have been assigned the same Victorian desk on the Senate floor once occupied by Richard M. Nixon and Barry Goldwater.

To be a freshman senator is to be a little awed by this legislative assembly that has been called the "greatest deliberative body in the world." Perhaps I was not so awed as many freshmen, as I had eight years as a member of the "other body" in the Capitol to familiarize myself with the legislative process and become acquainted with many of the senators, especially those who served in the House. Nevertheless, there is a sharp contrast between the two Houses of Congress.

The House because of its size (435 members) operates under very restrictive rules with strict procedural limitations, and few opportunities for freshmen, as well as many senior members, to participate in floor debate.

The Senate, on the other hand, is a much smaller body (100 members), with a smaller, more personal chamber and smaller, more clubby committees where there is great opportunity for individual performance, individual influence in shaping public policy. Moreover, the Senate operates in a more informal, freewheeling atmosphere, with subtle forms of mutual adjustment, negotiation and compromise going on continuously.

Being a freshman senator in 1973 is very different from being a freshman senator in 1953. The freshmen of that year were expected to listen and learn, but not to be heard. That ancient tradition no longer holds. Freshmen are encouraged to speak out, to play an active and vocal role in formulating legislation and policy. Indeed, one freshman was mildly chastised by Mike Mansfield, the majority leader, for not speaking up and making his views known at a Democratic caucus.

Being a freshman senator means presiding over the Senate quite often, and being referred to as "Mr. President" by colleagues addressing remarks to the chair. And for us (few) senators not actively seeking or contemplating seeking the presidency, presiding may offer our only opportunity to enjoy that appellation, "Mr. President."

Being a freshman senator (after having been a congressman) is happily realizing the re-election battle looms only every six years instead of every two. A House member hardly ever stops "running."

To be a freshman is to look around and realize you're in the middle of all that marvelous cartoon copy: eyebrowed Sam Ervin, smiling, toothy John Tunney, crewcut Jim Buckley, and jogging Bill Proxmire with a newly acquired crop of hair.

Being a freshman in 1973 is to realize that, while the Senate is noted as a place of debate and deliberation, there is much legislation with little contemplation due to the tremendous workload and press of federal business.

Being a freshman is looking up into the gallery at the spectators and realizing you are in the showcase of national politics, sharing the limelight with Teddy, George, Hubert and Howard.

Being a freshman United States senator is being caught in a "Charlotte's web," trying to live up to the surface image for the demanding public eye. A new senator is shaped by the title, by the expectation the public has of what a senator should be in terms of speech, dress and general demeanor.

Being a freshman senator is also having the reassuring feeling that you can maintain, and indeed nurture, untrammeled, your individualism in this sprawning ground of iconoclasts.

THE INADEQUACY OF THE PRESENT LAW COVERING ADJUSTMENT ASSISTANCE

Mr. HARTKE. Mr. President, I would like to place in the RECORD a series of correspondence that illustrates how inadequate the present law is covering adjustment assistance for certain domestic industries severely hurt by imports. The case concerns the Stokely-Camp firm and the domestic pineapple industry in Hawaii. Lower priced imports flooded the market in Hawaii, and many Americans were without jobs. All attempts to obtain assistance from the Tariff Commission under the Trade Expansion Act of 1962 were in vain. It seems that the total pineapple industry could not agree to apply for assistance, as the law requires, and all aid was deadlocked and declined.

The first letter is a reply from the Tariff Commission to the Stokely-Van Camp company, telling of the difficulties involved in securing assistance. The second is the response of Mr. Alfred J. Stokely, president of Stokely-Van Camp, Inc. Mr. Stokely articulately explains the predicament his company is in.

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

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

U.S. TARIFF COMMISSION,
Washington, D.C., June 20, 1973.

Mr. ALFRED J. STOKELY,
Stokely-Van Camp, Inc.,
Indianapolis, Ind.

DEAR MR. STOKELY: You have requested information whether the tariff duties on canned pineapple products can be increased before July 1, 1973, when you will be required to phase out your Hawaiian pineapple operations.

The Tariff Commission has no authority to increase rates of duty. If an industry petition were to be filed with the Commission under section 301(b)(1) of the Trade Expansion Act of 1962, and if as a result of such investigation the Commission were to make an affirmative finding and a recommendation to the President as to increased duties or the imposition of quotas, the President upon receipt thereof could take appropriate administrative action to raise the duty rate or impose quotas. Past experience, however, shows that such investigations require a period of almost six months to complete—the statute requires that the Commission complete such industry investigations within six months. In addition, some further period would be required by the President to make a final determination whether or not to increase duties or to impose quotas.

In the absence of the above indicated administrative action, the only other possibility would be the enactment of appropriate legislation by the Congress. The Commission knows of no legislation Congress has under consideration with respect to imported products which could result in relief to your firm within the time period you have indicated—by July 1, 1973.

In view of your pressing need for an immediate response we have not gone into any detail concerning the filing of an industry petition or other matters. If we can be of any possible assistance as to these other aspects, we will gladly cooperate with furnishing whatever information you may desire upon your request.

Sincerely yours,

CATHERINE BEDELL, *Chairman.*

STOKELY-VAN CAMP, INC.,
Indianapolis, Ind., June 28, 1973.

Mrs. CATHERINE MAY BEDELL,
Chairman, U.S. Tariff Commission, Washington, D.C.

DEAR MRS. BEDELL: I appreciate your letter of June 20 commenting on the improbability of a tariff increase on canned pineapple products.

Your letter indicates there is no possibility of increased tariff on pineapple unless an "industry petition" is filed with the Commission under Section 301(b)(1) of the Trade Expansion Act of 1962.

I should like to repeat that the reason pineapple tariffs are at such an unrealistically low rate currently is that the Hawaiian pineapple "industry" could not agree as an industry to seek relief, the reason being that the major pineapple canners controlling over 70% of the pack had made substantial investment in foreign pineapple operations, and were not willing to seek a higher tariff on imports to the United States since this would take away some of the advantages of their foreign operations.

The Hawaiian pineapple industry is being forced out of business because of the low tariff and yet under current laws the Tariff Commission cannot move unless there is some "industry appeal." Apparently we as an individual Company cannot obtain tariff relief, and apparently our workers are denied any adjustment assistance because of the way in which the law is worded, requiring us to file an "industry petition" which perforce requires us to obtain the approval of multinational corporations, whose overall interests apparently lie more with their foreign pineapple operations than with domestic.

This certainly points up to me the necessity for a change in the law if we are going to try to save our domestic industry and if we really want to try to correct our balance of payments problem.

I am sending a copy of our correspondence on this subject to certain members of Congress, hoping the recognition of this dilemma might influence future trade legislation so that increased tariffs can be obtained more easily and could not be "blocked" by that part of our domestic industry who have already invested heavily in foreign production.

Incidentally, if relief comes, it will be too late to help save Hawaiian Fruit Packers, Ltd., because as I told you previously, July 1, 1973 is the date for our final decision, and I can see from your letter there is certainly no chance of any relief in the near future.

Again, many things for your consideration.

Sincerely,

ALFRED J. STOKELY,
President.

Mr. HARTKE. Mr. President, under the Hartke-Burke trade proposal, the procedure for obtaining adjustment assistance would be substantially streamlined.

Worker Injury. Domestic industries and workers displaced by imports of competing foreign products are not effectively protected by the Trade Expansion Act of 1962 which was supposed to provide adjustment assistance through discretionary authority of the President—or through the application of tariffs or quotas. Under the act's existing escape clause, a determination of injury must be related to a tariff concession and imports must be found to be a "major" or primary cause of injury. The procedure does not make it easy to show damage. Moreover, once the Tariff Commission makes a finding of injury, the President subsequently decides whether or not to impose a tariff or quota or to provide adjustment assistance.

Under Hartke-Burke, making a determination of injury would only require that increased imports "contribute substantially" to causing or threatening to cause serious injury. The Foreign Trade and Investment Commission set up to replace the Tariff Commission would receive complaints, conduct investigations and have the power itself to impose quotas—not tariffs. Loss of fringe benefits and stagnant wages would be considered as an element of "serious injury" to an industry, and the statute could be invoked if imports are only relatively increasing, that is, increasing their share of a declining market. Adjustment assistance may be granted but only as a supplement to quotas. The President retains discretionary authority to grant adjustment assistance but he cannot substitute adjustment assistance for quotas.

The Foreign Trade and Investment Act of 1973, is designed to put our industry on an even footing with foreign competition and make domestic investment just as attractive as investment abroad. The Hartke-Burke approach to trade policy will put America back on the path to a world of free and fair trade and provide the American worker with the security he deserves.

READINESS OF THE SELECTED RESERVE

Mr. THURMOND. Mr. President, the new Secretary of Defense, Dr. James R. Schlesinger, issued on August 23, 1973 his first official policy directive concerning Reserve and National Guard Forces.

This memorandum, entitled "Readiness of the Selected Reserve," represented more than an affirmation of the total force concept in that it designated this approach as "policy."

Secretary Schlesinger further directed all Secretaries, departments, and agencies of the Defense Establishment to give Reserve and Guard matters their full attention and support.

At the same time he made it clear that in future emergencies the Guard and Reserve "will be used as the initial and primary augmentation of the active forces."

Mr. President, there are many parts of this memorandum which are of great importance. A few of the items are as follows:

First, total force is now policy, not merely a concept.

Second, service Secretaries have been directed to approach affirmatively the readiness standards needed in the Selected Reserve to meet wartime contingencies and provide all necessary support to meet these goals.

Third, assistant secretaries for manpower and reserve have been advised to appoint a civilian Deputy Assistant Secretary for Reserve Affairs in their respective offices.

Fourth, the authority and responsibility of the various Reserve and Guard chiefs has been reaffirmed and should strengthen their hand in meeting obligations under the total force policy.

Fifth, a study has been ordered to investigate the issues of availability, force mix, limitations and potential of Guard and Reserve Forces.

Mr. President, it is my belief the Congress will applaud all of these policy statements by Secretary Schlesinger. Further, it is my view our defense establishment will be strengthened by these actions.

However, all should recognize that with increased responsibilities the Guard and Reserve will receive closer supervision and unquestionably will be subjected to organizational and conceptual changes which are certain to create some personnel turbulence.

The most valuable asset of the Reserve and Guard is the people who fill the ranks of its units. These individuals will respond to any reasonable challenge, but the very fact they are Reservists or Guardsmen indicates their primary activities are enmeshed in civilian life. They cannot be treated like active duty personnel and cannot be expected to achieve goals while training one weekend a month that regulars achieve training 5 days a week.

In these matters it would be my hope the Defense Department managers will approach any revisions as a part of a team effort rather than as a unilateral decision which ignores the nature of this low cost yet valuable military capability.

Unfortunately the designated managers of the Reserves and Guard forces have not been given the staff recognition envisioned in the Reserve Bill of Rights passed in the 90th Congress. This directive bolsters the authority of the Reserve and Guard chiefs to really manage their programs and speak with authority at the highest levels of decisionmaking.

Also, as we approach a period in which Reserve support will be accompanied by organizational realinements, it would be wise for the Defense Department to involve the Congress in their decisionmaking process. Once the budget is presented, it often appears the Defense Department feels that as each month passes, the budget recommendations somehow become more perfect. This approach can best be described as tunnel vision.

Mr. President, I ask unanimous consent that the Readiness of the Selected Reserve memorandum published by Secretary Schlesinger August 23, 1973 be printed in the RECORD at the conclusion of my remarks.

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

THE SECRETARY OF DEFENSE,
Washington, D.C., August 23, 1973.

Memorandum for Secretaries of the Military Departments, Chairman, Joint Chiefs of Staff, Director, Defense Research and Engineering, Assistant Secretaries of Defense, Director, Defense Program Analysis and Evaluation, Directors of Defense Agencies.

Subject: Readiness of the Selected Reserve.

An integral part of the central purpose of this Department—to build and maintain the necessary forces to deter war and to defend our country—is the Total Force Policy as it pertains to the Guard and Reserve. It must be clearly understood that implicit in the Total Force Policy, as emphasized by Presidential and National Security Council documents, the Congress and Secretary of Defense policy, is the fact that the Guard and Reserve forces *will* be used as the initial and primary augmentation of the Active forces.

Total Force is no longer a "concept." It is now the Total Force Policy which integrates the Active, Guard and Reserve forces into a homogenous whole.

As a result of this policy, the Selected Reserve has moved towards timely responsiveness and combat capability. Application of

this policy has improved equipping, funding, facilities, construction, programing and some training areas.

I recognize and appreciate the great amount of effort that has been made to develop the Guard and Reserve. Progress has been made.

However, gross readiness measurements (which should be improved) indicate that we have not yet reached a level consistent with the objective response times. It is clear that we should move as much post-mobilization administration as possible to the pre-mobilization period and streamline all remaining post-mobilization administrative and training activities.

We must assure that the readiness gains in the Selected Reserves are maintained and that we move vigorously ahead to reach required readiness and deployment response times in areas still deficient.

I want each Service Secretary to approach affirmatively the goals of producing Selected Reserve units which will meet readiness standards required for wartime contingencies. Each Secretary will provide the manning, equipping, training, facilities, construction and maintenance necessary to assure that the Selected Reserve units meet deployment times and readiness required by contingency plans. You will have my support and personal interest in overcoming any obstacles in these areas.

The Assistant Secretary of Defense for Manpower and Reserve Affairs is charged by statute and by Defense policy and Directives with the responsibility for all matters concerning Reserve Affairs. It is my desire that the Assistant Secretary of Defense for Manpower and Reserve Affairs, as a matter of priority, take such actions as are necessary to bring the Selected Reserve to readiness goals. In this respect, the Services, the other Assistant Secretaries of Defense, the Joint Chiefs of Staff, the Director of Defense Program Analysis and Evaluation and other Defense Agencies will provide support on a priority basis. Particular emphasis will be placed on assistance in manning, equipping and training. The Deputy Assistant Secretary of Defense (Reserve Affairs) will continue to function in accord with current statutes and directives.

To emphasize and to strengthen Selected Reserve management, I suggest a civilian Deputy Assistant Secretary for Reserve Affairs in the office of each of the Assistant Secretaries of the Military Departments for Manpower and Reserve Affairs. This Deputy should be supported by an adequate staff and be assigned responsibilities and functions similar to those assigned the Deputy Assistant Secretary of Defense for Reserve Affairs.

At the military level, the Navy has been given specific guidelines for developing the new office of Chief of Naval Reserve. The Air Force and Marine Corps management structure has produced combat readiness and that is the vital test. I expect that the Army's reorganization, with strong command emphasis and good selection of leaders will produce demonstrably visible improvement and I shall follow the results with interest.

The Chiefs of the National Guard and Reserve components will be the staff level managers of the Guard and Reserve programs, budgets, policy, funds, force structure, plans, etc. They will be provided the authority, responsibility and means with which to accomplish their functions effectively. The overall management responsibility of the Chiefs of the Selected Reserve, under the Service Chiefs, will be supported by all other appropriate staff agencies.

In addition to the foregoing emphasis on Reserve Force policy and management, I am asking my Deputy Assistant Secretary for Reserve Affairs, with your support, to manage a study covering the issues of availability, force mix, limitations and potential of Guard and Reserve Forces.

In summary, strong management with achievement of readiness levels in the Selected Reserve is among our highest priorities—we must and will accomplish this objective as soon as possible.

FREEDOM OF EXPRESSION VITAL TO OUR RELATIONS WITH THE SOVIET UNION

Mr. CHILES. Mr. President, I think we have an important issue here regarding radio broadcasting to the Soviet Union and Eastern Europe: The issue is freedom of expression.

It is very clear from the news coming out of the Soviet Union in recent days that very real harassment of Soviet citizens continues. Scientists, intellectuals, and writers are under strong restrictions in what they can say about their country and the kinds of contacts they can have with foreigners. Earlier this year we were all aware and concerned about the plight of Soviet Jews and their freedom to leave the Soviet Union.

Despite the welcome thaw in our government-to-government relations with the Soviet Union, we have to continue to be aware of the tremendous ideological difference between the rulership of the Soviet Union and our own values. The Soviet Union needs trade and an opening of economic relations with the West, especially with the United States. We must keep a close vigil on the treatment of Soviet citizens. We must not overlook the importance of fundamental civil liberties of the Soviet people. We should use whatever leverage we have in our economic negotiations with the Soviets to keep up the pressure for freedom within Soviet society.

The grain deal with the Soviet Union has already contributed greatly to price rises here at home and disrupted world grain markets. I was in Latin America for 2 weeks during the August recess and you would be surprised the number of times that people who would normally be eager to tell me something about their own country would bring up world food shortages and especially the problems caused by the United States-Soviet wheat sale as far as their own wheat production and exports are concerned. It seems to me that we have to clearly signal to the Soviet leadership our firm intent to be concerned about human rights in the Soviet Union as we make efforts of our own to engage in trade with them.

I think that keeping Radio Free Europe and Radio Liberty functioning is vital to this emphasis we should give to freedom in our relations with the Soviet Union. These stations do provide an outlet for information and opinion that would not be available to the people of Eastern Europe and the Soviet Union otherwise.

Earlier this session I voted to restrict some of the USIA information and propaganda activities as I think we do need to recognize that the cold war is coming to an end. We are not now locked as we were 25 years ago in a battle for the hearts and minds of people throughout the world. So we can afford to cut back on these activities in the rest of the world.

But freedom of expression in the Soviet Union is a different matter. Whether we link the opening of economic relations with the Soviet Union to increasing opportunity for expression and freedom in Soviet society or whether we allow increased United States-Soviet trade to reinforce harsh rulership and restrictions by the Kremlin over their people can make a real difference.

CONGRESS AND THE WAR-MAKING POWER

Mr. GOLDWATER. Mr. President, when such authority as Arthur Schlesinger, Jr., finds trouble with the recently passed, so-called war powers bill, those of us who opposed it in the Senate have reason to feel encouraged. I ask unanimous consent that Mr. Schlesinger's article appearing in the Wall Street Journal of September 4 be printed in the RECORD at this point in my remarks.

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

CONGRESS AND THE WARMAKING POWER

(By Arthur Schlesinger, Jr.)

Vietnam has led to a reconsideration, considerably overdue, of the way the United States makes the decision to go to war. One hundred and eighty-six years ago the Constitution assigned the general war-making power to Congress, but over the last generation that power has been pretty much taken over by the presidency. In July the Senate and the House passed somewhat divergent bills designed to restore to Congress something like its constitutional voice in the making of war. When Congress comes back from its August diaspora, an early order of business will be a Senate-House conference to reconcile the two war-powers bills.

The Senate bill, conceived and indefatigably promoted by Senator Javits, has received most attention. The Senate passed it this year by a vote of 72–18 with strong conservative as well as liberal support. It has become in a sense the symbol of the movement to reestablish democratic control of foreign policy. Its declared purpose—to insure that future decisions to go to war will express the collective judgment of Congress and the President—could not be more laudable. But the bill itself, to my mind at least, raises serious questions.

The heart of the bill is, first an enumeration of four conditions—the *only* four conditions—in which, in the absence of a declaration of war, a President can legally send troops in battle, and second, a stipulation that presidential hostilities started under these conditions must be stopped in 30 days unless Congress specifically authorizes their continuation. Now any attempt to reduce to four static categories the contingencies that would alone warrant presidential emergency response must strike an historian as both hazardous and presumptuous. Who among us is wise enough to succeed in something the Founding Fathers themselves were too wise to attempt—that is, in Hamilton's words, "to foresee or define the extent and variety of national exigencies"?

But the Senate bill has the peculiar character of being too expansive as well as too restrictive. For, at the same time that it proposes to limit presidential discretion in the face of future dangers, it also proposes to grant the presidency statutory authority it has never previously had to begin wars without congressional consent. A President always must act in emergencies so imperious as to preclude resort to Congress, and he has always had the power to defend American territory, forces and citizens against sudden attack. But the Senate bill would now confer

on him the added authority to commit force within the four categories "to forestall the direct and imminent threat of such attack," thereby making legal what Presidents hitherto, if they have done at all, have had to do at their own risk. This language would confer unprecedented congressional approval on that most elastic of theories, so often invoked in the past to justify presidential military adventures, the theory of preemptive war. What the Senate bill would do, in short, is to offer a President blanket legal authority to send American troops into battle whenever he finds in his own, personal independent and unchecked judgment, a "direct and imminent" threat of attack against American forces and citizens.

As for the 30-day deadline after which Congress must give the President authority to continue the war, this, insofar as it pretends to be a check on the presidency, is plainly a hoax. All wars are popular in their first 30 days. These are the days when the President who ordered the action overwhelms Congress, the press and television with his own rendition of the facts and his own interpretation of the crisis. It generally takes much longer than 30 days for other facts to emerge and other interpretations to win a hearing. The 30-day provision, in short, would virtually compel Congress to support the President—except in those infrequent cases where differences in policy had already crystallized well in advance of the emergency. And the Senate bill makes its own deadline even more of a hoax by empowering the President to keep the war going beyond 30 days if he only will certify that he is doing so because of "unavoidable military necessity" connected with the disengagement of American troops. President Nixon kept the Vietnam war going four years on that theory.

Nor measured by the historical test—by a consideration of its probable impact had it been on the statute book during past crises—does the Senate bill inspire the slightest confidence. The actions undertaken by Franklin Roosevelt in the North Atlantic in 1941, for example, would not fall within the four categories of presidential initiative legalized by the bill. Even if they had, it was inconceivable that the 1941 Congress, which had extended the draft by a single vote in the House, would have authorized the President to continue an undeclared naval war in the Atlantic after the deadline. For this was one of those rare cases where profound policy differences had crystallized well in advance of the commitment of force. On the other hand, and in a more usual case, Lyndon Johnson could unquestionably have got all the congressional blessing he wanted for war in Vietnam. The Senate bill would only have dug Congress more deeply into the escalation policy. A bill that would have prevented Mr. Roosevelt from protecting the British lifeline but would not have prevented Mr. Johnson from intensifying the war in Vietnam nor Mr. Nixon from carrying that war into Cambodia and Laos is hardly what the country needs.

A SENATE MYSTERY

The mystery is that supporters of the Senate bill suppose they are restraining the presidency, while some of its opponents, notably Senators Goldwater and Tower, have worked themselves into a state of panic over what they think the bill will do to the presidential prerogative. Plainly its effect would be to delegate short-term war-making power to the President. As Senator Javits himself has said, his bill would give "the President more authority to do what is necessary and proper in an emergency than he now possesses" and would assure "ample play to the need of the Commander in Chief to have 'discretionary' as well as 'emergency' authority." And it would delegate this war-making power under conditions that leave Congress in most cases little choice but to ratify Executive initiatives. The Senate bill seems far less likely to become a means of preventing warlike presidential actions than a means of inducing formal congressional approval of such actions.

Senator Abourezk of South Dakota called it with justice "a blank check which will implicate Congress in whatever aggressive war making a President judges to be necessary." The only difference it would make, Sen. Abourezk notes, is that it would enable future Presidents when they send troops into combat to tell the people that Congress had given them authority to do so. "It will confuse the public, embolden future Presidents and, worst of all, dilute the Constitution."

Senator Fulbright has similarly condemned the bill's "de facto grant of expanded presidential authority." A President who wishes to do so, Sen. Fulbright observed in the Senate debate, could easily construe the bill as sanctioning a nuclear first-strike solely on his own unilateral judgment. Sen. Fulbright regards the whole effort to codify presidential emergency powers as pointless: far better to require a President in an emergency to act entirely on his own responsibility, with no advance assurance of congressional support. "A prudent and conscientious President, under these circumstances, would hesitate to take action that he did not feel confident he could defend to the Congress. He would remain accountable to Congress for his action to a greater extent than he would if he had specific authorizing language to fall back upon. . . . He might even go so far as to consult with Members of Congress" before he committed the armed forces to emergency action. (How Sen. Fulbright, having exposed the defects of the bill so devastatingly, managed in the end to vote for it is another mystery.)

The fact that the Senate, after its years in the wilderness, should choose this pretentious and ill-considered measure as the vehicle for its constitutional comeback in foreign affairs must depress those who hope it can play a responsible role in the making of foreign policy. In the meantime, a House Foreign Affairs subcommittee, working quietly under the chairmanship of Congressman Zablocki of Wisconsin, has come up with a bill that, as Sen. Fulbright candidly said in the Senate debate, is superior to the Senate bill in a number of crucial respects.

The House bill makes no attempt, for example, to codify the President's powers and therefore places no restriction on his capacity to meet any emergency. Unlike the Senate bill, it provides for the convening of Congress if hostilities should start when it is not in session. Unlike the Senate bill, it gives Congress authority to recall substantial changes in overseas troop deployment as well as force actually committed to battle. Unlike the Senate bill, it does not invite the President to circumvent the whole process by claiming that "unavoidable military necessity" requires him to keep going.

The House bill, in addition, has much more effective procedures for the termination of hostilities. The Senate would give Congress power to stop the fighting within the 30-day emergency period only by joint resolution, which can of course be vetoed. This would in effect devolve the war-making power, confided by the Constitution to two-thirds of both houses, to one-third plus one of one house. The House bill provides much more sensibly for termination in the emergency period through concurrent resolution, which cannot be vetoed. The House bill does, unfortunately, not only retain the emergency period during which Congress would delegate war-making authority to the President but extends it to 120 days. This has the advantage of giving Congress time to get over the first thrill of combat but the disadvantage of giving the President four legal months to lock the country into war.

WHY THE COMPLICATIONS?

Obviously we must do something to discourage Presidents from regarding the war-making power as their private property, to be exercised at presidential will. This is the way Presidents Johnson and Nixon have seen the war-making power, but it is not the way the Constitution sees it. If a President's own commitment to the Constitution is too feeble to lead him to involve Congress in the decisions, then I suppose that war-powers legislation might usefully remind him of his constitutional duty.

But why make everything so complicated? All that is necessary is a statute with two elements: an obligation laid on the President to report at once to Congress, with full information and explanation, when he sends troops into battle and to keep on reporting at regular intervals so long as the hostilities continue; and a declaration by Congress of its right at any point to recall delegated powers and thereby terminate such military action, and to do this by concurrent resolution. Such a bill would accomplish everything that needs to be accomplished without the dangerous nonsense now under congressional consideration—without the impossible attempt to codify all future contingencies, without the delegation of congressional war-making power to the presidency, without bestowing congressional approval on preemptive war, without the 30-day or 120-day rigmarole. The House bill comes much closer than the Senate bill to meeting this ideal, but another bill considered in the House came even closer. This bill, introduced by Bob Eckhardt of Texas and supported by a curious united front from Ford, Rarick and Broyhill on the right through Reuss, Culver and Bolling to Drinan, Abzug and Dellums, was defeated, alas, by a vote of 262–153.

President Nixon has already threatened to veto the House bill, nor could one in conscience urge him to sign the Senate bill. But any President not deluded by false conceptions of the presidency ought to welcome a rational war-powers law. After Vietnam, it is hard to see why any future President should ever wish to go to war without Congress beside him as a genuine and definite partner in the decision. If Henry Kissinger really intends to open up American foreign policy, he might well begin by working with Congress on this question of war powers.

THE CRISIS IN OUR NATIONAL LIBRARY SYSTEM

Mr. CRANSTON. Mr. President, I presented testimony recently to the Senate Appropriations Subcommittee on Labor-Health, Education, and Welfare, and I commented upon the intention of the administration to terminate all Federal library programs.

As I told the subcommittee—

The notion that the central government in a democratic society should disclaim responsibility for the prime institutions of a literate people is nonsense.

On September 4, several distinguished affiliates of the National Book Committee issued a call to action under the heading "The Crisis in Our National Library System." It is an important statement and well worth the attention of Senators.

Mr. President, I ask unanimous consent that the statement I have referred to and some introductory remarks be printed in the RECORD.

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

[From the National Book Committee, Inc., News]

CITIZENS URGE CONTINUED SUPPORT OF NATIONAL LIBRARY POLICY AND PROGRAMS

CRISIS PRESENTED BY PROPOSED TERMINATION OF $176 MILLION IN FEDERAL LIBRARY FUNDING FOR COLLEGE, SCHOOL, AND PUBLIC LIBRARIES

NEW YORK, September 4.—A group of concerned citizens has urged the President and the U.S. Senate to avoid a reversal of established Federal government policy of support for a national library system.

The group of citizens experienced in the field of communications—especially the library, book, journal communications system—regard the Executive Budget proposal for abandoning Federal support for libraries as a serious step backward, one which will severely and immediately damage the national interest. A statement issued by the group noted that "Federal funds have provided the stimulation and the means for extended services, for new ventures, for coordination of activities, for enriched programs and innovative materials . . . Federal funds have helped to encourage the development of statewide systems linking libraries together within each State. Federal funds are just beginning to provide the basis for a nationally linked system."

The group expressed satisfaction with the action of the House of Representatives in restoring library funding in the House Appropriations Act and in passing a "continuing resolution" authorizing interim expenditures at approximately last year's level.

However, the Administration has not, to date, released any of the library funds authorized by the House, and Senate action on these appropriations is not expected until September.

The group, signing as individuals, made the following recommendations:

"We urge the Congress, through an appropriate committee or committees, to call early public hearings to analyse the total impact of this proposed reversal of Federal policy.

"We urge the National Commission on Libraries and Information Science, charged by law with advising 'the President and the Congress on the implementation of national policy by such statements, presentations, and reports as it deems appropriate,' to act immediately to advise the President and the Congress of the aggregate effects of the Executive Budget on the implementation of national libraries and information science policy.

"We urge all associations, institutions, and citizens concerned with the free and adequate flow of information and knowledge in the United States to give immediate and concerned attention to the present crisis.

"And finally, we urge the National Book Committee, in cooperation with other organizations to initiate and carry through with such action as may be necessary to create a full public awareness of the scope and severity of the problems we confront."

THE CRISIS IN OUR NATIONAL LIBRARY SYSTEM: A STATEMENT BY A GROUP OF CONCERNED CITIZENS

The undersigned individuals are convinced that it would be seriously detrimental to the public interest and produce long-range adverse effects on American society to reverse, as proposed in the Federal Executive Budget, the established national policy in support of an organized and coordinated system of library services in the United States. That established policy is clearly set forth in the following provision of Public Law 91-345, The National Commission on Libraries and Information Science Act of 1970:

"The Congress hereby affirms that library and information services adequate to meet the needs of the people of the United States are essential to achieve national goals and to utilize most effectively the Nation's educational resources and that the Federal Government will cooperate with state and local governments and public and private agencies in assuming optimum provision of such services."

President Nixon on July 20, 1970, signed these words into law as a carefully considered statement of enduring national policy. It was a policy supported by both political parties, by both houses of Congress, and the Executive Branch during both the Johnson and Nixon administrations.

This law recognized a profound national interest in adequate library services, a national interest greater than the sum of the interests of individual States, communities, and institutions. Implicit in the law is the recognition of many aspects of that national interest:

That bringing educational opportunity to children, particularly disadvantaged children so that they can break through barriers of poverty and discrimination, requires school libraries with an abundant choice of reading and special instructional materials;

That not only students and faculty but the whole nation gains from the strength of the learning and research resources of college and university libraries;

That each of our great research collections is a national resource deserving national support;

That only through our library systems can most Americans have meaningful access to the enormous intellectual and information resources embodied in the tens of thousands of books annually published and the hundreds of thousands from prior years that are actively in use;

And finally, that only through a nationally conceived system can all of our libraries be linked to serve our national needs efficiently and economically.

This statement of policy gave a capstone of unity to provisions already existing in separate laws. The Library Services and Construction Act makes funds available on a matching basis to improve public library services and extend them to unserved areas and groups. The National Defense Education Act provides for school library collections in special areas of national interest and gives aid in acquiring films, language tapes, and other special materials. It also assists in the development of research collections in designated university centers. The Elementary and Secondary Education Act provides funds to establish and maintain school libraries serving children, many of whom in poor urban and rural districts had never had a school library. The Higher Education Act provides assistance to college and university libraries and for central cataloging and bibliographical services performed by the Library of Congress. And finally, Public Law 91-345 which contains the statement of policy quoted above as its preamble, established a National Commission on Libraries and Information Science to plan and make recommendations for the implementation of the policy.

The Executive Budget submitted to Congress for the Fiscal Year beginning July 1, 1973, abandons completely this firmly established national policy. Act by act, title by title, it eliminates every single penny of support for libraries (other than those of the Federal Government itself). Gone would be library funds under the National Defense Education Act, the Library Services and Construction Act, the Elementary and Secondary Education Act, and the Higher Education Act. Added injury would result from a sharp increase in postal rates, raising the cost of books and magazines to every buyer, including libraries.

The impact of this sudden and devastating reversal of national policy will extend far beyond the institutions immediately damaged. Federal funds provide only a small portion of the total support of libraries. Basic costs of buildings and salaries are met primarily from local, State and institutional funds. But Federal funds have provided the stimulation and the means for extended services, for new ventures, for coordination of activities, for enriched programs and innovative materials. Federal funds have brought library services to remote farms by bookmobile. They have brought school libraries into urban slums, and new branches of public libraries into the suburbs. They have created a market that has made it possible to publish and to bring to inner-city children books reflecting their experiences and responding to their needs. It has been Federal funds that have enabled school libraries to acquire new instructional materials in all media. Federal funding has made it possible to create and use new kinds of vocational teaching materials for young men and women with limited reading skill. It is Federal funding, too, that has helped to create the libraries of our hundreds of new community colleges and technical institutes. At the same time Federal appropriations have helped to import and catalog foreign publications to strengthen the advanced research collections needed by our universities and scholars. Federal funds have helped to encourage the development of statewide systems linking libraries together within each State. Federal funds are just beginning to provide the basis for a nationally linked system.

Federal funding has often provided the stimulus and the leadership for the development of new kinds of library materials and for the offering of new services, and for the extension of existing library services to people who never before enjoyed them. It is these critically needed and innovative services of libraries that would be strangled by the sudden and total withdrawal of funds as proposed in the Executive Budget. The sufferers would be the children of the great cities and the rural areas, the young men and women seeking job training in technical institutes, the adults seeking information beyond the current flow of news, the researchers needing special materials and advanced information systems. The ultimate sufferer would be the national interest.

Revenue sharing has been proposed as an answer, but it is not. Needs that are primarily local or institutional will and should be met with local or institutional funds, whether they come from local taxes or from revenue sharing. But in the words of the law "library and information services adequate to meet the needs of the people of the United States are essential to meet national goals." The national interest cannot be allowed to rest on scattered, parochial and unpredictable local actions. Without a sound national policy we could never have created a national broadcasting system or a national telephone system. The same is true for an effective national library system.

Because the present assault on library funding is contained in so many different bills and titles and affects so many kinds of institutions, its total impact has been hard to grasp. The public does not fully realize what a crisis we face. The signers of this statement believe a full public understanding of this emergency is urgently needed. The House of Representatives took one essential and statesman-like step on June 26, 1973, when it included funds for continuing the Federal library programs in the H.E.W. Appropriations Bill for fiscal 1974. But this is only one of the many actions which are needed to resolve the issues both for the immediate future and the long run.

We urge the Congress, through an appropriate committee or committees, to call early public hearings to analyze the total impact of this proposed reversal of Federal policy.

We urge the National Commission on Libraries and Information Science, charged by law with advising "the President and the Congress on the implementation of national policy by such statements, presentations, and reports as it deems appropriate," to act immediately to advise the President and the Congress of the aggregate effects of the Executive Budget on the implementation of national library and information science policy.

We urge all associations, institutions, and citizens concerned with the free and adequate flow of information and knowledge in the United States to give immediate and concerned attention to the present crisis.

And finally, we urge the National Book Committee, in cooperation with other organizations, to initiate and carry through with such action as may be necessary to create a full public awareness of the scope and severity of the problems we confront.

The following individuals, whose affiliation is given for identification purposes only, have endorsed the preceding statement:

Morris B. Abram, Paul, Weiss, Goldberg, Rifkind, Garrison & Wharton.

Douglass Cater, President, Communications and Society Program, Joint Program of Aspen, Institute for Humanistic Studies and Academy for Educational Development.

Walter Curley, Director, Cleveland Public Library.

Richard Darling, Dean, Graduate School of Library Service, Columbia University.

William S. Dix, University Librarian, Princeton University.

Arnold W. Ehrlich, Editor-in-Chief, *Publishers Weekly*.

Eli Evans, Carnegie Corporation of New York.

Stephen M. Fischer, Assistant to the Publisher, *Scientific American*.

Congressman William D. Ford.

Charles Frankel, Old Dominion Professor of Philosophy and Public Affairs, Columbia University.

John C. Frantz, Executive Chairman, National Book Committee.

Robert W. Frase, Consulting Economist.

Samuel B. Gould, Commission on Nontraditional Study.

Francis Keppel, Chairman, General Learning Corporation.

Dan Lacy, Senior Vice President, McGraw-Hill, Inc.

Jean E. Lowrie, Dean, School of Librarianship, Western Michigan University.

Kenneth D. McCormick, Senior Editorial Consultant, Doubleday Publishing Company.

Herbert Mitgang, President, Authors Guild.

Foster Mohrhardt, Senior Program Officer, Council on Library Resources.

Carol Nemeyer, Senior Associate, Association of American Publishers.

Elnora M. Portteus, President, American Association of School Librarians (1972–73).

Supervisor of School Libraries, Cleveland Public Schools.

M. J. Rossant, Director, The Twentieth Century Fund.

Ross B. Sackett, President, Encyclopaedia Britannica Educational Corporation.

John Sessions, Assistant Director of Education AFL/CIO.

Roger L. Stevens, Chairman, National Book Committee.

Arthur B. Tourtellot, President, CBS Foundation.

Theodore Waller, President, Grolier Educational Corporation.

Howard R. Webber, Director, The M.I.T. Press.

Robert Wedgeworth, Executive Director, American Library Association.

ELLEN A. DAVIS

Mr. DOMENICI. Mr. President, today I would like to recognize a woman from my home State of New Mexico who has been honored for her unusual and outstanding achievements as a volunteer weather observer.

Mrs. Ellen A. Davis, a volunteer weather observer at McIntosh, N. Mex., since 1928, is one of the five national recipients of the National Weather Service's Thomas Jefferson Award.

I believe it is a remarkable achievement on behalf of Mrs. Davis to dedicate 45 years of service freely to her community and Nation when most people today work only for what they can get out of a job, both materially and personally.

I commend Mrs. Davis on receiving the award and I would like to add that Mrs. Davis, now at the age of 86, continues to render her faithful and accurate services as a volunteer weather observer.

A COUNTRY PUBLISHER SPEAKS OUT ELOQUENTLY FOR THE AMERICAN FARMER

Mr. TALMADGE. Mr. President, it is frequently a habit of ours to speak about this group or that group of people as if they were monolithic and unanimous in their thinking and actions. For instance, we often hear people talking in general about "the media" and that is too simplistic a view.

I can think of no issue in which journalism has shown such great diversity in approach as in the matter of our current food crisis. From the smallest weekly newspaper to some of our largest metropolitan daily papers and from the smallest country radio station to the huge networks, the coverage of this problem has ranged from know-nothingism to thorough objective reporting.

The Honorable Harold G. Foster is the publisher of the Union Recorder in the thriving Georgia town of Milledgeville. Mr. Foster has done an admirable job of explaining the farmer's role in the food crisis, while at the same time making it clear that one of the major networks did not speak for him.

Mr. President, I ask unanimous consent that Mr. Foster's editorial entitled "The American Farmer" be printed in the RECORD.

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

[From the Milledgeville (Ga.) Union Recorder, Aug. 23, 1973]

THE AMERICAN FARMER

Last Friday morning on NBC's Today Show, Frank McGee interviewed two midwestern farmers on their respective farms in an apparent attempt to demonstrate to the American people that the American farmer is getting filthy rich and that he, the farmer is somehow responsible for the rapidly increasing food costs. It was a classic example of the manner in which the national broadcast media, with apparent deliberation, presents a completely distorted picture to the viewing public to support the views of news commentators who, in this instance, displayed such shocking ignorance of the economic facts of farm life.

The first interview took place in an 80 acre field that had recently been planted with soy beans. For many years the farmer had been paid $5600 annually to keep that particular field out of production. McGee elicited from the farmer the hope that, with a lot of luck, he could possibly anticipate a yield of 35 bushels per acre, a fact which McGee immediately translated into an income of $28,000 based on the current $10.00 per bushel price of soy beans. The inference was clear that the farmer is $22,400 better off and the taxpayer is $5600 better off.

But it's a long way from the barnyard to the bank and McGee, in his glee, conveniently overlooked a number of obvious facts, not the least of which is the enormous cost of reclaiming that 80 acres and preparing it for productive use. The cost of equipment, labor, seed, fertilizer, pesticides and herbicides, taxes and interest payments were not taken into account. Nor was the fact that the farmer's crop might be dried out, drowned out, hailed out, frozen out, or even eaten out or blighted out despite his use of chemical preventatives. Barring a total loss, there is an almost fifty-fifty certainty that any one or a combination of the aforementioned hazards will substantially reduce his yield well below a bumper crop of 35 bushels per acre.

The greatest threat to this farmer's economic well-being, however, is most likely to result from the fact that some 28 million acres have been removed from soil banks and returned to productive uses, an enormous percentage of which will be planted to soy beans. By the time his crop is ready to market, the price of soy beans is more likely to be in the neighborhood of $3.00 per bushel then the present $10.00. It is obvious, therefore, that if he gets 20 bushels per acre and sells his crop for $3.00 per bushel, the $4800 income would not begin to pay his costs of production.

To a more knowledgeable and perceptive newsman the second interview would have made obvious the distortions of the first. It took place on a nearby 180 acre farm which a 19-year-old nephew of the first farmer had recently purchased for $56,000. McGee proudly displayed the young man's $19,000 tractor and his $33,000 combine as symbols of farm affluence. This $108,000 did not include any of the other implements, trucks and other tools so necessary to a farm operation which would push the total investment to $150,000. With nine per cent money this young man must have a minimum return of $13,500 just to pay the interest on his financing. Far from being the prosperous young farmer that McGee depicted him to be, he may well be hard pressed to keep groceries on his own table, much less being able to feed some twenty-five to thirty other people as American farmers have been doing in recent years.

There is an urgent need for the American people in general, and the American housewife in particular, to have a better understanding of the tremendously vital role the American farmer plays in our everyday lives, and in the life of this nation. He is our number one defense industry upon which all other industry must depend to survive. So indeed must our nation.

In our view the national media renders a distinct disservice to American Agriculture when it fails to present the true role of the American farmer without distortion. We are grateful for the abundance the farmer has provided. We think he deserves better treatment.

SENATOR LAWTON CHILES: IMPRESSIONS FROM TRIP TO LATIN AMERICA

Mr. CHILES. Mr. President, during the August recess I took my third fact finding trip to Latin America. This is an area of the world which has been too long neglected in our foreign policy. I feel that both in the Congress and in the ex-

ecutive branch more attention and leadership should be given to our relations with Latin America. We especially need a sense of Presidential priority in these relations.

While I was in Latin America, Dr. Henry Kissinger was nominated by the President to succeed William P. Rogers as Secretary of State. Shortly after this announcement, Dr. Kissinger made some encouraging remarks in Mexico regarding the need for a renewal of interest by the United States in Latin America. One news story published in Latin America while I was there mentioned that Dr. Kissinger has been concerned that Latin America is the one area of the world where U.S. relations had suffered the most since 1969. These remarks and concerns of Dr. Kissinger strike me as very encouraging. In an effort to support this fresh approach, I cabled Dr. Kissinger from Costa Rica to communicate to him my desire to meet with him to discuss our relations with Latin America. I am hopeful that as he assumes his new responsibilities, Dr. Kissinger will focus some of his talent and energy and that of the President on reinvigorating U.S. foreign policy toward Latin America.

For the interest of my colleagues, I ask unanimous consent to have printed in the RECORD, a statement I made last Friday at a press conference in Miami upon my return from Latin America along with a copy of the telegram I sent to Dr. Kissinger and a news story on Dr. Kissinger's remarks on United States-Latin America relations published in an English newspaper in Mexico.

The countries I visited in Latin America this time were particularly interesting given our concerns in the United States. I was in Venezuela, Colombia, Costa Rica, and Guatemala. These are all democratic countries and are all having elections in the next several months. My interviews and experiences in these countries gave me an opportunity to think a lot about what democracy means and what kind of faith we have to keep with democratic principles in order for our society to be as free and open as it was meant to be.

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

STATEMENT BY SENATOR LAWTON CHILES UPON RETURN FROM 2 WEEK TRIP TO LATIN AMERICA

I have just returned today from two weeks in Latin America. This is the third such trip I have made—this one being to Venezuela, Colombia, Costa Rica and Guatemala. Each of these countries is having elections in the next several months. This allowed me to see the political process in action in these democratic countries and to better appreciate the basic forces at work in these societies. These trips provide me with an excellent base from which to judge future events when I read them in the papers in Washington.

As with the other two trips I have made to Latin America, I did not go at the taxpayers' expense and I kept the trip as informal, unofficial and low-key as possible. I avoided publicity. I had my staff set up all my appointments and stayed as independent from our Embassies as possible. I have found that these procedures enable me to see the widest variety of people—the rich and poor, rightists and leftists, students, businessmen, foreign investors, economists, political leaders and the like. I find that if you take the official tour you just don't learn as much—people are not as candid and you don't get such widely different points of view. So the way of travel, really, is essential to getting the understanding I want of our neighbors to the South.

I was able to meet with almost all of the Presidential candidates and see some of the campaigning close up by going to a street rally in Cali, Colombia, a TV taping in Venezuela and a press conference in Costa Rica. One of the candidates in Veneuzela is "walking" to get out to his people. His campaign theme is "Yes—this man really walks." His campaign manager had been in Florida in 1970, so it was interesting for me to see "walking" being picked up by a prominent political candidate in Latin America.

Similarities with our own politics did not stop here though. I found in these four countries some of the same basic issues being faced as we are facing here at home. The central problem I see in the democracies in Latin America is their ability to have a political system which makes their leaders accountable to the people. Even though there are elections coming up in all the countries I visited, they each are having problems developing a system which allows the people to clearly judge the performance of their leadership and vote out of office people who have not carried out their mandates. For example, in Venezuela, Colombia and Costa Rica there are two main political parties but there are enough other parties so that neither of the large parties can get a majority of the vote—no party has its neck stuck out far enough to be visible and vulnerable enough to fall if they fail to do what they promised or what the people want.

Linked to this is another problem common to these countries which is that there is not very much difference between the two principal parties in these countries in terms of their programs. In Venezuela, the leading economists in the two major parties all said that there would not be any basic differences in economic programs between them. There would only be differences in style not in substance. These two parties account for about 70% of the vote in Venezuela. They are the only real alternatives in terms of actually being able to gain power. But they don't give the people any real choice in programs, so in the end there is no way one can be thrown out in favor of another. They are just competing with each other for votes—not presenting the electorate with different directions the nation might take.

This in turn leads to another problem which we also have that I noticed in these democratic countries. There are a lot of people who are frustrated and turned-off by politics because it doesn't offer them anything. They look on politicians as being all the same and not interested in doing anything for them. I met a very interesting older woman in a small town in Colombia. She was very poor. Her husband earned a dollar a day working someone else's land. They had thirteen children and a small piece of land on which they had corn, pigs, potatoes and some flowers they sold to wholesalers. This woman was very active in her town and very interested in community projects. She told me she didn't want to hear anything more about national politics because all the politicians worried about themselves first and would not follow through in getting things done for the people. She felt that the two big parties did not really give her any choice and yet these two parties have shared power in Colombia for fifteen years. Now this system of sharing power is coming to an end and it will be interesting to see in Colombia whether any revitalization takes place in the politics there.

The lack of accountability and absence of options have brought about the appearance of small parties and other candidates who seem to capture the frustration people feel, much the way George Wallace has in the United States. One of the things that will be interesting to watch will be the vote these candidates get in the upcoming elections. The other thing to watch will be the abstention rate. These will be indicators of how well democracy is faring in Latin America. People want more from their governments—the feeling that the government is there for them and not for special interests or for bureaucrats. Fortunately in the countries I visited this time, the democratic process, even with the limitations I have mentioned, does provide the people an opportunity to visibly signal their feelings. I am going to be interested in watching the elections take place in these countries over the next several months.

A couple of other things are of interest. In Costa Rica I spent a morning talking to people at the Supreme Electoral Tribunal they have there. This Tribunal is established to oversee the entire electoral process in Costa Rica from the presidential to congressional to municipal elections. Elections are taken very seriously in Costa Rica. The Tribunal has a remarkably rigorous system of vigilance over the elections with extremely careful checking of votes with voter registration records. In the last election in 1970, 83% of the registered voters actually voted which is a very high turnout. The Tribunal is made up of three magistrates appointed by the Supreme Court for five-year terms and six alternates. They have staff and facilities to handle voter registrations, election procedures, and investigations into cases of fraud. They have final authority over contested elections and disputes involving fraud. They have the power to force the resignation of appointed Executive Branch officials who are under law prohibited from becoming involved in politics if they breach the Costa Rican version of the Hatch Act. They also have authority over the police, which is the only armed force in Costa Rica, in times of elections. So this Tribunal is in a certain sense the fourth branch of government in Costa Rica.

I plan to study this Tribunal further. It seems to me that our own system of government could benefit from having such a Tribunal. The way it is now each House of our Congress has the power to set the qualifications for its members and to remove him once he takes office unless he is prosecuted by the courts. All our oversights of elections and campaign financing is under the Congress. This puts the Congress in judgment of itself which isn't the best way to assure impartiality. In the Justice Department we have the same problem. So I think the creation of an independent body outside of the three branches like the Tribunal in Costa Rica is worth looking into as an effective way of avoiding some of our present problems.

In Colombia I took a close look at our aid program there. U.S. aid to Colombia is the largest in Latin America and one of the three or four largest in the world. Colombia is in a certain sense a showcase for our aid and has been over the last ten years. There have been some real successes there and some mistakes too. Our AID officials there hope to be able to phase out the whole U.S. aid effort in the next four or five years which by then will be nearly twenty years of a major U.S. aid program for Colombia.

The question I would ask is how do we justify such a large program in Colombia. With the amount of money we have put in there over the length of time we have been doing it, good results should be no surprise.

If we generalized worldwide the per-capita level of the aid we are providing to Colombia, we would have a mammoth aid program. So this large aid effort seems difficult to justify and is an example of how overextended we can get. I think we need to keep a tighter lid on our aid program and have expressed my views on this to the Senate Foreign Relations Committee in testimony and a series of amendments earlier this summer. (Testimony in Press attachments.)

I would like to turn now briefly to U.S. policy toward Latin America. It seems to me that the Nixon administration got off to a good start in October 1969 with the President's speech about what he thought U.S. policy toward Latin America should be. But this should have been the beginning of a series of efforts rather than stand as it does now as the last landmark of Presidential interest in the area. Words have not been followed by action nor by continued foreign policy priority. Since I was elected to the Senate I have not been able to find out what our policy is. There is a vacuum which needs to be filled. As I have talked with American businessmen in Latin America, and Latin Americans too, I have heard a great deal of concern about the "non-policy," about the "no profile," and about "benign neglect" which are the ways that people now refer to what our government is doing in relation to Latin America. This just can't go on.

Latin America is in our own back yard. We in Florida appreciate this more than people in Washington or elsewhere in the country. Trade and investment relations between Florida and Latin America are growing by leaps and bounds. I have been pleased to see the State through the State Department of Commerce and the Governor's Council on International Development move actively in support of increasing these economic opportunities for people in our State in relation to Latin America.

But in Washington there is a vacuum both in the Executive and the Congress. This vacuum has concerned me and is why I have taken an interest in the area myself. I have made three major trips and a few shorter ones to Latin America and have given several speeches to try to arouse interest. (These are available to the Press in attachments.)

I was pleased to see that last weekend the new Secretary of State-Designate, Dr. Henry Kissinger, expressed the view while he was in Mexico that it was time to seek a renewed interest on the part of the United States in Latin America. I think this is a hopeful sign. I sent Dr. Kissinger a telegram through the State Department from Costa Rica to San Clemente expressing my desire to visit with him in Washington in order to give him some of my views and to assure him of my support in the Senate for some new initiative in U.S. policy toward Latin America. (Copies of the telegram are available to the Press.) I plan to prepare some thoughts I have had for his benefit and look forward to meeting with the new Secretary and talking with him about what kinds of policies we should pursue.

There is a limit though on how much leadership can come from the Congress in an area of foreign policy like this. The President's time and active interest are the essential expressions of the national interest in Latin America. If we are to have a real policy toward Latin America, it is the President who must lead and the Executive Branch which must implement. In the Congress we can stimulate, suggest and exert oversight and in this way help guide the making of foreign policy but we cannot carry the ball. This is certainly the most important point I will make to Dr. Kissinger: without active Presidential interest and involvement in this area of foreign policy, there will be no policy toward Latin America that will be effective.

TEXT OF CABLE TRANSMITTED FROM SAN JOSE, COSTA RICA TO WESTERN WHITE HOUSE

AUGUST 29, 1973.

Hon. HENRY KISSINGER
Secretary of State Designate, U.S. Department of State, Washington, D.C.

MR. SECRETARY: I was pleased to note your statements over the weekend in Mexico regarding the need for a renewal of U.S. foreign policy interest in Latin America. I have felt this need for some time and find it very encouraging that you have expressed a fresh interest in U.S. relations with Latin America so soon after assuming your new responsibilities. Of course, your remarks have received wide attention in Latin America.

I am now on a two week visit to Venezuela, Colombia, Costa Rica and Guatemala. This is the third such trip I have made to Latin America since taking office in 1971 in an effort to better understand our neighboring countries and the kinds of policies on our part that make sense.

I would appreciate the opportunity of visiting with you upon my return to Washington to discuss with you U.S. relations with Latin America.

Sincerely yours,

LAWTON CHILES,
U.S. Senate.

[From the Mexico City News, Aug. 26, 1973]

KISSINGER VOWS MORE U.S. INTEREST IN LATIN AMERICA

Newly designated U.S. Secretary of State Henry A. Kissinger promised new U.S. interest in Latin America Saturday after a two-hour talk with Mexican President Luis Echeverria.

The official announcement had said he came here to attend Mexican Foreign Relations Secretary Emilio O. Rabasa's 25th wedding anniversary celebration Friday evening.

Kissinger left the Mexican capital at 2:40 p.m. on a U.S. Air Force jet craft, and reportedly headed for El Toro Marine Base in Santa Ana, Calif., near the Western White House at San Clemente.

"What is in the interest of Mexico—in a wider sense—is in the interest of the United States," he said. "And what is in the interest of the United States is in the interest of Mexico. We shall apply this principle to all of Latin America."

Kissinger said new relations "will be based on friendship, respect for independence and a spirit of cooperation. We respect the diversity of the various countries."

"Justice, cooperation and human well-being know no national boundaries," he added.

Kissinger said he came to Mexico just 48 hours after his presidential appointment "at the express request of President Nixon, to show the importance we shall attach to relations with Latin America and the impetus we shall give those relations."

He also promised special attention to the Mexican proposal for a United Nations Charter of Economic Rights and Duties of nations.

AN EXPERIMENTAL SECONDARY SCHOOL CURRICULUM PROJECT IN THE BIOMEDICAL SCIENCES

Mr. CRANSTON. Mr. President, the biomedical interdisciplinary curriculum project, supported by the National Science Foundation, will be starting a full-scale trial of an unusual curriculum in five San Francisco Bay Area high schools this fall. The curriculum consists of 2 hours of bioscience, 1 hour of mathematics and 1 hour of social science/communications daily. One classroom of students at each school will receive the special program during their junior and senior years.

The goal of the biomedical project is to provide a curriculum which will prepare and motivate students for entry into various higher education programs leading to the over 250 careers in the medical and health fields. In addition, each student will receive a health education much beyond what is usually available at the secondary level.

The program is broadly interdisciplinary in nature, each discipline drawing on and supporting the others. Special attempts are made to stress the application of concepts. Through a variety of techniques, students become involved in considering actual health problems which require understanding of the underlying physiological, mathematical, and social processes for their solution. The approach taken is one in which the concepts and skills associated with these disciplines are used to resolve health problems that are current and relevant to our society.

Thus far, response to this program has been extremely favorable. More than a dozen bay area schools expressed a desire to participate in the trial. Following the trial, it is expected that the curriculum will be offered on a nationwide basis. A recent survey indicates that over 2,000 high schools could be using the curriculum within a few years.

Mr. President, I bring this outstanding program to the attention of the Senate because I believe it offers an excellent means of acquainting young adults with important and relevant career opportunities in health.

Mr. President, I ask unanimous consent that there be printed in the RECORD materials describing this fine program in more detail.

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

THE BIOMEDICAL INTERDISCIPLINARY CURRICULUM PROJECT

THE CURRENT PROGRAM

The Biomedical Interdisciplinary Curriculum Project was initiated at the School of Public Health of the University of California, Berkeley, in 1968 with the support of the National Science Foundation. The project continues to be funded by the National Science Foundation and is present administered by the California Committee on Regional Medical Programs. Although no longer attached to the University, the project maintains a close relationship with the academic community.

The project was conceived in recognition of the well documented, critical health-manpower shortage that exists today and will continue to exist into the foreseeable future. The goal of the project is to develop an eleventh- and twelfth-grade curriculum which will prepare and motivate students for entry into the various higher-education programs leading to careers in the medical and health fields. However, the curriculum will be of sufficient breadth and depth to enable students to pursue successfully further education outside the medical and health fields should they chose to do so. In addition, each student will have received a unique health education far beyond what is traditionally offered.

The curriculum is designed to occupy four classroom periods each day for a total of two years. Two of these periods are devoted to biomedical science and laboratory, one to mathematics, and one to social science and

communications. The program is broadly interdisciplinary in nature, each discipline drawing upon and supporting the others wherever possible. Within the science course, basic concepts in biology, chemistry and physics are presented in the context of medical and health problems. A special attempt is made to stress the application of concepts. Through a variety of techniques, students become involved in considering actual problems that demand for their solution an understanding of underlying physiological and biochemical processes. In this way, science becomes the tool for problem-solving and understanding.

The mathematics portion of the curriculum both parallels the content of the science course and maintains its own integrity in terms of the flow of mathematical concepts. The content of the course roughly approximates that of the standard eleventh- and twelfth-grade college preparatory mathematics courses in that it devotes attention to linear, quadratic, exponential and trigonometric functions. Significantly greater attention than is found in standard programs is given to such topics as error analysis, statistics and data presentation and analysis.

As in the science course, perhaps the most significant way in which this course differs from standard programs is in its emphasis on applied problems. The vast majority of the problems are applied to situations that arise in the various areas of science. A significant portion of the course is devoted to the analysis and generalization of data collected by the students in the science laboratory.

The social science and communications course shares the basic goal of both science and mathematics. It attempts to produce students with a degree of proficiency in concept application and problem-solving with respect to applied problems.

The idea is stressed that health and medical problems are human problems and depend for their solution on an understanding of the individual in his social context. The student considers the individual in a truly ecological sense: as part of a multiplicity of environmental systems, all of which interact to affect health.

In this course, the student will receive an introduction to many topics not ordinarily included in traditional high school programs. For example, the topics will include a consideration of social epidemiology and public health issues, and cultural value systems as they relate to health and disease. In addition, attention will be devoted to cross-cultural comparisons of health and disease.

At various points throughout the curriculum students become acquainted with selected segments of the medical and health professions as they relate to the content being presented. Thus the students become aware of the broad spectrum of future career possibilities even though the program is not designed as preparation for any specific career. Hopefully the student will relate this kind of school experience to potential career experience; and, perhaps most important, he will leave the program having received a wide-ranging and sophisticated health education based on a holistic view of man and his environment.

THE BIOMEDICAL INTERDISCIPLINARY CURRICULUM NEWSLETTER

[No. 1, May 1973]

Because of the increasing numbers of inquiries we have received concerning the status and activities of the Biomedical Project, we have instituted this Newsletter. It will be issued periodically as developments of interest occur.

TRIAL RUN IN FIVE BAY AREA SCHOOLS

The major announcement now is that the project is making preparations for a trial of the curriculum in five schools selected from the immediate San Francisco Bay Area. The trial is to begin in the fall of this year and will continue for two years.

It was necessary to limit the number and geographic locations of the schools in order to keep costs at a reasonable level while still maintaining a strong supportive and evaluative component. The National Science Foundation is absorbing a large proportion of the costs to the schools, including the costs of five- to six-week summer workshops in 1973 and 1974.

The final choice of five schools was difficult. We were pleased that at least a dozen schools indicated strong interest in participating in the trial.

At this time there are five participating schools.

Mt. Diablo High School (Concord).

Petaluma Senior High School.

George Washington High School (San Francisco).

American High School (Fremont).

College Park High School (Pleasant Hill).

A sixth high school, Newport Harbor High School (Newport Beach), will be using the curriculum on a partially supported basis.

Of particular interest during the trial will be the use of several new pieces of low-cost equipment that have been specially designed by project staff to enrich the bioscience lab.

PHOTOELECTRIC COLORIMETER

In the first year the colorimeter will be used several times for food analysis. Students will determine protein quantity and quality as well as assay for nitrites. Further uses will be made of this equipment during the second year. Assuming that a school has a milliammeter available, the colorimeter in kit form will cost less than $10.00. The assembly of this equipment (as well as the equipment described below) requires no special skills.

BIOMEDICAL AMPLIFIER

This equipment will be used to amplify bioelectric signals so that they can be displayed and thus observed by students. In the 11th grade students will investigate brain waves, muscle potentials and action potentials generated by the fresh-water algae, *Nitella*. Twelfth-grade use will involve an introduction to the electrocardiogram. Several amplifiers will be available in each classroom so that students can individually participate in their use. The parts cost of each amplifier, including batteries, will be approximately $8.00.

TONE GENERATOR AND AMPLIFIER

The tone generator will produce pure tones from around 80 to 8000 cycles with amplification to drive a speaker directly. The amplifier section, which can accept inputs (e.g., voice) independently of the generator, will be used in experiments involving hearing and wave generation. Two to four are planned for each class. Each unit will cost approximately $8.00.

COMPUTER

This is by far the most complex and interesting piece of equipment—it is also the most difficult to describe briefly.

Physically the unit consists of a masonite-board "chassis" (22 x 25 cm) on which is attached two series of conducting bars (buss bars). Small circuit boards (functional units) are then attached to and detached from the conducting bars as needed for the particular task to be performed. The chassis will accept up to ten functional units. The total system is energized by a power supply. Inputs (signals) are fed into the system, processed by the functional units, and the results (outputs) are displayed in an appropriate modality—buzzers, lights, work performed, etc.

By selecting particular circuit boards and interconnecting them using patchcord hookups, students will be able to "program" the computer to perform a variety of tasks.

In this way, students will be introduced to the use of the two basic circuits of all computers: flip-flops and gates plus their interconnections. For those unfamiliar with computer operation, flip-flops are binary counters which can be used for storage (memory) as well as for counting. Gates in various combinations form the "logic." Computers capable of complex functions may be built using only these two elements.

The cost of one computer, including power supply and input/output units, will be less than $85. We plan to make seven basic frames available to each classroom with certain components (e.g., power supply, input/output sources, etc.) shared by the seven basic units. The classroom cost under these conditions should remain under $190.

The primary feature of this equipment as opposed to other inexpensive kits on the market today is that it will employ all of the functional elements of modern computers. Most inexpensive models employ nothing but switch logic and use mechanical/electrical simulation but not electronics. We feel that our model represents a significant improvement and will become a valuable teaching tool.

A wide variety of activities are planned, relating in the first year primarily to brain-computer analogies which entail inputs of light, sound, heat, etc., and the processes of counting, logic functions and memory. The programing aspect in these activities will involve simple games and control situations; outputs will be simple displays or movements (responses). The computer "breadboard" should generate a basic understanding of nervous system functions and, simultaneously, provide an introduction to computer fundamentals.

Then, in a practical problem related to the biomedical emphasis of the curriculum, the students will program the computer to "diagnose" a disorder of the central nervous system (either epilepsy, tumor, head injury, stroke, multiple sclerosis or no diagnosis) given presence or absence of eight diagnostic signs. In this context they will be exposed to truth tables and, in their math class, to basic Boolean algebra. The use of the computer in health testing and diagnosis will be returned to in the second year.

Because seven frames will be available in each class, more complex activities can be planned in the second year. Students will then interconnect the frames, thus producing a larger computer with greatly increased capabilities.

A CAREER EDUCATION COMPONENT

Another development that we feel worthy of noting is our expanding involvement in career education.

One of the goals of the Biomedical Program is to develop and support student interest in further education and training for the health professions. We have taken two approaches to this issue. First, at selected points in the curriculum itself, students are exposed to career potentials by means of field trips and classroom visitors. The career focused on is always one related to what is being studied at the time. For instance, the profession of inhalation therapist is considered while they are studying the respiratory system. Students visit a hospital and talk with a therapist *after* they have had sufficient background to understand the problems of respiratory distress and therapy.

The second form of our involvement in career education is more ambitious. Over the past several years the project has focused primarily on the creation of educationally sound curriculum. This has been, and is, our primary goal. The assumption was made that when the time came to implement the curriculum, career guidance materials would be available in a form appli-

cable to the high-school situation. We have found, however, that up-to-date information, when available, exists in a variety of sources, yet to be abstracted, very little of which is directed to the high-school student. The task now remains to translate these materials into a form both usable and interesting to students.

As a start, we have begun to compile basic information (a "Health Professions Directory") covering over 100 health occupations. At present the directory entries consist of professional title, summary of tasks performed, number of years of training (or education) required, entrance requirements, length of program, degree granted, locations of programs offered in the greater Bay Area, salary range, education costs, and job opportunities. Additionally, we would hope to include other information, such as trends and developing opportunities within the professions.

It is anticipated that the Health Professions Directory will be valuable primarily to counselors and teachers in the field. Using the information in the directory as well as any other pertinent information, we intend to take the next step and create materials especially for students and parents.

In addition, we are considering the development of tapes, filmstrips and films for both informational and recruitment purposes.

Because of the rapidly changing character of the health field and the necessity for periodic up-dating of any materials prepared, some form of information retrieval system must be designed for the continuous gathering of data on both current and projected opportunities for education, training and employment. We are presently exploring the possibilities for a cooperative effort with certain Bay Area organizations. There is almost universal agreement among counselors, health educators and health professionals in the Bay Area that there is a major job to be done in this area that goes well beyond the high-school student and the immediate needs of this project.

CURRICULUM MATERIALS

By midsummer, a significant amount of Biomedical Curriculum will be available for inspection. At that time we will notify you as to availability and cost. Prior to that time, we welcome any inquiries or comments you might have as to our efforts.

REPORT OF THE POST OFFICE AND CIVIL SERVICE COMMITTEE, 92D CONGRESS

Mr. McGEE. Mr. President, section 136(b) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 190d (b)), requires Senate standing committees to make reports with respect to their activities during the previous Congress in reviewing the "application, administration, and execution of those laws or parts of laws, the subject matter which is within the jurisdiction of that committee."

The following report of the Committee on Post Office and Civil Service for the 92d Congress is submitted in compliance with the above requirement.

AIR TRAFFIC CONTROLLERS

The committee approved in early 1972, Public Law 92–297, which provided a career program for, and greater flexibility of air traffic controllers. Presently, an air traffic controller with 5 years' service as a controller who is medically disqualified for duty is entitled to training for a different position not to exceed 2 years. Provision was also made for early retirement after completing 25 years of service, or after completing 20 years' service at age 50. Air traffic control is considered hazardous duty. As a result of enactment of this legislation it is hoped that a younger, vigorous, and medically fit controller will be responsible for directing our Nation's traffic.

EQUAL RIGHTS—WOMEN

Public Law 92–187, approved December 15, 1971, provided equality of treatment for married women Federal employees. Section 1 amended section 2108 (3) (D) and (E) of title 5, United States Code, to equalize veteran preference benefits for spouses of ex-servicemen and ex-servicewomen. Section 2 amended section 5924(3) of title 5, United States Code, to guarantee that married women employees in foreign areas receive the same separate maintenance allowance as do married male employees. Section 3 added subsections (b) and (c) to section 7152 of title 5, United States Code, to provide that married women employees of the Government shall receive the same benefits as do married male employees under any law or regulation granting benefits to employees of the Federal Government.

PAY—OVERTIME

Public Law 92–194, approved December 15, 1971, amended section 5542(a) of title 5, United States Code, to extend to certain Federal employees having part-time or intermittent tours of duty the right to be paid at overtime rates of pay for work in excess of 40 hours a week, on the same basis as is now authorized for full-time employees.

PAY RAISE

Public Law 92–210, approved December 22, 1971, provided a 5.5-percent pay raise for Federal classified employees, effective January 1, 1972. Also provided 20 new supergrade jobs for the economic stabilization program.

ADMINISTRATIVE

Public Law 92–310, approved June 6, 1972, provided that no agency of the Federal Government may require or obtain surety bonds for its civilian employees or military personnel in connection with the performance of their official duties. The personal financial liability to the Federal Government of such employees and personnel shall not be affected by the foregoing.

Public Law 92–366, approved August 7, 1972, extended the authority of agency heads to draw composite checks in favor of financial organizations when requested in writing by any person receiving recurring payments from the Government.

LIFE INSURANCE

Public Law 92–529, approved October 21, 1972, amended chapter 87 of title 5, United States Code, to waive employee deductions for Federal employees' group life insurance purposes during a period of erroneous removal or suspension. Premiums will not be withheld from any back pay award unless death or accidental dismemberment of the employee occurs during this period.

PAY—PREVAILING RATE

Public Law 92–392, approved August 19, 1972, established a statutory system for fixing and adjusting the rates of pay for prevailing rate—blue collar—employees of the Government. It fixed in law, 90 days after enactment, the main features of the administratively developed coordinated Federal wage system. Subchapter IV, chapter 53 of title 5, United States Code, was amended to provide at later dates for an additional fourth and fifth step rate to the existing three-step wage schedule. It also established, 90 days after enactment, uniform nationwide night shift differentials of 7½ and 10 percent for second- and third-shift work respectively. It further provided for the establishment of an 11-member Federal Prevailing Rate Advisory Committee—headed by a chairman who shall hold no other Federal office or position, and who shall be appointed by the Chairman of the Civil Service Commission. Trade and craft employees of nonappropriated fund activities of the Department of Defense and Veterans' Administration were also covered by this act, effective 180 days after enactment.

Public Law 92–298, approved May 17, 1972, provided for retroactive pay increases for certain blue collar Federal employees to correct pay inequities which resulted from the implementation of the Economic Stabilization Act Amendments of 1971.

RETIREMENT—FIREFIGHTERS

Public Law 92–382, approved August 14, 1972, amended section 8336(c) of title 5, United States Code, relating to retirement of Government employees engaged in certain hazardous occupations, to include firefighters. Under this law, Federal firefighters are now eligible for early retirement.

MILITARY MAIL

Public Law 92–469, signed by the President on October 6, 1972, increased the size and weight limits on military mail. The law increased the maximum size and weight size from 60 to 100 inches, length and girth combined, and the maximum weight from 30 to 70 pounds of parcels that may be mailed to military personnel under the special airlift provisions of existing regulations. Also the law extended the airlift for news value publications to all members of the Armed Forces overseas.

MAILING HAZARDOUS OBJECTS

Public Law 92–191, enacted on December 15, 1971, curtailed the mailing of certain articles which present a hazard to postal employees or mail processing machines by imposing restrictions on certain advertising and promotional matter sent through the mails.

DISTRICT OF COLUMBIA SUBSTITUTE TEACHERS

Public Law 92–454, enacted on October 2, 1972, credited certain service rendered by District of Columbia substitute teachers for retirement purposes in the civil service retirement fund.

ADOPTED CHILD

Public Law 92–243, signed by the President on March 9, 1972, extended survivor annuity benefits under civil service retirement to a child whose petition for adoption is in process before the death of an employee or annuitant, and whose adoption is finalized by the decedent's surviving spouse after death.

The committee also conducted extensive hearings into retirement legislation and health benefits available to civil service employees. Hearings were conducted on S. 2574, a postcard voter registration bill. The bill was reported favorably by the committee and was debated twice in the 92d Congress without a roll-call vote taken for final passage. The bill was subsequently passed in the early days of the 93d Congress. Hearings were conducted on two bills, S. 3374 and S. 3417, to modify the Hatch Act, which restricts political activity on behalf of Federal employees. A new concept in "supergrades" was developed in S. 1682, a bill to establish the Federal Executive Service. This bill was reported favorably by the committee and passed the Senate.

PRESIDENT NIXON'S ANNOUNCEMENT OF VETO OF MINIMUM WAGE BILL (H.R. 7935)

Mr. WILLIAMS. Mr. President, President Nixon's announced veto of the Fair Labor Standards Act amendments—minimum wage bill—continues to demonstrate a callous disregard for the lives of millions of American working men and women who populate the bottom rung of the economic ladder.

The President has consistently taken the position that the bill which was passed overwhelmingly by both Houses of Congress, would be inflationary and would create increased unemployment. Such reasoning boggles the imagination. It is an insult to all American workers, regardless of income bracket and certainly is a poor response to the urgent need of low-wage workers.

Anyone who has ever had to earn wages for a living knows full well that the current basic minimum wage of $1.60 an hour is as unrealistic as it is unfair. It does not take an economist or mathematician to figure out that a person working full time at that rate would earn only slightly more that $3,000 a year. This would be more than $1,200 below the poverty level for a family of four.

This veto will perpetuate a legally sanctioned class of working poor and exacerbate the situation for those who have felt the savage blow of inflation the most. Since 1966 when the minimum wage was first raised to the $1.60 rate—for nonfarm workers—the dollar has eroded some 35 percent; that is, the minimum wage of 1966 is currently worth only about $1.25. Next year, it will undoubtedly be less. The cost of living index continues to spiral upward having reached a record high in July of 132.7.

The President's action runs directly contrary to the Cost of Living Council's recent ruling—July 30, 1973—that workers earning less than $3.50 an hour would be exempt from wage controls under the Economic Stabilization Act; a ruling which was a tacit admission by the Government that a person cannot live today on $3.50 an hour, let alone $1.60 an hour.

Congress' proposed rate of $2.20 an hour phased in over the next 2 years would do little more than restore to the low-wage earner at least a semblance of buying power. It will hardly provide for a luxury budget. Its beneficiaries will pose no economic threat to any other class of workers. It is not too much to ask that a person be entitled to earn enough for the basic necessities of life—food, clothing, and shelter.

How can we continue to deny a living wage to the almost 4 million workers who presently earn less than $2 an hour, and who would immediately be benefited but for the President's veto?

These low-wage earners, all of whom are at or below the poverty level, are willing and capable full-time employees. This legislation is not charity; it is not welfare. It represents instead opportunity, encouragement and hope to those at the bottom of our industrial economy.

And, the administration itself calculates that the legislation will only increase the Nation's annual wage bill by four-tenths of 1 percent during the next year.

The President would have us believe that he is really in favor of minimum wage legislation—if only Congress had passed instead a bill in which the minimum rate were smaller and spread out over a longer period—if overtime exemptions had not been repealed—if special interest group exceptions were retained—if wage disparity between agricultural workers and nonfarm workers had been continued—if household service workers had been excluded—if public employees were exempt from overtime requirements—and if only a rate differential between younger and older workers had been established. Then, such a proposal would have surely had the President's blessing. But, such would have been a mockery both in name and principle to the Fair Labor Standards Act, the very statute Congress has sought to amend.

How ironic it is that this President, who has by this announced veto acted in such a contemptuous manner for the American worker, has been the same person who has on so many occasions prided himself as a champion of the "work ethic."

Is this the same President Nixon who on Labor Day, 1971, said:

> As the name implies, the work ethic holds that labor is good in itself: That a man or woman at work not only makes a contribution to his fellow man, but becomes a better person by virtue of the act of working.
>
> The dignity of work, the value of achievement, the morality of self-reliance—none of these is going out of style.
>
> We must find ways to better recognize and reward the extra effort a worker puts into his job.
>
> We must open up new and equal opportunities to allow a person to grow in his job.
>
> And we must give more respect to the proud men and women who do work that is all too often considered "menial."
>
> Let us recognize once and for all—no job is menial in America if it leads to self-reliance, self-respect, and individual dignity.

Is this the same President Nixon who last Labor Day said:

> I want to see the American worker get all that he deserves.
>
> That an able-bodied person should earn what he gets and keep most of what he earns.

And where is the President who three years ago signed a bill extending unemployment insurance coverage, and proclaimed the act to be "an example of this administration's dedication to helping the American workingman—including the poor and the minority worker."

These noble-sounding phrases ring hollow to those who would have benefited from the minimum wage bill, were it not for the President's action.

How does one preach this "work ethic" to the millions of men and women throughout the country who are already working full time, but cannot make ends meet even on a subsistence budget. These low-wage workers cannot eat dignity, nor can they pay their rent with pride, or wear self-respect to keep them warm.

But one soon forgets about such basics when one lives in coast-to-coast palatial splendor. When one makes no effort to see reality, but instead insists on being isolated from the people by a wall of opulence. I suppose it is difficult to think compassionately in terms of such a relatively mundane matter as a $2.20-an-hour wage rate.

Such an attitude of insensitivity is especially ironic when one considers that much of that splendor has been subsidized by taxes from many of the very workers now being cast adrift by this Presidential veto.

But to the legions of hardworking Americans now getting paid below the $2.20 rate, the proposed minimum wage is hardly mundane—it is critical.

For some it could mean the difference between not having enough for one's family to eat, or being able to put ample and nutritional food on the table.

For others it could mean the difference between having to rent a rat-infested apartment, or getting a clean and decent place to live. And for still others it could mean the difference between having to let one's child wear the same pair of tattered sneakers all year round, or being able to buy a pair of warm boots for the cold winter months which lie ahead.

Despite the obvious need to increase minimum wage protection for the Nation's low-wage earners, the President continues to maintain that this legislation would be detrimental to the economy.

Forgive me if I fail to understand how these Fair Labor Standards amendments will be the root of all of our economic evils. Neither the runaway inflation nor the ravages of chronic unemployment will be improved by this veto action.

The average American does not need to have a Ph. D. to know that the President's economic game plan has gone haywire. Even the program's architects have admitted that the multiphase wage-price controls have been a dismal failure.

The word crisis has been used so often to describe one or another aspect of this country's economic plight, one might think that the administration has deliberately attempted to fostered a new vocabulary—what with the "soybean crisis," the "plywood crisis," the "meat crisis," the "wheat crisis," the "housing crisis," the "interest rate crisis," and the "energy crisis"—just for openers.

The President has gone quite far afield in his attempt to negatively link the

proposed new minimum wage with our Nation's myriad economic woes. I cannot see any such connection, and I do not believe the American people are going to either.

At a time when the highest echelons of our Government are in a state of moral bankruptcy, and each day brings forth new revelations of deceit and dishonesty, I am confident the American people will not accept this bogus rationale for vetoing the minimum wage bill.

How can we believe the prediction that the minimum wage bill would drive the Nation's economy into a tailspin, when the administration has been wrong so often with its previous economic forecasts?

Two years ago, for example, in a speech before the U.S. Chamber of Commerce the President assured us that—

> We are winning the fight against rising prices. . . . The worst of inflation is behind us.

While there is no question that inflation is rampant throughout the country, the remedy lies not in denying a living wage for those who need it the most. Instead inflation should be fought by putting an end to corporate price-fixing, to artificially induced commodity shortages, and to the cozy big business-Government relationships which have produced such consumer debacles as the Russian wheat deal.

Despite the fact that real wages for many workers have fallen during the last year, First National City Bank of New York has reported that after-tax profits of U.S. corporations went up 30 percent over a year ago during the second quarter of 1973.

This spectacular rise is on top of a similar 28-percent gain registered during the first quarter of this year.

The Wall Street Journal has reported that profits at General Motors rose 10 percent to a second quarter record of $797.5 million, while sales climbed 14 percent to $9.67 billion—a high for any quarter.

The financial picture at Chrysler has been equally as rosy with a 6-month after-tax profit of $198 million—90 percent more than a year ago and 33 percent more than their record year of 1968.

And as if to add insult to injury during this period of so-called wage-price controls, an audit by Congress Joint Committee on Internal Revenue Taxation has revealed that 11 of the Nation's largest corporations have paid no Federal income taxes despite the fact that they had reported substantial profits.

As profits soar, real wages have barely managed to keep even, and in many cases have even declined. The American worker suffers every time the interest rate jumps and every time a price rise is announced.

Food prices alone, according to the administration's own spokesmen, are slated to increase 21 percent by the end of the year. And there apparently is no end in sight, with the low wage earner of course being hurt the most.

It is clear that this deliberate Government policy which tightly controls wages while at the same time allowing profits, rents, interest rates, and nonwage income to continue upward is one which is fundamentally both unfair and unjust.

What is perhaps even more dismaying is the way in which the administration's decisionmaking process has been blatantly manipulated by a small cartel of moneyed interests.

While the average American worker is at the mercy of the vast Federal bureaucracy, the corporate giants of industry seem to be able to call their own tune.

The pattern, of course, is all too familiar—money for favors. After a sizable and, until recently, secret Presidential campaign contribution, the corporate donor—via a director or officer—finds almost instantaneous good fortune with a Government regulatory agency.

It is particularly distressing to note that many of these same large-scale contributors have been among the most vociferous opponents of the minimum wage bill.

The choice was clear. The President had before him a bill whose substance epitomized the essence of our legislative process.

It was the thoughtful product of many hundreds of hours of research, investigation, and testimony. It was the result of bipartisan efforts which had sought to achieve a consensus among diverse positions and interests. And most important, it was a proposal which was based on economic realities and grounded in social justice.

With American people watching, we had an opportunity to strike a blow for decency. With the very foundation of our system of government being questioned, we had an opportunity to correct inequities in a system we ourselves had created.

Now, the President intends to frustrate the will of the Congress to provide millions of hard-working American citizens with the opportunity to better themselves.

I am still hopeful that all is not lost. It is imperative that Congress vote its conscience and override this misconceived and ill-timed Presidential veto.

NEW SOCIAL SERVICE REGULATIONS TO BE PUBLISHED

Mr. PACKWOOD. Mr. President, last spring, Senators will recall the publication of social service regulations by the Social and Rehabilitation Service of HEW. The new regulations were designed, allegedly, to reflect legislative changes adopted in the 92d Congress, and particularly the $2.5 billion ceiling on expenditures under the program.

Unfortunately, the SRS regulations went far beyond what Congress intended in returning the social services program to sounder operation and fiscal responsibility, and had the effect of eliminating the eligibility of many individuals most in need of services. Whereas Congress intended that social services programs maximally assist those who are trying to get off welfare or stay off welfare, and who are seeking self-sufficiency or partial self-sufficiency, the HEW regulations as originally published would have had exactly the opposite effect.

Fortunately, my colleagues on the Finance Committee and in the Senate shared these concerns, and in Public Law 93–66, signed on July 9, 1973, we delayed implementation of the published regulations from July 1, 1973, to November 1, 1973, with the qualification that a majority of the Finance and Ways and Means Committees must approve the new regulations.

Mr. President, HEW is about to publish yet another set of regulations governing the social services program, and because of the widespread interest in this program, and its far-reaching impact in Oregon and nationwide, I ask unanimous consent to have printed at this point in the RECORD the letter I have just received from HEW Under Secretary Frank Carlucci, along with a summary of the changes which HEW intends to make in the new version of the regulations.

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

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., September 5, 1973.

Hon. BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: The Department of Health, Education and Welfare will further modify the regulations governing Social Services under Titles I, IV–A, X, XIV and XVI of the Social Security Act to be effective November 1, 1973. We plan to publish these changes as proposed rule making in the Federal Register on September 10 or 11. Major changes include:

1. Require States to establish, under the adult services program, a plan for prevention of institutionalization of individuals through the provision of defined services;

2. Broaden the coverage of potential recipients, consistent with the deduction for work-related expenses available to recipients, by defining the income limit as $60 plus 150% (233% in relation to day care) of the payment standard (previously $30);

3. Permit an additional income disregard for the mentally retarded, with the amount to be established by each State;

4. Broaden the coverage (for family planning services) to include any female of childbearing age who meets financial eligibility requirements;

5. Allow 6 months (instead of 3) from the effective date of the final regulations for redetermination of eligibility of all current recipients of services;

6. Remove the cumbersome assets test for determination of potential recipients, although States must continue to consider available resources in determining whether families and individuals are likely to become applicants for or recipients of financial assistance within six months;

7. Add the goal of strengthening family life to deliver family planning and other services to prevent child abuse and neglect;

8. Expand the definition of health-related services to encompass those necessary to a program of active treatment for alcoholics and drug addicts in order to provide appropriate medical services, provided that other public and private sources are first utilized;

9. Expand the definition of legal services to include those required to establish paternity of children born out of wedlock, obtain child support payments, and legally adopt a child;

10. Add a new defined service, special services for the mentally retarded;

11. Provide medical treatment required for services to the mentally retarded provided that other public and private sources are first utilized.

Our development of these proposed changes was very much aided by our consultation with the Staff of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, as well as Staff of other Members of Congress. We would, of course, welcome any further comment or suggestions from these Committees or from other Members of Congress before the regulations are issued in final form.

Sincerely yours,

FRANK CARLUCCI, *Acting Secretary.*

SERVICE PROGRAMS FOR FAMILIES AND CHILDREN AND FOR AGED, BLIND, OR DISABLED INDIVIDUALS: TITLES I, IV (PART A), X, XIV, AND XVI OF THE SOCIAL SECURITY ACT

NOTICE OF PROPOSED RULEMAKING

Notice is hereby given that the regulations set forth in tentative form below are proposed by the Administrator, Social and Rehabilitation Service, with the approval of the Secretary of Health, Education, and Welfare.

Notice of proposed rulemaking was published in the *Federal Register* on February 16, 1973 (38 FR 4608).

Final regulations responsive to comments received were published in the *Federal Register* on May 1, 1973 (38 FR 10782), with an effective date of July 1, 1973. An amendment clarifying several provisions was published on June 1, 1973 (38 FR 14375).

Public Law 93-66 signed by the President on July 9, 1973, postponed the effective date until November 1, 1973. Notice of this postponement was published in the *Federal Register* on July 25, 1973 (38 FR 19911).

The new proposals would amend the regulations published on May 1, 1973 and June 1, 1973 to:

1. Require States to establish, under the adult services program, a plan for deinstitutionalization and prevention of institutionalization of individuals through the provision of defined services; (§ 221.5(a))

2. Broaden the coverage of potential recipients, consistent with the deduction for work-related expenses enjoyed by recipients, by defining the income limit as $60 plus 150% (233% in relation to day care) of the payment standard (previously $30); (§ 221.6(a)(3)(i))

3. Permit an additional income disregard for the mentally retarded, with the amount to be established by each State; (§ 211.6(a)(3)(iii))

4. Broaden the coverage (for family planning services) to include any female of childbearing age who meets financial eligibility requirements; (§ 211.6(a)(3)(vii))

5. Allow 6 months (instead of 3) from the effective date of the final regulations for redetermination of eligibility of all current recipients of services; (§ 211.7(b))

6. Remove the cumbersome aspects of the assets test for determination of potential recipients, although States must continue to consider available resources in determining whether families and individuals are likely to become applicants for or recipients of financial assistance within 6 months;

7. Add the goal of strengthening family life, (§ 221.8(a)(3)), under which States may provide family planning services; and other services including day care, to prevent child abuse and neglect; (§ 211.9(b)(3))

8. Expand the definition of health-related services to encompass those necessary to a program of active treatment for alcoholics and drug addicts; (§ 221.9(b)(9))

9. Expand the definition of legal services to include those required to establish paternity of children born out of wedlock, obtain child support payments, and legally adopt a child; (§ 221.9(b)(14))

10. Add a new defined service, Special services for the mentally retarded; (§ 221.9(b)(19))

11. Provide Federal financial participation for appropriate medical services necessary for active treatment of drug addicts and alcoholics, together with medical treatment required for services to the mentally retarded, provided that any other public and private sources are utilized first; (§ 221.53(1))

12. Incorporate new statutory language concerning Federal sharing in services to children in foster care. (§ 221.55(d)(5))

The proposed regulations do not affect current provisions in Part 220 applicable to the work incentive program (WIN) and to child welfare services (CWS). Amendments to those portions of Part 220 will be published separately.

Prior to the adoption of the proposed regulations, consideration will be given to any comments, suggestions, or objections thereto which are submitted in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue, S.W., Washington, D.C. 20201, within a period of 30 days from date of publication of the Notice in the *Federal Register*. Comments received will be available for public inspection in Room 5224 of the Department's offices at 330 C Street S.W., Washington, D.C., on Monday through Friday of each week from 8:30 a.m. to 5:00 p.m. (area code 202-962-4451).

Authority: Sec. 1102, 49 Stat. 647 (42 U.S.C. 1302).

(Catalog of Federal Domestic Assistance No. 13754, Public Assistance—Social Services)

Part 221, Chapter II, Title 45 of the Code of Federal Regulations is amended as set forth below:

1. Section 221.2 is amended to revise paragraph (c) as follows:

§ 221.2 Organization and administration.

* * * * *

(c) *Opportunity to present views.*—There must be an opportunity for recipients of services to present their views about the services program. The State may permit such opportunity to be either oral or in writing.

* * * * *

2. Section 221.5 is revised as follows:

§ 221.5 Statutory requirements for services.

(a) In order to carry out the statutory requirements under the act with respect to family services and adult services programs, and in order to be eligible for 75 percent Federal financial participation in the costs of providing services, including the determination of eligibility for services, the State must, under the family services program, provide to appropriate members of the AFDC assistance unit the mandatory services and those optional services the State elects to include in the State plan, and must, under the Adult Services program, establish a plan for de-institutionalization and preventing institutionalization of individuals, and include in the State plan those defined adult services which the State considers necessary to achieve that objective.

(b)(1) For the family services program, the mandatory services are family planning services, foster-care services for children, and protective services for children. The optional services are day-care services for children, educational services, employment services (non-WIN), health-related services, homemaker services, home management and other functional educational services, housing improvement services, legal services, transportation services and special services for the mentally retarded.

(2) For the adult services program, the defined services are chore services, day-care services for adults, educational services, employment services, family planning services, foster-care services for adults, health-related services, home delivered or congregate meals, homemaker services, home management and other functional educational services, housing improvement services, legal services, protective services for adults, special services for the blind, transportation services and special services for the mentally retarded.

3. Section 221.6(a)(3) is amended by revising subdivisions (i) and (ii), redesignating subdivisions (iii), (iv), and (v) as (iv), (v) and (vi) and adding new subdivisions (iii) and (vii) as follows:

§ 221.6 Services to additional families and individuals.

* * * * *

(a)(3)(i) With respect to title IV-A, have gross monthly income which after deducting $60, (A) does not exceed 150 percent of the State's financial assistance payment standard; or (B) with respect to eligibility for day-care services, does not exceed the maximum allowable under the State's schedule of fees to be paid for such services by otherwise eligible families, as contained in the State's approved plan; or

(ii) With respect to titles I, X, XIV, or XVI, have gross monthly income which does not exceed 150 percent of the combined total of the supplementary security income benefit level provided for under title XVI of the Act (as amended by Public Law 92-603) and the State supplementary benefit level, if any (in the case of Puerto Rico, the Virgin Islands, and Guam, 150 percent of the financial assistance payment standard);

(iii) Notwithstanding the provisions of subdivisions (c)(3)(i) and (ii), of this section, with respect to an otherwise eligible mentally retarded individual as defined in subdivision (c)(3)(v), the State plan shall provide for an additional deduction from gross monthly income in order to recognize the unique financial burden associated with a mentally retarded individual.

(iv)(A) In the case of eligibility under title IV-A, have a specific problem or problems which are susceptible to correction or amelioration through provisions of services and which will lead to dependence on financial assistance under title IV-A within 6 months if not corrected or ameliorated; or

(B) In the case of eligibility under title I, X, XIV, or XVI, have a specific problem or problems which are susceptible to correction or amelioration through provisions of services and which will lead to dependence on financial assistance under such title, or medical assistance, within 6 months if not corrected or ameliorated; and who are

(1) At least 64½ years of age for linkage to title I or title XVI with respect to the aged;

(2) Experiencing serious, progressive deterioration of sight that, as substantiated by medical opinion, is likely to reach the level of the State agency's definition of blindness within 6 months, for linkage to title X, or title XVI with respect to the blind; or

(3) According to licensed physician's opinion as approved by the State agency, experiencing a physical or mental condition which is likely to result within 6 months in permanent and total disability, for linkage to title XIV, or title XVI with respect to the disabled.

(v) Notwithstanding the provisions of this subparagraph (3) or § 221.7(b)(1), an eligible mentally retarded individual may for the period July 1, 1973, through December 31, 1973, be considered by the State as eligible for services for so much of such period as the mentally retarded individual continues to meet the eligibility requirements of § 222.25(a)(2) of this chapter, as previously in effect. "Mentally retarded individual" means an individual, not psychotic, who, according to a

licensed physician's opinion, is so mentally retarded from infancy or before reaching 18 years of age that he is incapable of managing himself and his affairs independently, with ordinary prudence, or of being taught to do so, and who requires supervision, control, and care, for his own welfare, or for the welfare of others, or for the welfare of the community.

(vi) Notwithstanding the provisions of this subparagraph (3), or § 221.7(b)(1), children of migrant workers may be considered by the State to be eligible for daycare services through December 31, 1973, on the basis of the provisions of part 220 as previously in effect.

(vii) Notwithstanding the provisions of this subparagraph (3), or § 221.8(a) of this part, any female of childbearing age who requests family planning services may be considered eligible to receive such services as defined in § 221.9(b)(6)(i) of this part; provided such individual has gross monthly income which, after deducting $60, does not exceed 150 percent of the State's financial assistance payment standard under title IV–A for one adult plus one child, or, if she is part of a family unit, then the applicable payment standard for such family unit plus one child.

(4) Aged, blind, or disabled persons who are likely to become applicants for or recipients of financial assistance under the State plan within 6 months as evidenced by the fact that they are currently eligible for medical assistance as medically needy individuals under the State's title XIX plan.

4. Section 221.7(b)(1) is amended by changing the time period from three months to six months.

5. Section 221.8 is amended to add a new subparagraph (a)(3) as follows:

§ 221.8 Program control and coordination.

* * * * *

(3) *Strengthening family life goal.*—In the case of all recipients of financial assistance under the family program, to strengthen family life by providing (i) family planning services and (ii) such defined family services in the State plan as are necessary to prevent neglect or abuse of a child who has been identified as likely to become neglected or abused as a result of home conditions which seriously threaten the child physically or emotionally.

* * * * *

6. In section 221.9, subparagraphs (b)(3), (b)(9), and (b)(14) are revised and a new subparagraph (b)(19) is added as follows:

§ 221.9 Definitions of services.

(a) This section contains definitions of all mandatory and optional services under the family services program and the defined services under the adult services program (see §§ 221.5 and 221.6).

(b)(1) *Chore services.*—This means the performance of household tasks, essential shopping, simple household repairs, and other light work necessary to enable an individual to remain in his own home when he is unable to perform such tasks himself and they do not require the services of a trained homemaker or other specialist.

(2) *Day care services for adults.*—This means personal care during the day in a protective setting approved by the State or local agency.

(3) *Day care services for children.*—This means care of a child for a portion of the day, but less than 24 hours, in his own home by a responsible person, or outside his home in a day care facility. Such care must be for the purpose of enabling the caretaker relatives to participate in employment or training, or because of the death, continued absence from the home, or incapacity of the child's mother and the inability of any member of such child's family to provide adequate and necessary care and supervision for such child. Day care may also be provided, when appropriate, for eligible children who are mentally retarded and to other recipients, to the extent necessary to accomplish the strengthening family life goal. In-home care must meet State agency standards, that, as a minimum, include requirements with respect to: The responsible person's capacity and available time to properly care for children; minimum and maximum hours to be allowed per 24-hour day for such care; maximum number of children that may be cared for in the home at any one time and proper feeding and health care of the children. Day care facilities used for the care of children must be licensed by the State or approved as meeting the standards for such licensing and day care facilities and services must comply with such standards as may be prescribed by the Secretary.

(4) *Educational services.*—This means helping individuals to secure educational training most appropriate to their capacities, from available community resources at no cost to the agency.

(5) *Employment services (non-WIN under title IV–A and for the blind or disabled).*—This means enabling appropriate individuals to secure paid employment or training leading to such employment, through vocational, educational, social, and psychological diagnostic assessments to determine potential for job training or employment; and through helping them to obtain vocational education or training at no cost to the agency.

* * * * *

(9) *Health-related services.*—This means helping individuals and families to identify health needs and to secure needed health services available under medicaid, medicare, maternal and child health programs, handicapped children's programs or other agency health services programs and from other public or private agencies or providers of health services; planning, as appropriate, with the individual and health providers to help assure continuity of treatment and carrying out of health recommendations; helping such individual to secure admission to medical institutions and other health related facilities; and providing appropriate medical services necessary to a program of active treatment of individuals who are alcoholics or drug addicts.

(10) *Home delivered or congregate meals.*—This means the preparation and delivery of hot meals to an individual in his home or in a central dining facility as necessary to prevent institutionalization or malnutrition.

(11) *Homemaker services.*—(i) For family services this means care of individuals in their own homes, and helping individual caretaker relatives to achieve adequate household and family management, through the services of a trained and supervised homemaking.

(ii) For adult-services this means care of individuals in their own homes, and helping individuals in maintaining, strengthening, and safeguarding their functioning in the home through the services of a trained and supervised homemaker.

(12) *Home management and other functional educational services.*—This means formal or informal instruction and training in management of household budgets, maintenance and care of the home, preparation of food, nutrition, consumer education, child rearing, and health maintenance.

(13) *Housing improvement services.*—This means helping families and individuals to obtain or retain adequate housing. Housing and relocation costs, including construction, renovation or repair, moving of families or individuals, rent, deposits, and home purchase, may not be claimed as service costs.

(14) *Legal services.*—This means the services of a lawyer in solving legal problems of eligible individuals to the extent necessary to obtain or retain employment, establish paternity of children born out of wedlock, secure and collect child support payments and legally adopt a child. This does not apply to district attorneys or other public prosecuting attorneys, and excludes all other legal services, including fee generating cases, criminal cases, class actions, community organization, lobbying, and political action.

(15) *Protective services for adults.*—This means identifying and helping to correct hazardous living conditions or situations of an individual who is unable to protect or care for himself.

(16) *Protective services for children.*—This means responding to instances, and substantiating the evidence, of neglect, abuse, or exploitation of a child; helping parents recognize the causes thereof and strengthening (through arrangement of one or more of the services included in the State plan) parental ability to provide acceptable care; or, if that is not possible, bringing the situation to the attention of appropriate courts or law enforcement agencies, and furnishing relevant data.

(17) *Special services for the blind.*—This means helping to alleviate the handicapping effects of blindness through: Training in mobility, personal care, home management, and communication skills; special aids and appliances; special counseling for caretakers of blind children and adults; and help in securing talking-book machines.

(18) *Transportation services.*—This means transportation necessary to travel to and from community facilities or resources for receipt of mandatory or optional services.

(19) *Special services for the mentally retarded.*—This means helping to alleviate the handicapping effect of mental retardation through: evaluation of the individual through necessary medical and psychological services; counseling with parents or caretaker relatives of the retarded individual; sheltered employment; day care appropriate to the needs of retarded individuals; and special training for self-care.

7. In Section 221.30, the date in the second sentence is changed from July 1, 1973 to November 1, 1973.

8. Section 221.52 is amended by redesignating paragraph (n) as (o) and adding a new paragraph (n) to read as follows:

§ 221.52 Expenditures for which Federal financial participation is available.

* * * * *

(n) When providing meals is an integral part of day care services, costs of food when limited to snacks and light meals, and not otherwise available under any public program.

9. Section 221.53(i) is revised as set forth below:

§ 221.53 Expenditures for which Federal financial participation is not available.

* * * * *

(i) Medical, mental health, or remedial care or services, except when they are:

(1) Part of the family planning services under title IV–A, including medical services or supplies for family planning purposes, or

(2) Medical examinations which are required for admission to child-care facilities or for persons caring for children under agency auspices (but only to the extent not otherwise available from medicaid, medicare, or other public or private sources including insurance or other resources); or

(3) Appropriate medical services necessary to a program of active treatment of individuals who are alcoholics or drug addicts (but only to the extent not otherwise available from medicaid, medicare, or other public or private sources including insurance or other resources); or

(4) Appropriate medical or psychological services necessary to evaluation of a mentally retarded individual as provided in § 221.9(b)(19) (but only to the extent not otherwise available from medicaid, medicare, or

other public or private sources including insurance or other resources).

* * * * *

10. Section 221.55(d) is revised to read as follows:

§ 221.55 Limitations on total amount of Federal funds payable to States for services.

* * * * *

(d) Not more than 10 percent of the Federal funds shall be paid with respect to expenditures in providing services under title IV–A to families or to individuals (eligible for services) who are not recipients of aid or assistance under State plans approved under such titles, or applicants for such aid or assistance, except that this limitation does not apply to the following services provided to eligible persons:

(1) Services provided to meet the needs of a child for personal care, protection, and supervision but only in the case of a child where the provision of such services is necessary in order to enable a member of such child's family to accept or continue in employment or to participate in training to prepare such member for employment, or because of the death, continued absence from home, or incapacity of the child's mother and the inability of any member of such child's family to provide adequate and necessary care and supervision for such child;

(2) Family planning services;

(3) Any services included in the approved State plan that are provided to an individual diagnosed as mentally retarded by a State mental retardation clinic or other agency or organization recognized by the State agency as competent to make such diagnoses, or by a licensed physician, but only if such services are needed for such individual by reason of his condition of being mentally retarded;

(4) Any services included in the approved State plan provided to an individual who has been certified as a drug addict by the director of a drug abuse treatment program licensed by the State, or to an individual who has been diagnosed by a licensed physician as an alcoholic or drug addict, but only if such services are needed by such individual as part of a program of active treatment of his condition as a drug addict or an alcoholic; and

(5) Services provided to a child who is under foster care in a foster family home (as defined in section 408 of the Social Security Act) or in a child-care institution (as defined in such section), or while awaiting placement in such a home or institution, but only if such services are needed by such child because he is under foster care.

IS THE SOVIET AIR FORCE NO. 1?

Mr. GOLDWATER. Mr. President, in a recent issue of the Reader's Digest, Mr. James Winchester posed the question "Is the Soviet Air Force No. 1?" To those of us who follow this subject intimately on a day to day basis, and this includes people all over this world, I believe there is only one answer at this time and that is the Soviets are ahead of us. They may not be ahead if we count the superb training and experience of our airmen in all branches, but it will not take long for them to catch up in this. My concern is that as we approach the opening of the debate on military authorization, that we may continue to downgrade the military by not voting the funds required. If we continue this, mark my word sometime in this decade we're going to be faced with a challenge or maybe several, which if we cannot answer or refuse to answer or do not seem capable of answering irreparable damage will be done to our country, to its form of government and to its place in the world.

I ask unanimous consent that this article be printed in my remarks in the RECORD.

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

IS THE SOVIET AIR FORCE NO. 1?

(By James H. Winchester)

Ten years ago, the United States edge over the Soviet Union in military aircraft of all types was unquestioned, overwhelming. Today, almost unnoticed by the American public, the advantage has largely shifted hands. The signers of the supplemental statement to the report of President Nixon's Blue Ribbon Defense Panel are alarmed: "The quarter-century of clear U.S. strategic superiority has ended."

The buildup of Soviet air power, many military authorities agree, is far more significant than the more widely publicized expansion of the Russian fleet. We still have a dwindling lead in number of long-range heavy bombers and in sophisticated airborne electronics. But the Russians, with some 10,000 front-line, combat-ready craft, are now ahead, overall, in total number of warplanes. In addition, new aircraft are being added to the Soviet air force at a rate exceeding that of any nation in the free world.

If intercontinental strategic missiles, Naval air forces, reserve and National Guard units are all lumped in, and general crew efficiency considered, America's air power is still given a slight lead in total operational competence. But while the Soviets are adding new and sophisticated planes of all types, the U.S. air units are shrinking. Since 1964, the U.S. Air Force has cut its bombers from 1509 to 503, its fighter-attack planes and interceptors from 3538 to 2537. The Russians, on the other hand, now have a total of about 900 heavy and medium bombers, plus 7400 fighter-bombers and interceptors. Says the USAF: "We are busy phasing things *out*, while the Soviet force is busy phasing things *in*."

More important than diminishing numbers is the fact that America's warplanes are mostly outdated. Over half of all U.S. combat aircraft are now over ten years old. The newest of our aging B–52 bombers were built a dozen years ago. And in spite of the losses in Southeast Asia, the USAF in fiscal 1973 bought only 168 new planes of all types, including fighters, transports, trainers and helicopters.

Behind the Russian gains is an intensive research and development program. For the last several years they have produced one new fighter-plane prototype about every 18 months. Pierre Gallois, a retired French air-force general and adviser to the makers of France's highly regarded Mirage fighter plane, says: "Today the Russians are the best plane makers in the world."

Clearly, the Soviet air force is spreading new and formidable wings. Here is how it compares, category by category, with the USAF:

BOMBERS

The new Russian swing-wing, long-range bomber, bearing the NATO code name "Backfire," flies at twice the speed of sound and at altitudes over 13 miles. With an unrefueled range nearly equal to that of their standard heavy jet, the Bison, it puts the Soviets at least five years ahead of us in developing a new bomber. Armed with far-reaching air-to-surface missiles, free-fall nuclear bombs, and electronic countermeasures as sophisticated as any, Backfire can, with midair refueling, fly from the Soviet Union to any target in the world and return.

At least 12 of these new Backfires were flying at the start of 1973, and full squadrons are expected to be operational next year. Until then, the Soviet air force has a fleet of about 200 Bear and Bison long-range bombers, roughly comparable—individually—to the U.S. Strategic Air Command's 650-m.p.h. B–52s, now fewer than 400 in number.

To modernize its long-range bomber force—which proved to be very vulnerable to sophisticated, Russian-made surface-to-air missiles over North Vietnam—the USAF wants the B–1, which they say will be better than the Russian Backfire. Three B–1 prototypes are being built and will be test-flown in 1974, but Congress is still wrangling about whether the bomber should be produced.* It will not be operational until 1980 at the earliest.

The Soviet medium-bomber fleet, with about 700 planes now operational, is unmatched by any other nation in the world. Its backbone is the "Blinder," a twin-engine killer with a top speed of over 1000 m.p.h., which can deliver air-to-surface nuclear rockets (liquid-propelled) from distances up to 300 miles. Designed for missions against Euro-Asian nations, naval attack, reconnaissance, these planes could be used in one-way, intercontinental attacks on the United States.

We do not now have a plane or missile comparable to the Blinder. The closest thing is the FB–111 fighter-bomber, once hailed as a replacement for some of the B–52 versions. Since the first one was delivered in 1969, however, technical problems have plagued the FB–111. The original order for 263 of these planes was cut back sharply. Fewer than 75 are now in service.

FIGHTERS

America has only about one fourth as many air-defense fighters as the U.S.S.R., and the Soviets' are equal or superior to anything we now have in service. Since 1960, the USAF has introduced four new types of fighter—while the Russians have produced 13.

The basic U.S. attack plane is the McDonnell-Douglas F–4, introduced in 1962. This plane cannot begin to match the new Soviet MiG–25, known as "Foxbat," which can fly at close to 2000 m.p.h. and fight at 80,000 feet. Not long ago, when the Israeli air force sighted a pair of Foxbats being flown by Russian pilots from an Egyptian base, they sent up their U.S.-built F–4 Phantoms to give chase. They were unable to come anywhere near the Soviet planes. Says a worried USAF general, "Nothing in the West can touch them." The Russians now have several squadrons of MiG–25s flying, and new planes are being built at a rapid rate.

Another new Russian fighter is the swing-wing missile-armed MiG–23 known as "Flogger," which can fight from ground level to 60,000 feet. Scores of these Floggers are now in service, and full production is continuing. They are backed up by the Sukhoi "Flagon," a delta-wing air-defense fighter, which operates at speeds better than 1,600 miles an hour. To stop penetrating bombers, the Russians have the long-range, two-engine Tupolev "Fiddler." They also have two other fighters under development.

The United States has two new fighters under way: the Air Force's F–15 and the Navy's Grumman-built F–14. The Navy plane is rated by some as only "marginal" against the latest Soviet fighters. As for the F–15, the Air Force insists that no present Soviet fighter is a match for it in overall air-to-air combat. Even so, production of both these advanced American fighters is either slowed

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*See "Shall We Build This Superbomber?" The Reader's Digest, December '72.

or under threat of being halted altogether by technical difficulties or financial woes. None are in actual service as yet, and the Air Force says its first F–15 squadrons won't be ready for at least another two years.

AIRLIFT CAPACITY

The Soviet air-transport force now has more than 1,000 medium and heavy transport planes, 1,400 lighter ones, and 2,500 troop-carrying helicopters—including the Mil V–12, world's largest, which can lift 40 tons or 200 fully equipped troops. In an emergency this formidable force could be augmented by about 300 planes from Aeroflot, the Russian airline, which could be adapted as military transport.

Russia's troop-delivery capability was dramatically demonstrated in the Czech invasion of August 1968, and it has been improved greatly since then. In just 16½ hours, Soviet air transports ferried elements of two Russian airborne divisions with their equipment, including tanks, to a single airfield near Prague. And in a 1970 exercise, some 8,000 paratroopers were dropped from Soviet planes, along with 160 vehicles, in just 22 minutes. Reports Prof. John Erickson of Edinburgh University, a top authority on the Soviet air force: "The revolution in airlift capability is one of the most alarming factors in their strategic buildup."

By comparison, the United States has only about 1,200 military transport planes of all types, backed up by 390 jets and about 25 turbo-props from the U.S. airlines' Civil Reserve Air Fleet. The giant Lockheed C–5 transport plane was planned as the backbone of the USAF air-carrier fleet, but it has been trouble-plagued and orders for it have been cut back sharply as costs have skyrocketed to over $56 million per plane.

ELECTRONICS AND RECONNAISSANCE

Although we still enjoy overall superiority in this vital field, there is no cause for complacency. Increasingly, the Russians are equipping their planes with sophisticated radar-jamming gear, radio and heatsensing devices as good as ours. For example, Soviet snooper planes, flying over the Grand Banks in the North Atlantic, now monitor U.S. flights taking off near Washington, D.C.

In reconnaissance, America is ahead with the SR–71, a Lockheed-built successor to the high-flying U–2, With a reported ceiling of 120,000 feet, it can fly above 97 percent of the earth's atmosphere at a speed in short spurts, of over 2000 m.p.h. A top-secret method even masks the SR–71's heat emission to confuse enemy infrared tracking. Russia so far doesn't have a reconnaissance plane with a similar capability, although the Foxbat is close to it.

In its drive to outdo the United States, Russia this year is spending $20 billion on its air forces, out of its total $75-billion defense budget. The USAF's 1973 fiscal-year budget is $24.8 billion, out of the Pentagon's total defense allowance of $80.9 billion. Of the U.S. money, however, most goes into payrolls. Only $3 billion of the Air Force budget is ear-marked this year for research and development, and just $2.6 billion for new planes, spare parts, modification, and support equipment. The Soviet air force is spending an estimated $5 billion a year for research and development alone.

As it grows stronger, the Soviet air force no longer concentrates on defending the homeland. Offense and versatility are the air force's key words now, and its voice in overall military and political strategy is as strong as that of any other branch. Says the USAF: "The Soviets see the strategic mission of their air force in a much broader concept than does the United States. They now look to their strategic bombers, for instance, for a wide variety of roles, including intercontinental attack, naval attack, and a strong role against the borders of Euro-Asian nations. In all these areas, along with reconnaissance, electronic warfare and long-range, deep-sea surveillance, the Soviets have considerably more flexibility and imagination than the United States."

How can the United States regain the vital life insurance of air superiority? First, we need to step up basic research, and shorten the time from design to testing. Second, we must replace our out-of-date B–52s with B–1 bombers, increase our airlift capacity, and build more and better fighters, along with airborne warning and control planes.

Failure to modernize the U.S. Air Force—and the other branches of the U.S. military—could have disastrous results. The supplemental statement to the report of the U.S. Blue Ribbon Defense Panel spells it out: "It is irrational to think, with the balance of military power shifting in its favor, that the Soviet Union will be less hostile, disruptive and imperialistic in its policies. The consequences of being second-rate, even if national survival is not threatened, could be seriously detrimental to the United States. Weakness of the United States—in its military capability and its will—could be the gravest threat to the peace of the world."

PAROCHIALISM IN EUROPE AND "CREEPING GAULLISM" IN AMERICA

Mr. PELL. Mr. President, as a nation we have leaned too far in the direction of being the policemen of the world. We now find ourselves faced with pulling back too abruptly and too far from the affairs and responsibilities of the world.

In this regard, I recently read an excellent article "Parochialism in Europe; 'Creeping Gaullism' in America" by George Ball.

Believing this article and these thoughts would be of interest to my colleagues, I am asking 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:

PAROCHIALISM IN EUROPE; "CREEPING GAULLISM" IN AMERICA

(By George Ball)

I am disturbed at some trends that I perceive in the evolution of Europe's political and economic thought and action. I am equally disturbed at certain trends now visible in my own country.

Since there is an inevitable interaction between what is said and done on each side of the Atlantic, there is danger, it seems to me, that we may, by indifference or carelessness or simply pique and frustration, create a climate in which these dangerous trends will be encouraged and intensified.

After all, in Europe and America we have been through intense and rewarding years together and we have much to gain by preserving and building on the habits and systems of cooperation developed ever since the war. Until the past three or four years, I think most of us took it for granted that these habits and systems had been permanently established, that the design for effective cooperation we had worked out would provide an enduring mechanism through which we could improve the effectiveness of our common efforts and expand our common interests.

But today I am not so sure. The most fundamental assumptions that have supported our post-war cooperation are now in doubt because of several complex developments that may be worth briefly considering this noon.

For more than two decades, Europe has been able to concentrate largely on its own internal affairs because it could rest its security primarily on the United States nuclear umbrella and the precarious balance of terror resulting from the nuclear standoff between Moscow and Washington. At the same time, with the progressive shedding of its colonial possessions it has relieved itself of its most direct world responsibilities.

This paper will form a chapter in the book The Atlantic Challenge *to be published in September by Charles Knight & Co., Ltd., London.*

The prize fruit of this concentration has been the conception and development of the European Economic Community—and particularly the creation, within the framework of the community, of a great mass market. The direct and indirect benefits that have flowed from the European Economic Market have, I am confident, been the most important single factor in launching and sustaining an unprecedented era of economic growth.

As a result Europe has developed a new sense of resilience—and an increasing conviction that, except in matters of security, it is now able to stand on its own feet. In fact, even concerns about security have lost much of their urgency with the growing *détente* between East and West.

One might have hoped that, by this time, Europe's new sense of well-being and self-confidence would encourage it to move toward the assumption of a world role more nearly commensurate with its resources—or, in other words, with the role that the individual counties of Europe played in pre-war days. But I see little evidence of such an intention; instead it seems to me that Europeans are, if anything, becoming even more preoccupied with their own affairs and less concerned than ever about problems and dangers in the rest of the world.

Although I know the idea may be painful to many, Europeans have in my view become parochial, so that—even conceding a unity that is more metaphorical and real—Europe exerts little more than a regional influence.

And in the U.S. . . .

At the same time, in the realm of North Atlantic relations, Europeans certainly do not look toward the United States with anything approaching the same recognition of common interests that prevailed some years ago.

To be sure even the most vocally anti-American of my European friends still hope that America will continue to maintain its troop deployments on European soil, but there is—and we might as well be frank about it—growing resentment of America. Yet, if Europe is eyeing the United States with a jaundiced eye, the American attitude towards Europe is also deteriorating.

For this a number of factors are to blame. Most important is the long, painful, frustrating and profitless ordeal in Vietnam—an experience that has done incalculable harm not merely to America's prestige but to its internal coherence, its belief in its own national mission, and, as an end result, the spaciousness of its foreign policy. Those effects have intensified the unfortunate coincidence of two other developments which, each in its own way, have tended to undermine self-confidence, put America on the defensive and generate an anxious and surly mood.

The first is the dislocation in our national life created by our belated efforts to rectify an old injustice. The British essayist Gilbert Chesterton once remarked that *"progress is the maker of problems,"* and, in the case of America's treatment of its black citizens, that has certainly proved true. Together with the distressing state of our cities and the new focus on the dangers to our environment—problems which Europe is only beginning to experience—there is today much fashionable talk of what I believe to be a false dichotomy—whether America can any longer afford to devote vast resources to the mainte-

nance of a world role or must it concentrate on the unfinished business on its home front.

The second disturbing development has been the succession of financial crises triggered by America's persistent inability to move toward equilibrium in its balance of external accounts. Because the United States' internal market spreads over the length and breadth of a continent, foreign trade has not, in modern times, played as significant a role in our national life as in the case of smaller nations. As a result, the concept of a balance of payments on international account has never had much reality for the American people.

For a country that emerged from the Second World War with huge financial reserves and a disturbingly large annual surplus in its accounts with the rest of the world, the idea that the United States would ever show persistent deficits in its balance of payments—and recently even deficits in its merchandise trading account—has been hard to accept or explain. Americans have always thought of such deficits—if they have thought of them at all—as a chronic disease of weak nations. They find it difficult to reconcile a burgeoning internal economy with a deepening concern over our ability to balance our international books.

Apparent contradictions of this kind—the paradox of visible strength and inexplicable weakness—defy public understanding since they lie outside normal logic and experience. The result—as history has frequently shown—is an almost inevitable tendency toward frustration and suspicion that inspires the search for a scapegoat—a reaction stemming from the assumption that, because these problems seem to have no rational base they could have arisen only through the malignity—or at least unfairness—of third persons, which, in this context, means America's principal trading partners.

CHANGED MOODS

Unhealthy as may be the effect of these suspicions on international politics, they would have made only a minimal impact on trans-Atlantic relations had Western Europeans achieved anything like the progress toward full economic integration and political unity that was optimistically predicted in the days of innocence before the famous thunderbolt was hurled from Mount Elysee just ten years ago. Until then a structure had seemed to be taking shape through which Western Europe could organize its power and then equip itself to play a major and constructive part in world politics. That structure, as it appeared to many Americans in the early years of the Kennedy Administration foreshadowed a Europe moving toward political unity and thus, ultimately, achieving the ability to speak with a single voice and act as a single political force. Because of our common heritage of ideas and institutions and our common attitude toward the preeminence of the individual and his rights to life and liberty, we Americans took it for granted—as we quite properly should have—that a united Europe and a resolute America could work shoulder to shoulder in the pursuit of their common objective of a peaceful and secure world.

Although I know that it is now fashionable in some European quarters to regard the concept of an Atlantic partnership with considerable cynicism—as though it were merely a rhetorical device through which America hoped to influence, if not dominate, European policy—I can assure you that this was never in the minds of any American Government with which I was associated. On the other hand, we were sadly aware of the fact that the United States had no monopoly of wisdom and we felt confident that a strong, independent Europe would not only collaborate effectively in common enterprises but might also help deter us from unwise moves.

At the end of the day we foresaw the bright prospect that, with the common strength that such a partnership could bring, the West could work toward a gradual reduction of tensions and the improvement of relations with the East from a solid position of strength.

It seemed to many of us at the time and it still seems to me that this conception was fundamentally sound. No one has proposed anything nearly as attractive to replace it. Unfortunately, however—though Europe has made notable progress in building a mass market that has benefited not only Europeans but my own country as well—progress toward political unity has been lamentably slow and meager.

Were the United States today in a buoyant and optimistic mood, we might accept this disappointing lack of progress without losing our sanguine view of the future. But given our current attitude of uneasiness and disenchantment what Europe does or fails to do is viewed with a more than usually critical eye. It is not surprising, therefore, that doubts are being increasingly expressed at high levels of government as to whether the European Community will ever be more than a trading bloc, basically antipathetic to United States' interests. Because our commercial policy is now largely in the hands of the technicians it is no longer regarded as bad form to speculate that America may have made a major error in encouraging the creation of the Community during the 1960's or even to suggest that we should shape our policies so as to try to weaken rather—than strengthen the fabric of European unity.

Irresponsible chatter of this kind is often attributed to the recrudence of America's traditional isolationism, but such a diagnosis is, it seems to me, far from the mark. In my view, what we are witnessing is not isolationism in anything like its classical form but the creeping emergence of an American variant of Gaullism. One can see this manifested in the procedural aspects of our political life—in the subordination of the legislative branch to an assertive executive, in the increasing use of theater, spectacle, summitry and surprise in our international affairs and in the efforts to bend the deliberations of international organizations to serve a special national purpose.

But procedure is only the surface evidence of a significant shift in the direction of American foreign policy—of which we should all take careful note—a shift away from an alliance policy toward the kind of unilateralism so brilliantly practiced by General de Gaulle but this time supported by the weight and resources of a super power.

The direct discussions that the President conducted during the past year with the leaders of China and the Soviet Union were expressions of this and there is other evidence that America's emerging new diplomacy puts a high premium on the flexibility to maneuver without the hobbling need to consult alliance partners. One may regard such flexibility as essential if America seriously sets out to play the role of balancing power among those key world power centers which President Nixon named in his now famous *Time* magazine interview—the United States, the Soviet Union, China, Western Europe and Japan.

Obviously if such a concept should finally dominate American policy, the implications would be greatly disturbing for Europe because the logic of unilateralism prefers fragmentation to unity since that would make the balancing role far easier to play.

BUSINESS WITH THE COMMUNITY

In today's complex world, where economics and politics are tightly inter-related, the direction chosen by a great nation necessarily cuts across the entire spectrum of policy. Thus if we are not all very careful the American trend toward unilateralism and the equal and opposite reactions of Europe could greatly complicate the problems of rebuilding and modernizing our common principles and institutions for guiding financial, monetary and even political policy. I am not suggesting that unilateralism—the new American Gaullism—has been fully incorporated in United States policy today, merely that there are strong pressures in that direction. Whether or not these pressures will prevail will depend in large part on Europe's reactions, for such views would enjoy little response in America if Europe had gone farther toward achieving the vision—overly idealistic as some may think—of political unity—the concept of a Europe able to act with a single will and speak with a single voice.

In the absence of such unity, America finds it difficult and exasperating to try to conduct business with the Community. In most matters it must still deal with nine separate governments and even in commercial matters, where the Community purports to act as a collectivity, decisions are delayed and diluted since they emerge only after complex internal negotiations. The result of all this is that the American Government finds it far easier to go it alone with only minimum prior consultation, or none at all, while an increasing number of Americans both in and out of government express their disenchantment by dismissing the Community as little more than an instrument for the commercial advantage of a group of self-centered European nations that connive to create policies aimed at the longer range economic and commercial interests of the United States. Distorted though this picture may be, there is just enough vocal anti-Americanism in Europe to give it a measure of credibility.

On the political front, we should be aware of the fact that if American mistrust of Europe continues to increase, the government will almost certainly be forced to withdraw American troop deployments from Western Europe and that this could well start a chain reaction leading to a diminished NATO contribution on the part of other Western powers.

It is an old adage of the political philosophers that, in order for a group of nations to achieve unity, there must be a unifying State. Such a State might, in theory, be a member of a group such as Prussia with the Zollverein, or alternatively, it might be a common enemy, that compelled unity by posing a common threat. In any event the role of unifying state is important and one might contend that a certain amount of anti-Americanism would be healthy if it had Europe to unite in order to face the pressures and competition from America. But no matter how strident anti-American sentiments may become, let us not delude ourselves that the United States will play a constructive role of common enemy; for though it may annoy, it will never terrify. On the contrary, since resentment of America is being generated far more from pique than fear, the alienation of the United States from Europe or of Europe from the United States would be far more likely to lead Europe to fragment than to unify.

In this context one may regard West Germany as a special case. To the extent, that it were to feel less anchored to the West, its diplomatic adventures with the East could create further strains in the European structure, perhaps leaving Britain and France to re-establish a pale imitation of the Entente Cordiale.

Even more dangerous are the probable effects of Western disarray in encouraging the Soviet Union to try to extend its influence; for if the West ceases its efforts to achieve unity and the individual nation-States respond to American unilateralism with a unilateralism of their own, a succession of European governments may be tempted to

make their own bilateral arrangements with Moscow from what would necessarily be a position of relative weakness. If, as a result of the interaction of policies being followed on both sides of the Atlantic, America's presence and influence were largely withdrawn from Europe at the same time that European nation-states resumed their ancient rivalries, the Soviet Union would automatically emerge as the politically dominant power over the whole European land mass simply by what Raymond Aron has called the "logic of number."

Mankind's capacity for wishful thinking is almost limitless and today there is a rapidly spreading belief that the Cold War has ended and a permanent *detente* settled like a comforting blanket over the whole of Europe. It is a pleasant thought and I hope it is true but it is not a sufficiently solid hypothesis to support a major policy. All one can safely say is that the Soviet Union has altered its tactics but whether it has abandoned its strategic objectives is still a matter of conjecture. Thus in the decade of the seventies the Soviet threat appears not so much the possible use of naked power as a possible extension of its political influence, reenforced by power.

This, it seems to me, is the danger that exists for all of us in the weakening of trans-Atlantic understanding, particularly if that should lead to policies of unilateralism on both sides of the ocean. Yet today there are disturbing signs that such understanding may suffer severe erosion not merely in respect of political relations but even more vividly in our economic, financial and commercal dealings.

In the atmosphere of crisis and confusion that surrounds world monetary policy America has—but perhaps only for the moment—moved away from the negative posture of unilateralism the new Gaullism so to speak—that characterized its attitude last year and for the moment seems to be pursuing a more affirmative policy. Yet the problems themselves are far from solved and the possibility of a final breakdown and a return to the dog-eat-dog, jungle conditions of the 1930s can still not be ruled out particularly if the politicians remain disengaged and solutions are left solely in the hands of the technicians.

Still it is in commercal rather than monetary policy that the greatest dangers lurk, for on neither side of the Atlantic do I see a very high level of statesmanship. Protectionism is rising in America as a by-product of the anger and frustraton that I mentioned a moment ago and at a time when the legislative and executive branches of the American government are hardly on speaking terms the danger that pressure groups may trigger irresponsible actions is uncomfortably high, while Europeans on their part seem more querulous than understanding.

No doubt you are aware of the political talk in Washington that 1973 will be the "year of Europe" so far as American policy is concerned but I would regard all that with extreme scepticism. The Congressional hurdles that must be surmounted in America are very high and the process of equipping the President with adequate negotiating powers is not only time-consuming but by no means certain in outcome. At the same time it requires a large quantum of optimism to assume that the Community will, within the next few months, have been able to solve the formidable problems of assimilating three new members while at the same time evolving a negotiating posture that reflects more than a tradesman's haggle.

Meanwhile the broad directions of American policy remain not yet finally determined. To what extent will we reembrace the policy of alliances which has been primarily grounded on Atlantic relations—or to what extent will we be tempted by unilateralism—the new American Gaullism? The issue is a complex one affected by many different influences, of which one of the most important is the power struggle now taking place between Congress and the President. Yet in the final analysis a great deal will depend upon what happens in Europe—upon the actions and reactions of Europeans. Will you continue down your present narrowly focused course, paying scant attention to events that occur outside your immediate neighborhood and rejecting responsibility for events taking place farther afield? In the latter case America's own introspectiveness is likely to increase.

Some years ago I was asked at an international meeting somewhat smaller than this whether America would continue to stay interested in Europe, and I replied that that depended on whether Europe continued to do anything interesting. Well, you have done something interesting during this past year. Certainly the enlargement of the Community has lifted all our hearts, for it has seemed to offer the possibility for Europe to regain something of the hope and idealism—the spacious vision—that led to the creation of the Community more than two decades ago.

Yet a structural change of this kind is not enough unless it reveals its meaning in a new attitude, a broader comprehension and a firmer will.

What this meeting has clearly shown is that we have much to do on both sides of the Atlantic and that what each of us does leaves its imprint on the policies of the other. As we have seen in the past two or three days the list of problems that can be effectively solved only through our common action is a long and increasingly important one, but will we have the will and wisdom to try to find common solutions or will we each of us become so absorbed in the search for the narrow short-range advantage that the only durable solutions are lost to us forever?

That is the question we should each of us ponder.

AIR POLLUTION RESEARCH: EPA'S COMMITMENT

Mr. MUSKIE. Mr. President, the Nation's Capital continues to experience its longest and worst air pollution alert. This alert emphasizes again the importance of cleaning up our air and getting the best data possible to determine the health dangers of air pollution.

When Congress enacted the Clean Air Act Amendments of 1970, we recognized that they would have significant impact on the lives of all Americans. In that legislation we placed high priority on protection of the health of all our citizens, and recognized that adjustments in our lifestyles would be necessary to achieve the goal of clean, healthful air.

Since enactment of this far-reaching statute, questions have been raised as to the necessity of the stringent measures proposed and adopted to achieve clean air and the adequacy of the health and air quality monitoring data upon which those stringent regulations are based. Various parties have presented estimates indicating the billions of dollars of cost or the billions of dollars of savings to the American public which might result from implementation of the Clean Air Act. On the one hand the law has been called a $66 billion mistake and on the other it has been suggested that consumers could save as much as $150 billion if Detroit offered an alternative, cleaner auto engine.

Some have argued that lesser controls on air pollution sources would achieve adequate levels of air quality—that EPA's data is faulty, its monitoring methods questionable, and its health standards invalid.

Because of the questions raised and the overwhelming ramifications of regulations under this act, the Committee on Public Works has initiated a comprehensive study by the National Academy of Sciences of the data supporting the health standards and a separate study examining the social and economic impact of auto emission standards. Thus, the Congress is doing its part to assure that the legislation will not have unreasonable or unnecessary side effects.

However, while new information is critical in this matter, it has come to my attention that the Environmental Protection Agency—the Agency charged with prime responsibility to implement this law—is cutting back its data gathering efforts. At a time when tough questions are being raised about the validity of data on which its present actions are based, EPA is reducing its ability to justify its actions.

If this is the case, Mr. President, and the evidence I have suggests that it is, I am appalled. Such a policy would be a gross derogation of responsibility by the Environmental Agency. It is inconceivable to me that, on the one hand, officials of EPA are suggesting that implementation of some requirements of the Clean Air Act, particularly the transportation controls, may be unreasonable, while, on the other hand, EPA is cutting back efforts to assure that the health standards which make the allegedly unreasonable regulations necessary are fully supportable by available evidence.

It is equally inconceivable that the Agency would plan to reduce the long term data base accumulated through the continuous air monitoring program by eliminating that activity in a number of cities.

I would hope this is not the case. I would hope that the long term welfare of our citizens will not be sacrificed to short term budgetary expediency. But, as I have said, the evidence is strong that EPA has been undercutting its own health research and air quality monitoring efforts.

First, though EPA's health research budget is limited, the Agency has continued to provide millions of dollars to the auto industry and the oil companies—industries regulated by EPA—for health studies upon which EPA, in part, bases regulation of those industries. Such a relationship is highly improper and poses serious questions of conflict of interest which were discussed in some detail in the August 24 issue of Science magazine.

Second, the Subcommittee on Air and Water Pollution recently received evidence that even the presently inadequate support for research into the health effects of air pollution is being cut back. This evidence is derived from direct examination of the EPA budget, and it is pinpointed in a recent memo from the Director of EPA's health research program. Discussing the cutbacks, his memo notes:

These figures are given at this time to document the lack of commitment to our Agency to the intent of the Presidential Initiatives program and to the health program in general. These substantial budgetary reductions have occurred in the face of mounting criticism of the health basis for our air quality standards, and in view of appeals both from within and outside the Agency for more scientific and credible air quality standards. The declining level of support suggests that the Agency is not responsive to these criticisms.

These cutbacks are particularly appalling in light of the multibillion-dollar implications of the Clean Air Act regulatory programs which I have already mentioned.

Third, in addition to reducing efforts in health research, EPA also is undercutting its monitoring efforts. EPA is planning to close four of its continuous air monitoring program stations. These stations, established about 10 years ago, have provided a critical base for analysis of monitoring data, new monitoring techniques, and air quality trends. These stations are vital to determining the success or failure of air pollution control programs. Closing these stations will terminate this valuable point of reference and severely limit any historical perspective on air pollution. Future discussion of air quality trends and development of new and better monitoring techniques will be severely undercut because of the lack of this important base of experience. Further, by closing the monitoring stations, EPA deprives itself of necessary experience in the monitoring field—experience which it can communicate to State and local governments to help improve their monitoring techniques. This is particularly important because States and localities continue to have the prime responsibility for air quality monitoring and assessment.

Finally, and perhaps of greatest concern, the subcommittee has received new evidence of Office of Management and Budget interference in EPA regulatory determinations. This latest effort relates to EPA's responsibility to develop health effects data and to publish air quality and emission control regulations based on that health effects data.

At the direction of OMB, and after several recent EPA studies of the matter, the Department of Health, Education, and Welfare is to be given the prime responsibility to study health effects of sulfur oxides. Apparently the Office of Management and Budget does not like the results of the studies which EPA has provided.

Apparently, the Executive Office of the President, which proposed creation of the Environmental Protection Agency, no longer believes EPA capable of accomplishing its mission. I can only conclude that this OMB mandated study is designed to justify a weaker sulfur oxides regulatory policy.

As I noted, EPA has only recently completed studies indicating that present standards of sulfur oxide control are fully justified and that even stricter standards will be necessary. I placed one of these studies in the CONGRESSIONAL RECORD of April 4. The National Academy of Sciences has also studied the sulfur oxide matter and is doing so again at the request of the Committee on Public Works as part of the general review of health effects data.

Taken alone, any of these bits of evidence of the administration's declining commitment in the health effects research and data gathering area would be enough for serious concern. Taken together these points of evidence raise very serious questions of the administration's commitment to this program at a time when the health effects and monitoring data are being used to justify regulations which have multi-billion dollar implications for the American people.

Mr. President, I hope that EPA will not act to reduce its efforts to develop health effects and air quality data—that EPA will continue to provide us with the best and most comprehensive data base possible so that we can fairly make critical policy decisions relating to protection of the environment.

At this point, Mr. President, I ask unanimous consent that there be included in the RECORD documents which I have received discussing the problems of EPA's commitment in this area.

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

AUTO POLLUTION: RESEARCH GROUP CHARGED WITH CONFLICT OF INTEREST

One of the first issues that Russell Train, the nominee for administrator of the Environmental Protection Agency (EPA), will have to decide if and when he takes office, will be what to do about that agency's role in automotive pollution research. Train's predecessor, William Ruckelshaus, promised Congress that he would reassess some of the agency's close research ties with the auto and oil industries it regulates.

At issue is EPA's participation in a key research organization, called Coordinating Research Council-Air Pollution Research Advisory Committee (CRC-APRAC), which has sponsored much of the research that has beeen important to federal regulation in the battle to clean up the nation's air. CRC-APRAC is supported by the auto industry, the oil industry, and the EPA.

However, a few months ago Ruckelshaus promised Congress:

"If it [EPA participation in CRC-APRAC] gives the appearance to you and possibly to others that this has compromised our position, we will have to cease this association. . . ."

An internal review is under way at EPA, and a report is due soon.

Because three-fourths of the $20 million that the group has spent to date has come from the American Petroleum Institute (API) and the Motor Vehicles Manufacturers' Association (MVMA), with only the remaining fourth from the government, CRC-APRAC has been accused by public interest lobbyists and members of Congress as having a pro-industry bias. Moreover, because it puts the regulated industries in bed with the agency that regulates them, the arrangement, says the pollution guru of Congress, Senator Edmund Muskie (D–Me.), poses a serious conflict of interest for EPA.

The APRAC group is one wing of CRC, a major trade organization which, for over half a century, has been a vehicle for getting the oil and engine suppliers together on some common problems. The APRAC group is unusual to CRC and to other trade research organizations in general because it receives large amounts of federal funding and routinely has federal officials participating in its decisions. The arrangement grew up in the late 1960's, when auto pollution was first becoming recognized as a national issue and when research funds for EPA's predecessor in the field, the National Air Pollution Control Administration (NAPCA), were scarce. Now, however, critics argue that EPA should be pursuing a "Caesar's wife" policy and keep itself above suspicion in its regulation of the auto industry, and that the CRC-APRAC tie is compromising.

The alleged conflict of interest which Muskie and others see in EPA's tie with CRC-APRAC, however, may be only the tip of the iceberg. Almost without exception, when a research scientist is funded by CRC-APRAC, he is already taking money from both the industry being regulated and the regulator. But this potential conflict is further tangled by the fact that many of CRC-APRAC's contractors, separately, depend on the auto or oil industry for a major share of their business. Some take money not only from the industry, but from EPA too. What emerges is not a clear-cut line between scientists working for EPA and those working for industry, but, instead, a murkier set of in-group relationships. Small wonder then, that, after 5 years of national effort, many apparently simple technical questions relating to auto emissions control remain hotly disputed.

Of CRC–APRAC's foes, the best-known is Muskie. In hearings last April on the EPA postponement of the 1975 emissions control deadline that was imposed by the 1970 Clean Air Act, the Maine Democrat challenged the objectivity of studies done by a researcher who has done much of CRC–APRAC's work on the health effects of carbon monoxide (CO), Richard D. Stewart of the Medical College of Wisconsin in Milwaukee. Stewart had found evidence that the average level of carboxyhemoglobin—an indicator of CO poisoning—in the blood of nonsmokers across the country was below 2 percent, which is the safe limit now used in federal regulation. (Stewart also found carboxyhemoglobin in the blood of smokers to be higher than that in nonsmokers.) Muskie, illustrating why CRC–APRAC researchers are accused of bias, pointed out that Stewart's work had been overseen by a typical CRC–APRAC panel, headed by a man from the General Motors Corp. (GM), with people from Phillips Petroleum Co., Marathon Oil Co., another GM man, and one EPA representative, who, Muskie added sarcastically, was "slightly outnumbered." Muskie also waved a full-page Chrysler Corp. ad publicizing Stewart's results, and he said, "Chrysler is the one automobile manufacturer which has attacked the health basis of the 1975 standards. It is that information which is going to be peddled around the country . . . for the purpose of attacking the basis of the 1970 Act."

(In fact, Stewart's findings, as written up by Associated Press and carried in newspapers across the country, were interpreted as evidence of the heavy influence of smoking in CO poisoning, a finding which other researchers on health effects—such as John Goldsmith of the California State Health Department—believe may be valid but nonetheless distracting from the main point: that susceptible people, involuntarily exposed to CO from auto exhaust, suffer adverse health effects.) Muskie listed other panels of CRC-APRAC where big auto and oil companies are generously represented, while EPA employees are outnumbered—sometimes by 12 to 1. He argued that the auto companies take advantage of EPA's support of CRC–APRAC to give its work credibility, and then publicize their own interpretations of it.

"The shadow of EPA's involvement can be used and will be used to give the aura of credibility, official credibility, to statements made by Chrysler like this, challenging the health basis of the act. . . . I say the answer is to provide adequate funds and not lean upon industry to do the job."

Whether or not EPA is really an equal partner in CRC–APRAC hinges on the extent to which it exerts an influence on the group's deliberations. The CRC–APRAC's full-time officers, general manager Milton K. McLeod and project manager Alan Zengel stated in interviews that most of the group's decisions are made by the APRAC committee, which has 6 EPA representatives out of a total of 21 members.* The APRAC committee decides, without formal outside review, what work shall be undertaken, and who shall be appointed to the many subpanels, such as the one Muskie listed during the hearings, which supervise the research work itself. As to the government officials being outnumbered, McLeod and Zengel admitted (and EPA officials confirmed) that the panels often make decisions by voting, and that sometimes EPA people vote one way with the industry voting the other.

However, not only do the oil and auto companies appear to dominate much of CRC–APRAC's decision-making, but the groups which CRC–APRAC selects to perform its research, in turn, depend for their livelihoods on business with these same industries. The most obvious example is that part of CRC–APRAC's work is funded by fuel companies and performed by fuel companies, and deals with matters in which they have a vital interest. CRC–APRAC has given a total of approximately $1 million to three oil companies: Esso Research and Engineering Co., a subsidiary of Standard Oil of New Jersey, which is studying the effectiveness of two well-known emission control devices, thermal reactors, and dual catalysts; Ethyl Corp., where changes in fuel volatility, a suggested means for lowering harmful emissions, are under study; and Phillips Petroleum Co. One of the major decisions EPA must make is whether short-term measures, such as altered fuels, and add-on gadgets, such as the dual catalyst, can be substituted by Detroit for a major switch to a new type of auto engine with new fueling requirements.

In addition to funding oil companies directly, CRC–APRAC supports other contractors who, in turn, depend on oil and auto companies for a major share of their business—a situation that again raises the question of their stake in the outcome of the research. The largest CRC–APRAC contractor is TRW Systems, which has gotten $3.3 million from that group. Despite its reputation among scientists as an aerospace firm, the parent company, TRW Inc., in fact does approximately 40 percent of its worldwide business (its annual sales are $1.6 billion) making and marketing vehicle parts. Thus, it is very much an interested party in federal regulations affecting the auto industry. TRW Systems, the research arm of this giant, has studied all aspects of vehicle maintenance and inspection for CRC–APRAC. The issue of vehicle maintenance and inspection has been a bone of contention between the industry and the government ever since the 1970 act passed Congress. According to Charles Heinen of Chrysler Corp., and CRC–APRAC's chairman, the auto manufacturers have been arguing that strict maintenance and inspection policies to keep existing auto antipollution equipment clean would serve to meet emission standards. But EPA standards setters have countered that such a policy, emphasizing maintenance, would deemphasize the need to improve the quality of the original equipment installed in the car. They have said that this would therefore shift the burden of the clean car from the manufacturer to the owner or his garage mechanic.

The second largest recipient of CRC-APRAC money has been Scott Research Laboratories, Inc., one of the country's leading makers of air pollution measuring equipment. In the last 3 years, Scott has done about half its business, or about $3.8 million, with auto and fuel companies and their trade associations. Additionally, CRC-APRAC over the same period has spent an added $1.1 million at Scott.

One of Scott's major projects for CRC-APRAC has been studies of vehicle use patterns, or what EPA regulators term "driving cycles." A driving cycle is a package of information on when and where various types of vehicles—trucks, cabs, cars, and others—are used, at what speeds they are run, at what temperatures, and so forth. Data on actual vehicle use, which in turn go into making up the EPA driving cycle, has been a central issue to many ongoing disputes over emissions control, since one of EPA's standards setting jobs is to determine the driving cycles, which in turn determine the performance standards that manufacturers must make their engines meet. According to Malcolm Smith, one of Scott's principal investigators on the vehicle use studies, at the termination of the CRC-APRAC sponsored work, the auto industry took the data to EPA and used it to argue that existing federal "driving cycles" be reexamined, but EPA refused.

One of the largest contractors to CRC-APRAC has been the Stanford Research Institute at Menlo Park, California, which has received $1.3 million in the last 5 years. John Eikelman, SRI coordinator of environmental research says that a major portion of SRI's industrial environmental research has been with the petrochemical industry, including measuring pollutant damage to vegetation, identification of crude oil in spills, and other work. SRI has also worked on catalytic emission control systems and auto parts for various other industry sponsors. For CRC-APRAC one principal researcher, Harris Benedict worked on a nationwide assessment of damage to crops attributable to air pollution; but even this work illustrates how the thrust of CRC-APRAC research, despite its intrinsic interest and merit, keeps coming back to regulatory issues in which EPA is involved up to its ears.

The SRI researchers surveyed dollar value losses to corn, citrus, and other food crops and to ornamental plants, indexed them geographically, and came up with an overall annual loss estimate of $132 million, far less than a previous estimate of $500 million. The finding that air pollution doesn't do as much damage to crops—which after all are mostly in rural parts of the country—as had been feared has proved useful in arguing against cleaning up every single automobile in the nation; it indirectly strengthens the hand of those who want a geographic national pollution control strategy limited to urban areas, where air pollution is worst. Another SRI-performed study found that soil is a natural "sink" or absorber of CO. This is a finding which clearly affects the debate over whether overall CO levels are increasing or decreasing, and, hence, over the urgency of man's need to reduce them. Both studies, then, have a link, albeit indirect, to EPA's regulatory role.

CRC-APRAC's research program must be viewed in light of the fact that some of it is performed by the oil companies themselves, some by groups who depend or have depended heavily on oil and auto companies for their business—both of which have some stake in the regulatory game. A third pattern among CRC–APRAC contractors, and one that further muddles the issue of who works for whom, is that many of the smaller CRC–APRAC contractors also take money from the American Petroleum Institute and the Motor Vehicle Manufacturers' Association directly, from the oil and auto industries, and in some cases, from the government, too. An all-in-the family pattern appears to characterize the winning and losing of pollution research contracts. For example, Smith, at Scott Laboratories, noted that after EPA declined to accept the industry's interpretation of its surveys of vehicle use to reexamine the driving cycles, Scott was able to continue the work through MVMA sponsorship anyway. Another case was that of Wilbur Smith Associates, an international transportation consulting firm, which had research and development contracts simultaneously with EPA and with CRC–APRAC. According to one of the researchers there, Wilbur Smith Associates has subcontracted a part of its work to a Bedford, Mass., aerospace firm GCA Corp., which, oddly enough has in addition held its own contract directly with CRC–APRAC. Many of the principal investigators interviewed remarked that these overlapping, interlocking contract awards were typical of the auto emission research business, and some added that it was also a characteristic of the aerospace-Defense Department business in which many of these investigators previously worked. In fact, several major university centers for air pollution work are conspicuously absent from the list of 40-odd CRC–APRAC contractors, whereas about 14 of the contractors are firms prominent in the aerospace field. Many of the investigators interviewed said they personally had done aerospace work: "I got tired of making bomb calculations," said one. "Working on environmental problems seemed to be a good thing to do," said another. But an EPA official who sits on some CRC–APRAC panels offered a less sanguine view: "The only thing worse than an unemployed aerospace engineer," he quipped, "is an unemployed aerospace engineer who has gone to work on the enviroment."

Interviewed about the soundness of policies which appear to encourage researchers to take money from both EPA and the auto and oil industries, many of the investigators retorted, "How else would you do it?" Many pointed out that just giving more money to EPA—with a proviso that EPA get out of CRC–APRAC—which is what Muskie's staff is considering doing—would not solve the problem, since EPA has as much stake in the outcome of the research as the industry does. A California air pollution expert, however, made another suggestion which others echoed: that a separate government body, serving in effect as a third party to the controversy, become the prime sponsor of auto emissions research. "I'm amazed that parts of HEW [the Department of Health, Education, and Welfare] have been overlooked in all this. Why shouldn't they build up a capability in the NIEHS [National Institute of Environmental Health Sciences]? . . . They're good. They'd be ideal . . . But they've been ignored."

—DEBORAH SHAPLEY.

* The APRAC group consists of: C. M. Heinen, Chrysler Corp., chairman; J. W. Blattenberger, Cities Service Oil Co.; D. L. Block of Ford Motor Co.; C. E. Burke of American Motor Corp.; R. A. Coit of Shell Oil Co.; R. E. Eckhardt of Esso Research and Engineering Co.; E. F. Fort of International Harvester Co.; D. G. Levine of Esso Research and Engineering Co.; E. D. Marande of Ford Motor Co.; C. E. Moser of Texaco Inc.; E. H. Scott of Standard Oil of Ohio; P. D. Strickler of Gulf Research and Development Co.; C. S. Tuesday of General Motors Corp.; R. B. Welly of Jeep Corp.; D. W. Innes of Ford Motor Co.; and, from the Environmental Protection Agency, A. P. Altshuller, J. F. Finklea, R. E. Harrington, Kay Jones, Eric Stork, and H. L. Wiser.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Research Triangle Park, N.C., July 27, 1973.

Subject: Substantial Decline in Agency Support for the Air Health Programs.
From: Carl M. Shy, M.D., Acting Director, HSL.
To: Director, NERC/RTP.

Beginning with fiscal year 1973, a Presidential Initiative of $5.0 million per year for five years was added to the air health program. Under the New Technology Opportunities program, the Domestic Council recognized the need for a stronger health information base for your national air quality standards. The $5.0 million add-on was given with the understanding that these monies would fund new programs and would not be used in place of regular Agency support for the health program.

As shown in Table 1, the Agency has failed to support the air health program at the FY '72 level of support (the year preceding the Presidential add-on). In FY '73, the air health program budget was approved at a funding level which was $695,000 below the FY '72 base. In FY '74, the approved budget is $1,590,000 below the FY '72 base. (These figures deduct the $5.0 million Presidential add-on). If the annual inflation rate of 5.5 percent is included in the calculations, the anticipated total annual budgets for fiscal year 1973 and 1974 should have been $11,668,000 and $12,001,000 respectively. Thus, with inflationary increases, the actual FY '73 budget is $2,241,000 below the FY '72 base. In two years, these sums represent a decline of $3,254,000 in Agency support for the air health program when compared with the 1972 base year. Thus, while $10,000,000 should have been added to the program under the Presidential Initiative, only $6,746,000 was actually added, or 32.5 percent less than required to maintain the FY '72 program level with a $5.0 million add-on.

These funding reductions have been matched by even greater manpower reductions, as shown in Table 2. The air health program has been reduced from an approved 208 positions in FY '72 to 170 and 161 positions in FY '73 and FY '74 respectively. Not only was there no increase in manpower to manage the $5.0 million Presidential add-on, but an 18 to 23 percent manpower reduction was experienced as compared with the FY '72 base year.

If the Agency's funding relationship with the Coordinating Research Council must be severed, $297,000 in additional health funds must be provided to maintain the projected FY '74 level of effort.

Very recently, new responsibilities and monies were allocated to the Fuels and Fuel Additives Registration program element. Among these resources were $970,000 and no man-years for health research of fuel and fuel additive hazards. This effort represents an entirely new responsibility, will not be directed towards the primary air quality standards for which the Presidential Add-on was appropriated and thus does not contribute to the support base of fiscal year 1972.

These figures are given at this time to document the lack of commitment of our Agency to the intent of the Presidential Initiatives program and to the health program in general. These substantial budgetary reductions have occurred in the face of mounting criticism of the health basis for our air quality standards, and in view of appeals both from within and outside the Agency for more scientific and credible air quality standards. The declining level of support suggests that the Agency is not responsive to these criticisms.

TABLE 1

Program component	Approved fiscal year funds, $1,000		
	1972	1973	1974
CHESS	2,950	6,254	6,382
Biomedical research (clinical)	610	1,858	500
Biomedical research (RTP toxicology)	690	1,167	1,400
Biomedical research (Cinc.)	1,100	1,054	1,093
Grants (Office of Research Grants)	1,000		
Technical assistance			190
ORD headquarters (PEMP funds)		322	195
Total	6,350	10,655	9,760
Anticipated total with 5,000,000 add-on to fiscal year 1972 budget		11,350	11,350
Anticipated total with 5,000,000 add-on and 5.5 percent annual inflationary increase over fiscal year 1972 budget		11,668	12,001
Effective percent decrease in 5,000-000 Presidential add-on [1]		20.3	44.8

[1] ([Row 10—row 8] /5,000)×100.

TABLE 2

Program component	Approved positions by fiscal year		
	1972	1973	1974
CHESS	89	79	90.5
Biomedical research (RTP)	36	28	19.0
Biomedical research (Cinc.)	46	43	41.0
Grants	7		
Technical assistance			5.5
Fuel additives	1	0	0
Total permanents	179	150	156.0
Total temporaries	29	20	5.0
Total positions	208	170	161.0
Percent decrease from fiscal year 1972		18.3	22.6

ENVIRONMENTAL PROTECTION AGENCY,
July 9, 1973.

Reply to Attn of: OD/QAEML.
To: Matthew Bills, Director; Data and Information Research Division.
Subject: CAMP and Equivalency Operations.

This is to confirm our telecon of Friday, July 9, concerning both CAMP and Equivalency Operations.

1. As you know, the results of PAG II indicate that CAMP operations are to be reduced drastically. To that end we are currently making the initial steps to close the CAMP stations in Cincinnati, Denver, Chicago, and Philadelphia. Before closing these stations however, QAEML will make every effort to relocate the responsibility for the operations of these stations to the appropriate Regional Office. If the Regional Offices are agreeable, then the CAMP operations will be continued; if not, the CAMP operations in the aforementioned cities will be closed.

2. The placing of resources into the "Method Equivalency Program" seems to be bouncing back and forth like the proverbial rubber ball. As it stands now, equivalency operations will not be funded in FY 1974. If this continues to be the case, then QAEML will have no choice but to discontinue its activities in the equivalency area. This in turn makes the following actions mandatory.

a. Alert OPE and the EPA steering committee dealing with equivalency not to publish the "Equivalency Document" since no resources will be available to implement it.

b. Alert the Office of Air and Water Programs, the Regional Administrators and the Division Directors of the Surveillance and Analysis and Air Programs in each Region that the "Equivalency Document" will not be published. This will necessarily mean that EPA and Regional Offices will have to develop some other mechanism to give advice to state agencies on what analytical instrumentation to purchase for the analysis of air pollutants in support of State implementation Plans. In addition, the problem of interrelatability of data resulting from different analytical measurement techniques (such as occurred with the recent NO_2 problem), will also have to be addressed.

c. To be fair to the air pollution instrument manufacturers across the nation, an article should be published in various trade and scientific journals notifying them of EPA's intent of not publishing the equivalency document. Only in this manner can all instrument companies be adequately and equally informed that EPA will not place any restrictions on the performance of air monitoring instruments they produce.

If you have any questions concerning the above topics, do not hesitate to call. We assume that the actions outlined above will be carried out by the Headquarters staff since "equivalency" is now a "policy decision" and no longer a "field problem."

THOMAS R. HAUSER,
Deputy Director, Quality Assurance and Environmental Monitoring Laboratory.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
July 17, 1973.

To: Dr. David P. Rall, Director, NIEHS,
Through: Director, NIH.
From: Assistant Secretary for Health.
Subject: Health Effects of Sulfur Oxides in the Ambient Air.

Attached is copy of a letter from the Director of the Office of Management and Budget to Secretary Weinberger requesting the Department of Health, Education, and Welfare to take the lead in a cooperative study with the Environmental Protection Agency to examine the existing scientific information on this subject.

I regard this request as very important and urgent and ask that you assume leadership responsibility for the Department. You should feel free to call upon any of the existing resources in the Department for such assistance as may be necessary. Please let me know, through Dr. Ian Mitchell, if any assistance from this level is needed.

You should feel free to contact the Environmental Protection Agency directly following receipt of this memorandum.

CHARLES C. EDWARDS, M.D.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., June 22, 1973.

HON. CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: In order to document our current understanding of the health effects of sulfur oxides in the ambient air, I request the Department of Health, Education, and Welfare to take the lead in a cooperative study with the Environmental Protection Agency to examine the existing scientific information on this subject.

We are particularly interested in an assesment of the adequacy of current information on the ambient levels of sulfur oxides to ascertain the extent to which human health is affected. If a definitive statement cannot be provided on the basis of current information an outline of the types of studies necessary to provide a definitive level should be developed. Assuming that additional studies may be necessary, we would appreciate receiving an estimate of the time required and costs to complete the additional studies.

Your report should specifically address the following areas to the extent that available information permits:

1. The extent of the demonstration of a cause-and-effect relationship between exposure to sulfur oxides and adverse health consequences, including the issue of dose-effect relationships.

2. The degree to which the findings in number 1 are supported by epidemiologic, clinical, and experimental or laboratory studies, including matters of agreement or disagreement among the findings produced by the various study approaches.

3. The variable susceptibility to adverse effects of sulfur oxides among different population groups.

4. A quantification of health effects in relation to various levels of exposure.

5. The relationship between various levels of sulfur oxide exposure and costs in terms of impaired health, including the costs of care and loss of productivity among those who are or may be adversely affected by exposure to sulfur oxides.

Dr. Ian Mitchell of your staff has discussed the scope of the study with Robert Riggs of OMB staff. I would like to receive your report by October 10, 1973.

Sincerely,

ROY L. ASH,
Director.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
June 17, 1973.

To: Assistant Secretary for Health.
From: The Secretary.
Subject: Health Effects of Sulfur Oxides in the Ambient Air.

As you are aware, the Director of the Office of Management and Budget has asked the Department of Health, Education, and Welfare to take the lead in a cooperative study with the Environmental Protection Agency to examine the existing scientific information on this subject. Copy of OMB's request and my response to OMB's request are attached. I shall appreciate it if you will see that the Department provides the fullest possible assistance to NIEHS in meeting the needs of OMB in this matter.

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 17, 1973.

Hon. ROY ASH,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. ASH: Thank you for your letter of June 22 requesting that the Department of Health, Education, and Welfare take the lead in a cooperative study with the Environmental Protection Agency to examine the existing scientific information on the health effects of sulfur oxides in the ambient air.

I am asking the Assistant Secretary for Health to have the Director of the National Institute of Environmental Health Sciences take the lead for the Department in this endeavor and to call upon whatever resources may exist in the Department to assure a thorough and timely examination of the issues raised in your letter.

Sincerely,

/s/ ——— ———,
Secretary.

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 17, 1973.

Hon. ROBERT W. FRI,
Acting Administrator, Environmental Protection Agency, Waterside Mall, Washington, D.C.

DEAR MR. FRI: Enclosed is a copy of a letter I received on June 28 from the Director of the Office of Management and Budget, requesting the Department of Health, Education, and Welfare to take the lead in a cooperative study with the Environmental Protection Agency to examine the existing scientific information on the health effects of sulfur oxides in the ambient air. I have asked the Assistant Secretary for Health to assign leadership responsibility for the Department to the Director of the National Institute of Environmental Health Sciences and to provide him with all necessary resources available in the Department.

We look forward to working closely with the Environmental Protection Agency on this subject. The Director of the National Institute of Environmental Health Sciences will be in touch with the Environmental Protection Agency in the very near future to ensure prompt initiation and timely completion of the study.

Sincerely,

/s/ ——— ———,
Secretary.

U.S. ENVIRONMENTAL PROTECTION AGENCY
August 2, 1973.

Subject: OMB–DHEW Review of Sulfur Oxide.
From: Director, NERC–RTP.
To: Assistant Administrator, ORD, Laboratory Directors, Dr. G. Hueter.

1. Present were Bob Riggs, OMB, Bill Dickinson of OMB, Dr. Millman of Dr. Edwards' office, Dr. Whittenberger of Harvard School of Public Health and Dr. Norton Nelson of New York University.

2. Mr. Riggs recounted that Senate Subcommittee on Air and Water Pollution will begin hearings in mid-September. OMB is concerned about economic impact of Clean Air Act of 1970. OMB feels it is mandatory to explain benefits of sulfur oxide control. OMB must have formal progress report by 15 September. OMB forecasts major power shortages in mid-West during summer of 1975 because of low sulfur deficit of 200×10^6 tons of fuel or 1000MW of power. OMB or Congress also plan to conduct further studies of transportation controls (DOT), of fuel availability with Federal Power Commission, and adverse effects on welfare through quality of life review. OMB is tending to advocate state or regional secondary air quality standards rather than national standards. NO_x problem still rests with EPA.

3. Dr. Finklea gave the Committee the following materials:

Sulfate task force report.
Air quality criteria for sulfur oxides.
CHESS monograph.
Revised SO_2 chapter on vegetation.
Short sulfur oxides summary.

EPA program paper on assuring that public health is protected by the mobile source emissions control program.

EPA review of primary ambient air quality standards.

Epidemiological study of chronic bronchitis with special reference to effect of air pollution by Tsunetoski.

4. Dr. Finklea will send copy of Waddell reports on costs of clean air.

5. Dr. N. Nelson suggested that since EPA was being critically reviewed by the OMB effort, EPA should not be represented. Dr. Rall and Dr. Whittenberger equivocated. Dr. Nelson suggested that Ben Ferris, Frank Spicer, Lester Breslow, Ian Higgins, Bob Frank, Ipsen, and George Hutchinson participate. Dr. Carnow and Dr. John Goldsmith would serve as "resource persons" as might Warren Winkelstein, David Bates, Peter Macklin, David Anderson, Mary Amdur and Dick Rilley.

6. The group will be briefed at NERC–RTP on 8/13 and 8/14. The next meetings will take place in Washington on 8/22 and 8/23, and on 9/6 and 9/7. The RTP meeting will be in room M303 at 9:00 a.m.

JOHN F. FINKLEA, M.D.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

BOARD FOR INTERNATIONAL BROADCASTING

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1914, which the clerk will state.

The legislative clerk read as follows:

S. 1914, to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I have never enjoyed disagreeing with the distinguished Chairman of the Committee on Foreign Relations, but I do respect the intellectual quality he puts into the work he does and the analysis he makes. I greatly respect the conviction with which he fights for those things in which he believes. We have concurred in so many areas and I have looked on him as an ally so many times that it is an unusual situation when I find myself disagreeing with him, as I do today.

Mr. President—

Suppression of information renders international signatures and agreements illusory; within a muffled zone it costs nothing to reinterpret any agreement, even simpler—to forget it, as though it had never really existed.

I am quoting from Alexander Solzhenitsyn, the Nobel Prize winner, generally considered to be the greatest living Russian writer. Solzhenitsyn knows something about censorship. Although his great novels, such as "The First Circle," "The Cancer Ward," and "August, 1914," are translated into the major languages of the world and have been bestsellers in this country, they are not allowed to be published in his own country.

We cannot have real and lasting detente in this world until suppression of information no longer isolates the Communist half of the world from the West. Every reasonable effort should be made to bring about detente in all fields: In limiting armaments, in space collaboration, in protecting the world environment, in increasing trade. But we must never forget that such efforts cannot have a solid base if we have no means of communicating with the peoples of the Soviet Union and other Communist states; if they must rely on only what they are told by the tightly controlled media of their own country. Such people, says Solzhenitsyn—clearly with the invisions of Hungary and Czechoslovakia in mind—

Know nothing intelligent about the rest of the Earth and are prepared to go and trample it down in the holy conviction that they come as "liberators."

Mr. President, I make these points because I believe it to be urgently important that the Senate give its full support to S. 1914, a bill which will permit Radio Liberty and Radio Free Europe to continue the excellent and unique job they are doing to prevent the isolation of the peoples of Eastern Europe from the West. I find that there are, on the part of a few of my distinguished colleagues here in the Senate, certain misconceptions about the role of these two radio stations, and I would like to clear them up.

First of all, it has been said that the Communist states do not beam such broadcasts to the United States, so why should we be broadcasting to them.

This is not true. The Communist states broadcast about 450 hours of programing to North America every week, of which some 250 originate with the Soviet Union and other East European countries and most of the rest from China and Cuba. On a worldwide basis, international broadcasting by the Communist countries amounts to 6,759 hours per week. The line taken in these broadcasts varies from time to time and according to the target area, but by and large—aside from extolling the virtues of the Communist system—they are largely devoted to denouncing what they call the No. 1 capitalist imperialist power, the United States, and virtually every aspect of our political, economic, and social system. This total of almost 7,000 hours may be compared with 884 hours a week for the Voice of America, 566 hours for Radio Free Europe and 519 hours a week for Radio Liberty. The other major Western broadcasters, the British, West German, French, Italian, Vatican, and Israeli, put out a total of 2,020 hours per week. However, we must remember that the Communists have their allies in this field too, who at times are even more virulent in their attacks upon our country. The United Arab Republic broadcasts 1,076 hours per week, more than the Voice of America. To indicate how closely they may cooperate: a clandestine station calling itself Radio Free Iran, broadcasting from East Germany, was recently moved lock, stock, and barrel to Iraq.

However, I do not for 1 minute take the position that we should engage heavily in international broadcasting simply because the Communist powers do so. It does not disturb me in the least that they broadcast to the United States. Our country is an open society, a pluralistic society. Our people have innumerable sources of information which, by and large, they have reason to trust. If one source of information is not to a man's liking, he turns to another. But in the Soviet Union and the other states of Eastern Europe, this is not the case.

To the extent the regimes there can get away with it, they suppress all information, foreign and domestic, that does not suit them. The media are told what to say and what not to say in advance. The only—let me repeat—the only means of breaking through the tight control of the media with a free flow of news and ideas is by radio broadcasting. I am all for cultural exchanges, for tourism and other means of contact, but these can be and are regulated by the governments in question. By such means it is not possible to reach large numbers of people or to maintain a regular flow of information. Only radio can do that.

It has further been stated, as a result of President Nixon's visit to Moscow and the positive developments which have taken place since then, that Radio Liberty and Radio Free Europe have become anachronisms, that they are no longer necessary. At the request of the distinguished chairman of the Foreign Relations Committee, a report was read into the record about articles which have recently appeared in the Soviet press and which have had nice things to say about the United States. Senator FULBRIGHT might have noted an even more striking development: that the Watergate story, which in other times would have been the occasion for a major propaganda campaign in Soviet media, has been virtually ignored. This demonstrates that the tight control of the media in the Soviet Union is still a fact of life.

Dr. Milton Eisenhower, Chairman of the President's Study Commission on International Radio Broadcasting, reminded the Foreign Relations Committee that a similar truce in the propaganda war took place before Khrushchev visited the United States during the Eisenhower administration. We might also recall that Khrushchev stopped the jamming of the Voice of America in 1963, but the jamming was resumed within hours of the invasion of Czechoslovakia in 1968.

I profoundly hope that the propaganda lull preceding Mr. Brezhnev's visit to the United States will continue indefinitely. But, as my distinguished colleague from New York, Senator JAVITS, has noted, we are all aware—or should be—of these on-and-off Communist tactics, first beaming then frowning. A few smiling articles in the Soviet press should not lead us to change our national policies or to give up basic principles, one of which is belief in the free flow of information. And Mr. Brezhnev himself, in a speech on June 27, 1972, after President Nixon's visit, stressed a recurring theme in recent Soviet propaganda: that, in a period of détente, the Communists must heat up the war of ideas.

Brezhnev said—

> We must be ready, to see the struggle intensify, become an ever-sharper form of antagonism between the two social systems.

Mr. President, I believe that I have already shown that the Communists are doing far more than we are in the field of international broadcasting; in fact, they are spending far more on jamming our broadcasts than we are in mounting them. And I have also noted that even if this were not the case, it is vital for world peace, for strengthening the possibilities for cooperation between East and West, that the peoples of Eastern Europe be better informed, so that they can exert pressures on their governments toward this end. Yet the question has repeatedly been asked, why do we need Radio Liberty and Radio Free Europe? Why cannot the Voice of America do the job? I would like to address myself to this question.

In concept and in organization, Radio Liberty and Radio Free Europe are totally unlike any other Western international broadcaster. The Soviet Union does have its Radio Peace and Progress, which purports to be nongovernmental although it is housed in the Radio Moscow building and could be incoroprated into Radio Moscow overnight. But Radio Liberty and Radio Free Europe are absolutely unique. Their programing and research staffs are intimately acquainted, through personal experience, long years of study, and day-by-day analysis of the press and radio of those countries, with every aspect of life there.

In an interview with correspondents of the New York Times and the Washington Post, Alexander Solzhenitsyn said that the only means of acquiring accurate and full information about the events inside the Soviet Union itself, was through listening to broadcasts by Radio Liberty. Radio Liberty and Radio Free Europe devote some 50 percent of their airtime to coverage of internal events, but everything that is broadcast on foreign as well as domestic affairs is couched in terms meaningful to the listener, taking into account the other sources of information available to him, the history and culture of his country, his psychology and aspirations. The research of these two organizations is prized by specialists in the academic community, in journalism and in government throughout the West. Radio Liberty is the prime center in the West for the collection of samizdat—uncensored documents reaching the West which provide a priceless source of information on the true state of affairs in the Soviet Union. Indexed and annotated copies of some 3,000 documents are currently being provided to such repository institutions as the Library of Congress, the Bodleian Library at Oxford University, the Massachusetts Institute of Technology, Ohio State University, the East Europe Institute in Amsterdam, the Hoover Institution, and the State Library in Munich.

Neither the Voice of America, nor any other Western broadcaster, either attempts to, or is capable of, doing this kind of job. The Voice of America has the responsibility of explaining the policies of the U.S. Government, and reporting American discussion of these policies, pro and con, while RL and RFE are in effect surrogate "home services" for the peoples of the Soviet Union and Eastern Europe. Moreover, half of the population of the Soviet Union is non-Russian, and Radio Liberty broadcasts in 13 Soviet languages not carried by Voice of America. Radio Liberty is the only Western broadcaser, other than the Voice of Israel, that broadcasts to the U.S.S.R. in Yiddish.

It is not surprising that there is such strong support of continued funding for Radio Free Europe and Radio Liberty:

The New York Times on July 16, 1973, in an editorial entitled "Ideological Detente," said—

> Radio Free Europe and Radio Liberty create a marketplace of opinion on those Communist countries to which they are directed, by disseminating both ideas and information that the governments involved would prefer to keep from their citizens.

AFL–CIO President George Meany, in a letter to the Foreign Relations Committee on July 13, 1973, urged support of S. 1914 and said—

Genuine detente and the cause of just and lasting world peace and freedom cannot be attained unless the peoples of the world enjoy the right to open communication of information and ideas.

Mr. Meany cited article 19 of the Declaration of Human Rights, which provides for the freedom "to seek, receive and impart information and ideas through any media and regardless of frontiers." He said that this bill serves the principle "precisely."

David Halberstam, in testimony before the Foreign Relations Committee on June 28, 1973, said of the stations that—

They are in level of performance, intelligence and accountability, comparable to NBC, CBS, or The New York Times. They serve a vast area, and this is crucial where there is no comparable alternative for information.

George Ball, former Under Secretary of State and U.S. Ambassador to the U.N., who testified in favor of this bill before the Senate Foreign Relations Committee, said that—

For 20 years Radio Free Europe has been the main source of uncensored "home" news all over Eastern Europe.

He pointed out how during the brief Dubcek thaw of 1968, when suddenly the Czech media became free, the listenership for Radio Free Europe declined sharply, because other sources of information were available. But when the Soviet tanks moved into Czechoslovakia and rigid censorship was again imposed, the listenership for Radio Free Europe surged upward.

Former Ambassador to the Soviet Union W. Averell Harriman, also testifying before the Foreign Relations Committee, said he had been told that the lower echelon of Communist officials in the Soviet Union and Eastern European countries welcome the information that comes to them through the RL and RFE broadcasts, because it contains news of the actions of politburos which would not otherwise be known to them.

Dr. Milton Eisenhower told the Foreign Relations Committee that his Commission members reached the unanimous conclusion that East-West détente is enhanced by the dissemination of factual information and research-backed interpretations broadcast by RL and RFE to the peoples of the Soviet Union and Eastern Europe.

Deputy Secretary of State Kenneth Rush testified that the radios can be maintained for less than the price of four F–14 fighter planes, and said that international radio broadcasting to the East is necessary until there is a considerably freer movement of persons from East to West, a considerably greater range of human contacts, and a considerably broader internal dissemination of information and opinion to the peoples of these countries.

The Guardian of London and Manchester said editorially last year—

To silence these stations would indeed remove an irritant, but it would confirm and condone the suppression of free speech in Russia and the rest of the Soviet Bloc.

Dr. Yuri Glazov, a Soviet émigré now teaching at Boston College, testified before the Foreign Relations Committee that—

A miracle of the recent 20 years, a rebirth of thoughtful Russia, might be impossible without these daily broadcasts. Notwithstanding their shortcomings, they gave an essential education in the country where the truth is hidden . . .

He said that he and 10 friends—writers, scholars, interpreters, and actors in his home community in Lithuania—listened to Radio Liberty every morning and before they went to bed "with feelings of eagerness, curiosity, and hope."

Dr. Glazov added:

Without exaggeration, listening to Radio Liberty is the greatest pleasure for millions of Russians and non-Russians in the country of his birth. "Many may easily survive," he said, "without a refrigerator or a washing machine, but they would buy a radio set with their first money to listen to what they think is the truth."

A young man in Czechoslovakia smuggled out a letter to Radio Free Europe in Munich. Stating first that he was an official of the Socialist Youth Union, he said he listened to RFE broadcasts almost every day and liked them very much. He added—

Your station is listened to by many people in this country, so go on broadcasting the truth, which we don't hear from the communists.

Professor Ithiel de Sola Pool of MIT, generally considered our country's foremost authority on the flow of information in the Communist world, has said:

Most of the things of a positive character that are happening in the Soviet Union today are explainable only in terms of the influence of the West, for which the most important single channel is radio. There is now enough communication to keep us part of a single civilization, to keep us influencing each other, to assure that any Western idea circulates in the Soviet Union, too. The pessimistic expectation that totalitarianism could develop an accepted heinous civilization of its own by 1984 or any other year has been defeated primarily by the forces of communication, and above all, by international radio.

The Washington Post, in an editorial on July 11, 1973, said—

We are persuaded that the stations are now, in a sense, more important than ever.

Mr. President, Radio Free Europe and Radio Liberty have contributed in a major way to a better informed public in East Europe and the Soviet Union. I believe that the weight of the popular consensus there pressing for peaceful relations with the West and for a better, freer way of life has significantly affected the posture of their governments. But their work is not over. The Soviet and other East European governments still prevent anything approaching a free flow of information and ideas in domestic media; they continue to try to jam out such information coming from abroad, evidently preferring to set national policies in a public opinion vacuum.

Thus Radio Free Europe and Radio Liberty serve a purpose in harmony with the broad objectives of the United States and the West in general and they merit a continuation of the governmental assistance they have received for two decades. Expeditous enactment into law of S. 1914 will permit Radio Free Europe and Radio Liberty to continue to inform the peoples of the Soviet Union and East Europe, thereby advancing the cause of international peace and understanding.

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

Mr. PERCY. I am happy to yield.

Mr. COOK. I would like to associate myself with the remarks of the Senator from Illinois and further to take very little time. Being a kind of buff at listening to news throughout the world, because, somehow or other, we in the United States have gotten in such a big hurry that we have to have our news in 2 or 5 minutes on radio, rather than the extended news broadcasts we get from foreign stations throughout the world, I merely set down and would like to put into the RECORD of this debate, if I may, the major frequencies over which broadcasts are beamed to the Western Hemisphere.

I have listed seven from Moscow, two from Kiev, two from Tashkent, two from Radio Warsaw, two from Radio Berlin in East Germany, three from Radio Budapest, two from Radio Bucharest, Romania, three from Radio Yugoslavia, and five from Radio Peking.

All of these are beamed to the Western Hemisphere. I have listed the languages and the meter bands and the frequencies, and I would like to put them into the RECORD purely and simply to show that if we think this is a one-way street, it is not a one-way street. If one thinks that, somehow or other, we should get out of the business of world communications by reason of maintaining the Voice of America and eliminating Radio Free Europe and Radio Liberty, I think it is important for all of us to know and for those who will take the opportunity to read the RECORD to know the respective meter bands and respective frequencies from which broadcasts are beamed throughout the world in English, and particularly in English and Spanish languages, to the Western Hemisphere.

I ask unanimous consent to put this list in the RECORD and make it a part of my remarks.

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

MAJOR FREQUENCIES BROADCAST BEAMED TO WESTERN HEMISPHERE

From	Language [1]	Meter band	Freq.-M.C.
U.S.S.R.:			
Radio Moscow	E.S.	41	7.15
Do	E.S.	41	7.205
Do	E.S.	41	7.31
Do	E.S.	31	9.62
Do	E.S.	31	9.685
Do	E.S.	25	11.87
Do	R.E.	19	15.15
Radio Khabarousk	R.	31	9.75
Radio Kiev	N.	41	7.31
Do	N.	25	11.955
Radio Tashkent	V.E.	31	9.60
Do	V.	25	11.925
Poland:			
Radio Warsaw	N.E.	25	11.84
Do	N.E.	19	15.12
East Germany:			
Radio Berlin Int	G.E.	31	9.56
Do	G.E.	19	15.24

From	Language [1]	Meter band	Freq.-M.C.
Hungary:			
Radio Budapest	N.E.	41	7.305
Do	N.E.	31	9.823
Do	N.E.	25	11.91
Rumania:			
Radio Bucharest	N.E.	41	7.195
Do	N.E.	31	9.59
Yugoslavia:			
Radio Belgrade	V.	49	6.10
Do	S.	41	7.20
Do	S.	25	11.735
China:			
Radio Peking	V.	41	7.035
Do	V.	41	7.08
Do	E.S.	31	9.457
Do	N.	25	12.01
Do	V.	19	15.06

[1] Explanation of symbols: E—English; S—Spanish; R—Russian; N—Native; V—Various; G—German.

Mr. COOK. I thank the Senator from Illinois for yielding.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Are we operating under a limitation of time?

The PRESIDING OFFICER. The limitation is 4 hours on the bill and 1 hour on each amendment and a half hour on each amendment to an amendment. There are 2 hours allocated to the amendment of the Senator from Arkansas.

Mr. FULBRIGHT. Is a motion to recommit the bill to the Committee on Foreign Relations in order at this time?

The PRESIDING OFFICER. Such a motion would be in order.

Mr. FULBRIGHT. I so move to recommit the bill to the Foreign Relations Committee.

The PRESIDING OFFICER. That motion would be debatable for a half hour. The motion has been made.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

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

Mr. FULBRIGHT. Mr. President, I yield to the Senator briefly.

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

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. Out of the Senator's time.

Mr. FULBRIGHT. Out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

This matter has been before the Senate before. Last year we came very close to discontinuing what many of us believe is a superfluous expenditure of American funds. I make the motion to recommit largely because I think it should be recommitted and also to get the attention of the Senate.

It has been suggested by my senior colleague from Arkansas, the chairman of the Appropriations Committee, that he would like to see the possibility examined of combining the Voice of America and Radio Free Europe and Radio Liberty activities. I think, in view of the very stringent circumstances which have developed in our budget, and especially in view of the President's very pointed, I thought, reference to congressional irresponsibility in the field of legislation and especially in the control of inflation, which he laid upon our door yesterday with considerable force, perhaps the committee and the Senate would be inclined to consider a move which should result in the saving of $50 million which I feel is being wasted on the continuation of this program.

I do not know that I want to burden the Senate with a recounting of all the history, but I will say briefly that this program is simply a remnant of the cold war. It was begun by the CIA in the days of the hot war, the Stalin era, the beginning of the cold war, in the McCarthy era, in which we, with great justification, were much concerned about the fate of Europe and détente with the Eastern Europeans and Russians. It was a period of great tension and concern. We were engaged in a hot war in Korea. All of this made for the justification for this kind of cold war effort. It was created by the CIA on the pretense that it was an independent, privately founded foundation.

Through the CIA, we have spent practically $500 million. It is between $450 million and $500 million of public funds, all of it during a period when it was thought by the public that the programs were privately financed.

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

Mr. FULBRIGHT. I yield.

Mr. PASTORE. I agree with everything the distinguished Senator from Arkansas, the chairman of the Committee on Foreign Relations, has said. As a matter of fact, the funding of this program comes within the jurisdiction of the appropriations subcommittee of which I am the chairman.

I have been disturbed for a long time as to whether there is a need for this kind of program today.

I might point out what seemed to me to be a rather sad paradox. At the time when President Nixon visited Russia, he spoke to the Russian people, at his request, by television. At the same time these programs were sending propaganda to the Russian people, the President was trying to convince them how much we would like to get together.

We are seeking to have a détente with those people because of the problem of the nuclear threat. Yet at the same time, the American taxpayers are financing a program which is doing diametrically the opposite. I say, frankly, that if we are ever going to promote a détente, this is one of the first programs that should go. I do not think it accomplishes a great deal. There was a purpose for it right after World War II, and when we had the tremendous difficulties of the cold war. There was a reason to make other people understand exactly the quality of leadership which they had. But now it strikes me that we are sticking our necks in other people's business at tremendous expense to the American taxpayers.

These programs serve no purpose. We are cutting down the economic development of our own country. We are closing down bases. We have high unemployment. At the same time, the American taxpayer alone is supporting these programs. Our cost is high in proportion to the cost for foreign nationals 3 to 1.

Mr. FULBRIGHT. Much more than that—about 9 to 1.

Mr. PASTORE. No, I do not think it is that much for the operations in Europe.

Mr. FULBRIGHT. Well, it is costing too much.

Mr. PASTORE. I am told—and I think the information is correct—that the currency with the highest integrity in Europe is the deutschmark. In the same country the American dollar is in troube.

I am not saying that we should extricate ourselves entirely. I believe, however, that this program is absolutely unnecessary. But even if it has merit, if there is to be a funding of Radio Free Europe or Radio Liberty, I say it is also the concern of the European alliance. Why should they not support Radio Free Europe? Why should we be the sole support? Why should we play Santa Claus? Why should we alone support the cold war?

Some government officials want to eliminate economic development. Some oppose a consumers' council. Some do not want a national health program. Some things get low priority because the President of the United States said only yesterday that they cause inflation. At the same time, however, we are spending $50 million on a program that I say very frankly is useless.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. Mr. President, I yield further to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. Mr. President, I have made this speech several times before. I think that it is unnecessary for me to prolong my speech.

We have to tighten our belts. The distinguished Senator fronm Montana (Mr. MANSFIELD), the majority leader, has been trying for the longest time to call back some of our troops from Europe. We are the only one of the 14 nations in the NATO complex that has lived up to our commitments. All the other countries have not. Yet we have Secretaries of State coming before our committee and telling us of the troubles that they are experiencing. When are we going to talk about the troubles in America? We have an African desk, South American desks, and many other desks. I think that it is about time that we have an American desk in the State Department. If we cannot eliminate the authorization, we ought at least to be able to reduce it. If the other governments think it is essential, they should pay for it in part.

Mr. FULBRIGHT. Mr. President, I deeply appreciate what the Senator from Rhode Island has said. He has said it so

logically and so clearly that I do not think much more needs to be said.

The Senator from Illinois said that some of these stations are broadcasting in Yiddish. There is no reason why the BBC cannot broadcast in Yiddish. I would be perfectly willing to do that if that is determined to be an all-important factor. There is no reason why the VOA cannot transmit this programing. All they need is one or more Yiddish commentators. Any broadcasting service can do that.

It is maintained that there is something unique to this particular operation. It seems to me that claim is without foundation. The Senator says that the cost is less than the cost of 14 Air Force planes. It is still more than $50 million. It means that there is slightly more than $50 million going down the drain for no useful purpose. It is a duplication. It is being done by us and by many other countries.

The article which I referred to by Mr. Kaiser, the correspondent from Moscow, states:

One Russian who depends on foreign radio for his news of the world suggested the other day that for Moscow intellectuals, the British Broadcasting Corporation's Russian service is by far the most popular. He ranked the West German radio second, the Voice of America third, and Radio Liberty fourth.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 additional minutes.

Mr. FULBRIGHT. The article further states:

The situation is similiar in East Europe. No doubt, RFE (which broadcasts only to the satellites, leaving the U.S.S.R. to Radio Liberty) has a big audience in the region. But intellectuals seem to like the BBC better. In Hungary, Austrian stations have enormous audiences. In Poland, German stations attract thousands of listeners. The VOA is popular everywhere.

It just seems to me that because they think a little is good, three or four times as much is better.

Mr. PASTORE. Mr. President, I do not question the popularity of the programs. After all, even the Watergate hearings are popular. But when they came before our committee, I asked the representative of these agencies what they were broadcasting. He said that it concerns what is happening in our national news.

Then later I said: "You are talking about corruption in government and in the Watergate affair. Why do we spend American dollars to tell the people in Moscow that someone in the White House is going to be indicted? Let them find that out with their own money. Why should we use our money to tell them?"

That is the point. Any time one picks up a newspaper he can read all about this. Everything is rather critical. This morning the President is critical of Congress, and the Congress is critical of the President. Everybody is critical of everybody else. And to tell people on the VOA about these matters is a waste of our money. What have we accomplished with our money?

At the same time we have people walking the streets, malnutrition in this country, and babies begging for food. No one pays any attention. But we want the intellectuals in Moscow to know that there is corruption in America. If that is not idiotic, I do not know what is.

Mr. FULBRIGHT. Mr. President, the Senator says it correctly. It is idiotic. And it is three times idiotic to do it three times.

I would agree with the Senator. I tried my best to restrict these other propaganda agencies. I think that they are obsolete. And the argument that the Russians and the others have transmitted these propaganda programs to America has no real merit. I do not know anyone who has any faith in that argument except perhaps a few. There are perhaps a few of what they call the ham radio operators. There may be a few hundred or a few thousand shortwave receivers in this country. It is a very small number indeed.

So, I think the Senator from Rhode Island has expressed eloquently what he thinks about the justification for continuing this program.

Mr. President, as I said last year, we thought we were on the verge of discontinuing this. However, it was given a new lease on life.

The PRESIDING OFFICER. The Senator's time has expired. All the Senator's time remaining on the motion has expired.

The Senator from Arkansas could use time on the bill.

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for an additional 2 minutes.

Mr. FULBRIGHT. Mr. President, it seems to me that we should decide whether we want to go ahead with a $50 million program and with the increase included in the committee bill which gives every indication of continuing to be a permanent program.

Heretofore we have gone on with it from year to year. But here we are setting up a special structure with an independent board—of course, to be appointed by the Government; it will not be completely independent, but funded entirely by Government funds. The purpose is to create a new program that I would estimate is intended to last for at least 10 years.

Mr. President, I ask for the yeas and nays on the motion to recommit.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I yield the Senator from Illinois such time as may be available.

The PRESIDING OFFICER. The Chair does not hear the Senator.

Mr. AIKEN. Is there 15 minutes on the motion on each side, and 2 hours on the bill?

Mr. FULBRIGHT. Will the Senator use his microphone? I do not believe the Chair hears the Senator.

Mr. AIKEN. Oh, I did not think of this modern equipment.

As I understand it, there is 15 minutes' time on each side for the motion made by the Senator from Arkansas.

The PRESIDING OFFICER. The Senator is correct.

Mr. AIKEN. And 2 hours on the bill?

The PRESIDING OFFICER. On each side.

Mr. AIKEN. I yield such time as he may desire on the motion to the Senator from Illinois, and if that is not enough, I will yield him more time on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. I thank my distinguished colleague, the ranking minority member of the Committee on Foreign Relations.

Mr. President, the motion to recommit would, in my judgment, serve absolutely no purpose whatsoever. It would certainly be the intention of the administration to press forward with this bill, and it would be the intention of the Senator from Illinois to ask that it be put on the calendar of the Committee on Foreign Relations at the earliest possible moment. I feel, with a vote of 13 to 3 when it was voted out to the floor before, with no new facts involved, it would be readily reported back.

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

Mr. PERCY. I am happy to yield to the Senator. I would like to yield on the Senator's own time on the bill.

Mr. FULBRIGHT. I yield from my own time on the bill, only to make the comment that while the bill was reported by a vote of 13 to 3, the sentiment of the committee on the funding proposal was more like 9 to 6—the Senators from Missouri, Montana, Idaho, Vermont, New Jersey, and myself. So it is not all that onesided.

This committee has been closely divided on the merits of this measure for quite a long time. The vote of 13 to 3 was simply to have the Senate do its will, but on the merits of our funding it alone, I certainly would not say it is 13 to 3.

Mr. PERCY. Mr. President, I ask unanimous consent that the name of the Senator from Maryland (Mr. BEALL) be added as a cosponsor of this measure.

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

Mr. PERCY. With the addition of Senator BEALL, we now have 36 Senators who are cosponsors of the legislation. I would think we have gone through the committee procedure as prescribed by our rules and regulations and precedents. We have had adequate public hearings for the purposes; witnesses have been heard on both sides of the issue. We have debated the issue in the committee, and any amendments the distinguished chairman of the committee wishes to offer should be voted up or down on the floor of the Senate. I think to just send it back to the same committee that has already debated the matter and held hearings would not be in the spirit of finishing up and cleaning the calendar so that we can get on with other urgent business, and ultimately and finally come to the end of this particular session.

The second point I would like to make is that it has been stated by those who are supporting the recommittal of the bill

that the functions of Radio Free Europe and Radio Liberty could be taken over by the Voice of America.

I think you could do almost anything if you wanted to do it. I do not know why General Motors has to have plants for Cadillac, Buick, Chevrolet, and Pontiac. Why not make them all in the same plant? They are all automobile plants, after all.

But General Motors does not make Cadillacs in the Chevrolet plant, because the Cadillac is designed for a different purpose and a different market; and I cannot imagine anything more ridiculous than to put in the Voice of America and all of its facilities the highly specialized concentrated technique and expertise that has been developed over a period of several decades by Radio Free Europe and Radio Liberty. Their purpose is entirely different.

In the second place, by so doing we would defeat the very spirit and intent of what the chairman of the Foreign Relations Committee wishes to accomplish: Namely, to have more people and more governments share in the expense of Radio Free Europe and Radio Liberty. I cannot imagine any government contributing to the Voice of America. We have on the desk here a list of all contributors to Radio Free Europe over previous years that have contributed $500 or more, and there are tens of thousands who have contributed less than $500. Contributions in 1971 were $1,459,000 from these independent private sources, in the calendar year 1972 $1,102,000; and so far this year, as of August 28, $375,886.

If we consolidated this operation in Voice of America, I cannot see why any of them would contribute to Voice of America.

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

Mr. PERCY. I yield.

Mr. FULBRIGHT. The Senator, I know, is a very successful industrialist. His comparison intrigues me. Just what is the difference between a Cadillac and a Chevrolet?

Mr. PERCY. It is true that they both move people, but very many people in this country would not dream of buying a Chevrolet, and others would not dream of buying a Cadillac.

Mr. FULBRIGHT. But they all serve the same purpose, to move people.

Mr. PERCY. Then why not say just make one car in America?

Mr. FULBRIGHT. Well, what is wrong with that idea? Except that——

Mr. PERCY. Have them all made by the Government. That would be, by some contentions, more efficient. The only problem is that the countries that do that are the most backward countries in the world, the Communist countries. They are now taking our techniques and asking us to open up our factories and technology, because they have failed so miserably in meeting human needs.

Mr. FULBRIGHT. Then why not turn over Radio Free Europe to private enterprise?

Mr. PERCY. Why not turn over the Voice of America?

Mr. FULBRIGHT. I am all for that. I would be glad to. The Senator and those who share his views are the obstacle to my doing that. They are the obstacle to my discontinuing this superfluous activity.

Mr. PERCY. I cannot imagine any function more necessary and more useful than having a voice for the United States of America to tell what it is doing abroad.

Mr. FULBRIGHT. We have two voices.

Mr. PERCY. I suppose you could be more efficient, cut out all advertising for all automobile companies, and build it right into the product; but for some reason this is a system that really works, and even the Communist countries are now starting to get billboards and advertising, because they realize that creating a desire and reporting information about product lines is a necessary part of their identification. It is necessary for us to tell the story of the United States of America all over the world in VOA, by doing a specialized job, by presenting an opportunity to create pressure for liberalizing forces in Communist countries.

Mr. FULBRIGHT. Will the Senator yield further? Mr. Arthur Cox, a very distinguished man and former high official in the CIA, makes the point, and I agree with him—I will read one paragraph in a letter I received from him dated August 14. He says:

> The U.S. Government has for years pursued a policy of evolution rather than liberation towards Eastern Europe. However, the continuing broadcasts of the "freedom radios" give the "hawks" among Eastern European communists an argument for continuing repression and tight controls. Those East European leaders supporting an evolving relaxation permitting greater freedom for the people are blocked by the arguments of the "hawks" that the U.S. and West Germany are plotting the overthrow of the East European regimes because emigres, with U.S. backing, are still broadcasting from Germany.

That seems to me to be very persuasive.

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

Mr. PERCY. I shall be happy to yield first to the Senator from Kentucky and then to the Senator from New York.

Mr. FULBRIGHT. I might say, by way of further qualification, that Mr. Arthur M. Cox was an important official in the CIA in charge of these radios, in the 1950's. I shall put the whole letter in the RECORD later. In the beginning, he said, there was justification; but the import of his letter is that there is no longer justification for these radios, that they simply tend to keep alive the repression which we all deplore and the Senator says he deplores. They have just the opposite effect of the liberalization which the Senator says is the purpose.

Mr. PERCY. The distinguished Senator cited one source which stands as a lone voice——

Mr. FULBRIGHT. I do not think so.

Mr. PERCY. In the wilderness, where we have a preponderance of the evidence that——

Mr. FULBRIGHT. I agree with that. I know of two voices.

Mr. PERCY. Which shows exactly the contrary, including one courageous voice, by a Nobel Prize winner in the Soviet Union, in Moscow, a man who had the courage to say, at the risk of his life, that the only liberalizing force in Russia, the only freedom for civil liberty in the Soviet Union has been Radio Liberty.

Now, Mr. President, I yield to the distinguished Senator from Kentucky (Mr. COOK) and then I have promised that I would yield to the distinguished Senator from New York (Mr. BUCKLEY), who has been patiently waiting.

Mr. COOK. Mr. President, I should like to ask the Senator from Arkansas, whom did you say the letter was from, dated August 14?

Mr. FULBRIGHT. Arthur M. Cox. He used to be in the CIA.

Mr. COOK. Oh, I thought the Senator said Arthur Krock.

Mr. FULBRIGHT. The Senator from Kentucky is welcome to see the whole letter. I was going to put it in the RECORD.

Mr. COOK. That is all right. I thank the Senator.

Mr. PERCY. Mr. President, I now yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I agree totally with the position that the motion to recommit, which is the specific matter at this moment, is superfluous. I believe that every Member of this body has long since made up his mind, after very careful analysis and from all available information, as to the value he puts on our continuing ability to communicate, not propaganda but the truth to the peoples behind the Iron Curtain.

I believe that to recommit would merely be stalling and would be a delaying tactic. We should vote today on it. We should vote the bill up or down with or without amendments.

We heard earlier from the distinguished chairman the phrase—"remnant of the cold war." Perhaps, at one point, when these stations were first inaugurated and we did have a cold war, these "cold-war" needs, necessities, feelings, and motivations were at the heart. But now, as we move into a new era, it seems to me that the programs of these stations continue to serve an equally valid, in fact, a more essential need today than they have in the past.

One thing that has struck me in connection with the Conference for European Security and Cooperation has been the total dedication by the leaders of Western European countries to the proposition that long-term cooperation between East and West can only be assured if there is genuine communication among people, and ideas, across the Iron Curtain. We cannot assure ourselves of the goodwill and understanding of the peoples of Eastern Europe unless they have the information on the basis of which to have informed opinions. As the Senator from Illinois has demonstrated so carefully and so clearly, the only source of reliable information that is available to people living in these regimes is the information which is broadcast from without their own countries. This is essential to their understanding and, therefore, essential to stability in the world.

To my mind, an attempt to save $50 million in this particular area would be as shortsighted a means of saving money as can be imagined.

The distinguished chairman showed

he once wanted such expenditures before by saying:

I do not know whether we can influence Russian public opinion and strengthen it as a brake against dangerous and adventurous policies, but I believe that we must try to do this as a matter of responsibility not to the Russians but to ourselves.

Mr. President, I submit that we have seen in recent years that there is such a thing as a body of opinion in Russia and in other countries in Eastern Europe, even under the harsh regimes that exist in those countries, and that public opinion does have its influence.

I urge that the motion be voted down.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield?

Mr. PERCY. I yield.

Mr. JAVITS. Mr. President, I am a cosponsor of this legislation and I am very proud to be. I am a member of the committee. If I thought we could do better, I would vote to recommit the bill. But I do not think that we can, and for this reason: Anything we can do now to weave in together the VOA and these other operations which we will be financing by this bill, we can do as well, if not better, once the policy is laid down that we want the operations. This is what the Senate will pass on, that it wants the operations. Then we can determine the methodology in its most efficient form.

That question is what we are really to decide on and to act on. We acted on it in committee, so that we should be ready to act on it here.

There is an old adage in business, with which the Senator from Illinois has had enormous experience, which says that, "Any answer is better than no answer."

So, let us answer it yes or no. I think we should answer it yes, and will so vote. But let us answer it and then we will have the policy laid down.

Mr. President, many people have talked with the dissidents in the Soviet Union, as well as with many Jews in the Soviet Union, and if there is one thing that emerges very clearly from everything they say in these unbelievably deplorable and repressive conditions under which they voice their dissent, it is the fact that they were only given heart, they were only able to maintain what they are doing at such tremendous danger to themselves, a danger often realized by being condemned to psychiatric wards—which is worse than death for an intellectual—by exiling their families, their kin, their friends—exiling and ostracizing them, because of the fact that some part of the world which is free they can hear and know is with them.

As I understand the thrust of the bill, it is to make that as clear as possible to as many people as it is possible to get to listen within the Communist countries and in the Soviet Union.

I think that is an indispensable contribution and that if we needed any confirmation, there is Sakharov, an absolute hero in any of the annals ever to be written for this world. He is a total argument for that confirmation.

Mr. PERCY. I thank my distinguished colleague from New York for his fine comments. I should like to yield to the distinguished Senator from Arizona (Mr. GOLDWATER) who I think can add a great deal to this debate, but would delay for one moment to address a comment to the distinguished chairman of the Committee on Foreign Relations.

I concur with what the Senator from New York has said. He knows how to destroy morale, that we simply cannot operate efficiently if always hanging in the balance is the fact that we will give the ax to an organization. How do we keep people? How do we attract them? We should fish or cut bait on this, and vote it up or down. If we want to vote it down, then let us do it. Let us liquidate it. But do not fool around or play around with it in the way we have been doing it. To send it back to committee would be doing just that.

I cannot imagine that we would be able to get contributions, the kind of contributions the distinguished chairman has asked for and wants, and I would like to see, if we insist on putting it on the guillotine block and subjecting it to that.

I cannot imagine the chairman of the Foreign Relations Committee wanting to turn it over to the VOA when he knows and sees what the Soviet Union has done to turn—I think turn—his own words.

In an article published in the Christian Science Monitor on September 5, 1973, entitled "Soviet Book Edition Mistranslates Fulbright's Plain Meaning," written by Paul Wohl, he writes:

In an attack on the Voice of America, Pravda's commentator, Yury A. Zhukov, has warned Soviet audiences against writing to the VOA lest the writers' addresses be used for conspiratorial purposes.

To buttress his onslaught on VOA Mr. Zhukov quoted Sen. J. W. Fulbright . . .

He is not attacking Radio Liberty, it is the VOA:

As having written that "these broadcasts are a part of a system of lies and deception and conspiracy."

What purpose, then, would be used by taking Radio Free Europe and Radio Liberty, which are respected voices, and turning them over to an organization that the Soviet Union has said the distinguished chairman of the Foreign Relations Committee has called, the VOA—

A system of lies, deception, and conspiracy.

The author, Paul Wohl, points out that he has researched the writings of Senator FULBRIGHT, articles in the Washington Post, and in the book "The Arrogance of Power," from which he is quoted frequently in the U.S.S.R., and he finds no such statement of any kind. But the Soviets choose to use that kind of misrepresentation.

Mr. President, I ask unanimous consent to have the entire article printed in the RECORD.

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

SOVIET BOOK EDITION MISTRANSLATES FULBRIGHT'S PLAIN MEANING

(By Paul Wohl)

In an attack on the Voice of America, Pravda's commentator, Yury A. Zhukov, has warned Soviet audiences against writing to the VOA lest the writers' addresses be used for conspiratorial purposes.

To buttress his onslaught on VOA Mr. Zhukov quoted Sen. J. W. Fulbright as having written that "these broadcasts are a part of a system of lies and deception and conspiracy."

One finds this sentence neither in Senator Fulbright's recent articles in the Washington Post nor in his book "The Arrogance of Power," which is frequently quoted in the U.S.S.R.

Mr. Zhukov must have thought of Lenin's statement "Left-wing Communism and Infantile Disorder," a pamphlet published in 1920, where the founder of the Soviet republic advises his party "to resort to all sorts of tricks, ruses, illegal methods, reticences, concealment of truth. . . ."

Lenin's advice has been followed to the letter in the Russian edition of Senator Fulbright's book published in 1967 by the Soviet Institute of International Relations.

As one opens the book, there is a facsimile of the title of the American edition and opposite it an exact Russian translation. This must have been done to convey the impression that the Russian edition is identical to the original. But it is not.

There are large numbers of changes in substance by means of omissions, apparently deliberate mistranslations. The distortions cover almost every aspect of Mr. Fulbright's presentation.

A comparison of the Russian and American texts by a reputable scholar shows that everything considered to be damaging to basic Soviet ideology or opposing Soviet interpretation of international events or which touches upon Soviet difficulties with its allies in Eastern Europe has been omitted.

Any expression of hope that "the American idea can be revitalized," that "efforts to encourage Communist imitation of our more sensible attitudes" could succeed, or that ideological barriers could be expected to erode is missing.

Direct or indirect criticism of Communist weaknesses has fallen victim to the censor's scissors.

Here are a few distortions of Senator Fulbright's book chosen at random:

On page 80 of the American edition, Senator Fulbright wrote, "Stalinism had many of the worst features of Hitlerism." The sentence was omitted in the Russian edition:

On page 248, Senator Fulbright wrote about "men . . . who confuse power with virtue, who believe in some cause without doubt and practice their beliefs without scruple. From Robespierre to Stalin. . . ." he wrote, "they have been the extreme practitioners of power—extreme, indeed, in a way that . . . hopefully never will be known in America."

In the Russian edition the passage ends with the words, "without doubt."

On page 104, Senator Fulbright wrote, "The Eastern European governments have demonstrated that . . . they still wish to free themselves as much as they can and as much as they dare from the overbearing power of Russia."

This sentence has been omitted.

On pages 121–122, where Senator Fulbright deals with Soviet restraint with respect to the Vietnam war, he wrote, "my feeling about the matter is that the Russians are frightened of us."

The whole passage was omitted.

Senator Fulbright's presentation of the causes of the Korean war was removed by the censor. In a foreword to the Russian edition, Sen. Fulbright is accused of having "taken his interpretation from the arsenal of the cold war."

On page 108, Senator Fulbright, discussing the attitude of the United States toward the Vietnam war wrote, "Whatever the fault may be on our side, the greater faults have been with the Communists, who have in-

deed betrayed agreements, subverted unoffending governments, and generally done a great deal to provoke our hostility."

The passage is missing from the Russian text.

Also omitted is Senator Fulbright's discussion of "building bridges between the Communist and the non-Communist world."

While the Soviets are hypersensitive to the faintest criticism of their system and policy, they find it in order to flay, as did Mr. Zhukov in his broadcasts of Aug. 18, the "negative activity" of "the Radio Center Voice of America, which has 112 transmitters and broadcasts from morning to evening throughout the world."

The Soviets have more transmitters and are on the air in 84 languages for a total of approximately 1,900 program hours (as against 884 program hours of the Voice of America), not counting East European broadcasts. But with the Russians what is "sauce for the goose" apparently is not "sauce for the gander."

Moscow's English, Spanish, and other foreign-language programs beamed to the U.S. for instance, constantly solicit letters from American listeners, as do Soviet periodicals.

Mr. PERCY. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I join the Senator from Illinois and others who see absolutely no sense in sending this bill back to committee. I agree that the time has come to decide on it. Either we vote it up or we vote it down. Why should we, in a period when we are actually, for a change, beginning to overwork ourselves, stretch work on this particular piece of legislation?

I do not think anyone in this body has devoted as much time as this Senator has to the subject of communications. It has been a hobby of mine since I was 12 years old.

Anyone who says that there is no broadcast coming from the Soviet Union or from the Iron Curtain countries or any other country opposed to freedom and opposed to the United States just does not understand the whole subject. In fact, they pretty well dominate the frequency conventions that are held at irregular times, one of which we fear is coming up.

They control the allocation of frequencies, and we are losing in this field.

For this body to arbitrarily give up a good weapon against slavery is difficult—almost impossible—for me to understand. I listen to Radio Moscow and to broadcasts from other Iron Curtain countries.

The PRESIDING OFFICER. All time has expired.

Mr. PERCY. I yield 2 minutes on the bill to the Senator from Arizona. Is that acceptable to the Senator from Vermont?

Mr. AIKEN. Yes, indeed.

Mr. GOLDWATER. At the same time that these countries, such as the Soviet Union, are broadcasting—not directly against the United States, but certainly in an indirect way, such as encouraging the oil producing countries not to do business with the United States and so forth—they deny the freedom of communication in their own countries.

People such as myself—who can classify himself as a radio amateur, and we have hundreds of thousands of them in this country and millions in the world—find it impossible to talk with people behind the Iron Curtain unless they do it in a surreptitious way, and they can get in trouble by doing so. I can say to this body that we think we do a great deal of work on Radio Free Europe, but the Soviets are doing at least 10 times as much as we are—and I believe not as effectively, thank goodness.

I have one question I wish to raise in connection with this matter. We believe the Soviet people are beginning to have a bigger impact on their government. We are beginning to see their government willing to talk to us. I hold that talk is a great deal better and cheaper than war. More and more, we are beginning to hear the word "détente." I do not agree that we have reached that point yet, but there is some reason why the people of the Soviet Union are beginning to have an effect upon their leaders. I believe Radio Free Europe has provided as much of that stimulus as anything else.

The Russian worker is beginning to wonder why an American can buy a pair of shoes with a few hours of labor when it takes him possibly 10 days to do the same. He is beginning to wonder why the American worker can have two television sets and he cannot have one. They are beginning to wonder why we can drive cars and they cannot.

The situation in the Soviet Union, as in all slave countries, will change when the people demand it. I think the people are beginning to demand it over there, and I think the biggest single source of that demand comes from the continuing information they get from Radio Free Europe.

I certainly hope we defeat the motion.

Mr. PERCY. Mr. President, no one has asked for further time.

Mr. JAVITS. I yield 3 minutes to the Senator.

Mr. PERCY. Until such time as the distinguished majority leader has returned from the White House, I feel that we should delay, and I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. JAVITS. Mr. President, if it is agreeable to Senator FULBRIGHT, we can have the time charged equally to both sides.

Mr. ROBERT C. BYRD. Mr. President, is the time required to be charged? Has the time on the motion expired?

The PRESIDING OFFICER. The time on the motion has expired, but the Senator from Illinois has been granted 3 minutes which have not been used.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. PERCY. I yield back the remaining time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the motion to recommit. 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. WEICKER (after having voted in the affirmative). On this vote, I have a pair with the distinguished Senator from Alaska (Mr. STEVENS). If he were present, he would vote "nay." I already have voted "yea." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. Moss) and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from South Dakota (Mr. ABOUREZK) is absent because of a death in the family.

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New Jersey (Mr. CASE), the Senator from Hawaii (Mr. FONG), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Alaska (Mr. STEVENS) is detained on official business.

I further announce that, if present and voting, the Senator from Tennessee (Mr. BAKER) would vote "nay."

The pair of the Senator from Alaska (Mr. STEVENS) has been previously announced.

The result was announced—yeas 17, nays 69, as follows:

[No. 376 Leg.]

YEAS—17

Bible	Fulbright	McGovern
Biden	Gravel	Metcalf
Church	Hartke	Pastore
Clark	Hathaway	Proxmire
Cranston	Long	Symington
Eagleton	Mansfield	

NAYS—69

Aiken	Goldwater	Nunn
Allen	Griffin	Packwood
Bartlett	Gurney	Pearson
Bayh	Hansen	Pell
Beall	Hart	Percy
Bellmon	Haskell	Randolph
Bennett	Helms	Ribicoff
Bentsen	Hollings	Roth
Brooke	Hruska	Saxbe
Buckley	Humphrey	Schweiker
Burdick	Inouye	Scott, Pa.
Byrd, Harry F., Jr.	Jackson	Scott, Va.
Byrd, Robert C.	Javits	Sparkman
Cannon	Kennedy	Stafford
Chiles	Magnuson	Stennis
Cook	Mathias	Stevenson
Cotton	McClellan	Taft
Curtis	McClure	Talmadge
Dole	McGee	Thurmond
Domenici	McIntyre	Tower
Dominick	Mondale	Williams
Eastland	Montoya	Young
Fannin	Muskie	
	Nelson	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Weicker, for

NOT VOTING—13

Abourezk	Fong	Moss
Baker	Hatfield	Stevens
Brock	Huddleston	Tunney
Case	Hughes	
Ervin	Johnston	

So Mr. FULBRIGHT's motion to recommit S. 1914 was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 607) to amend the Lead-Based Paint Poisoning Prevention Act, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PATMAN, Mr. BARRETT, Mrs. SULLIVAN, Mr. ASHLEY, Mr. MOORHEAD of Pennsylvania, Mr. STEPHENS, Mr. ST GERMAIN, Mr. GONZALEZ, Mr. HANNA, Mr. WIDNALL, Mr. BROWN of Michigan, Mr. J. WILLIAM STANTON, Mr. BLACKBURN, Mrs. HECKLER, and Mr. ROUSSELOT were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 8449) to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 8449) to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes, was read twice by its title and referred to the Committee on Banking, Housing and Urban Affairs.

BOARD FOR INTERNATIONAL BROADCASTING

The Senate continued with the consideration of the bill (S. 1914) to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes.

The PRESIDING OFFICER. Does the Senator from Arkansas wish to move adoption of the committee amendments?

Mr. FULBRIGHT. Yes. I move adoption of the committee amendments.

The PRESIDING OFFICER. En bloc?

Mr. FULBRIGHT. Yes, en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

Mr. FULBRIGHT. Mr. President, is my amendment now in order?

The PRESIDING OFFICER. The Senator's floor amendment is now in order.

Mr. FULBRIGHT. Mr. President, I call up my amendment No. 431 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

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

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

Amendment No. 431 is as follows:

(c) Commencing July 1, 1974, grants to Radio Free Europe and Radio Liberty shall not exceed at any time during any fiscal year 50 per centum of the expenses incurred by that radio during that fiscal year at the time any grant is to be made to that radio.

Mr. FULBRIGHT. Mr. President, I do not wish to take a great deal of the Senate's time in a debate during which positions already heard many times are recited again at length. I will confine my remarks therefore to a few brief points.

I would simply suggest to my colleagues, as we consider Radio Free Europe/Radio Liberty legislation, that it is useful to look upon these international broadcasting activities from two perspectives: an economic perspective and a political policy perspective.

From the economic perspective, it is relevant to ask how much we are spending on our various worldwide broadcasting activities, whether we are performing this job efficiently, and whether—in light of the radio broadcasts of other responsible Western government stations—we are engaging in activities which are redundant. In view of the severe economic and monetary problems of the United States today, it is the height of irresponsibility to approve of expenditures which exceed what is necessary to get a worthwhile job done. It is indeed worthwhile to promote and support the flow of accurate information to Eastern Europe and the Soviet Union—and, for that matter, to all the countries of the world. But it is the responsibility of Congress to insure that such activities are performed efficiently and without excess—with a prudent sense of the many other demands being made upon our national Treasury.

Radio Free Europe and Radio Liberty, the operations which we are considering today, broadcast into Eastern Europe and the Soviet Union. They transmit a variety of programing, though in the process they do give special emphasis to domestic developments in the countries to which they broadcast. If these were the only international radios broadcasting into the Communist countries of Europe, the case for their perpetuation might be clearer. But let us look at the context. The Voice of America is also broadcasting into the Soviet Union and Eastern Europe. The British Broadcasting Corp. is broadcasting into the Soviet Union and Eastern Europe. The official West German station, Deutsche Welle, is broadcasting into the Soviet Union and Eastern Europe. The official radio of France is broadcasting into the Soviet Union and Eastern Europe. The Vatican is broadcasting into the Soviet Union and Eastern Europe. Even Israel is broadcasting into the Soviet Union and Eastern Europe. The sum total of these and other official Western government transmissions is 822 program-hours each week—and this does not take into account Radio Free Europe and Radio Liberty. So the so-called freedom radios—Radio Free Europe and Radio Liberty—which are often portrayed as being the sole lines to "truth" and the Western World, are simply two radios among many.

All of these radios—official radios and freedom radios—broadcast news about international events. All of the radios broadcast some news about internal events in the countries to which they are broadcasting. All of the radios have a considerable listenership, although under the cricumstances, precise polling data is difficult to obtain. We must rely upon judgment as to what is being heard and by whom; and in this connection, I would like to submit for the record a recent article by Robert Kaiser, the able Moscow correspondent of the Washington Post.

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

THE IMPACT OF U.S. RADIO ABROAD
(By Robert G. Kaiser)

Moscow.—It is now customary to hold an annual debate in Washington about Radio Free Europe and Radio Liberty, two products of the cold war, both financed for years by the CIA, which broadcast news and commentary to the Soviet Union and Eastern Europe. The debate is stirring, if somewhat repetitive. The stations' defenders invoke the "right to know" and other good causes; their opponents call the stations outdated, unnecessary and expensive.

From here, neither side's arguments sound very persuasive. The proponents sound too enthusiastic, and the opponents too categorical. The debate seems mired in slogans that don't really apply to the facts of life in this part of the world.

Those who defend Radio Liberty and Radio Free Europe trade widely on the notion that these are the only stations broadcasting "the truth" to citizens of the Communist countries. In fact, they are only two of perhaps a dozen stations and probably not the most popular two.

One Russian who depends on foreign radio for his news of the world suggested the other day that for Moscow intellectuals, the British Broadcasting Corporation's Russian service is by far the most popular. He ranked the West German radio second, the Voice of America third, and Radio Liberty fourth.

The situation is similar in East Europe. No doubt, RFE (which broadcasts only to the satellites, leaving the U.S.S.R. to Radio Liberty) has a big audience in the region. But intellectuals seem to like the BBC better. In Hungary, Austrian stations have enormous audiences. In Poland, German stations attract thousands of listeners. The VOA is popular everywhere.

The latest elaborate defense of RFE and Radio Liberty comes from a commission appointed by President Nixon under the chairmanship of Milton S. Eisenhower. Its report is a good example of the tendency to exaggerate the specific importance of RFE and Radio Liberty.

The committee chose "the right to know" as the title for its report and proceeded to credit Liberty and RFE with virtually every embarrassing fact to penetrate the Iron Curtain in recent years. In a section called "Samples of Effectiveness," the Eisenhower committee lists 14 instances in which, it says, these two stations provided news or information that Communist media were trying to hide or delay.

One of the examples was a personal testimonial from an emigre. The 13 others were all straightforward news stories which were broadcast behind the Iron Curtain by numerous Western stations, from the BBC to Israeli radio.

RFE and Radio Liberty stations do not pro-

vide an invaluable broadcast service. They do provide news and opinion that differs vastly from the official line, and sometimes differs from the BBC, too. To the extent that the United States wants to subsidize multiple sources of information for the citizens of Communist countries, the stations are useful.

Liberty and Free Europe devote an unusual amount of attention to the domestic affairs of the country to which they broadcast. Other stations cover domestic stories in the Communist countries, but RFE and Liberty invest a great part of their resources in this effort. They maintain large research staffs which read the Communist newspapers, monitor radio broadcasts and exploit clandestine sources for information that might otherwise pass unnoted.

This research contributes to their broadcasts and helps scholars and journalists who are trying to follow Communist affairs.

But the difficulty—in this era of detente—is that both stations are regarded as implacably hostile in the Soviet Union and its empire. Painful as it may be to acknowledge, this reputation was well earned. For years, Radio Free Europe did act as an organ for anti-government and anti-Communist forces that hoped to overthrow the Communist regimes in Eastern Europe. RFE did help incite Hungarians to revolt in 1956, with consequences too well known.

Radio Liberty has also broadcast provocative programs, often prepared by Russian emigres, which the regime here interpreted as direct challenges to its authority. Many Soviet intellectuals, including some active in the dissident movement in recent years, accept the official definition of Radio Liberty as an "enemy" organization. Some prominent dissidents are upset when their petitions or articles are read on Liberty broadcasts. They fear reprisals.

For many years, these stations pretended to be financed by public donations, when in fact the CIA was providing most of the money. Not surprisingly, Communist regimes tend to regard the CIA as an implacable enemy.

Now, the Eisenhower commission and its allies promise, the stations are taking new precautions, imposing strict standards, avoiding all provocations. Perhaps so, although the Eisenhower report acknowledged "occasional aberrations from policy guidelines" in the past.

Even if a new leaf is turned, however, the two stations are tainted by their names, and to some extent by their emigre personnel—both holdovers from the period when they earned their bad reputations. It may be time for a change.

This doesn't mean the United States has to give up its information programs to the Communist countries. Despite their noble protests, the Communists are as actively engaged in propaganda as ever, and the intention of their propaganda often is to distort or hide what Americans regard as the truth. Foreign radio broadcasts have been a positive influence throughout the Communist world, and millions of people depend on them for objective facts about international affairs and their own countries.

But the benefits of shortwave broadcasts to the Communist countries can be preserved without maintaining Radio Liberty and Radio Free Europe in their traditional form. Indeed, a fundamental reorganization of the stations, giving them new names, new personnel and new outlooks, could increase their audiences. Their old reputations obviously detract from their appeal now.

The RFE and Liberty research offices in Munich could be preserved. The material they produce could be shared with all the Western stations broadcasting to Communist countries. To save money, reorganized stations could operate on a more modest scale than RFE and Liberty do now. Radio Liberty broadcasts 24 hours a day, more than any domestic Soviet station.

Changes along these lines could be an effective demonstration to the Soviet Union of just what the United States understands detente to mean. America can admit past excesses and demonstrate a desire to restructure relations in a new spirit, without abandoning traditional attitudes toward censorship and falsification in the Communist countries.

The Russians know that they distort information, or hide it altogether in their own news media and propaganda abroad. It isn't in America's interest to acquiesce quietly to this policy of misinformation. But surely there are new ways to demonstrate America's unwillingness to acquiesce—new ways that are more compatible with the new atmosphere in international relations.

Mr. FULBRIGHT. Kaiser's article, which I think Senators will agree is a very balanced analysis, points out that for many Soviet listeners—including intellectuals and dissidents—the Voice of America and the BBC are much preferred to Radio Liberty. The conclusion which we can draw for this and other similar evidence is that—with or without the so-called "freedom radios"—a full and accurate flow of information would be available to listeners in Communist countries.

Thus we are being asked to continue to support—at an annual cost of over $50 million—two radio stations the activities of which are in many ways redundant. It is bad enough to spend $50 million for such broadcasts when there are over 800 hours of accurate and responsible programs being broadcast each week anyway. But it is doubly bad when a large part of that 800 hours is being done by the Voice of America—which we also pay for.

Mr. President, for purposes of developing a full perspective on our international broadcasting activities and the vast amounts of money we are spending on such purposes, it should also be pointed out that the Armed Forces Radio and Television Network operates a tremendous worldwide system of radio and television transmissions which cost the American taxpayer upwards of $30 million a year. While the primary purpose of the AFRTS broadcasts is to provide entertainment and information for the millions of our servicemen and dependents stationed overseas, it should be noted clearly that these broadcasts do reach a very large audience of foreigners as well. The AFRTS in Munich, for example, is sufficiently strong to reach throughout most of Europe; and it is known that in that area and in others, there is a very large foreign audience which tunes in to the AFRTS radio and television broadcasts. Again, no data on listenership or viewership is available, but I leave it to my colleagues to consider the large foreign audience which has access to the programing of a broadcasting system which has 376 radio stations and 103 television stations spread around the world. Such broadcasts should certainly be taken into account by the Senate, for—like the Voice of America and the "freedom radios"—the vast AFRTS network contributes considerably to the worldwide availability of information about the United States and about international events. So as not to take more of my colleagues' time on this matter, I ask unanimous consent to place in the RECORD at this point a paper prepared by my staff which discusses the activities of AFRTS at some greater length.

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

THE ARMED FORCES RADIO AND TELEVISION SERVICE

The Voice of America, Radio Free Europe and Radio Liberty are funded and administered by the United States Government, but are aimed at foreign audiences. However, there is still another overseas broadcasting service operated by the government. Unlike the aforementioned services, the American Forces Radio and Television Service (AFRTS) is aimed primarily at Americans—U.S. military personnel and their dependents—living abroad.

AFRTS and its various components may be little known in the United States, but are widely known abroad, by Americans living overseas as well as citizens in countries where American personnel are based. It has been referred to, not without justification, as the world's largest network under single control. AFRTS is under the office of information for the Armed Services (IAF).

According to information recently made available to me by the Department of Defense there are 376 AFRTS radio stations and 103 television stations. Of the 479 stations, 244 are operated by the Air Force, 125 by the Navy, 103 by the Army and 7 by the Department of the Interior. Sixty-eight of the radio stations and 24 television stations are located on ships at sea. These figures include 76 radio stations and 7 television stations in Alaska, which are operated by AFRTS.

The Defense Department informs me that last year there were 1829 personnel involved in AFRT operations worldwide, with costs during fiscal year 1972 of $26.6 million. It would appear that many military personnel whose duties involve working for AFRTS are not included in the estimate of the number of employees or in the operational costs.

In the current fiscal year, AFRTS expenditures are $50.4 million. This figure includes a very substantial amount—some $23 million—in connection with procurement of television facilities in Germany. According to the Senate Appropriations Committee, the budget request for fiscal year 1974 is $31.8 million, a very sizable figure, although considerably reduced from FY 1973.

The Department of Defense estimates programming provided to the Department by the major U.S. commercial networks would cost approximately $35 million if the Government had to pay for it.

There are two major centers in the United States for AFRTS operations—Los Angeles and Washington. AFRTS-Los Angeles provides the basic program materials which are used by the AFRTS outlets overseas. The weekly AM radio package provides 80 hours of music, drama, fine arts, informational material and specials, and a five-hour library of latest music. A 12-hour package is produced for FM outlets. The weekly 55-hour television package contains programing received from the major commercial networks and film syndicators and short information program materials. There is an annual production of 1,000 radio and 300 television spot announcements supporting military information themes. Over 50,000 slides and 50 short information programs are produced annually for television outlets and 125 short information programs for radio.

AFRTS-Washington provides continuous transmittal of international, national, government, military and sports news plus special events. This news, gathered from the major U.S. commercial networks, wire services and military correspondents, is transmitted 24 hours a day, seven days a week,

by short wave, direct voice cable and teletype to all AFRTS networks and outlets. A facsimile photo service to American forces television stations is also provided.

Television programing costs are held down somewhat since the major networks frequently provide videotapes of their entertainment programs free to AFRTS-Los Angeles for world-wide distribution. For radio programing, both news and entertainment, AFRTS has working agreements with the Mutual Broadcasting System and Metromedia, plus various sports networks. Frequently, AFRTS also picks up programs from other networks and stations. AFRTS gets both the Associated Press and United Press International wire services.

According to a report made by the General Accounting Office in August, 1971:

Programs are selected from a cross section of news, current events, documentary, general information, and entertainment programs obtained from commercial radio and television stations at nominal cost; from the Directorate of Armed Forces Information and Education; and from other Government departments and agencies. The Armed Forces Radio and Television Service edits all programs selected for use by affiliated military radio and television networks. The networks are responsible for developing their own programming schedules.

EUROPE

Within AFRTS, the largest overseas operation at present is the American Forces Network, Europe, with 47 radio stations. Largest concentration of these stations is in West Germany where 42 radio stations plus 21 television stations are located.

There are also large numbers of stations elsewhere in Europe, including 21 radio stations in Italy and 11 in Spain. There are 21 radio stations and one TV station in Turkey, and 13 radio and 2 TV stations in Greece.

Altogether there are 121 American Forces radio and 28 television stations in the European NATO countries and Spain, plus 27 radio and one TV in Canada, and two of each in Iceland.

It should be pointed out that some of these stations, particularly those in Canada, plus certain of the stations in Italy, Greece, Spain and Turkey, are of the closed circuit or "audio distribution system" type, and therefore of rather limited range.

On the other hand, a number of the stations have considerable power. AFN-Frankfurt, for example, has a 150,000 watt transmitter, three times the maximum authorized in the United States. It also has a 60,000 watt FM transmitter. At night the Frankfurt signal can be received over much of Western Europe.

AFRTS has a 50,000 watt transmitter in Munich. Additionally, Munich is the location of extensive Voice of American transmitting and relay facilities, with six transmitters and 1,700,000 watts of power. Of course, the elaborate headquarters of Radio Free Europe and Radio Liberty are also located in Munich. Both RFE and RL maintain large-scale facilities. Technical facilities and receiving stations or FRE are also in the area and FRE has one of its transmitting stations on a large site at nearby Holzkirchen. Five transmitters are located there. It would be difficult to estimate the investment and operational costs in the Munich region for AFRTS, VOA, FRE and RL, but obviously tens of millions of American tax dollars are involved in this single area—a considerable irony in view of the prospering Germany economy and our own economic difficulties.

Other powerful AFRTS transmitters in Germany include a 14,000 watt transmitter at Augsburg, 10,000 watt transmitters at Berlin, Kaiserslautern, Nuremberg, Stuttgart, and Grafenwoehr, and 5000 watts at Bremerhaven.

The AFRTS stations serve the more than 300,000 United States troops stationed in Europe, along with some 235,000 dependents and support personnel. This audience is supplemented by tens of thousands of civilian Americans living or visiting in Europe, plus vast numbers of Europeans, particularly the young.

After World War II, AFN–Europe had its headquarters at the Von Bruening Castle at Hoechst, near Frankfurt. The headquarters remained in the Castle until 1966 when it was moved to an ultra-modern $2 million facility located adjacent to Hessischer Rundfunk, the German radio station in downtown Frankfurt.

According to Major Ovid Bayless, writing in a book by Professor Walter Emery entitled "National and International Systems of Broadcasting":

Most local productions originate from Frankfurt, where half the network's approximately 232 engineers, announcers, newsmen, and so forth, are located. Both Army and Air Force personnel man the network, with the Army providing roughly 95% of the people. Since AFN is not an orthodox military unit, and since it has a unique function, it has a large portion of civilian employees. Over half of AFN's authorized manpower spaces are civilian, either American or local nationals, who mainly work in either programing or engineering.

The organizational structure of the network compares with most military units in that it has an officer-in-charge and staff heads for personnel, administration, logistics, engineering, and programing. The officer-in-charge, an Army lieutenant colonel, is responsible to the Public Affairs Division, Headquarters U.S. Army Europe, though he maintains close liaison with Headquarters U.S. Air Forces Europe. Military officers are in charge of personnel, administration, and logistics, while civilians head engineering and programing. The station manager is the ranking man at each outlying station, and he is responsible to the network officer in charge.

Worldwide, AFRTS operates 39 FM monaural radio stations and 28 FM stereo stations, with more being added. In Germany there are 5 monaural FM stations and stereo stations in Stuttgart and Berlin.

The heavy emphasis on American news, sports and family entertainment does indeed mean that AFN's most loyal listeners are the American servicemen and their dependents, plus other Americans in the area. However, as Major Bayless pointed out in Professor Emery's book:

The entire AFN programing schedule aims specifically for these people. Nevertheless, AFN has a large non-American audience; with signals beaming "from Scandinavia to Italy and from Ireland to Austria" and indigenous audience of millions could hardly be denied. Just how many millions is not known though estimates range from 20 million to 50 million.

For Europeans desiring to learn English, listening to AFN is an excellent instructional device. The younger Europeans have grown up with AFN and it has provided adjunct instruction for those engaged in studying English in the classroom. Other Europeans, those not particularly interested in learning English, listen to AFN mostly for entertainment. Jack Gould of the New York Times suggests that many Europeans dial AFN because it has an established credibility, nurtured over the past 20 plus years.

The AFN listening audience is increased considerably by the Americans residing in Europe who are not associated with the Department of Defense.

Although AFN Radio is heard by millions throughout Europe, reception of AFN TV programs is generally confined to those possessing American TV sets, because transmission is on American rather than European standards. Much of it is done by closed circuit systems. Special converters are necessary to enable Europeans to receive the AFN signals and vice versa.

The TV stations operate on a shorter daily schedule than radio and most of the programming consists of tapes of popular stateside programs, plus films and sports.

In a letter written to me while he was serving as Secretary of Defense, Mr. Elliot Richardson said, "Most of the radio stations are on the air 24 hours a day. TV stations are on the air approximately 70 hours a week."

I should also mention that AFRTS frequently utilizes Voice of America transmission facilities. The VOA provides this service through an arrangement dating back to 1942 when the government originally entered the field of international broadcasting. Under this arrangement the costs to VOA for AFRTS broadcasts are absorbed within the VOA operating budget. No reimbursement is received for this service.

FAR EAST AND SOUTHEAST ASIA

Besides Europe, AFRTS' major operations have been in the Far East and Southeast Asia. Like AFN–Europe, the Far East Network (FEN) dates from World War II and has long been a part of the radio scene in Japan. Since Korean War, the American Forces Korea Network has been broadcasting in that country, and now has 21 radio and 13 TV outlets.

FEN has seven radio stations in Japan, one of which transmits by short wave from Tokyo for rebroadcast by other AFRTS stations in the Far East. There are 3 TV stations in Japan.

The American Forces Philippine network has eight radio and three television stations. The American Forces Network, Taiwan, with five radio stations and one TV station, serves the 10,000 U.S. military personnel there.

SOUTHEAST ASIA

At the apex of American involvement in Vietnam, there were six AM and five FM radio stations, plus six television stations. American troops were almost never out of reach of AFRTS radio. The first AFRTS television transmissions in the country came in 1965 and rapidly expanded thereafter.

As might have been inevitable, considering the divisive nature of American involvement in Vietnam. AFRTS became involved in squabbles about censorship. Several persons associated with AFRTS said there was censorship. One army newscaster in Saigon said at the end of a program: "In the military in Vietnam . . . a newscaster is not free to tell the truth." Representative John E. Moss of California, who headed the House Subcommittee on Government Information, investigated the matter and decided that there had been no censorship, but that more precise guidelines should be laid down for the military broadcasters. Writing about this incident, a former Army newsman agreed that there was no censorship on the Armed Forces Vietnam network, but "the news comes out just sounding censored."

Now the American communications empire in Vietnam has been largely dismantled, with the withdrawal of United States troops.

There is, however, a substantial AFRTS establishment in nearby Thailand, where 45,000 American troops remain. There are 19 radio stations and 9 TV outlets in Thailand.

Nor has AFRTS completely disappeared from Vietnam. On March 5, 1973, the Christian Science Monitor reported that an FM radio service will continue to function, providing Americans remaining in various civilian capacities with hourly news broadcasts and music. A later *Monitor* article, a March 28 report from Reuters, said:

The Armed Forces Radio and Television Command in Saigon, which has been rolling

out non-stop entertainment for American GIs for the past 10 years, wrapped up its last show on March 22 as part of the general cease-fire withdrawal.

But the English-speaking community in South Vietnam is not to be deserted. At the request of U.S. diplomats, including Ambassador Ellsworth Bunker, the radio section is to be handed over to American and Vietnamese civilians.

Working under the defense attache of the American Embassy, the four civilian Americans and seven Vietnamese, will be putting out hourly news bulletins, expanded news and sports several times a day, and in between continuous recorded music.

Most of the studio radio equipment has remained so the civilians will be able to transmit in stereo in Saigon, and in mono through the four provincial stations at Da Nang, Pleiku, Nha Trang and Can Tho.

Those Americans remaining in Vietnam as well as some well-to-do Vietnamese fought to keep a TV station on the air as well. The *Monitor* reported on March 5:

"They tried very hard to save the television channel," one Saigon source declared. "But it costs $1 million a year for the programs now being supplied free to the armed forces. Nobody has that kind of money to spare nowadays."

The *Monitor* reported that Americans in the country would have to get along with such favorites as "Ironside", "All in the Family", and "Marcus Welby, M.D.". Loss of the programs will also effect those Vietnamese fortunate enough to afford television sets, which often are small, vintage models. They, too, were accustomed to such American standbys as "Bonanza," "The Bold Ones," and "The Name of the Game."

The *Monitor* reported that the Vietnamese have a Vietnamese-language channel, but its programs are tame by comparison with the sturdy American fare, which includes bowl football games, basketball, hockey, baseball and wrestling in addition to variety shows and specials.

"My mother watches any spectacles and sports events but she cannot understand the movie dialogue, so she turns back to the Vietnam channel whenever movies appear," says a Vietnam resident.

The *Monitor* article pointed out that at the time telecasting began there was no tall transmission tower, so the antenna was provided by military aricraft circling aloft for several hours each night.

As a result of the articles in the Monitor and other respects, I wrote to the Secretary of Defense about broadcasting facilities remaining in Vietnam. In a letter to me dated April 27, 1973, former Secretary of Defense Richardson said:

The American Forces Radio and Television Network in Vietnam closed March 22, 1973 with the withdrawal of U.S. forces. We left an automated FM radio facility in Saigon for a year in order to provide an emergency communications link for U.S. personnel. The station is operated by the Defense Attache Office as a part of the U.S. Embassy. Because of the low operating cost of an automated facility, we agreed to provide the program support for the station.

Since the radio facility is a U.S. Embassy operation, we have asked the Department of State to give you the details of its operation

Later I received a letter from Mr. Marshall Wright, Assistant Secretary of State for Congressional Relations, in which he said:

An FM station, which was part of the American Forces Radio and Television Service (AFRTS) in Vietnam until the withdrawal of U.S. forces, has continued to function under the operation of the Defense Attache Office of the Embassy. The approximately one-year extension of the station was sought by the Ambassador for purposes of morale as well as to provide emergency news and information to the American community. We understand that the facility, which programs background music with news taken from U.S. commercial networks as relayed by the AFRTS, will cost the Department of Defense less than $5,000 for the period in question.

SCOPE OF AFRTS

Mr. President, I think most people would agree that AFRTS has a significant function in providing entertainment and a link with home for American military personnel overseas. In recent years part of the increased funding for AFRTS has gone for drug abuse information and special sports programming. I readily acknowledge the need for such a service, and in general terms I believe that AFRTS is providing quality programming.

However, what I do question is the scope of the operation, which is, first of all, a reflection of our vast overcommitment overseas. We maintain more than 625,000 military personnel, and an estimated 450,000 dependents and support personnel, outside the United States, scattered among some 2000 installations, 321 of which are considered "primary" or major installations.

Almost 30 years after World War II we still maintain major AFRTS operations in Germany and Japan. Indeed the television service in Germany has just been greatly expanded.

AFRTS is, of course, only an appendage of our far-flung military empire. Yet the extensive nature of AFRTS—376 radio and 103 TV stations—should cause us to pause and consider just how massive and far-reaching this empire is.

A further consideration is the fact that the AFRTS is, above all, a military network and this is reflected in the service's policies. It is a part of the Office of Information of the Armed Forces (IAF) rather than a completely independent, operation and there does exist some potential danger for misuse of the AFRTS for indoctrination or propaganda purposes. For example, the IAF states its mission as "in *support* of the Department of Defense objectives." These objectives include assisting the "individual citizen in unform" to:

Appreciate the freedoms he is called upon to defend;

Realize his responsibilities under those freedoms;

Comprehend the values of our Government and National Heritage;

Understand the threats to the nation's security.

While these objectives might be viewed as "glittering generalities" of a harmless nature, they also raise some questions. For example, what are the threats to the nation's security? This is a subject about which there are many views and on which there is a continuing debate in Congress and elsewhere. Therefore care should be taken to prevent AFRTS from becoming a representative of one point of view—a view which may or may not be in the national interest.

Mr. President, as I mentioned at the beginning of my statement, we are directly spending more than $138 on overseas broadcasting activities—VOA, RFE, RL and AFRTS.

In fiscal year 1973 the Administration allocated only $35 million for public broadcasting in this country; yet more than $50.4 million went for radio and television service for overseas military personnel.

For fiscal year 1974, the Administration would grudgingly allow $45 million for public television and radio, yet asked more than $73 million for the Voice of America and USIA broadcasting activities, $50 million for Radio Free Europe and Radio Liberty, and almost $32 million for American Forces Radio and Television Service. The request for overseas broadcasting activities totals $155 million. As I previously stated, the Senate did not approve the $16 million requested for a new VOA East Asia facility. However, if the other requests are approved this will mean more than $138 million will be spent in fiscal 1974 for these purposes.

The conclusion to be drawn from these figures seems obvious. At a time when our nation has serious financial difficulties, and at a time when many domestic programs are being starved for funds, I do not see how we can possibly justify such expenditures for overseas broadcasting.

AFRTS is but a part of our overseas military establishment and of our overseas broadcasting activities, but the vast scope of AFRTS should dramatize the need to reduce the size and cost of these activities.

Mr. FULBRIGHT. The following letters I have received from former Secretary of Defense Richardson and from the Department of State concerning AFRTS and also a listing of all AFRTS outlets and their locations.

DEPARTMENT OF STATE,
Washington, D.C., May 23, 1973.

Hon. J. W. FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: This is in further response to your letter of March 29, 1973, to the Secretary of Defense in which you inquired about a U.S. operated radio station in Viet-Nam.

An FM station, which was part of the American Forces Radio and Television Service (AFRTS) in Viet-Nam until the withdrawal of U.S. forces, has continued to function under the operation of the Defense Attache Office of the Embassy. The approximately one-year extension of the station was sought by the Ambassador for purposes of morale as well as to provide emergency news and information to the American community. We understand that the facility, which programs background music with news taken from U.S. commercial networks as relayed by the AFRTS, will cost the Department of Defense less than $5,000 for the period in question.

If I can be of further assistance to you, please let me know.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

THE SECRETARY OF DEFENSE,
Washington, D.C., April 27, 1973.

Hon. J. W. FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: Thank you for your letter of March 29, 1973 calling my attention to a newspaper clipping entitled "GI Radio Station Stays in Vietnam".

The American Forces Radio and Television Network in Vietnam closed March 22, 1973 with the withdrawal of U.S. forces. We left an automated FM radio facility in Saigon for a year in order to provide an emergency communications link for U.S. personnel. The station is operated by the Defense Attache Office as a part of the U.S. Embassy. Because of the low operating cost of an automated facility, we agreed to provide the program support for the station.

Since the radio facility is a U.S. Embassy operation, we have asked the Department of State to give you the details of its operation.

Concerning your request for information on the worldwide operation of American Forces Radio and Television (AFRT), a list showing location, power and frequency of AFRT outlets is enclosed. As of June 30, 1972 there were 1829 personnel involved in AFRT operations worldwide with Fiscal Year 1972 costs of $26,546,000. Most of the radio stations are on the air 24 hours a day. TV stations are on the air approximately 70 hours a week.

Programing for AFRT stations is received from the major U.S. commercial networks and includes the top radio and television shows available here in the United States. This programing is provided gratuitously to the Department of Defense and would cost approximately $35,000,000 if we were required to purchase it. Our agreements with the broadcast industry, its unions and guilds enable us to provide this service to military personnel overseas at a relatively low cost.

I believe this provides the basic information you requested concerning AFRT operations.

With warm regards,

Sincerely,

ELLIOT RICHARDSON.

AMERICAN FORCES RADIO AND TELEVISION OUTLETS
MARCH 1973

	Radio	Television	Total
Army	37	16	103
Navy[1]	92	33	125
Air Force	190	54	244
Interior	7	0	7
Total	376	103	479
Network outlets	220	53	273
Nonnetwork outlets	88	26	114
Ships at sea	68	24	92
Total	376	103	479

[1] Includes ships at sea.

LEGEND

*	Studio Station
#	Mobile Station
ADS	Audio Distribution System
CC	Carrier Current
CPB	Controlled Pattern Broadcast
CCTV	Closed Circuit Television
FM	Frequency Modulation
FMS	Frequency Modulation Stereo
+	Operation Pending
MATV	Multiple Antenna TV
R	Relay
SW	Shortwave
TVT	TV Translator
A	Army
AF	Air Force
N	Navy
I	Department of the Interior
J	Joint Army-Navy-Air Force

Prepared by: Joint Media Support Division, IAF.

GEOGRAPHIC LOCATION OF AFRT OUTLETS

Antarctica	Netherlands
Australia	Panama (Canal Zone)
Belgium	Philippine Islands
Canada	Portugal (Azores)
Cuba	Ryukyu Islands (Okinawa)
Denmark (Greenland)	Spain
Ethiopia	Taiwan
Germany	Thailand
Greece (and Crete)	Turkey
Iceland	United Kingdom (Ascension Is.)
Iran	United States (Alaska)
Italy	Vietnam*
Japan	
Korea	
Morocco	

TERRITORIES AND POSSESSIONS

Canton Island	Kwajalein
Eniwetok	Midway
Guam	Puerto Rico
Johnston	Wake Island

TRUSTS

Colonia	Moen
Koror	Saipan
Kolonia	Samoa
Majuro	

Responsible service	Networks	Radio	TV outlets
AF	Alaskan Forces Radio Network (AFRN)	76	
N	American Forces Caribbean Network (AFCN)	9	3
AF	Far East Network (FEN)	7	3
A	American Forces Korea Network (AFKN)	21	13
A	American Forces Network, Europe (AFNE)	47	
N	American Forces Network, Taiwan (AFNT)	5	
AF	American Forces Philippine Network (AFPN)	8	3
AF	American Forces Thailand Network (AFTN)	19	9
AF	Germany		20
A	Southern Command Network (SCN)	2	2
A	Southern European Network (SEN)	14	
AF	Spain Morocco Network (SMN)	12	
	Total	220	53

Responsible service	Non-network radio	Outlets
N	Antarctica	1
AF	Ascension Island	2
AF	Azores (Lajes)	2
AF–N	Canada	3
AF	Canton Island	1
N	Diego Garcia	1
A	Ethiopia	2
AF	Greece (and Crete)	14
N	Greenland	7
N	Guatanamo Bay, Cuba	2
AF–N	Guam	4
AF	Eniwetok Island	1
N	Iceland	2
AF	Iran	1
AF	Italy	7
AF	Johnston Island	2
A	Kwajalein	2
N	Midway Island	1
AF	Morocco	1
AF	Okinawa	3
I	Trust Territories	7
AF	Turkey	21
AF	Wake Island	1
	Total non-network radio	88

Responsible service	Non-network television	Outlets
J	Alaska	7
N	Australia	1
AF	Azores	1
AF–N	Canada	1
N	Cuba	1
A	Ethiopia	1
AF	Germany	1
AF	Greece (and Crete)	2
AF	Greenland	4
N	Iceland	1
AF	Iran	1
AF	Johnston Island	1
N	Midway Island	1
AF	Okinawa	1
AF	Taiwan	1
AF	Turkey	1
	Total non-network television	26

Area/outlet	Radio Frequency	Power	Agency
ALASKA			
Adak*	890	250	AF
Adak* (FMS)	101.1	250	N
Attu	ADS		AF
Barter Island	ADS		AF
Bethel	1490	50	AF
Big Mountain	ADS		AF
Cape Newenham	1450	50	AF
Cape Lisbourne	ADS		AF
Cape Romanzof	1240	50	AF
Cape Sarichef	1400		AF
Chiniak	1490	10	AF
Clear	1490	50	AF
Cold Bay	1490	50	AF
Diamond Ridge	ADS		AF
Donnelly Flats	ADS		AF
Driftwood Flats	ADS		AF
Eilsen AB* (Fort Wainwright)	1490	50	AF
Elmendorf AB* (Fort Richardson)	890	20	AF
Flaxman Island	ADS		AF
Fort Greely*	980	50	AF
Fort Yukon	1340	50	AF
Galena	570	250	AF
Glennallen	ADS		AF
Indian Mountain I	1490	50	AF
Indian Mountain II	1240	50	AF
Kalalalet Creek	ADS		AF
King Salmon*	970	250	AF
Kodiak	960	250	AF
Kotzebue	1340	50	AF
Lonely	ADS		AF
Murphy Dome	1570	10	AF
Nikolski	1340	50	AF
Nome	590	50	AF
Northeast Cape	1450	50	AF
North River	1400	50	AF
Ocean Cape	ADS		AF
Oolitok	ADS		AF
Pedro Dome	ADS		AF
Pillar Mountain	ADS		AF
Point Barrow	1450	50	AF
Point Lay (Lis II)	ADS		AF
Port Heiden	1340	50	AF
Port Moller	1230	50	AF
Site Love	1240	10	AF
Shemya	1240	250	AF
Sparrevohn	1550	50	AF
Tatalina	1450	250	AF
Tin City	1490	50	AF
Tok Junction	1400	50	AF
Unalakleet	1400	50	AF
Valdez	1465	50	AF
Wainwright (Lis III)	ADS		AF
CANADA			
Argentina*	1480	50	N
Byron Bay	ADS		AF
Goose Bay*	640(CC)	50	AF
Brevort Island	ADS		AF
Broughton Island	ADS		AF
Cambridge Bay	ADS		AF
Cape Dyer	ADS		AF
Cape Hooper	ADS		AF
Cape Perry	ADS		AF
Cape Young	ADS		AF
Clinton Point	ADS		AF
Dewar Lakes	ADS		AF
East Simpson	ADS		AF
Gladman Point	ADS		AF
Hall Beach	ADS		AF
Jenny Lind Island	ADS		AF
Lady Franklin Point	ADS		AF
Long Stah Bluff	ADS		AF
Makar Inlet	ADS		AF
Mid-Melville	ADS		AF
Nicholson Peninsula	ADS		AF
Pelly Bay	ADS		AF
Rowley Island	ADS		AF
Shepherd Bay	ADS		AF
Tvktoyatuk	ADS		AF
Komakuk Beach	ADS		AF
Shingle Point	ADS		AF
GREENLAND			
Ice Cap I	ADS		AF
Ice Cap II	ADS		AF
Qaqatoqaq	ADS		Ak
Sondrestrom*	1420	250	AF
Thule*	1425	1 kW	AF
Thule	1210	250	AF
Kulsusuk	ADS		AF
CANAL ZONE			
Fort Clayton*	790	10 kW	A
Fort Davis	1420	1 kW	A
CUBA			
Guantanamo Bay*	1340	1 kW	N
Guantanamo Bay (FM)*	102.0	500 W	N
PUERTO RICO			
Ramey AB*	780	50	AF
Ramey AB (FMS)*	90.5	15	AF
Ramey AB (FM)			N
Fort Allen	1200	50	N
Fort Allen (FM)	90.5	60	N
Roosevelt Roads*	1200	50	N
Roosevelt Roads* (FM)	90.5	2 kW	N
San Juan	1040	50	N
San Juan (FM)	90.5	2 kW	N
Viegues Island	89.5	10	N

USS *John F. Kennedy* (CVA–67)
USS *Josephus Daniels* (DLG–27)
USS *Kilauea* (AE–26)
USS *Kitty Hawk* (CVA–63)
USS *LaSalle* (AGF–3)
USS *Little Rock* (CLG–4)
USS *Long Beach* (CGN–9)
USS *Luce* (DLG–7)*
USS *Meredith* (DD–890)
USS *Midway* (CVA–4)
USS *Mississinewa* (AO–144)
USS *Mitscher* (DDG–35)
USS *Mobile* (LKA–115)*
USS *Mount Whitney* (LCC–20)
USS *Nashville* (LPD–13)
USS *Neosho* (AO–143)
USS *New Orleans* (LPH–11)
USS *Okinawa* (LPH–3)
USS *Oklahoma City* (CLG–5)
USS *Oriskany* (CVA–3)
USS *Pensacola* (LSD–38)
USS *Plymouth Rock* (LSD–29)
USS *Providence* (CLG–6)
USS *Raleigh* (LPD–1)*
USS *Ranger* (CVA–61)
USS *San Diego* (AFS–6)
USS *Saratoga* (CV–60)
USS *Shreveport* (LPD–1)
USS *Spiegal Grove* (LSD–7)
USS *Springfield* (CGL–7)
USS *Standley* (DCG–32)
USS *Ticonderoga* (CVA–14)
USS *Trenton* (LPD–14)
USS *Tripoli* (LPH–10)
USS *Truckee* (AO–147)
USS *Truxton* (DLGN–35)
USS *Vancouver* (LPD–2)
USS *William Pratt* (DLG–13)*

*Not currently receiving service
FM stereo operation: Outlets location

ALASKA
Adak.
Shemya.

AZORES
Lajes.

CANADA
Goose Bay.

ETHIOPIA
Asmara.

GERMANY
Berlin.
Frankfurt.
Stuttgart.

GREENLAND
Sondrestrom.+
Thule.+

ITALY
San Vito+.
Vicenza.

KOREA
Seoul.

MOROCCO
Kenitra.+

PACIFIC ISLANDS
Johnston Island.
Kwajalein Islands.
Okinawa.

PHILIPPINE ISLANDS
Clark AB.
Subic Bay.

PUERTO RICO
Ramey AB.

SHIPS
U.S.S. *Constellation*.
U.S.S. *Enterprise*.

SPAIN
Rota.+
Torrejon.+
Zaragoza.+

TAIWAN
Taipei.

THAILAND
Nakhon Phanom.

JAPAN
Camp Zama.

Area/outlet	Radio Frequency	Power	Agency
BELGIUM			
Brussels (FM)*	100.8	900	A
Casteau (FM)	101.5	4 kW	A
THE NETHERLANDS			
Brunssum (FM)	89.15	90	A
Maastricht (FM)	93.4	75	A
Soesterberg (FM)	93.1	20	A
GERMANY			
Amberg	800	8 (CC)	A
Ansbach	1034	250	A
Augsburg	1394	1 kW	A
Augsburg (FM)	100.4	14 kW	A
Bad Hersfeld	1142	250	A
Bad Kissingen	1034	250	A
Bamberg	1304	250	A
Bayreuth	800	8 (CC)	A
Berchtesgaden	1304	250	A
Berlin*	935	10 kW	A
Berlin (FMS)*	87.85	1.5 kW	A
Bitberg	1394	250	A
Bonn (FM)	101.4	75	A
Bremerhaven*	1142	5 kW	A
Crailsheim	1394	250	A
Frankfurt/Weisskirschen*	872	150 kW	A
Frankfurt/Feldberg (FM)	98.7	60 kW	A
Fulda	1304	250	A
Garmisch	1502	250	A
Giessen	1502	250	A
Goeppingen	1142	250	A
Grafenwoehr	611	10 kW	A
Hohenfels	1502	250	A
Hof	1142	1 kW	A
Illsheim (FM)	101.0	375	A
Kaiserslautern*	611	10 kW	A
Karlsruhe	1034	1 kW	A
Munich*	1106	50 kW	A
Nurnberg*	611	10 kW	A
Pirmasens (FM)	101.75	375	A
Pruem	860	20(CC)	A
Regensburg	1304	250	A
Rothwesten	1502	250	A
Schweinfurt	1142	250	A
Stuttgart*	1142	10 kW	A
Stuttgart* (FMS)	102.4	100 kW	A
Ulm	1142	1 kW	A
Wertheim	1304	250	A
Wieblingen	1304	1 kW	A
Wieblingen (FM)	100.4	375	A
Wildflecken	1502	250	A
Wurzburg	1142	250	A
GREECE			
Araxost	ADS		AF
Argyroupolist	ADS		AF
Athens*	1594	1 kW	AF
Iraklion, Crete*	1570	250	AF
Katsimidhit	ADS		AF
Perivolakit	ADS		AF
Tayagrat	ADS		AF
Yiannitsat	ADS		AF
Leukas	ADS		AF
Mount Horiatis	ADS		AF
Mount Parnis	ADS		AF
Mount Pateras	ADS		AF
Nea Makri	ADS		AF
ITALY			
Algol	ADS		A
Aviano (FM)	106.0	50	A
Castor	ADS		A
Ciampino†	ADS		A
Conselve)	ADS		A
Gaeta (FM)	106.0	50	A
Ghedi	ADS		AF
Livorno (FM)	106.0	50	A
Martina Franca	ADS		AF
Monte Virgine	106	50	AF
Mount Calvarina	ADS		A
Mount Reggio	ADS		AF
Naples (FM)	106.0	250	A
Pluto	ADS		A
Rigil	ADS		A
Rimini	106	50	A
San Vito* (FM)	107.0	50	AF
Sigonella, Sicily* (FM)	106.0	50	AF
Verona (FM)	106.0	50	A
Vicenza*	560	5(CC)	A
Vicenza* (FMS)	108	50	A
SPAIN			
Inoges	ADS		AF
Menorca	ADS		AF
Moron AB*	89.7	1 kW	AF
Rota (FM)*	96.9	1 kW	AF
Rota (FMS)*	100.2	1 kW	AF
Seville (FM)*	95.1	1 kW	AF

Area/outlet	Radio Frequency	Power	Agency
SPAIN—Continued			
Soller, Majorca	ADS		AF
Soller	ADS		AF
Torrejon (FM)*	100.2	1 kW	AF
Zaragoza (FM)	89.7	1 kW	AF
Sonseca	ADS		AF
PORTUGAL (AZORES)*			
Lajes AB*	1500	100	AF
ICELAND			
Keflavik*	1484	250	N
Hofn*	1400	10	N
ANTARCTICA			
McMurdo	100.00	100	N
TURKEY			
Alemdag	ADS		AF
Ankara	ADS		AF
Balikisir	ADS		AF
Cakmakli	ADS		AF
Corlu	ADS		AF
Dyarbakir	1570	10	AF
Elmadag	ADS		AF
Erhac	ADS		AF
Erzum†	ADS		AF
Eskisehir	ADS		AF
Fennertepe	ADS		AF
Incirlik†	1590	10	AF
Istanbul	ADS		AF
Izmit	ADS		AF
Karamursel†	1590	10	AF
Karatas*	ADS		AF
Malatya	ADS		AF
Murted	ADS		AF
Ortakoy	ADS		AF
Sahin Tepsi	ADS		AF
Yamanlar†	ADS		AF
IRAN			
Teheran*	1555	1kW	AF
ETHIOPIA			
Asmara*	1475	1 kW	A
Asmara (FMS)*	95.1	50	A
MOROCCO			
Kenitra*	1484	1 kW	AF
Kenitra (FMS)*†	94.2		AF
ATLANTIC OCEAN			
Ascension Island*	1600	1 kW	AF
Ascension Island (FM)	98.8	50	AF
PACIFIC			
Canton Island*	1385	250	AF
Eniwetok Island (FM)	101.3	50	AF
Johnston Island*	1250	120	AF
Johnston Island (FMS)	101.25	50	AF
Kwajalein*	1220	1 kW	A
Kwajalein* (FMS)	100.0	1 kW	A
Midway*	920	250	N
Wake Island*	1490	50	AF
GUAM			
Agana	1550	CC	N
Anderson*	1090	200	AF
Anderson* (FMS)	89.5	19	AF
Finegayan*	1550	50	N
TRUST TERRITORIES			
Koror*	1500	250	I
Majuro*	1440	1 kW	I
Moen*	1500	1 kW	I
Koloni*	1450	1 kW	I
Saipan*	1350	1 kW	I
Colonia*	1480	1 kW	I
Pago Pago*	1120	1 kW	I
JAPAN			
Camp Zama (FMS)*	ADS		AF
Chitose	1570	250	AF
Iwakuni*	1580	1 kW	AF
Misawa*	1580	250	AF
Sasebo	1570	250	AF
Tokyo*	810	10 kW	AF
Tokyo	SW	50 kW	AF
KOREA			
Cheju-do	1150	50	A
Chinhae	1510	250	A
Chunchon	1040	1 kW	A
Kwaaksan Mountain (FM)	94.1	1 kW	A
Kangnung	1440	50	A
Kunsan*	1440	1 kW	A
Kwangchon	1510	50	A
Kwangju (FM)	104.7	50	A
Kwagju	1150	250	A

Area/outlet	Radio Frequency	Power	Agency
Masan	1440	50	A
Musan*	580	5 kW	A
Osau*	1360	1 kW	A
Pohang	1510	250	A
Pusan*	780	5 kW	A
Seoul*	560	5 kW	A
Seoul* (FMS)	102.7	4 kW	A
Taegu*	580	5 kW	A
Taejon (FM)	96.1	250	A
Tongduchon*	1200	5 kW	A
Uijongbu	1160	250	A
Wonju	1440	250	A
PHILIPPINE ISLANDS			
Baguio (John Hay)	1300	250	AF
Clark AB (FMS)*	94.0	250	AF
Clark AB*	1510	1 kW	AF
San Miguel*	1510	250	AF
San Miguel* (FMS)	94.0	10	AF
Subic Bay*	1300	250	AF
Subic Bay* (FMS)	94.0	40	AF
Wallace AS	1300	50	AF
RYUKYU ISLANDS			
Okinawa*	650	10 kW	AF
Okinawa	1420	1 kW	AF
Okinawa* (FMS)	89.1	6 kW	AF
TAIWAN			
Ching Chuan Kang	1570	5 kW	N
Lo Shan	100.1	15 kW	N
Tainan	1590	5 kW	N
Taipei* (FMS)	95.9	2500	N
Taipei*	1550	10 kW	N
THAILAND			
Bangkok (Macthai)	ADS		AF
Bangkok (51 OSI dist)	ADS		AF
Chiang Mai	ADS		AF
Don Maung	ADS		AF
Ko Kha	ADS		AF
Korat* (FM)	101.9	3	AF
Lop Buri	ADS		AF
Nakhon Phanom* (FMS)		50	AF
Nam Phong	101.9	3	AF
Non Sung (7RRFS)	1350		AF
Pattaya	ADS		AF
Phu Mu	850	CC	AF
Samae San	1450	40	AF
Sattahip	99.7	6W	AF
Takhli* (FM)		25W	AF
U-Tapao*	1220	90	AF
Ubon* (FM)	99.7	7	AF
Udorn* (FM)	99.7	3	AF
Warin	ADS		AF
INDIAN OCEAN			
Diego Garcia*	1475	20	N

U. S. NAVY SHIPS

Radio

USS *Albany* (CG–10)
USS *America* (CVA–66)
USS *Austin* (LPD–4)*
USS *Barney* (DDG–6)
USS *Belknap* (DLG–26)
USS *Blue Ridge* (LCC–19)
USS *Caloosahatchee* (AO–98)
USS *Camden* (AOE)
USS *Canopus* (AS–34)
USS *Chicago* (EG–11)*
USS *Cleveland* (LPD–7)
USS *Columbus* (CG–12)
USS *Compass Island* (AF–153)
USS *Concord* (AFS–5)
USS *Constellation* (CVA–64)
USS *Conyngham* (DD–17)
USS *Coral Sea* (CVA–43)
USS *Enterprise* (CVA–65)
USS *Forrestal* (CVA–59)
USS *Fox* (DLG–33)
USS *Francis Marion* (APA–249)
USS *Franklin D. Roosevelt* (CVA–42)
USS *Grand Canyon* (AD–28)
USS *Guadalcanal* (LPH–7)
USS *Guam* (LPH–7)
USS *Hancock* (CVA–19)
USS *Harry E. Yarnell* (DLG–17)
USS *Independence* (CVA–62)*
USS *Intrepid* (CVS–11)

GUAM

Anderson AFB.

Total FM stereo stations: 28.

+ Operations pending.

FM monaural operation: Outlets locations

BELGIUM

Brussels.
Casteau.

CUBA

Guantanamo Bay.**

GERMANY

Augsberg.
Bonn.
Illsheim.
Pirmasens.
Wieblingen.

ITALY

Aviano.
Gaeta.
Livorno.
Naples.
San Vito.
Signonella (Sicily).
Verono.
Vicenza.

KOREA

Kaaksan.
Kwangju.
Taejon.

ANTARCTICA

McMurdo Sound.

NETHERLANDS

Brussum.
Maastricht.

SPAIN

Moron AB.
Rota.
Seville.
Torrejon.
Zaragoza.

THAILAND

Korat.
Udorn.
Takhli.

UNITED KINGDOM

Ascension Island.

PACIFIC

Eniwetok Island.

PUERTO RICO

Ft. Allen.
San Juan.
Ramey.
Roosevelt Roads.

TAIWAN

Lo Shan.

+ Operations pending.

** FM stereo program materials used.

Total FM stations: 39.

Area and outlet	Television frequency	Power	Agency
ALASKA			
Adak*	8	120	N
Cold Bay*	8	120	AF
Fort Greely*	8	220	A
Galena*	8	51 kW	AF
King Salmon	8	100	AF
Shemya*	13	100	AF
Sparrevohn	8	10 (TVT)	AF
Tatalina*	11	500	AF
AUSTRALIA			
Northwest Cape*	4	CCTV	N
CANADA			
Goose Bay*	8	870	AF
GREENLAND			
Sondestrom*	8	120	AF
Thule*	8	100	AF
Thule	13	100	AF
PANAMA			
Fort Clayton*	8	5 kW	A
Fort Davis	10R	5 kW	A

Area and outlet	Television frequency	Power	Agency
CUBA			
Guantanamo Bay*	8	100 W	N
PUERTO RICO			
Ramey AB*	32	100	AF
Roosevelt Roads*	40	7 kW	N
Sabana Seca*	R		N
GERMANY			
Amberg	50R	3.5	AF
Bad Kissingen	62R	3.5	AF
Bad Kreuznach	20	20	AF
Bad Nauheim	40R	1	AF
Berlin Brigade*	25	500	AF
Berlin (TCA)	12R	1 W	AF
Bindlach	22R	3.5	AF
Butzbach	14R		AF
Friedberg	29R	3.5	AF
Fulda	63R	1.0	AF
Giessen	26R	5	N
Grafenwoehr	41R	50	AF
Hohenfels	60R	40	AF
Kirchgoens	57R	1	AF
Ramstein AB*	26	3 kW	AF
Rhein Main (C.G.)	23R	5	AF
Rhein Main	26R	5	AF
Schweinfurt	65R	35	AF
Spangdahlem	22R	1 kW	AF
Wiesbaden AB	15R	1 kW	AF
Wildflicken	50R	50	AF
GREECE			
Iraklion AS (Crete)*	8	200	AF
Iraklion	6R	100	AF
AZORES (PORTUGAL)			
Lajes*	8	100	AF
ICELAND			
Keflavik*	8	250	N
Keflavik (TVT)	2	10 W	N
ETHIOPIA			
Asmara*	2	100	A
IRAN			
Teheran*	7	500	AF
TURKEY			
Incirlik*	3	CCTV	AF
PACIFIC			
Johnston Island*[1]	10	120	AF
Midway Island*	4	120	N
FAR EAST, JAPAN			
Camp Zama*	2	CCTV	AF
Iwakuni*	9	400	AF
Misawa*	73	600	AF
KOREA			
Camp Ames	2	TVT	A
Kunsan	2R	120 W	A
Kwangchon	3	1 W	A
Kwangju	13	100 W	A
Pajuri	6R	500 W	A
Pusan	2R	500 W	A
Seoul*	2	5 kW	A
Taegu	12R	500 W	A
Taejon	12R	500 W	A
TongduChon	2	TVT	A
Wonju	2	1 W	A
Yongsan	5	TVT	A
PHILIPPINE ISLANDS			
San Miguel	34R	10	AF
Subic Bay	34R	10	AF
Clark AFB*	8	80	AF
RYUKYU ISLANDS			
Okinawa*	8	40 kW	AF
THAILAND			
Korat[1]	74	CPB	AF
Korat	80	CPB	AF
Nakhon Phanom[1]	74	CPB	AF
Non Sung	74	CPB	AF
Samae San	80	CPB	AF
Ubon[1]	74	CPB	AF
Udorn[1]	74	CPB	AF
Udorn	80	CPB	AF
U-Tapao[1]	74	CPB	AF
TAIWAN			
Ching Chuan Kang[1]	74	CPB	AF

[1] Operation suspended due to storm damage.

U.S. NAVY SHIPS

Television

Independent

USS *Enterprise*
USS *Lasalle*
USS *Lexington* (CTV 16)

Atlantic Fleet

USS *Albany*
USS *Forrestal*
USS *Intrepid*
USS *Iwo Jima*
USS *Puget Sound*
USS *Roosevelt*

Pacific Fleet

USS *America*
USS *Coral Sea*
USS *Hancock*
USS *Midway*
USS *Oriskany*
USS *Ranger*
USS *Saratoga*
USS *Ticonderoga*
USS *Truxton*

Not currently receiving service

USS *Chicago*
USS *Constellation*
USS *Inchon*
USS *Independence*
USS *John F. Kennedy*
USS *Kitty Hawk*
USS *Sacramento*

AIR FORCE OPERATED OUTLETS

Country	Radio	TV
Alaska:		
Adak	1	
Attu	1	
Barter Island	1	
Bethal	1	
Big Mountain	1	
Cape Lisbourne	1	
Newenham	1	
Cape Romanzof	1	
Cape Sarichef	1	
Chiniak	1	
Clear	1	
Cold Bay	1	1
Diamond Ridge	1	
Donnelly Flats	1	
Driftwood Bay	1	
Eilsen AB	1	
Elmendorf AB	1	
Flaxman Island	1	
Fort Greely	1	
Fort Yukon	1	
Galena	1	1
Glennallen	1	
Indian Mountain I	1	
Indian Mountain II	1	
Kalet Creek	1	
King Salmon	1	1
Kodiak	1	
Kotzbue	1	
Lonely	1	
Murphy Dome	1	
Nikolski		
Nome	1	
Northeast Cape	1	
North River	1	
Ocean Cape	1	
Oolitik	1	
Pedro Dome	1	
Pillar Mountain	1	
Point Barrow	1	
Point Lay	1	
Port Heiden	1	
Port Moller	1	
Shemya	1	1
Site Love	1	
Sparrevohn	1	1
Tatalina	1	1
Tin City	1	
Tok Junction	1	
Unalakleet	1	
Valdez	1	
Wainwright	1	
Portugal (Azores): Lages AB	1	1
Canada:		
Byron Bay	1	
Goose Bay	1	1
Brevoort Island	1	
Broughton Island	1	
Cambridge Bay	1	
Cape Dyer	1	
Cape Hooper	1	
Cape Perry	1	
Cape Young	1	
Clinton Point	1	
DeWar Lakes	1	

AIR FORCE OPERATED OUTLETS

Country	Radio	TV
Canada—Continued		
East Simpson	1	
Gladman Point	1	
Hall Beach	1	
Jenny Lind Island	1	
Lady Franklin Point	1	
Long Stah Bluff	1	
Makar Inlet	1	
Mid-Melville	1	
Nicholson Peninsula	1	
Pelly Bay	1	
Rowley Island	1	
Shepherd Bay	1	
Tyktoyatuk	1	
Komakuk Beach	1	
Shingle Point	1	
Germany:		
Amberg		1
Bad Kissingen		1
Bad Kreuznach		1
Bad Nauheim		1
Berlin (Bde)		1
Berlin (TVA)		1
Bindlach		1
Butzbach		1
Friedberg		1
Fulda		1
Giessen		1
Grafenwoehr		1
Hoenfels		1
Kirchgoens		1
Ramstein		1
Rhein Main CG		1
Schweinfurt		1
Spangdahlem		1
Wiesbaden		1
Wildflicken		1
Greece:		
Araxos †		
Argyroupolis	1	
Athens	1	
Iraklion	1	2
Katsimidhi	1	
Levkas	1	
Mount Horiatis	1	
Mount Parnis	1	
Mount Pateras	1	
Nea Makri	1	
Perivolaki	1	
Yiannitsa	1	
Greenland:		
Ice Cap I	1	
Ice Cap II	1	
Kulsuksuk Island	1	
Qaqatoqaq	1	
Sondestrom	1	1
Thule	2	2
Iran: Teheran	1	1
Italy:		
Ghedi	1	
Martina Franca	1	
Monte Virgine	1	
Mount Reggio	1	
Rimini	1	
San Vito		
Sigonella	1	
Japan:		
Camp Zama	1	1
Chitose	1	
Iwakuni	1	1
Misawa	1	1
Sasebo	1	
Tokyo		
Morocco: Kenitra	2	
Pacific area:		
Canton Island	1	
Eniwetok	1	
Guam (Anderson AF)	2	
Johnston Island	2	1
Wake Island	1	
Philippine Islands:		
Baguio	1	
Clark AB	2	1
San Miguel	2	1
Subic Bay	2	1
Wallace (AS)	1	
Puerto Rico: Ramey AB	2	1
Ryukyu Islands: Okinawa	2	
United Kingdom: Ascension Island		2
Spain:		
Inoges	1	
Menorca	1	
Moron AB	1	
Rota	2	
Seville	1	
Soller (Majorca)	1	
Soller	1	
Sonseca	1	
Torrejon	1	
Zaragoza	1	
Taiwan: Ching Chuan Kang		1
Thailand:		
Bangkok (Macthai)	1	
Bangkok (51 OSI District)	1	
Chieng Mai	1	
Don Muang	1	
Ko Kla	1	

Country	Radio	TV
Korat	1	2
Lopburi	1	
Nakon Phanom	1	1
Nam Phong	1	
Non Sung (7RRFS)	1	1
Pattaya	1	
Phu Mu	1	
Samae San	1	
Sattahip	1	1
Takhli	1	
U-Tapao	1	1
Ubon	1	1
Udorn	1	2
Warin	1	
Turkey:		
Alemdag	1	
Ankara	1	
Balikistir	1	
Cakmakli	1	
Corlu	1	
Dyarbakir	1	
Elmadag	1	
Erhac	1	
Erzurum	1	
Eskisehir	1	
Fennertepe	1	
Incirlik	1	
Instanbul	1	
Ismit	1	
Karamursel	1	
Karatas	1	
Malatya	1	
Murted	1	
Ortakoy	1	
Shain Tepsi	1	
Yamaniar	1	

U.S. ARMY OPERATED OUTLETS

Alaska: Fort Greely		1
Belgium:		
Brussels	1	
Casteau	1	
Canal Zone (Panama):		
Fort Clayton	1	1
Fort Davis	1	1
Ethiopia: Asmara	2	1
Germany:		
Amberg	1	
Ansbach	1	
Augsburg	2	
Bad Kissingen	1	
Bamberg	1	
Bayreuth	1	
Berchtesgaden	1	
Berlin	1	
Bitberg	1	
Crailsheim	1	
Frankfurt	1	
Fulda	1	
Garmisch	1	
Giessen	1	
Goeppingen	1	
Grafenwoehr	1	
Hohenfels	1	
Hof	1	
Illsheim	1	
Kaiserslauten	1	
Munich	1	
Nurnburg	1	
Pirmasens	1	
Pruem	1	
Regensburg	1	
Rothwesten	1	
Schweinfurt	1	
Stuttgart	2	
Ulm	1	
Wertheim	1	
Wildflecken	1	
Wurzburg	1	
Wieblingen	2	
Netherlands:		
Brunssum	1	
Maastricht	1	
Soesterberg	1	
Italy:		
Aviano	1	
Algol	1	
Castor	1	
Ciampino	1	
Conselve	1	
Gaeta	1	
Livorno	1	
Mt. Calvarina	1	
Mount Calvarina	1	
Naples	1	
Pluto	1	
Rigil	1	
Vicenza	1	
Korea:		
Camp Ames		1
Chejudo	1	
Chinhae	1	
Chunchon	1	
Hwaaksan	1	1
Kangnung	1	

Country	Radio	TV
Kunsan	1	1
Kwangchon	1	1
Kwangju	2	1
Masan	1	
Munsan	1	
Osan	1	
Pajuri		1
Pohang	1	1
Pusan	1	1
Seoul	2	1
Taegu	1	1
Taejon	1	1
Tongduchon	1	
Uijonbu	1	
Wonju	1	
Yongsan		1
Pacific area: Kwajalein Island	2	

U.S. NAVY OPERATED OUTLETS

Alaska: Adak		1
Antarctica: McMurdo	1	
Australia: Northwest Cape		1
Cuba: Guantanamo Bay	2	1
Iceland:		
Keflavik	1	1
Hoen	1	
Pacific area:		
Midway Island		1
Agana, Guam	1	
Finegayan, Guam	1	
Puerto Rico:		
Fort Allen	2	
Ramey AB	3	
Roosevelt Roads	2	1
Sabana Seca		1
San Juan	2	
Newfoundland: Argentia	1	
Taiwan:		
Ching Chuan Kang	1	
Lo Shan	1	
Tainan	1	
Taipei	2	
Indian Ocean: Diego Garcia	1	

CHANGES DURING JANUARY AND FEBRUARY 1973

Additions

Ships

USS *Puget Sound* (TV)
USS *Caloosahatchee* (R)

Deletions

Ships

USS *Sylvania* (R)

Korea

Chinhae (TV)
Kojin (R)

South Vietnam

AFVN (R) (TV)

Mr. FULBRIGHT. Mr. President, in addition to this economic perspective, Mr. President, I believe the Senate should carefully examine the "freedom radios" from an international political perspective. Within the past few weeks, there has been a great deal of news about the repression of certain dissidents in the Soviet Union. And I realize that this recent evidence of the continued limitations on political freedom in the Soviet Union, and in Eastern Europe as well, can be used with persuasiveness to bolster the case for continued U.S. funding of Radio Free Europe and Radio Liberty. The questions I pose are these: Do the broadcasts of Radio Free Europe and Radio Liberty help the situation in any way? Do these broadcasts help the Soviet dissenters? Do they help the cause of political freedom in the Soviet Union? Do they help the progress of détente through which we may eventually be able to break down the barriers to open travel and communications which now impede the free flow of people and ideas between East and West? There are, of course, a number of people who have argued that the so-called freedom radios are the lifeline to "truth" for the citizens of Eastern Europe and the Soviet Union; but in light of the large number of other stations which are already broadcasting to these Communist countries, I do not know how such an argument can be sustained. As much as we may believe in the human rights of Soviet citizens and as much as we may wish to support them—spiritually and in every other way—we should not blindly continue to support the "freedom radios" simply because they are oriented toward fostering and abetting dissenters. It is well known that because of the past association of the "freedom radios" with the CIA, the Soviet and Eastern European governments—and also many private citizens in those countries—bear a special resentment and distrust about the continued activities of these radios and the continued U.S. support for them. Mr. Kaiser in fact points this out in the article I have already placed in the RECORD. In this light, it is very important to consider the effect of our support for such activities upon the development of attitudes within the Soviet Government. There are sharp divisions among Soviet leaders about the degree to which the good intentions of the United States can be trusted. Surely our continued support for radios considered subversive can only strengthen the hand of those who wish, for various reasons, to impede the progress of detente. In short, such broadcasts may well assist those who oppose freedom of information.

Mr. President, I am not arguing that we abandon our interest in the plight of Soviet citizens in the interests of some idealistic illusion or metaphysical notion called "detente." I simply believe that through the Voice of America and the other official Western government stations, we are providing all the information that can possibly be of assistance to Soviet citizens. And I believe further that for the United States to continue to be the financier for radios which are clearly considered objectionable and provocative by the governments of Eastern Europe and the Soviet Union only delays the process of rapprochement through which we may gradually hope to establish genuine communication and interaction with the people of those countries.

In this connection, I ask unanimous consent that I be allowed to place in the RECORD at this point two items: The first is an article I wrote recently for the Washington Post on this subject; the second is a letter I recently received in response to my article from Mr. Arthur Cox, a former high level official of the Central Intelligence Agency who was heavily involved in the supervision of Radio Free Europe and Radio Liberty during the 1950's.

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

U.S. FUNDING OF "FREEDOM RADIO"
(By J. W. FULBRIGHT)

The news that Russia had begun to sponsor an "American Liberation Radio," bent upon showing up our inequities and stirring up our dissidents, would probably not be met with much favor in the United States today. It would be taken as a sign that while the Soviets talked *detente*, they were still set upon doing us in. It would also strengthen the hand of those among us who wish to stifle dissent in the name of national security and who believe that the only thing the Soviets understand is the point of a missile.

There is no ALR, I am grateful to report, but imagining one is nevertheless a useful exercise as we judge the implications of our own continuing sponsorship of radios which perform precisely such a role. Based in Europe, the so-called "freedom radios" began their broadcasts in the early 1950's, a period when ideological fervor on both sides of the East-West confrontation was reaching a near frenzy. Radio Liberty focused upon the Soviet Union, Radio Free Europe upon the Eastern European satellites. Each radio presented itself as a spontaneous creation, run by freedom-loving refugess financed by dimes from free-world schoolchildren. Secretly, each was the organizational and financial instrument of the CIA, staffed by expatriates who sought the overthrow of Soviet rule.

Two decades later, international conditions—and our own attitudes—had changed dramatically. On both sides, ideology had waned, and power had stabilized. Gone in the process was our belief that we could shape the world, and fading too was our compulsive fear that someone else might. Continuing unabated, however, were the "freedom" broadcasts—which by then had cost unknowing American taxpayers nearly one-half billion dollars. Discovering this anomaly, Congress last year enacted legislation which brought the radios' financing into the open: a logical first step toward a public examination of such activities in light of the normalization of Soviet-American relations.

But now a year has passed, and once again we have witnessed the ingenious capacity of our cold war institutions to perpetuate themselves. A presidential study commission has been assembled to certify the radios' virtues, and now Congress has been sent legislation which would give the radios a cosmetic facelift and establish them as permanent dependencies of the American taxpayer—at a cost of more than $50 million a year.

Apart from their secret financing, what has always made the "freedom radios" different from other international radio activities is their concentration upon *internal* news and analysis. They criticize the domestic life and policies of the Communist countries to which they broadcast. Of course, a number of nations operate international networks which, from stations around the world, transmit entertainment and general news as an act of national projection and self-advertisement. Examples of such radios are the BBC, Radio Japan, Radio Moscow, and our own Voice of America, upon which we expend $56 million a year. But these organizations, though self-interested, are purveyors of culture and information. The "freedom radios" view themselves as agencies of change.

The more judicious advocates of "freedom" broadcasts argue that the radios have evolved from their earlier zealotry and that their essential function today is simply to encourage dissident elements seeking to resist and peaceably alter the repressive tendencies of Communist bureaucracies. Taken in isolation, this sounds unexceptionable; we have seen enough of repressive tendencies in our own country to be sympathetic. But seen in context, the paramount question still stands: Is this interference in Communist societies within the legitimate range of American foreign policy? In answer, one need only ask a further question: Which kinds of interference by other countries in our affairs do *we* find legitimate?

In a recent editorial (July 11) The Post implied that to cease support for "freedom" broadcasts would be to condone injustice in the Communist countries. We would, it said, be joining with the Communist governments in an act of censorship. But this is fallacious.

Desisting in aggressive behavior is not censorship. And regardless, a prodigious information flow would continue even without the "freedom radios." The official Western-government stations, including our own VOA, broadcast a weekly total of over 800 program-hours to the Soviet Union and its satellites. If by some curious moral logic, we are also obliged to operate a "freedom radio" to meddle in *internal* affairs, then surely we are already erring grievously, for this planet is populated with politically repressive societies we are not trying to liberate—some equally as inhumane as Russia and Eastern Europe. Why not a Radio Free Greece? And a Radio Free Brazil? and a Radio Free South Africa:

Ending our sponsorship of these broadcasts is not an abandonment of our ideals. It is simply to recognize an order of priorities. There can be no more important world goal for the United States than to break down completely the overarching posture of hostility between the Soviet and American governments that has so poisoned international relations for 25 years and exacted such a terrible waste in lives and resources.

We have, of course, no monopoly on "truth." But if we wish to tell our story, let us now rely on other tools—on our overseas libraries and information centers, on expanding programs of cultural and educational exchange, on the informative but unprovocative broadcasts of the Voice of America, on growing trade and tourism. Perhaps, by personal contact and by force of argument and right example, we *can* have an influence on life in the Communist countries. But continuing the "freedom radio" assault only perpetuates the structure of mutual distrust and delays our opportunity.

WASHINGTON, D.C.,
August 14, 1973.

The Honorable J. WILLIAM FULBRIGHT,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR FULBRIGHT: I am writing in support of your communication to the *Washington Post* entitled "U.S. Funding of 'Freedom Radio.'" As you know, I occupied a senior policy position during the height of the Cold War, in the mid-50's when Radio Free Europe was an asset of CIA. I think a strong case can be made for the role of the "freedom radios" during that period.

However, in my opinion, the reverse is true today for the following reasons:

1. The existence of the radios runs counter to the policy of detente being pursued by the U.S. and Soviet governments.

2. The operation of the radios in Munich, West Germany runs counter to the policy of relaxation of tensions and restoration of diplomatic relations between West Germany and the governments of Eastern Europe.

3. Since the radios are now directly attributable to the U.S. Government, they are voices of the U.S. Government. There should not be more than one Voice of America. If it can be demonstrated that R.F.E. and Radio Liberty are in some instances doing a more effective job than the Voice of America of representing the United States Government then changes should be made. The V.O.A. should be improved by better policy direction and perhaps by recruiting some of the best personnel from the Munich radios.

4. The U.S. Government has for years pursued a policy of evolution rather than liberation towards Eastern Europe. However, the continuing broadcasts of the "freedom radios" give the "hawks" among Eastern European communists an argument for continuing repression and tight controls. Those East European leaders supporting an evolving relaxation permitting greater freedom for the people are blocked by the arguments of the "hawks" that the U.S. and West Germany are plotting the overthrow of the East European regimes because emigres, with U.S. backing, are still broadcasting from Germany.

Best regards,

ARTHUR M. COX.

The continuing broadcasts of the "freedom radios" give the "hawks" among the Eastern European Communists an argument for continuing repression and tight controls. Those East European leaders supporting an evolving relaxation permitting greater freedom for the people are blocked by the arguments of the "hawks" that the United States and West Germany are plotting the overthrow of the East European regimes because emigres, with U.S. backing, are still broadcasting from Germany.

Mr. FULBRIGHT. As a senior policy official, Mr. Cox once supported the "freedom radios" wholeheartedly. Today, however, in view of current international developments, Mr. Cox believes that such activities are counterproductive. He has recognized that changed conditions require changed policies. I hope that the Senate will recognize this also.

Mr. President, this is a very simple amendment. All it does is require that, beginning in fiscal 1975, next year, the United States shall pay only one-half of the cost of the operations of these radios.

Last year, in the hearings, it was, I thought, generally understood by the Senator from Illinois (Mr. PERCY) and also by the Senator from New York (Mr. JAVITS) that the United States would undertake to get the Europeans to pay a substantial amount, if not half, of the cost. I want to quote what the Senator from Illinois (Mr. PERCY) said last year. This appears in the hearings:

> I feel that the time has long since passed when the United States should underwrite the total cost of projects which are done in the mutual interest of Western Europe and the United States.

The Senator from New York (Mr. JAVITS) also said this:

> I think that we ought to carry it on for the year and give Europe the opportunity; but I would like to emphasize that if we do, there will be a real obligation on the part of Europeans . . . to see that this year is not wasted and that the collaborative effort which is called for is forthcoming.

Dr. Dirk Stikker, former Secretary General of NATO, testified as follows:

> I personally fully agree with your stated view that it is time for West Europeans to begin sharing the financial burden of these radio operations.

A year has passed, and now, having failed to get any contributions, they are creating, really, a permanent operation under a new setup, a new commission, which indicates that they intend to go on indefinitely, with the United States paying the full amount.

Mr. President, we have gone over this issue before. I will summarize the issues simply by stating that it is redundant to run three radios. Even without Radio Liberty and Radio Free Europe, there are 800 program hours that would go into these countries from the VOA and the other radios of Western Europe. We have authorized $56 million for the Voice of America; $50 million for Radio Free Europe, if this measure is authorized; and over $30 million for the Armed Forces radio and television stations. Compared to only $45 million for our own public broadcasting system, it seems to me it is excessive.

The argument that we need some voice perhaps is valid, but to have three voices seems to be redundant and excessive.

I think the other argument that is persuasive is that these radios, provocative as they are, do not promote the objectives of the proponents of this bill. I think the psychological aspect of it is simply to reinforce the hardliners in various countries, specifically Russia, making them believe that our suggestions for a détente are not sincere, that we do not really mean it, and, in any case, that we are so split up that they cannot rely on the efforts that have been made, and that have been given such wide publicity, by the President to bring about a détente. The continuation of these three radios is quite inconsistent with that move.

I do not think it really helps the so-called dissidents in Europe, or particularly in Russia, in the way the proponents believe it does.

The testimony is quite clear that most people prefer the BBC and VOA broadcasts because they are more objective in presenting the information, as they call it—the true information—from the Western countries.

I do not know that there is any reason to belabor this point, because I belabored it last year a good deal. The question is, should we spend $50 million on these operations in view of the large expenditures already being made by ourselves and by Western European countries?

I might say that a moment ago the fact was referred to that these radio stations broadcast in Yiddish. There is nothing to prevent the VOA from doing that if that is desirable.

In addition to that, Israel itself broadcasts to Russia and to the Eastern European countries in Yiddish.

It is a very simple proposition. In view of the stringent conditions of our budget and the enormous deficits which have occurred in the last 20 years, together with the fact that the cold war is being liquidated, we should not continue this operation.

The effect of my amendment is simply to fund it at the full amount for this year. And next year we would spend half. We would pay half of it. It seems to me that is a very reasonable compromise. If there is any merit at all to these operations, it is in accordance with what I consider to be what some of the principal proponents of this measure stated last year.

I do not know that there is any reason to continue the debate any longer. If the proponents of the bill are ready to yield back their time, we could yield back our time.

Mr. JAVITS. Mr. President, if the Senator would yield to me, the Senator from Illinois is not on the floor and I wish to speak on this matter.

Mr. AIKEN. Mr. President, I yield to the Senator from New York such time as he may require to make an adequate response to the Senator from Arkansas.

Mr. JAVITS. Mr. President, the quotation cited by the Senator from Arkansas

respecting European contributions is entirely appropriate, of course, in connection with the debate on the bill. But to say that the people ought to contribute or that we will do our utmost to get contributions is something entirely different from getting them or from cutting this program in half, which we would have to do in the first instance if this amendment were to prevail. We would then have to hope that we would get contributions. In addition, very importantly in that particular matter, contributions may not necessarily be forthcoming. The money is just as good to the United States if it comes by way of a reduction of the United States in various activities in Europe, including defense.

We have no idea whether the contributions will come directly. As a matter of fact, subsequent to the remarks made by the Senator from Rhode Island, which the Senator from Arkansas referred to, I would point out that we really think they ought to contribute. Willy Brandt, the Chancellor of Germany, made it clear that for political reasons of their own, they would not prefer to contribute directly to this kind of action. We can understand that, although we may not agree with it.

The net effect of what the Senator from Arkansas is doing by his amendment would be to cut the operations of these stations in half. As I say, one does not know what one could do directly or indirectly as yet in the way of getting the kind of help which is justified. That does not mean that we have to get it. And we think on this side of the legislation that what is being done is so important and so useful in terms of the overall situation in the world and these two ideologies in terms of the climate in which détente, arms limitation, the European security, and many other things can be negotiated is so critically important that we should not tie one hand behind our backs by agreeing to this particular amendment on the theory that the other side ought to contribute, and if they do not contribute we will have this activity.

Mr. FULBRIGHT. Mr. President, if the Senator will yield, is it not true that this is the best way to persuade them that they would have from now until the end of this fiscal year to do what the Senator last year stated that he thought they ought to do?

I think the argument of the Senator from New York and the Senator from Illinois was the principal reason why this was allowed to continue this year. If the Senators had not made that argument, we could have done it last year. They will not pay for half of it as long as we pay for all of it.

Mr. JAVITS. Mr. President, I do not think that it would be persuasive. The issue of sharing is very much greater than this one thing.

I do not believe, on the other hand, that we should discontinue it. I think the program would be very materially crippled if it were cut off any further than we are now doing and would simply hamper us in our efforts to carry on an activity which is very useful and most important.

The proposal that we share is very much misplaced. We have shared and we have contributed. They did not continue to do so. The vote as reported in the committee's report was 9 to 6. The majority of us thought that whether or not we got contributions, the activity was so valuable in itself that we should carry it on at the $50 million level.

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

Mr. JAVITS. I yield.

Mr. AIKEN. I think it might be well to explain at this point that from 1969 to early 1973 contributions were made of between $2 million and $3 million by individuals, corporations and other establishments located in the United States. As I understand, no contributions were made by similar European organizations, for the simple reason that contributions made by U.S. contributors were tax deductible, whereas contributions made by European contributors would not be subject to income tax deductions. There was no inducement for them, such as we had here, to make contributions. But 467 individuals and corporations have contributed over $500 each. I do not know how many there were who contributed lesser amounts.

Mr. JAVITS. I thank the Senator from Vermont.

Mr. President, referring to the report of the Eisenhower Commission, a Presidential Study Commission on International Radio Broadcasting, is also important. The commission was headed by Milton Eisenhower and made its report in February 1973. The report, on page 51, deals with this very question:

> The conclusion of the commission that it would be a mistake to involve European governments in contributing to the financing of the broadcast operations of the two radios does not constitute rejection of the principle of cost sharing.

In essence, that is what the Senator from Illinois (Mr. PERCY) and I have said.

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

Mr. JAVITS. I yield.

Mr. AIKEN. I have just received the information that there were 39,500 contributors of less than $500. These are in addition to those who contributed more than $500 each.

Mr. JAVITS. I thank the Senator.

So, Mr. President, the Eisenhower Commission did not think it was feasible to depend upon European governments to finance, but it did not reject the principle of cost sharing and went on to say that it was only fair, where European governments could do so, and they should be requested, to help defray the cost of the station. This would involve paying for research produced by the station.

As a matter of fact, European contributions are now being solicited by the Department of State to offset the costs of research of both these radios, which is some $4 million annually. This is the type of contribution which the Eisenhower Commission considered feasible. But it would simply not be feasible by next July to raise the sum of non-Federal contributions in excess of $25 million, as the proposal of the Senator from Arkansas would suggest.

As a matter of fact, while Senator PERCY and I both felt that contributions ought to be made, the 50 percent figure is definitely Senator FULBRIGHT's.

Finally, Mr. President, I wish to emphasize the fact that this very idea was put before the Committee on Foreign Relations, and, if Senators will refer to the committee report at page 4, a part of Senator FULBRIGHT's substitute was to:

> Establish a policy of burden-sharing by providing that, beginning in fiscal year 1975, the U.S. contribution to the radios would at no time exceed 50 percent of the radios' expenses.

That was rejected as a part of the total rejection of the whole substitute, by a vote of 9 to 6.

For all of those reasons, Mr. President, and because I think the last vote against recommittal showed overwhelmingly that the Senate wants to decide this question in the affirmative, and wants us to go forward with the substantive aspect of these broadcasts, I hope the Senate will reject this amendment.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes. I do not wish to prolong the debate; I only wish to make this comment about the contribution:

It was widely broadcast, and generally believed, that these were private operations. Ever since its creation in 1951, this actually was a covert operation of the CIA. But throughout this country people, including young schoolchildren, were solicited to give their pennies to freedom, and so on. Radio Free Europe was a very appealing project, although it is a CIA operation. It is most unusual that the people get tax deductions for contributing to the covert operations of the CIA. But, though it was known by many individuals, it was only recently revealed publicly that Central Intelligence was instrumental in that operation. The deception in connection with its operation as a CIA operation posing as a private operation, it seems to me, is a reflection upon the sincerity and honesty of our own Government.

Mr. President, I am willing to yield back the remainder of my time on the amendment, if the Senator is.

Mr. JAVITS. Mr. President, our problem is that the Senator from Illinois (Mr. PERCY) is not present in the Chamber. We have two speakers who wish, between them, 15 minutes.

Mr. FULBRIGHT. On this question?

Mr. JAVITS. Apparently on the bill and on this question.

Mr. FULBRIGHT. We have a lot of time on the bill. I thought we might dispose of this amendment. We can have a quorum call, if the Senator would like.

Mr. JAVITS. I do not think Senator PERCY is ready yet. I think he wants to speak on this amendment, so, with the Senator's indulgence, I yield 8 minutes to the Senator from South Carolina.

Mr. THURMOND. I thank the distinguished Senator from New York.

Mr. President, we are considering today a bill, S. 1914, which creates a Board for International Broadcasting, and an amendment to that bill, No. 431—proposed by Senator FULBRIGHT—which has the clear purpose of negating the meaning of that bill. The bill proposes a structure for authorizing the continued operation of Radio Liberty and Radio Free

Europe and a budget of $50 million for the next year. Senator FULBRIGHT proposes that the Federal appropriation for the radios be limited to 50 percent of their budgets for fiscal 1975. This would effectively force the radios to begin dismantling their operations now.

Mr. FULBRIGHT. Mr. President, will the Senator yield so that I can get the yeas and nays?

Mr. THURMOND. I yield.

Mr. FULBRIGHT. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THURMOND. A number of my colleagues have already spoken out on the significance of Senator FULBRIGHT's amendment and answered the arguments he puts forward in its support. I cannot help but add my wholehearted agreement to their words that the Senator from Arkansas is engaging in wishful thinking about Soviet-American relations, the attitudes of the Eastern bloc in an era of détente, and the possibilities of collecting such large outside contributions for the operations of these radios. There are too many indications past and present that the controlled media and long-range plans of the Soviet Government cannot be trusted. So long as the Soviet Union and East European countries do not end censorship or allow the free flow of information between East and West, it is in the United States interest to keep Radio Liberty and Radio Free Europe on the air.

To give in to the nay sayers or to pass Senator FULBRIGHT's amendment without realizing that through it he means to kill Radio Liberty and Radio Free Europe—not merely to attempt another compromise with the supporters of the radios—would be to betray the trust of the millions of listeners who depend upon Radio Liberty and Radio Free Europe for news and information about both international affairs and events in their own countries.

Mr. President, I want to emphasize this point in particular, for we have been reading and hearing a lot of inaccurate information on the subject of listenership to Radio Liberty and Radio Free Europe. Senator FULBRIGHT himself has stated that the "essential function" of these radios today "is simply to encourage dissident elements." Robert Kaiser, the Moscow correspondent of the Washington Post who has been reporting regularly on the controlled Soviet press, has also reported—this time in error—deriding the size of the audiences of Radio Liberty and Radio Free Europe and the significance of these radios.

To substantiate his report, Kaiser quotes only one Russian individual who ranks Radio Liberty fourth in popularity. Incidentally, there are dozens of foreign governments, ranging from the Vatican to Peking, which broadcast to the Soviet Union. Considering the endorsements of Radio Liberty made by the Nobel prizewinning author Solzhenitsyn and by many others, including 98 Soviet Jewish emigrants to Israel, there is surely room for differences of opinion among Soviet citizens.

More important, a recent major behavioral study conducted in the period 1970–72 directly contradicts Kaiser's report. This major study was based on interviews carried out by an independent public opinion research service in West Europe of 1,680 Soviet citizens, primarily tourists temporarily in the West—none were emigrants. While the Voice of America had the largest number of regular listeners, Radio Liberty and the BBC tied for second place. Radio Liberty was shown to reach a highly educated audience, and listeners who sought information rather than entertainment tuned in to Radio Liberty at rates considerably higher than to any other station in the survey.

On listenership to Radio Liberty, it is important to note that Radio Liberty is the most jammed foreign broadcaster to the Soviet Union. The eagerness of its listeners to seek it out despite jamming attests to its great value and credibility. A recent Soviet emigrant, Dr. Leonid Tarassuk, former Arms Curator of Leningrad's Hermitage Museum, stated at a press conference a couple of weeks ago he had to learn about the Jackson amendment from listening to foreign radio, particularly Radio Liberty. He went on to say that Radio Liberty was viciously jammed but was "very important, the most listened to whenever it is possible to catch it."

Finally, let me quote the former diplomat, W. Averell Harriman, on the significance of the broadcasts of Radio Liberty:

> I have been told that the lower echelons of the communist officials in these countries welcome the information that comes to them through the broadcasts of actions taken by the politburos which they would otherwise not know . . . From my experience, even Stalin paid attention to public opinion within the Soviet Union. Evidence is clear that today Kremlin leaders must pay greater attention to their public opinion.

Mr. President, in contrast to Senator FULBRIGHT'S remark that Radio Liberty and Radio Free Europe "simply encourage dissident elements," I have tried to point out to you the much broader significance of these radios and the immense audiences which they reach. Let us not turn our backs on those people and permit Radio Liberty to be closed down through passage of Senator FULBRIGHT'S deceptive amendment.

I call for passage of S. 1914 without further amendment as reported to the floor by the Senate Foreign Relations Commmittee.

Mr. JAVITS. Mr. President, I yield myself 1 minute to say that the analysis of the Eisenhower Commission respecting the financing of the stations and the participation by the Government and individuals is so profound that I ask unanimous consent that all of section 6 of that report, entitled "Financing the Stations," be printed in the RECORD.

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

SECTION VI—FINANCING THE STATIONS

It was suggested in last year's hearings of the Senate Foreign Relations Committee that Western European nations should provide financial as well as moral support to Radio Free Europe and Radio Liberty. Some of the most concerned members of the United States Senate and House of Representatives with whom the Commission consulted reiterated this point, though a number had doubts whether substantial contributions could be obtained in the near future. Others had serious reservations regarding the feasibility and political consequences of outside participation.

UNITED STATES ROLE

From their inception, the moving force behind Radio Liberty and Radio Free Europe broadcasts has been American. Both stations were privately incorporated in the United States largely at the instigation of the United States Government. Basic broadcasting and operational policies have always been established by Americans occupying senior management positions, although former citizens from Eastern Europe (many of them today naturalized Americans) as well as citizens of a number of other European countries play important roles in the two stations. All direct financing of the stations has been American.

The United States Government has been decisive throughout in establishing and funding the stations. RFE has had some success in soliciting individual and corporate financial contributions but Radio Liberty has never engaged in active solicitation of private contributions. The United States Government has been the primary source of funds for both stations.

Since policies governing the broadcasts of the stations over the years have also been American, the substance and tone of broadcasts have moved broadly with the currents of United States relations with the governments of the area. RFE, particularly, has been able to draw on the vast reservoir of goodwill toward the United States that exists in most of the Eastern European countries, based upon emotional attachments relating to the liberating role of United States armies in the two World Wars and the waves of immigration in the late nineteenth and early twentieth centuries that gave millions of East Europeans "relatives in America." Thus, despite all the concentrated efforts by the Soviet Union and the other communist regimes in Eastern Europe to denigrate the United States, our government and our people probably remain the most respected "foreigners" among the peoples of those nations.

In sum, then, RFE and RL have been essentially American undertakings whose programming has been measured against United States interests. In recent years that has meant simply providing a free flow of information to the peoples in countries whose communist governments keep such information from them.

EUROPEAN SUPPORT

Seven European nations have long given their approbation and tangible and intangible support to the work of the two stations. The Federal Republic of Germany agreed to the establishment of the major centers of broadcasting operations of the two stations on its territory and has taken a positive attitude toward their continuation. On occasion the Bonn government has been under considerable pressure from communist governments but has steadfastly defended the presence of the stations on German territory. In this connection it should also be mentioned that the German government has been providing substantial material considerations to RIAS. Portugal, Spain, and the Government of the Republic of China have shown a highly sympathetic attitude in initially receiving and continuing to host station facilities on their territory, despite harsh criticisms by East European and the Soviet governments.

There have been other, more recent developments concerning possible broadening of European support. Three meetings of the West European Advisory Committee to Radio Free Europe were held during 1972, to consider the possibility of European financial assistance. At the meeting in Monaco in late

September, participants from a number of West European countries indicated their belief that private European financial participation could eventually be obtained, though not in amounts that would justify more than a modest reduction in United States appropriations.

Subsequently, at a meeting of the Consultative Assembly of the Council of Europe, composed of legislative representatives of the member countries, a motion to support the stations was referred to the Political Affairs Committee of the Council for further consideration. The North Atlantic Assembly in its November 1972 meeting in Bonn also discussed a supporting action for the stations but took no final action. Clearly, these developments reflect a reluctance by West European governments to consider financial aid to the stations, much as these governments recognize the valuable role played by their broadcasts.

In early November 1972 the Commission met with Dr. J. H. van Roijen, the new Chairman of the West European Advisory Committee on the Free Flow of Information (successor to the West European Advisory Committee to Radio Free Europe), during the Commission's visit to Munich. He felt that private and possibly some public funds contributing to station budgets could gradually be developed, but he was not optimistic that such funds would reach substantial proportions.

While leading European opinion is almost invariably laudatory, the Commission sees three major problems associated with broadening the base of support for *broadcast operations* to include Western European governments. First, financial contributions for *operations* of the stations would likely imply participation in management. This could lead to very difficult and cumbersome problems. Second, maintaining the professional independence of the stations is of prime importance and, while our Government is committed to this principle, there is no assurance that this concept would necessarily prevail were several countries and their parliaments involved in financing and control. Third, with many governments involved, overall policy on a host of specific issues would necessarily come to reflect the least common denominator of the opinions of the participating governments, with the result that the effectiveness of the radios would inevitably be impaired.

We believe, in sum, that multinational direction could well handicap the broadcasts and delay daily program decisions. Editing by coalition is self-defeating. Anyone who has edited a publication under multinational auspices knows the blandness that can result from diffuse and sometimes conflicting direction. The Commission believes, therefore, that Radio Free Europe and Radio Liberty, while respecting the sensitivities of other nations and soliciting their advice, should not be subjected to multigovernment control.

In its decision to recommend against seeking direct operating support for the radios from the governments of Western Europe, the Commission was acutely aware of the persuasive arguments advanced by some members of Congress calling upon the nations of Western Europe to share in the cost of programs which also serve their beliefs and from which they also benefit. This argument developed out of dissatisfaction with the proportion of Western European defense costs borne by American taxpayers. Its extension to cover other United States-supported programs where benefits accrue to the countries of Western Europe as well as to us appears to be both consistent and reasonable. In terms of this cost-sharing principle, a persuasive case can be made for partial funding of RFE and RL by the governments of Western Europe, particularly in light of the testimony of those governments on the high value they place on the research and broadcasting activities of the radios.

The conclusion of the Commission that it would be a mistake to involve European governments in contributing to the financing of the broadcast operations of the two radios does not constitute rejection of the principle of cost-sharing; it simply reflects the Commission's judgment that application of the principle with respect to RFE and RL would be inconsistent with good public policy, and that efforts to increase the share of European cost-sharing in programs benefitting Western Europe and receiving United States support should be directed toward those areas where joint management is appropriate and established (e.g., defense costs). Moreover, while the costs of financing the two radios is not inconsiderable, an appropriate Western European share of those costs would be relatively insignificant compared to a fractional increase in the share of defense costs borne by Western Europe. (The United States today expends some $16 billion annually on forces formally committed to NATO defense.)

There are nonetheless possibilities for financial help from Europe which would not present the disadvantages to which we have alluded and which we recommend should be vigorously pursued.

The West European Advisory Committee on the Free Flow of Information should be encouraged to broaden its scope and to seek contributions from private sources in West Europe. It would be unrealistic to expect major sums to be raised, at least in the next year or two, while the organization gears itself up to carry on a continuing campaign. Personal and corporate giving is relatively little practiced in Europe, and tax-exemption of gifts, even to charitable institutions, is not normally permitted.

There is one field, however, where European governments can and should be requested to help defray the costs of the stations. This would involve their paying for the research produced by the stations. This research output is excellent and unique, the work of eminent scholars. Help for research should be sought from European private and government sources alike and would not affect broadcast policies of the stations. The Commission recommends that the two radios create a Soviet and East European Research Organization to receive monies for this purpose.

PRIVATE CONTRIBUTIONS IN THE UNITED STATES

The Commission and the Directors and Trustees of Radio Free Europe and Radio Liberty are in full agreement that the future effectiveness of the radios will depend, as it has in the past, on their ability to function as independent organizations. We are convinced that this independence and professional integrity can best be assured for the future if the American business community and other private citizens accept an enlarged responsibility with the United States Government for the support of these organizations.

Such an effort can best be conducted by the radios themselves. The experience of RFE, which continues to raise appreciable funds from the private sector at reasonable cost, reinforces the conclusion that the radios themselves should carry on and, to the extent possible, broaden the present fund-raising program.

It is important, however, to note that fund raising for voluntary international activities in general is becoming relatively more difficult. Contributors are under pressure to give increasing priority to domestic projects and the solution of local and national problems concerning such matters as poverty, crime, discrimination, addiction and environmental pollution. This is entirely understandable. Yet we Americans cannot afford to allow our preoccupation with internal problems to obscure the necessity of dealing realistically with the rest of the world, and especially with the communist world. Both the public and the private support of these operations should be continued and strengthened.

We believe that for the foreseeable future the business-government partnership in this undertaking should focus on a capital fund drive designed to underwrite a long-overdue program for modernizing the technical equipment of these radios. RFE's and RL's signals are beginning to be drowned out, not only by communist jammers, but also by other broadcasters using more powerful transmitters on neighboring frequencies. Listeners are reporting that reception is getting worse.

We therefore 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 funds and calling upon the radios to conduct a campaign to raise a like amount from private citizens and the business community. The capital renewal program as estimated by the two radios calls for a basic investment of $30 million over a period three years. This estimate is subject to amendment, depending upon the results of the Commission's recommendation in Section V that there be an independent study of all United States international radio broadcasting facilities.

BUDGET REQUIREMENTS

The Commission dealt only tangentially with the question of appropriate budget levels for the stations. It is to be expected that some of the studies on economy and efficiency already undertaken by the stations at the instigation of the Commission will achieve some savings. In Section V, we recommend that the proposed Board for International Broadcasting undertake additional approaches.

We do not hold out much hope, however, that savings from these sources will be significant. The impact of inflation in Europe—and especially in Germany—is substantial. Recent cuts in resources available to the stations, largely caused by the devaluation of the dollar, have forced them to undertake economies, some of which could, in the long run, lead to decreased effectiveness.

Our only recommendation in this area, therefore, is that the United States Government not "nickel and dime" the stations to death. The purposes served by the stations are meritorious; they deserve to be adequately funded.

There is, however, another major potential expense to be taken into consideration. These are the liquidation costs for the two stations if the day comes when conditions in the Soviet Union and Eastern Europe change to such a degree as to permit a free interplay of information there and, consequently, the phasing out of RFE, and RL.

The stations have stringent legal obligations under the laws of the countries in which they operate encompassing severance pay, pension payments, etc. These obligations, if confronted today, are estimated by the stations to be more than $80 million.

Since their inception the stations have been funded largely by United States appropriated funds. We are convinced, therefore, that it is a moral obligation of the highest order for the United States Government to accept responsibility for the liquidation costs accruing to the stations. Although this contingency may not occur in the near future, the Commission feels strongly that such an obligation should be recognized and acknowledged now in the interests of the morale of the stations' employees and reassurance to the host governments.

Mr. JAVITS. Mr. President, I yield 7 minutes in opposition to the amendment

to my colleague from New York (Mr. BUCKLEY).

Mr. BUCKLEY. Mr. President, I want to thank my colleague for this time and also associate myself with his own remarks on this amendment.

Mr. President, Tuesday's New York Times, September 4, 1973, carried an article which may serve to illustrate what is really the issue in this debate. The headline reads as follows: "Soviet Berates U.S.-Aided Radio for Carrying Sakharov Charge." The story, written by New York Times Moscow Correspondent Theodore Shabad began this way:

The Soviet Government charges today that an American-financed radio station, beamed into the Soviet Union, was broadcasting statements by Andrei D. Sakharov, the physicist who has become a target of a major campaign of denunciation in the controlled press here.

The Government newspaper, Izvestia, in making the accusation, also reiterated that United States Government support for the 'subversive' station, Radio Liberty, was contrary to the trend toward a relaxation of international tension, as viewed from Moscow.

"Anti-Soviet statements by Academician Sakharov have been sounded dozens of times over Radio Liberty, Izvestia asserted.

The attack on Radio Liberty, as well as on its companion station, Radio Free Europe, appeared to be part of a hardened Soviet attitude toward Western demands for a freer flow of information.

* * * * *

Izvestia also complained that the two radio stations, which were formerly financed secretly by the Central Intelligence Agency, were now being supported openly by Congress with appropriations from the Federal budget.

Mr. President, it is a mystery to me why the United States should be asked to endanger the future of Radio Liberty and its companion Radio Free Europe by adopting the Fulbright amendment. The Soviet Union does not say that Radio Liberty is lying about or distorting the statements made by Andrei Sakharov. It merely states that Radio Liberty reported these remarks. It is easy to understand why a totalitarian nation may be upset by factual reporting to its people. But why any American should wish to cripple stations that carry such factual reports is totally puzzling.

What is at issue here is not whether the Soviet Union is pleased or displeased by Radio Liberty and Radio Free Europe. Pleasing the rulers of the Soviet Union is an art few have ever learned and those who have learned have regretted it. No, what is at issue is whether the United States in a true spirit of détente should fully and without reservation support the communication of ideas between peoples.

At the Conference on European Security and Cooperation held in Helsinki, last June, British Foreign Secretary Douglas-Home warned:

If our conference is to be about people, and about trust, then it is essential that we should do something to remove the barriers which inhibit the movement of people, the exchange of information and ideas . . . If we do not improve the life of ordinary people at this conference, we shall be asked, with justice, what all our fine words and diplomatic phrases have achieved.

Danish Foreign Minister Andersen said about the Western proposal for greater freedom of communication:

It pertains to the human dimension of international relations, . . . It is intended to make detente a living reality—and not just a lofty subject for congratulatory statements.

The leaders of Western Europe understand that only by encouraging true communication, a true flow of ideas across the Iron Curtain, can the conditions for long-term stability be established. The survival of Radio Free Europe and Radio Liberty is essential to this task. Let us not forget what the great Russian Nobel prize winning author, Alexander Solzhenitsyn, told us last year. He said that only by listening to Radio Liberty could he find out what was happening in his own country.

The stated positions of all participants at the Helsinki Foreign Ministers meeting were reported in detail by Radio Free Europe and Radio Liberty. By and large, the Soviet bloc communications media failed to report the emphasis placed on broader human contacts and a freer flow of information by most foreign ministers. They also treated as something the public "need not know" the contradictory and very restrictive approach taken by their own representatives. Radio Free Europe and Radio Liberty devoted much time and effort to detailed reporting of this central issue for the people of Eastern Europe.

I am hopeful that pressure on the Communist leaders by an informed public in the Soviet Union and East Europe will lead to real progress at the European Conference. If détente becomes a reality in the fullest sense, we will have Radio Free Europe and Radio Liberty, in important measure, to thank. For, Mr. President, that is what these radio stations are about: Making the free flow of information a reality.

I urge the rejection of the Fulbright amendment. It will kill Radio Free Europe and Radio Liberty; and with it, the hopes of brave men and women like Andrei Sakharov who are risking so much to restore a measure of freedom to their homelands.

Mr. JAVITS. Mr. President I yield myself 1 minute just to state for the record a factual point, that if this amendment should prevail, it would mean that the two radio stations would have to cut their operating expenses virtually in half right away and give notice of dismissal to half their personnel at least, because they are entitled to severance pay of almost 1 year. Eighty percent of their costs are for personnel. It is clear, therefore, that while I understand the thrust of the amendment and its purpose, it is simply not designed to continue what the rest of us seem to feel should be continued.

Mr. FULBRIGHT. Mr. President, I now yield to the distinguished Senator from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. I thank the able chairman of the Committee on Foreign Relations.

Yesterday, in effect, the President accused Congress of being irresponsible, financially. Not to support this amendment would appear to give some accuracy to his assertion.

For years, the activities of Radio Free Europe and Radio Liberty were defended on the grounds private industry was handling their cost.

When the chairman of the committee first brought this up, I felt he was wrong; if private industry was handling the matter, it should be continued even though it was obvious, that there was duplication of much of the USIA's work.

Later I found out that $9 out of every $10 put up for these two programs came from U.S. taxpayers. So this was largely a Federal program, not in any sense a private program. That is one aspect which worries me.

Another has to do with this purported détente between the United States and the Soviet Union, including this extraordinary recent grain deal, also the trip of the President to the People's Republic of China. If this new development is correct and right, and I believe it is, then why do we have programs which, in effect, attack the same countries with which we are attempting to reach a better agreement? Why it is necessary for us to continue with programs that criticize the very countries which, at the same time, we are attempting to achieve a beter relationship. We have here a dichotomy which is hard to understand.

After some years it would appear we have four kinds of Senators. The first vote for all the guns before any butter. As a result, especially because of the tragedy of the Vietnam war, there has been an increasing number who, in effect, vote for all butter before any guns.

There is a third group who vote for all the guns and all the butter, convinced nothing could happen to the good old U.S. dollar. Finally, there is a group who believe our resources are becoming increasingly limited; therefore, it is about time we devote less attention to the problems of the people of other countries and more attention to the problems of the people of the United States. I would hope to be classified in the latter category.

Some criticized us for some form of neoisolationism if we take this latter approach. To me this is obviously ridiculous, because a sound dollar and a sound economy are just as important to national security as the latest weapons system.

For these reasons, I would hope that the Senate as a whole would now show the President that on this matter we are financially responsible, that we will not continue to pour out money for programs of this character, programs which create this strange paradox in our foreign policy.

For such reasons I fully support, and have supported for several years, the position taken by the chairman of the committee as well as others. I hope this amendment will be adopted.

Mr. FULBRIGHT. Mr. President, I have just been handed a list of the names of the contributors, which was referred to a few moments ago in the debate, and a separate list with the amounts they gave. The list, including the amounts, is so voluminous, that I

think it would not be warranted to put it in the RECORD; but I do ask unanimous consent that the list of the contributors of more than $500 be printed in the RECORD, and anyone who is interested in the amounts they gave can come to the committee and see for himself.

Mr. AIKEN. With the understanding that permission was given last night to make it public.

Mr. FULBRIGHT. I note, in a cursory examination, that a great many large recipients of Government funds for other purposes, for military purposes, are among the contributors. I note very quickly such firms as Lockheed Corp., Northrop Corp Rockwell. Standard of California, the oil company, is a very large contributor. I am told that Mr. Frank Sinatra is a large contributor. also.

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

Mr. FULBRIGHT. I yield.

Mr. AIKEN. It is difficult for me to understand why these larger contributors did not want the public to know that they were making the contributions. I have been very insistent that they submit to the committee the fact that they made the contributions and the amount given. I think the people of this country are entitled to know who is supporting these foreign operations.

It seems to be a very complete list of contributors who gave more than $500 each, some of them much more than that. Their contribution is tax deductible in this country. There were no contributions, so far as I know, from European industry, because there would be no tax deductions. So, in all probability, most of the contributions from these large corporations and wealthy individuals could not cost them a very large part of the amount given, after they had taken their deductions.

Mr. FULBRIGHT. Mr. President, we requested these names before in hearings, and they refused to give them in public session. It is only yesterday, when still another request was made by the committee, that RFE agreed to supply a list on a nonconfidential basis. This was initiated by the Senator from Vermont and I compliment him.

I might note, that in a sense, these contributions are direct contributions from the Federal Government; because in the case of corporations, approximately one-half would have been paid in taxes. So that it is not all that private. Because it is deductible, it is just like a contribution from the Federal Government.

Mr. AIKEN. The Chairman, the Senator from Arkansas, knows perfectly well that had these same donors given the same large amounts to a charitable institution, they probably would have a 2-page spread in the larger newspapers and advertised the fact that they had made these contributions. Therefore, I could not understand why they were so unhappy at the prospect of making these contributions public.

Mr. FULBRIGHT. The Senator is correct. It is a very unusual situation. I believe one reason is that they knew—whereas the small contributors, the schoolchildren, did not know—that this was a CIA operation. The big corporations know this.

It is most unusual, under our system, that private corporations give donations to support an operation conducted by the CIA. It is a new development.

We apparently had the offer made by the ITT in the case of the Chilean CIA operation, when they offered to give a million dollars, or something in that neighborhood, if they would help overthrow the Government of Chile.

Most people react to that negatively. There was considerable criticism in the press that private corporations should contemplate contributing to the CIA operations in a foreign country. For all practical purposes it is the same; it is a private corporation contributing to a CIA operation to try to influence internal policies of a foreign government.

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

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. I have not seen this list before.

Mr. FULBRIGHT. We just received it today. We asked for it before.

Mr. SYMINGTON. I commend the able senior Senator from Vermont, and note that some of these people did not give these amounts; the American taxpayers gave it, because several of the companies in question have been bailed out by the American Government. This is opposite to what our free enterprise system is all about.

Have we the amounts?

Mr. FULBRIGHT. I have the amounts, but it is a voluminous list. I hesitate to make the RECORD so big. However, this is available to anyone who wishes to look at it.

Mr. SYMINGTON. I notice one contributor who has a reputation for heavy political contributions gave a large contribution, $7,500, large in Missouri, to my opponent in 1970. I mentioned this to another Senator, who thereupon said, "He contributed $500,000 to my opponent." That put me in my place.

This is an interesting list. Many of the names have been on other recent lists.

I hope the amounts are made a part of the RECORD.

Mr. FULBRIGHT. I have no objection. Perhaps it could be made a part of the RECORD. Perhaps the staff could put the amounts in without all of the accompanying information, and just give the name and the amount.

Mr. President, I ask unanimous consent that the amounts be included but I would like to have excluded all the information that is on here. There are all kinds of notations but I ask that it include just the amount given with the names. Some of these amounts are very large.

For instance, the Borg-Warner Corp. shows an amount of $15,500. The list includes the Bunker Ramo Corp. and Lockheed. The Senator mentioned about bailing it out.

Mr. SYMINGTON. I did not mention any names, only notice several companies on the list were bailed out by the Government when they could not swing it on their own finances.

Would it be possible to consider an amendment, inasmuch as we have a flourishing program under USIA, and to the best of my knowledge, after studying it, this is duplication, so these gentlemen with private interests could go ahead on their own without Government finances.

Mr. FULBRIGHT. I would be all for that. We tried that but we did not have the votes in the Senate. We have no objection to these companies if they want to carry it on, but when it is under the guise of CIA or as a Government operation it is deceptive.

The PRESIDING OFFICER. Is there objection to the request?

Mr. JAVITS. Mr. President, reserving the votes in the Senate. We have no objection—I just want to be sure it related to those who contributed over $500.

Mr. FULBRIGHT. I believe all of these are over that. All the ones I have seen are over $500.

Mr. JAVITS. If the Senator wants the others listed, it is fine with me.

Mr. FULBRIGHT. Many of the smaller ones were schoolchildren and others who were appealed to who did not know it was a CIA operation.

Mr. AIKEN. There were 467 contributors of more than $500 each and I was advised there are 39,500 of less than $500 each. I do not think their names are listed.

Mr. FULBRIGHT. No. Every name I have seen is over $500.

Mr. AIKEN. Those who gave $500 or more are listed there. Some of them are wealthy individuals; most are larger banks in some areas, foundations, and so forth, and that should be made public but I do not think the amounts of less than $500 should be.

Mr. SYMINGTON. Will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. I would ask the distinguished Senator from Vermont if these contributions were made in cash or in kind.

Mr. AIKEN. I have no idea, and I have no idea if the figures are accurate. They were submitted to me about 2 hours ago.

Mr. SYMINGTON. By whom?

Mr. AIKEN. By the staff of our committee, who obtained them from the FE organization. I believe Mr. Durkee is the President.

Mr. FULBRIGHT. I ask unanimous consent that the list, including a cover letter addressed to Mr. Ritch of the committee staff, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the name of the contributor and the amount in excess of $500 will be printed in the RECORD.

The material, ordered to be printed in the RECORD, is as follows:

RADIO FREE EUROPE,
September 5, 1973.

MR. JOHN RITCH,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR MR. RITCH: In response to your request of late afternoon today, I am having delivered to you by hand names of 467 contributors who have given $500 or more to Radio Free Europe in calendar years 1969, 1970, 1971, 1972. This list includes the dollar amount in the most recent calendar

year as well as the calendar year before, as well as the total number of contributions and total amount of all contributions since RFE was founded.

There is in addition a list of some 39,500 contributors of less than $500 who have contributed at any time during the same calendar years (1969–1972). This list can also be made available, and I would have provided it on this occasion had there been sufficient time.

You can understand that my previous reluctance in making public these lists and accompanying information arose not in any way out of a desire to withhold information. As I stated in a letter dated 16 July 1971 to the Chairman of the Committee on Foreign Relations, "we have not made public the names of contributors, as is the common practice of those who solicit and receive private contributions."

Because the observance of this custom has possibly been misunderstood, and noting the Report No. 93–356 of the Committee on Foreign Relations calling for the "full public disclosure of contributors", the Free Europe, Inc. Executive Committee has authorized me to make these records available for any purpose the Committee may wish, including publication. At the same time, I regret that the urgency of your request has not permitted me to ask our contributors' consent to the release of this data.

If the Committee intends publication of this material, I request that this letter of transmittal be included.

Sincerely.

WILLIAM P. DURKEE.

RADIO FREE EUROPE FUNDS RAISED

Calendar Year 1971, $1,459,027.76.

Calendar Year 1972, $1,102,532.65.

Calendar Year 1973 (as of Aug. 28), $375,886.00.

LIST I—$500 AND OVER CONTRIBUTORS IN 1969, 1970, 1971 AND/OR 1972

(Total contributions since RFE was founded)

ALABAMA

South Central Bell Telephone and Telegraph Company, 701 S. 20th Street, Birmingham, Alabama 35201, W. Cecil Bauer, President, $5,000.

CALIFORNIA

The Ahmanson Foundation, 3731 Wilshire Boulevard, Beverly Hills, California 90010, Robert M. DeKruif, Trustee, $800.

Ampex Corporation, 401 Broadway, Redwood City, California 94063, Arthur H. Hausman, President, $1,950.

Angelus Sanitary Can Machine Company, 4900 Pacific Boulevard, Los Angeles, California 90058, E. O. Lowell, President, $4,000.

Argonaut Charitable Foundation, 1206 Pacific Mutual Building, 523 West Sixth Street, Los Angeles, California 90014, Dr. Seeley W. Mudd, Trustee, $11,800.

AVCO Financial Services, Inc., 620 Newport Center Drive, Newport Beach, California 92660, Allan E. Weidman, Chairman, $500.

Avery Products Corp., 415 Huntington Drive, San Marino, California 91108, R. Stanton Avery, Chairman, $3,450.

Bechtel Corporation, Fifty Beale Street, San Francisco, California 94119, Stephen D. Bechtel, Jr., President, $11,700.

Broadway-Hale Stores, Inc., 600 S. Spring Street, Los Angeles, California 90014, Edward W. Carter, Chairman, $1,500.

Carnation Company, 5045 Wilshire Boulevard, Los Angeles, California 90036, H. Everett Olson, Chairman, $11,000.

The Clorox Company, 7901 Oakport Street, Oakland, California 94621, R. B. Shetterly, President, $500.

Crown Zellerbach Foundation, One Bush Street, San Francisco, California 94119, Richard G. Shephard, President, $147,500.

Dart Industries, Inc., 8480 Beverly Boulevard, Los Angeles, California 90054, Justin W. Dart, Chairman and President, $12,431.80.

Del Monte Corporation, 215 Fremont Street, San Francisco, California 94119, Alfred W. Eames, Jr., Chairman, $3,250.

Di Giorgio Corporation, One Maritime Plaza, San Francisco, California 94111, Robert Di Giorgio, Chairman, $4,250.

Walt Disney Productions, 500 South Buena Vista Street, Burbank, California 91505, Donn B. Tatum, Chairman, $3,450.

FMC Corporation, 1105 Coleman Avenue, San Jose, California 95110, Robert H. Malott, President, $15,700.

Mr. Leonard K. Firestone, Forty Fourth Floor, 515 South Flower Street, Los Angeles, California 90017, $750.

Foremost-McKesson, Inc., Crocker Plaza, One Post Street, San Francisco, California 94104, Rudolph J. Drews, Chairman, $15,000.

Mr. Stuart Haldorn, 26259 Atherton Drive, Carmel, California 93921, $700.

Harvey Aluminum, Inc., 19200 S. Western Avenue, Torrance, California 90509, George M. Bunker, Chairman, $2,000.

Earle M. Jorgensen Company, 10650 South Alameda Street, Los Angeles, California 90054, Earle M. Jorgensen, Chairman, $2,350.

Kaiser Industries Corporation, Kaiser Center, 300 Lakeside Drive, Oakland, California 94604, Edgar F. Kaiser, Chairman, $37,000.

The Honorable James S. Kemper, 141 Merito Place, Palm Springs, California 92262, $500.

Levi Strauss & Co., 98 Battery Street, San Francisco, California 94106, Walter A. Haas, Jr., Chairman, $9,000.

Litton Industries, Inc., 360 N. Crescent Drive, Beverly Hills, California 90210, Charles B. Thornton, Chairman, $6,300.

Lockheed Aircraft Corporation, 2555 Hollywood Way, Burbank, California 91503, A. Carl Kotchian, President, $9,250.

Longs Drug Stores, Inc., 141 N. Civic Drive, Walnut Creek, California 94596, Thomas J. Long, Chairman, $2,700.

Los Angeles Herald-Examiner, 1111 S. Broadway, Los Angeles, California 90015, George R. Hearst, Jr., Publisher, $17,000.

Marwais Steel Co., One Barrett Avenue, Richmond, California 94802, Marshall I. Wais, Sr., President, $1,000.

Norris Industries, Inc., 5215 South Boyle Avenue, Los Angeles, California 90058, Kenneth T. Norris, Jr., Chairman and President, $7,000.

Northrop Corporation, 1800 Century Park East, Los Angeles, California 90067, Thomas V. Jones, Chairman and President, $600.

Pacific Gas and Electric Company, 77 Beale Street, San Francisco, California 94106, Shermer L. Sibley, Chairman and CEO, $82,500.

Rockwell International Corp.–Aerospace Group, 1700 East Imperial Highway, El Segundo, California 90245, Willard F. Rockwell, Jr., Chairman, $4,500.

San Francisco Clearing House Association, 400 Sansome Street, San Francisco, California 94111, R. W. Schumacher, Secretary.

Security Pacific National Bank, 561 South Spring Street, Los Angeles, California 90013, Frederick G. Larkin, Jr., Chairman, $2,500.

Mr. Frank Sinatra, P.O. Box 00, Palm Springs, California 92262, $500.

Southern Pacific Transportation Company, One Market Street, San Francisco, California 94105, Benjamin F. Biaggini, President, $5,700.

Standard Oil Company of California, 225 Bush Street, San Francisco, California 94120, Otto N. Miller, Chairman, $725,000.

The TI Corporation of California, 433 South Spring Street, Los Angeles, California 90054, Ernest J. Loebbecke, Chairman, $7,250.

The Times Mirror Company, Times Mirror Square, Los Angeles, California 90053, Dr. Franklin D. Murphy, Chairman, $6,000.

Union Oil Company of California, Union Oil Center, Los Angeles, California 90017, Fred L. Hartley, President, $8,000.

WELfund, Inc., 152 North Almont Drive, Los Angeles, California 90048, William E. Lerner, President, $1,000.

Dean Witter & Co., 45 Montgomery Street, San Francisco, California 94104, William M. Witter, Chairman, $1,500.

COLORADO

Denver Clearing House Association, 820 Boston Building, Denver, Colorado 80202, William H. Eberhard, Secretary-Treasurer, $5,727.62.

Gates Ruber Company, 999 South Broadway, Denver, Colorado 80209, Charles C. Gates, Jr., Chairman and President, $8,000.

The Mountain States Telephone & Telegraph Company, 931–14th Street, Denver, Colorado, 80202, Robert K. Timothy, President, $7,300.

CONNECTICUT

American Can Company, American Lane, Greenwich, Connecticut 06830, William F. May, Chairman, $9,500.

Associated Spring Corporation, 18 Main Street, Bristol, Connecticut 06010, Carlyle F. Barnes, Chairman, $1,000.

Continental Oil Company, High Ridge Park, Stamford, Connecticut 06904, John G. McLean, Chairman, $34,000.

Heublein, Inc., 330 New Park Avenue, Hartford, Connecticut 06101, Stuart D. Watson, President, $6,500.

Olin Corporation, 120 Long Ridge Road, Stamford, Connecticut 06904, James F. Towey, Chairman and President, $54,500.

Publication Corporation, 35 Mason Street, Greenwich, Connecticut 06830, Jerome B. Fisher, Chairman, ———.

Timex Corporation, Waterbury, Connecticut 06720, Joakim Lehmkuhl, Chairman, $3,000.

United Aircraft Corporation, 400 Main Street, East Hartford, Connecticut 06108, Harry J. Gray, President, $26,000.

Dr. John U. White, Contentment Island, Darien, Connecticut 06820, $9,095.10.

Xerox Corporation, Stamford, Connecticut 06904, C. Peter McColough, Chairman, $6,950.

DELAWARE

Columbia Gas System Service Corporation, 20 Montchanin Road, Wilmington, Delaware 19807, John W. Partridge, Chairman, $11,000.

E. I. du Pont de Nemours & Company, Du Pont Building, Wilmington, Delaware 19898, Charles B. McCoy, Chairman and President, $910,000.

Mr. and Mrs. Bruce M. Donaldson, c/o Mr. L. F. Meehan, Delaware Trust Company, 900 Market Street, Wilmington, Delaware 19898, $500.

Mr. Reynolds du Pont, Room 1135, Wilmington Trust Building, Wilmington, Delaware 19801, $9,300.

Mr. Crawford H. Greenewalt, 9034 Du Pont Building, Wilmington, Delaware 19898, $2,450.

Hercules, Inc., 910 Market Street, Wilmington, Delaware 19899, John M. Martin, Chairman, $15,000.

DISTRICT OF COLUMBIA

AFL–CIO, 815 Sixteenth Street, N.W., Washington, D.C. 20006, George Meany, President, $7,500.

Chesapeake & Potomac Telephone Co., 930 H Street, N.W., Washington, D.C. 20001, Thomas E. Bolger, President, $500.

Howard P. Foley Company, 2020 Eye Street, N.W., Washington, D.C. 20006, Bancroft T. Foley, Jr., President, $500.

Riggs National Bank of Washington, D.C., 1503 Pennsylvania Avenue, N.W., Washington, D.C. 20005, L. A. Jennings, Chairman, $6,500.

Steuart Petroleum Company, 4646–40th Street, N.W., Washington, D.C. 20016, Curtis S. Steuart, Chairman, $1,000.

WRC–WRC–TV, 4001 Nebraska Avenue, Washington, D.C. 20016, Tom E. Paro, Vice President, $2,000.

FLORIDA

The Raymond E. and Ellen F. Crane Foundation, 1205 First National Bank Building, Miami, Florida 33131, Radford R. Crane, Trustee, $5,000.

Florida Federation of Women's Clubs, 602 E. Orange Street, Lakeland, Florida 33801, $2,365.37.

Ryder System, Inc., 2701 South Bayshore Drive, Miami, Florida 33133, Mr. James A. Ryder, Chairman, $1,000.

Southern Bell Telephone & Telegraph Co., P.O. Box 390, Jacksonville, Florida, 32201, J. M. Brown, Vice President, $6,900.

Storer Broadcasting Company, 1177 Kane Corcourse, Miami Beach, Florida 33154, George B. Storer, Chairman, $8,050.

Wellman-Lord, Inc., Lakeland, Florida, Mr. James M. Wellman, $500.

GEORGIA

E. T. Barwick Industries, Inc., 5025 New Peachtree Road, Chamblee, Georgia 30341, Mr. Eugene T. Barwick, Chairman and President, $6,000.

The Coca-Cola Company, 310 North Avenue, N.W., Atlanta, Georgia 30313, J. Paul Austin, Chairman, $18,500.

First National Bank of Atlanta, P.O. Box 4148, Atlanta, Georgia 30302, Edward D. Smith, Chairman, $9,800.

Southern Bell Telephone & Telegraph Company, Hurt Building, 45 Edgewood Avenue, S.E., Atlanta, Georgia 30303, L. Edmund Rast, President, $8,500.

West Point-Pepperell, Inc., 400 W. 10th Street, West Point, Georgia 31833, John P. Howland, President, $6,850.

HAWAII

Charles M. and Anna C. Cooke, Limited, 745 Fort Street, Suite 1212, Honolulu, Hawaii 96813, Richard A. Cooke, Jr., President, $500.

ILLINOIS

Allstate Insurance Company, Allstate Plaza, Northbrook, Illinois 60062, Archie R. Boe, Chairman, $8,550.

Bell and Howell Company, 7100 McCormick Road, Chicago, Illinois 60645, Donald N. Frey, Chairman and President, $6,400.

Borg-Warner Corporation, 200 South Michigan Avenue, Chicago, Illinois 60604, James F. Bere, President, $15,500.

Bunker Ramo Corporation, 900 Commerce Drive, Oak Brook, Illinois 60521, George S. Trimble, President, $9,200.

CNA Foundation, 310 South Michigan Avenue, Chicago, Illinois 60604, David J. Christensen, Executive Director, $3,613.06.

Caterpillar Tractor Company, 100 N.E. Adams Street, Peoria, Illinois 61602, William H. Franklin, Chairman, $69,500.

The Ceco Corporation, 5601 West 26th Street, Chicago, Illinois 60650, Elmer T. Gustafson, Chairman, $6,300.

Chicago Bridge & Iron Company, 901 West 22nd Street, Oak Brook, Illinois 60521, Marvin G. Mitchell, Chairman and President, $2,600.

Consolidated Foods Corporation, 135 South La Salle Street, Chicago, Illinois 60603, William A. Buzick, Jr., Chairman, $4,700.

Container Corporation of America, One First National Plaza, Chicago, Illinois 60670, Henry G. Van der Eb, President, $21,000.

Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago, Illinois 60690, Donald M. Graham, Chairman, $20,000.

Controls Company of America, 9655 W. Soreng Avenue, Franklin Park, Illinois 60131, Donald M. Strathearn, President, $3,700.

Deere and Company, John Deere Road, Moline, Illinois 61265, William A. Hewitt, Chairman, $95,000.

A. B. Dick Company, 5700 West Touhy Avenue, Chicago, Illinois 60648, Albert B. Dick, III, Chairman, $6,200.

The First National Bank of Chicago, One First National Plaza, Chicago, Illinois 60670, Gaylord A. Freeman, Chairman, $13,750.

Edward Gray Corporation, 12233 Avenue "O", Chicago, Illinois 60633, Melvin Gray, President, $2,350.

Harris Trust and Savings Bank, 111 West Monroe Street, Chicago, Illinois 60690, William F. Murray, Chairman, $4,750.

Hart, Schaffner and Marx, 36 South Franklin Street, Chicago, Illinois 60606, John D. Gray, Chairman, $7,550.

Household Finance Corporation, Prudential Plaza, Chicago, Illinois 60601, Arthur E. Rasmussen, Jr., Chairman, $10,250.

Inland Steel Company, 30 West Monroe Street, Chicago, Illinois 60603, Frederick G. Jaicks, Chairman, $153,500.

Interlake, Inc., 310 S. Michigan Avenue, Chicago, Illinois 60604, Reynolds C. MacDonald, Chairman, $9,000.

International Harvester Company, 401 North Michigan Avenue, Chicago, Illinois 60611, Brooks McCormack, President, $320,000.

Jewel Companies, Inc., O'Hare Plaza, 5725 East River Road, Chicago, Illinois 60631, Donald S. Perkins, Chairman, $14,000.

Kraftco Corporation, Kraftco Court, Glenview, Illinois 60025, William O. Beers, Chairman, $34,500.

Robert R. McCormick Foundation, 435 N. Michigan Avenue, Chicago, Illinois 60611, Thomas R. Furlong, Executive Director, $12,500.

McGraw-Edison Company, 333 West River Road, Elgin, Illinois 60120, Edward J. Williams, President, $30,800.

Motorola, Inc., 9401 West Grand Avenue, Franklin Park, Illinois 60131, Robert W. Galvin, Chairman, $57,000.

The Northern Trust Company, 50 South La Salle Street, Chicago, Illinois 60690, Edward Byron Smith, Chairman, $7,100.

Northwestern Steel and Wire Company, Avenue B and Wallace Street, Sterling, Illinois 61081, Paul W. Dillon, Chairman, $6,700.

Pullman Incorporated, 200 South Michigan Avenue, Chicago, Illinois 60604, Samuel B. Casey, Jr., President, $60,000.

Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Illinois 60604, John S. Reed, Chairman and President, $109,500.

Sears, Roebuck and Co., 925 South Homan Avenue, Chicago, Illinois 60607, Arthur M. Wood, Chairman, $510,000.

Square D Company, Executive Plaza, Park Ridge, Illinois 60068, Mitchel P. Kartalia, President, $6,750.

Standard Oil Company (Indiana), 910 South Michigan Avenue, Chicago, Illinois 60605, John E. Swearingen, Chairman, $81,000.

W. Clement Stone Enterprises, 222 West Adams, Chicago, Illinois 60606, W. Clement Stone, $2,525.

United States Gypsum Company, 101 South Wacker Drive, Chicago, Illinois 60606, Graham J. Morgan, Chairman, $5,000.

Washington National Insurance Company, 1630 Chicago Avenue, Evanston, Illinois 60201, G. Preston Kendall, Chairman, $1,027.

Zenith Radio Corporation, 1900 N. Austin Avenue, Chicago, Illinois 60639, Joseph S. Wright, Chairman, $8,000.

INDIANA

American Legion Auxiliary, National Headquarters, 777 North Meridian Street, Indianapolis, Indiana 46204, Mrs. T. G. Chilton, National President, $4,000.

Essex International, Inc., 1601 Wall Street, Fort Wayne, Indiana 46804, Walter F. Probst, Chairman, $16,600.

Franklin Electric Company, Inc., 400 East Spring Street, Bluffton, Indiana 46714, Edward J. Schaefer, Chairman, $2,650.

Hillenbrand Industries, Inc., Highway 46, Batesville, Indiana 47006, Daniel A. Hillenbrand, President, $1,500.

Mr. Eli Lilly, 5807 Sunset Lane, Indianapolis, Indiana 46208, $1,000.

Eli Lilly and Company, 307 E. McCarty Street, Indianapolis, Indiana 46206, Richard D. Wood, Chairman, $182,500.

Mrs. Marguerite L. Noyes, 5625 Sunset Lane, Indianapolis, Indiana 46208, $3,700.

KANSAS

Beech Aircraft Corporation, 9709 East Central Avenue, Wichita, Kansas 67201, Mrs. Olive Ann Beech, Chairman, $4,500.

KENTUCKY

Texas Gas Transmission Corporation, 3800 Frederica Street, Owensboro, Kentucky 42301, William M. Elmer, Chairman, $600.

LOUISIANA

Glazer Steel Corporation, 1556 Tchoupitoulas Street, New Orleans, Louisiana 70130, Jerome S. Glazer, President, $1,000.

"Help for Others," New Orleans Public Schools, 703 Carondelet Street, New Orleans, Louisiana 70130, $2,941.

Ingram Corp., 2800 International Trade Mart Building, New Orleans, Louisiana 70130, Mr. Frederic B. Ingram, Chairman, $1,000.

The Times-Picayune Publishing Corp., 3800 Howard Avenue, New Orleans, Louisiana 70140, Ashton Phelps, President and Publisher, $4,500.

MARYLAND

The Black and Decker Manufacturing Company, 701 East Joppa Road, Towson, Maryland 21204, Alonzo G. Decker, Jr., Chairman, $5,500.

Mr. George H. C. Arrowsmith, Old Dover & Byerly Roads, Upperco, Maryland 21155, $4,000.

The H. Barksdale Brown Charitable Trust, Grofton Shop Road, Belair, Maryland 21014, Mr. H. Barksdale Brown, Trustee, $10,200.

Commercial Credit Company, 300 St. Paul Place, Baltimore, Maryland 21202, Donald S. Jones, President, $9,200.

Fidelity and Deposit Company of Maryland, Charles and Lexington, Baltimore, Maryland 21201, Julian S. Neal, President, $9,000.

United States Fidelity and Guaranty Company, Calvert and Redwood Streets, Baltimore, Maryland 21203, William Gragg, Chairman and President, $8,518.71.

MASSACHUSETTS

The Boston Globe, 135 Wm. T. Morrissey Boulevard, Boston, Massachusetts 02107, Willian Davis Taylor, Publisher, $5,000.

Dennison Manufacturing Company, 300 Howard Street, Framingham, Massachusetts 01701, Philip B. Hamilton, Chairman, $7,500.

Fidelity Management & Research Company, 35 Congress Street, Boston, Massachusetts 02109, Edward C. Johnson 2d, Chairman, $5,250.

The First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110, Richard D. Hill, Chairman, $7,000.

General Cinema Corporation, 500 Boylston Street, Boston, Massachusetts 02116, Richard A. Smith, Chairman and President, $1,500.

The Gillette Company, Prudential Tower Building, Boston, Massachusetts 02199, Vincent C. Ziegler, Chairman, $40,000.

John Hancock Mutual Life Insurance Co., 200 Berkeley Street, Boston, Massachusetts 02117, Gerhard D. Bleicken, Chairman, $30,200.

The Gilbert H. Hood Memorial Fund, Six Everett Avenue, Winchester, Massachusetts 01890, Gilbert H. Hood, Jr., Managing Trustee, $4,500.

Mr. Edward C. Johnson 2d, 35 Congress Street, Room 1151, Boston, Massachusetts 02109, $4,200.

Mrs. R. G. Kennelly, 20 North Russell Street, Milton, Massachusetts 02187, $750.

Stanley Home Products, Inc., 333 Western Avenue, Westfield, Massachusetts 01085, Homer G. Perkins, President, $2,000.

State Mutual Life Assurance Company of America, 440 Lincoln Street, Worcester, Massachusetts 01605, W. Douglas Bell, Chairman, $4,500.

Mr. Robert G. Stone, 28 State Street—Suite 3800, Boston, Massachusetts 02109, $7,500.

Mr. James J. Storrow, P.O. Box 1647, Boston, Massachusetts 02105, $9,084.29.

USM Corp., 140 Federal Street, Boston, Massachusetts 02107, William S. Brewster, Chairman, $6,450.

MICHIGAN

Allen Industries, Inc., 17515 W. Nine Mile Road, Southfield, Michigan 48015, Robert D. Kemp, President, $7,525.

Alma Products Company, 2000 Michigan Avenue, Alma, Michigan 48801, Emmet E. Tracy, President, $6,250.

American Motors Corporation, 14250 Plymouth Road, Detroit, Michigan 48232, Roy D. Chapin, Jr., Chairman, $8,900.

The Bendix Corporation, Bendix Center, Southfield, Michigan 48075, W. Michael Blumenthal, Chairman and President, $60,500.

The Budd Company, 12141 Charlevoix Avenue, Detroit, Michigan 48215, Gilbert F. Richards, President, $13,950.

Bundy Corporation, 333 West Fort Street, Detroit, Michigan 48226, Wendell W. Anderson, Jr., Chairman and President, $22,500.

Leo Burnett Company of Michigan, Inc., 26555 Evergreen Road, Southfield, Michigan 48076, Sheldon Moyer, President, $7,750.

Burroughs Corporation, Burroughs Place, Detroit, Michigan 48232, Ray W. Macdonald, President, $10,650.

Chrysler Corporation, 341 Massachusetts Avenue, Detroit, Michigan 48231, Lynn A. Townsend, Chairman, $549,000.

Clark Equipment Company, 324 East Dewey Avenue, Buchanan, Michigan 49107, Bert E. Phillips, President, $12,750.

Consumers Power Company, 212 West Michigan Avenue, Jackson, Michigan 49201, Alphonse H. Aymond, Chairman and President, $2,000.

Detroit Bank and Trust Company, 211 West Fort Street, Detroit, Michigan 48231, C. Boyd Stockmeyer, President, $8,550.

The Detroit Edison Company, 2000 Second Avenue, Detroit, Michigan 48226, William G. Meese, President, $115,000.

Detroit Gasket and Manufacturing Company, 21800 Greenfield Road, Detroit, Michigan, 48237, John R. Nyland, President, $8,750.

Ex-Cell-O Corporation, P.O. Box 386, Detroit, Michigan 48232, Edward J. Giblin, President, $7,275.

Wederal-Mogul Corporation, P.O. Box 1966, Detroit, Michigan 48235, Samuel E. MacArthur, Chairman, $6,750.

Benson & Edith Ford Fund, 2600 Buhl Building, Detroit, Michigan 48226, John C. Gibbs, Treasurer, $40,000.

Eleanor Clay Ford Fund, 2600 Buhl Building, Detroit, Michigan 48226, John C. Gibbs, Treasurer, $19,000.

The Henry Ford II Fund, 2600 Buhl Building, Detroit, Michigan 48226, John C. Gibbs, Treasurer, $72,500.

Ford Motor Company, The American Road, Dearborn, Michigan 48121, Henry Ford II, Chairman, $1,855,000.

Walter & Josephine Ford Fund, 2600 Buhl Building, Detroit, Michigan 48226, John C. Gibbs, Treasurer, $17,000.

William and Martha Ford Fund, 2600 Buhl Building, Detroit, Michigan 48226, John C. Gibbs, Treasurer, $12,500.

Fruehauf Corporation, 10900 Harper Avenue, Detroit, Michigan 48213, William E. Grace, Chairman, $5,000.

General Motors Corporation, General Motors Building, Detroit, Michigan 48202, Richard C. Gerstenberg, Chairman, $1,540,000.

Harlan Electric Company, 24000 Telegraph Road, Southfield, Michigan 48075, John M. Harlan, President, $2,450.

The J. L. Hudson Company, 1206 Woodward Avenue, Detroit, Michigan 48226, Joseph L. Hudson, Jr., Chairman, $6,000.

The Hurst Foundation, 5500 Browns Lake Road, Jackson, Michigan 49203, Ronald F. Hurst, Trustee, $1,000.

Kellogg Company, 235 Porter Street, Battle Creek, Michigan 49016, Joseph E. Lonning, President, $19,500.

Lear Siegler, Inc., Fabricated Products Group, 877 South Adams, Birmingham, Michigan 48011, John C. Peppler, Group Vice President, $3,200.

Edward C. Levy Company, 8800 Dix Avenue, Detroit, Michigan 48209, Edward C. Levy, Sr., Chairman, $5,650.

Lindell Drop Forge Company, South Logan Blvd. & N.Y.C.R.R., Lansing, Michigan 48903, Walter E. Lindell, President, $25,500.

Manufacturers National Bank of Detroit, 151 West Forest Street, Detroit, Michigan 48226, Dean E. Richardson, President, $6,350.

McLouth Steel Corporation, 300 South Livernois Avenue, Detroit, Michigan 48209, Thomas J. Johnson, Chairman, $35,000.

Michigan Consolidated Gas Company, One Woodward Avenue, Detroit, Michigan 48226, Wilber H. Mack, Chairman, $4,250.

Monroe Auto Equipment Company, 1426 East First Street, Monroe, Michigan 48161, Charles S. McIntyre, President, $9,000.

Charles Stewart Mott Foundation, 500 Mott Foundation Building, Flint, Michigan 48502, C. S. Harding Mott, President, $3,000.

Muskegon Paper Box Company, 1801 Keating Avenue, Muskegon, Michigan 49442, N. A. George, President, $700.

National Bank of Detroit, 611 Woodward, Detroit, Michigan 48232, Robert M. Surdam, Chairman, $16,250.

Ransom Fidelity Company, 1000 Michigan National Tower, Lansing, Michigan 48933, J. Woodward Roe, President, $2,150.

Mr. James M. Roche, 425 Dunston Road, Bloomfield Hills, Michigan 48013, $4,108.22.

Rockwell International Corp.—Automotive Group, 1000 W. Maple Road, Troy, Michigan 48084, Stephen J. Tompkins, President, $11,-800.

The Shaw-Walker Company, 921 West Western Avenue, Muskegon, Michigan 49443, Shaw Walker, President, $3,000.

Walbridge Aldinger Company, 19101 West Davison Avenue, Detroit, Michigan 48223, John Rakolta, President, $1,500.

Hiram Walker and Sons, Inc., 8325 Jefferson East, Detroit, Michigan 48214, H. Clifford Hatch, President, $12,200.

Whirlpool Corporation, Lake Shore & Monte Road, Benton Harbor, Michigan 49022, John H. Platts, Chairman and President, $23,-650.

MINNESOTA

F. A. Bean Foundation, Inc., 1200 Investors Building, Minneapolis, Minnesota 55402, Atherton Bean, President, $36,000.

Bemis Company, Inc., 800 Northstar Center, Minneapolis, Minnesota 55402, Judson Bemis, Chairman, $5,150.

The First National Bank of St. Paul, 332 Minnesota Street, St. Paul, Minnesota 55101, Philip H. Nason, Chairman, $7,250.

General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minnesota 55440, James P. McFarland, Chairman, $22,500.

International Multifoods Corp., 1200 Investors Building, Minneapolis, Minnesota 55402, William G. Phillips, Chairman and President, $11,000.

Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minnesota 55402, Charles R. Orem, President, $5,100.

Minnesota Mining and Manufacturing Company, 3 M Center, St. Paul, Minnesota 55101, Harry Heltzer, Chairman, $12,000.

Ordway Trust, 1207 Pioneer Building, St. Paul, Minnesota 55101, Richard Ordway, $500.

I. A. O'Shaughnessy Foundation, Inc., W-3072 First National Bank Building, St. Paul, Minnesota 55101, I. A. O'Shaughnessy, President, $8,000.

Owen Family Fund, 515 National Building, 527 Second Avenue South, Minneapolis, Minnesota 55402, Robert A. Owen, President, $1,000.

Pillsbury Company, 608 2nd Avenue S., Minneapolis, Minnesota 55402, William H. Spoor, Chairman, $9,500.

WCCO Radio-Television, 50 South 9th Street, Minneapolis, Minnesota 55402, Robert Ridder, Chairman, $4,000.

MISSOURI

Anheuser-Busch, Inc., 721 Pestalozzi Street, St. Louis, Missouri 63118, August A. Busch, Jr., Chairman, $4,750.

General Dynamics Corporation, The Pierre Laclede Center, St. Louis, Missouri 63105, David S. Lewis, Chairman, $57,000.

Hallmark Cards, Inc., 2501 McGee Trafficway, Kansas City, Missouri 64141, Donald J. Hall, President, $8,800.

May Department Stores Company, 601 Olive Street, St. Louis, Missouri 63101, Stanley J. Goodman, Chairman, $12,000.

Monsanto Company, 800 North Lindbergh Boulevard, St. Louis, Missouri 63166, John W. Hanley, President, $58,000.

St. Louis Clearing House Association, 412 St. Charles Street, St. Louis, Missouri 63102, Miss Rosina M. Huck, Manager, $6,844.

The Seven-Up Company, 121 South Meramec Avenue, St. Louis, Missouri 63105, Ben H. Wells, President, $3,000.

NEBRASKA

Mutual of Omaha Insurance Company, Dodge at 33rd Street, Omaha, Nebraska 68131, V. J. Skutt, Chairman, $6,200.

NEW JERSEY

American Cynanamid Company, 859 Berdan Avenue, Wayne, New Jersey 07470, Clifford D. Siverd, Chairman, $49,600.

Campbell Soup Company, Campbell Place, Camden, New Jersey 08101, Harold A. Shaub, President, $231,000.

Fidelity Union Trust Company, 765 Broad Street, Newark, New Jersey 07102, C. Malcolm Davis, Chairman, $2,450.

Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, New Jersey 07110, Robert B. Clark, President, $5,750.

Ingersoll-Rand Company, 200 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07675, William L. Wearly, Chairman, $5,075.

Johnson and Johnson, 501 George Street, New Brunswick, New Jersey 08903, Richard B. Sellers, Chairman, $12,500.

Mr. C. Frank Kireker, Jr., 259 Gardner Road, Ridgewood, New Jersey 07450, $2,625.78.

F. M. Kirby Foundation, Inc., 17 De Hart Street, Morristown, New Jersey 07960, F. M. Kirby, President, $12,350.

Thomas J. Lipton, Inc., 800 Sylvan Avenue, Englewood Cliffs, New Jersey 07632, W. Gardner Barker, President, $8,750.

Merck and Company, Inc., 126 East Lincoln Avenue, Rahway, New Jersey 07065, Henry W. Gadsden, Chairman, $20,500.

Mr. Morris M. Messing, Oxy Metal Finishing Group, 75 River Road, Nutley, New Jersey 07110, $500.

Mutual Benefit Life Insurance Company, 520 Broad Street, Newark, New Jersey 07101, Robert V. Van Fossan, President, $7,500.

New Jersey Manufacturers Insurance Company, Sullivan Way, Trenton, New Jersey 08607, Vincent E. Hoyer, President, $12,000.

Public Service Electric and Gas Company, 80 Park Place, Newark, New Jersey 07101, Edward R. Eberle, Chairman, $13,100.

NEW YORK

A C F Industries, Inc., 750 Third Avenue, New York, New York 10017, John F. Burditt, Chairman, $47,000.

A M F Incorporated, 777 Westchester Avenue, White Plains, New York 10604, Rodney C. Gott, Chairman and President, $15,300.

Abex Corporation, 530 Fifth Avenue, New York, New York 10036, N. George Belury, President, $17,500.

Allied Chemical Corporation, 1411 Broadway, New York, New York 10018, John T. Connor, Chairman, $82,029.55.

American Brands, Inc., 245 Park Avenue, New York New York 10017, Robert K. Heimann, Chairman and President, $78,500.

American Express Company, 65 Broadway, New York, New York 10004, Howard L. Clark, Chairman, $2,750.

American Metal Climax, Inc., 1270 Avenue of the Americas, New York, New York 10020, Ian K. MacGregor, Chairman, $7,000.

American Smelting and Refining Company, 120 Broadway, New York, New York 10005, Charles F. Barber, Chairman, $12,000.

American Telephone and Telegraph Com-

pany, 195 Broadway, New York, New York 10007, John D. deButts, Chairman, $777,000.

The Anaconda Company, 25 Broadway, New York, New York 10004, John B. M. Place, Chairman and President, $72,000.

Atlantic Richfield Company, 717 Fifth Avenue, New York, New York 10022, Robert O. Anderson, Chairman, $89,550.

Avon Products, Inc., 9 West 57th Street, New York, New York 10019, Fred G. Fusee, Vice Chairman, $7,000.

The Bank of New York, 48 Wall Street, New York, New York 10015, Elliott Averett, President, $18,500.

Bankers Trust Company, 280 Park Avenue, New York, New York 10017, William H. Moore, Chairman, $77,500.

Barber Oil Corporation, 30 Rockefeller Plaza, New York, New York 10020, C. Marks Hinton, President, $7,000.

Batten, Barton, Durstine & Osborn, Inc., 383 Madison Avenue, New York, New York 10017, Thomas C. Dillon, President, $21,400.

Bristol-Myers Company, 345 Park Avenue, New York, New York 10022, Richard L. Gelb, President, $7,400.

Carrier Corporation, Carrier Tower, Syracuse, New York 13201, Melvin C. Holm, Chairman, $8,500.

Carter-Wallace, Inc., 767 Fifth Avenue, New York, New York 10022, Kirby Peake, Chairman, $6,000.

Champion International Corp., 777 Third Avenue, New York, New York 10017, Thomas F. Willers, Chairman and President, $11,025.

The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, New York 10015, David Rockefeller, Chairman, $180,000.

Chemical Bank, 20 Pine Street, New York, New York 10005, William S. Renchard, Chairman, $102,500.

Cities Service Company, 60 Wall Street, New York, New York 10005, Robert V. Sellers, Chairman, $85,000.

The Clark Foundation, 30 Wall Street, New York, New York 10005, Stephen C. Clark, Jr., President, $14,000.

Colgate-Palmolive Company, 300 Park Avenue, New York, New York 10022, David R. Foster, President, $21,100.

Columbia Broadcasting System, Inc., 51 West 52nd Street, New York, New York 10019, Dr. Frank Stanton, Vice-Chairman, $175,000.

Continental Can Company, Inc., 633 Third Avenue, New York, New York 10017, Robert S. Hatfield, Chairman and President, $17,-750.

Corning Glass Works, Corning, New York 14830, Amory Houghton, Jr., Chairman, $16,-000.

Corporation Trust Company, 277 Park Avenue, New York, New York 10017, Oakleigh L. Thorne, Chairman, $5,500.

Dancer-Fitzgerald-Sample, Inc., 347 Madison Avenue, New York, New York 10017, Stuart B. Upson, President, $6,000.

Dow Jones and Company, Inc., 22 Cortlandt Street, New York, New York 10007, William F. Kerby, Chairman, $5,500.

Dun and Bradstreet, Inc., 99 Church Street, New York, New York 10007, Hamilton B. Mitchell, Chairman, $10,000.

Mr. Duncan C. Dusenbury, 17 Maple Avenue, Portville, New York 14770, $1,000.

Eastman Kodak Company, 343 State Street, Rochester, New York 14650, Walter A. Fallon, President, $120,000.

Engelhard Minerals & Chemicals Corp., 299 Park Avenue, New York, New York 10017, Milton F. Rosenthal, President, $5,000.

Exxon Corp., 1251 Avenue of the Americas, New York, New York 10020, John Kenneth Jamieson, Chairman, $2,348,000.

The First Boston Corporation, 20 Exchange Place, New York, New York 10005, Emil J. Pattberg, Jr., Chairman, $10,000.

General Electric Company, 570 Lexington Avenue, New York, New York 10022, Reginald H. Jones, Chairman, $66,000.

General Foods Corporation, 250 North Street, White Plains, New York 10625, C. W. Cook, Chairman, $125,000.

General Telephone & Electronics Corporation, 730 Third Avenue, New York, New York 10017, Leslie H. Warner, Chairman.

Goldman, Sachs and Company, 55 Broad Street, New York, New York 10004, George E. Doty, $9,000.

Mr. E. Roland Harriman, Brown Brothers Harriman and Company, 59 Wall Street, New York, New York 10005, $8,500.

International Business Machines Corporation, Old Orchard Road, Amonk, New York 10504, Frank T. Cary, Chairman and President, $375,000.

International Flavors & Fragrances, Inc., 521 West 57th Street, New York, New York 10019, Henry G. Walter, Jr., Chairman, $3,700.

The International Nickel Company, One New York Plaza, New York, New York 10004, Kenneth A. De Longe, President, $85,000.

International Paper Company, 220 East 42nd Street, New York, New York 10017, Paul A. Gorman, Chairman and President, $75,000.

International Telephone and Telegraph Corp., 320 Park Avenue, New York, New York 10022, Harold S. Geneen, Chairman and President, $20,500.

Irving Trust Company, 1 Wall Street, New York, New York 10015, Gordon T. Wallis, Chairman, $57,500.

Johnson & Higgins, 95 Wall Street, New York, New York 10005, Richard I. Purnell, President, $6,250.

Kennecott Copper Corporation, 161 East 42nd Street, New York, New York 10017, Frank R. Milliken, President, $161,500.

L.A.W. Fund, Inc., "High Winds", Byram Lake Road, Mount Kisco, New York 10549, Mrs. Lila Acheson Wallace, President, $7,500.

Loeb Rhoades & Co., Incorporated, 42 Wall Street, New York, New York 10005, Mr. John L. Loeb, Chairman, $1,500.

Manufacturers Hanover Trust Company, 350 Park Avenue, New York, New York 10022, Gabriel Hauge, Chairman, $55,000.

Marine Midland Bank-New York, 140 Broadway, New York, New York 10015, John S. Lawson, President, $18,557.13.

Mrs. L. R. McCormick, Riveredge, Pulaski, New York 13142, $1,625.

Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, 165 Broadway, New York, New York 10006, Donald T. Regan, Chairman, $8,700.

Metropolitan Life Insurance Company, One Madison Avenue, New York, New York 10010, Richard R. Shinn, President, $73,500.

Mobil Oil Corporation, 150 East 42nd Street,, New York, New York 10017, Rawleigh Warner, Jr., Chairman, $515,000.

Morgan Guaranty Trust Co. of New York, 23 Wall Street, New York, New York 10015, Elimore C. Patterson, Chairman, $105,500.

NL Industries, Inc., 111 Broadway, New York, New York 10006, Edward R. Rowley, Chairman, $19,500.

N.V.W. c/o Milo Steel, Inc., 3 Washington Square, Larchmont, New York 10538, D. Langkemper, $4,000.

National Distillers and Chemical Corporation, 99 Park Avenue, New York, New York 10016, Drummond C. Bell, President, $11,500.

New York Life Insurance Company, 51 Madison Avenue, New York, New York 10010, R. Manning Brown, Jr., Chairman, $40,500.

Niagara Mohawk Power Corporation, 300 Erie Boulevard West, Syracuse, New York 13202, John G. Haehl, Jr., President, $6,000.

Pan American World Airways, Inc., Pan Am Building, New York, New York 10017, William T. Seawell, Chairman and President, $9,500.

Pfizer, Inc., 235 East 42nd Street, New York, New York 10017, Edmund T. Pratt, Jr., Chairman, $11,250.

RCA Corp., 30 Rockefeller Plaza, New York, New York 10020, Robert W. Sarnoff, Chairman, $120,500.

Reader's Digest Association, Inc., Pleantville, New York 10570, Hobart Lewis, Chairman, $39,500.

Rheem Manufacturing Company, 400 Park Avenue, New York, New York 10022, A. Lightfoot Walker, Chairman, $1,025.

Mr. David Rockefeller, Room 5600, 30 Rockefeller Plaza, New York, New York 10020, $47,066.89.

Mr. John D. Rockefeller 3rd, Room 5600, 30 Rockefeller Plaza, New York, New York 10020, $43,000.

Mr. Laurance S. Rockefeller, Room 5600, 30 Rockefeller Plaza, New York, New York 10020, $43,733.48.

The Honorable Nelson A. Rockefeller, Room 5600, 30 Rockefeller Plaza, New York, New York 10020, $43,998.96.

Joseph E. Seagram and Sons, Inc., 375 Park Avenue, New York, New York 10022, Jack Yogman, President, $9,000.

The Singer Company, 30 Rockefeller Plaza, New York, New York 10020, Donald P. Kircher, Chairman and President, $11,500.

Sperry and Hutchinson Company, 330 Madison Avenue, New York, New York 10017, William S. Beinecke, Chairman, $16,000.

Sperry Rand Corporation, 1290 Avenue of the Americas, New York, New York 10019, J. Paul Lyet, Chairman, $16,000.

Squibb Corporation, 460 Park Avenue, New York, New York 10022, Richard M. Furland, President, $1,000.

J. P. Stevens and Company, Inc., Stevens Tower, 1185 Avenue of the Americas, New York, New York 10036, James D. Finley, Chairman, $43,500.

Texaco, Inc., 135 East 42nd Street, New York, New York 10017, Maurice R. Granville, Chairman, $520,000.

J. Walter Thompson Company, 420 Lexington Avenue, New York, New York 10017, Dan Seymour, Chairman, $13,350.

Trans World Airlines, Inc., 605 Third Avenue, New York, New York 10016, Charles C. Tillinghast, Jr., Chairman, $3,250.

Union Carbide Corporation, 270 Park Avenue, New York, New York 10017, F. Perry Wilson, Chairman, $375,000.

Uniroyal, Inc., 1230 Avenue of the Americas, New York, New York 10020, George R. Vila, Chairman and President, $50,000.

U.S. Components, Inc., 1320 Zerega Avenue, Bronx, New York 10462, Boris A. Jackson, Chairman and President, $500.

DeWitt Wallace Fund, Inc., High Winds, Mount Kisco, New York 10549, DeWitt Wallace, President, $8,000.

NORTH CAROLINA

Burlington Industries, Inc., 301 North Eugene Street, Greensboro, North Carolina 27401, Charles F. Myers, Jr., Chairman, $6,650.

Lance, Incorporated, Pineville Road, Charlotte, North Carolina 28201, Philip Van Every, Chairman, $3,500.

R. J. Reynolds Industries, Inc., Main Street, Winston-Salem, North Carolina, 27102, Colin Stokes, Chairman, $81,800.

The Grace Richardson Fund, P. O. Box 20124, Greensboro, North Carolina 27420, H. Smith Richardson, Jr., Trustee, $500.

OHIO

Acme-Cleveland Corp., 170 East 131st Street, Cleveland, Ohio 44108, Arthur S. Armstrong, Chairman, $11,400.

Armco Steel Corporation, 703 Curtis Street, Middletown, Ohio 45042, C. William Verity, Jr., Chairman, $45,000.

The Austin Company, 3650 Mayfield Road, Cleveland, Ohio 44121, Allan S. Austin, Chairman, $1,000.

Basic Incorporated, 845 Hanna Building, Cleveland, Ohio 44115, Max Muller, President, $8,250.

Champion Spark Plug Company, 900 Uptown Avenue, Toledo, Ohio 43607, Robert A. Stranahan, Jr., Chairman and President, $16,600.

Cleveland-Cliffs Iron Company, 1460 Union Commerce Building, Cleveland, Ohio 44115, H. Stuart Harrison, President, $14,600.

The Cleveland Electric Illuminating Company, 55 Public Square, Cleveland, Ohio 44113, Karl H. Rudolph, President, $4,000.

Clevite Corporation, 17000 St. Clair Avenue, Cleveland, Ohio 44110, William T. Ylvisaker, Chairman, $12,500.

Dayton Power and Light Company, 25 North Main Street, Dayton, Ohio 45401, Robert B. Killen, Chairman and President, $7,300.

Mr. Gregory S. Devine (Greg-Stew), 11610 Harborview Drive, Cleveland, Ohio 44102, $750.

The East Ohio Gas Company, 1717 East Ninth Street Cleveland, Ohio 44114, G. J. Tankersley, President, $6,800.

Eaton Corporation, 100 Erieview Plaza, Cleveland, Ohio 44114, E. Mandell deWindt, Chairman (Del-Stew), $28,400.

Ernst and Ernst, 1300 Union Commerce Building Cleveland, Ohio 44115, Richart T. Baker, Managing Partner, $13,500.

Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202, Ralph Lazarus, Chairman, $24,000.

Ferro Corporation One Erieview Plaza, Cleveland, Ohio 44144, Harry T. Marks, Chairman, $17,250.

Mr. Raymond C. Firestone, Lauray Farms, Bath, Ohio 44210, $516.08.

The Firestone Tire & Rubber Company, 1200 Firestone Parkway, Akron, Ohio 44317, Raymond C. Firestone, Chairman, $628,000.

The General Tire & Rubber Company, One General Street, Akron, Ohio 44329, Michael G. O'Neil, President, $73,400.

The B. F. Goodrich Company 500 South Main Street, Akron, Ohio 44318, O. Pendleton Thomas, Chairman, $349,000.

Goodyear Tire and Rubber Company, 1144 E. Market Street Akron, Ohio 44316, Russell DeYoung, Chairman, $584,000.

The Hanna Mining Company, 100 Erieview Plaza, Cleveland, Ohio 44114, Gilbert W. Humphrey Chairman, $64,000.

Harris-Intertype Corporation, 55 Public Square, Cleveland, Ohio 44113, Richard B. Tullis, Chairman, $6,200.

Mr. George R. Herzog, 1571 Union Commerce Building, Cleveland, Ohio 44115, $2,500.

Libbey-Owens Ford Company, 811 Madison Avenue, Toledo, Ohio 43624, Robert G. Wingerter, President, $20,950.

Lincoln Electric Company, 22801 St. Clair Avenue, Cleveland, Ohio 44117, William Irrgang, Chairman, $8,500.

The Lubrizol Corporation, P.O. Box 3057, Cleveland, Ohio 44117, T. W. Mastin, President, $9,450.

Marathon Oil Company, 539 South Main Street, Findley, Ohio 45840, James C. Donnell II, Chairman, $19,000.

E. F. MacDonald Company, 129 S. Ludlow Street, Dayton, Ohio 45402, George C. Gilfillen, Jr., Chairman, $1,500.

Medusa Corporation, Monticello and Lee, Cleveland, Ohio 44101, Robert W. Fort, President, $8,000.

Midland-Ross Corporation, 55 Public Square, Cleveland, Ohio 44113, Harry J. Bolwell, President, $8,200.

The National Cash Register Company, Main and K Streets, Dayton, Ohio 45409, Robert S. Oelman, Chairman, $11,750.

Ohio Edison Company, 47 North Main Street, Akron, Ohio 44308, D. Bruce Mansfield, President, $8,500.

Owens-Corning Fiberglas Corporation, Fiberglas Tower, Toledo, Ohio 43659, William W. Boeschenstein, President, $34,500.

Owens-Illinois, Inc., P.O. Box 1035, Toledo, Ohio 43601, Edwin D. Dodd, President, $6,500.

Parker-Hannifin Corporation, 17325 Euclid Avenue, Cleveland, Ohio 44112, Patrick S. Parker, President, $5,500.

Pickands Mather & Co., 2000 Union Commerce Building, Cleveland, Ohio 44115, Robert S. Carey, President, $31,000.

Procter and Gamble Company, 301 East Sixth Street, Cincinnati, Ohio 45202, Howard J. Morgens, Chairman, $143,000.

Republic Steel Corporation, Republic Building, Cleveland, Ohio 44101, Willis B. Boyer, Chairman, $595,000.

The Sherwin-Williams Co., 101 Prospect Avenue, N.W., Cleveland, Ohio 44115, E. Colin Baldwin, Chairman, $15,000.

The Standard Oil Company (Ohio), Midland Building, Cleveland, Ohio 44115, Charles E. Spahr, Chairman, $68,000.

TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117, Horace A. Shepard, Chairman, $8,000.

Youngstown Sheet and Tube Company, 7655 Market Street, Youngstown, Ohio 44501, Frank A. Nemec, Chairman, $38,000.

OKLAHOMA

First National Bank and Trust Company of Tulsa, 15 East Fifth Street, Tulsa, Oklahoma 74193, Frank G. McClintock, Chairman, $5,000.

The Williams Companies, National Bank of Tulsa Building, Tulsa, Oklahoma 74103, Joseph H. Williams, President, $700.

OREGON

Pacific Power and Light Company, 920 S.W. Sixth Avenue, Portland, Oregon 97204, Donald C. Frisbee, Chairman, $8,800.

United States National Bank of Oregon, 321 S.W. Sixth Avenue, Portland, Oregon 97204, LeRoy B. Staver, Chairman, $4,250.

PENNSYLVANIA

Acme Markets, Inc., 124 15th Street, Philadelphia, Pennsylvania 19102, John R. Park, President, $13,000.

Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pennsylvania 18105, Leonard P. Pool, Chairman, $3,100.

Allegheny Ludlum Industries, Inc., Oliver Building, Pittsburgh, Pennsylvania 15222, Roger S. Ahlbrandt, Chairman, $92,500.

Aluminum Company of America, 1501 Alcoa Building, Pittsburgh, Pennsylvania 15219, John D. Harper, Chariman, $106,000.

The Annenberg Fund, Inc., 250 King of Prussia Road, P.O. Box 750, Radnor, Pennsylvania 19088, the Honorable Walter H. Annenberg, President, $18,000.

N. W. Ayer and Son, Inc., West Washington Square, Philadelphia, Pennsylvania 19106, Neal W. O'Connor, President, $12,900.

Bethlehem Steel Corporation, 701 East Third Street, Bethlehem, Pennsylvania 18016, Stewart S. Cort, Chairman, $441,500.

Mr. Fletcher L. Bryom, 1420 Centre Avenue, Pittsburgh, Pennsylvania, 15219, $515.57.

Mr. and Mrs. Ernest N. Calhoun, 211 Lingrove Place, Pittsburgh, Pennsylvania 15208, $500.

Carpenter Technology Corp., 101 West Bern Street, Reading, Pennsylvania 19601, Howard O. Beaver, Jr., President, $9,900.

First Pennsylvania Banking and Trust Co., 15th and Chestnut Streets, Philadelphia, Pennsylvania 19101 John R. Bunting, Jr., Chairman, $6,300.

Glencairn Foundation, Second Street Pike, Bryn Athyn, Pennsylvania 19009, Nathan Pitcarin, Treasurer, $17,000.

Gulf Oil Corporation, Gulf Building, Pittsburgh, Pennsylvania 15219, B. R. Dorsey, Chairman, $522,274.

Harbison-Walker Refractories Company, 2 Gateway Center, Pittsburgh, Pennsylvania 15222, Donald R. DeVeaux, President, $33,750.

H. J. Heinz Company, 1062 Progress Street, Pittsburgh, Pennsylvania 15230, R. Burt Gookin, President $22,000.

Insurance Company of North America, 1600 Arch Street, Philadelphia, Pennsylvania 19101, Frank E. Raab, Jr., President, $10,600.

Jones and Laughlin Steel Corporation, 3 Gateway Center, Pittsburgh, Pennsylvania 15230, William R. Roesch, Chairman and President, $61,300.

Mr. and Mrs. Robert S. Junge, 2660 Alnwick Road, Bryn Athyn, Pennsylvania 19009, $1,000.

Keystone Carbon Company, State Street, St. Marys' Pennsylvania 15857, Benedict R. Reuscher, Chairman and President, $11,000.

Koppers Company, Inc., Koppers Building, Pittsburgh, Pennsylvania 15219, Fletcher L. Byrom, Chairman $30,500.

Mellon National Bank and Trust Company, Mellon Square, Pittsburgh, Pennsylvania 15230, John A. Mayer, Chairman $43,500.

Richard King Mellon Charitable Trusts, 525 William Penn Place, Pittsburgh, Pennsylvania 15219, George H. Taber, Director, $175,000.

National Steel Corporation, 2800 Grant Building, Pittsburgh, Pennsylvania 15219, George A. Stinson, Chairman and President, $228,500.

PPG Industries, Inc., One Gateway Center, Pittsburgh, Pennsylvania 15222, Joseph A. Neubauer, President, $125,500.

Philadelphia Electric Company, 2301 Market Street, Philadelphia, Pennsylvania 19103, Robert F. Gilkeson, Chairman, $9,000.

Pittsburgh National Bank, Fifth Avenue & Wood Street, Pittsburgh, Pennsylvania 15222, Merle E. Gilliand, Chairman, $6,250.

H. K. Porter Company, Inc., Porter Building, Pitttsburgh, Pennsylvania 15219, Thomas M. Evans, Chairman, $7,300.

Provident National Bank, Broad and Chestnut Streets, Philadelphia, Pennsylvania 19101, William G. Foulke, Chairman, $1,400.

Smith, Kline, and French Laboratories, 1500 Spring Garden Street, Philadelphia, Pennsylvania 19130, Robert F. Dee, President, $14,250. 19130, Robert F. Dee, President, $14,250.

Sun Oil Company, 240 Radnor-Chester Road, St. Davids, Pennsylvania 19087, Robert G. Dunlop, Chairman, $26,750.

United States Steel Corporation, 600 Grant Street, Pittsburgh, Pennsylvania 15230, Edgar B. Speer, Chairman, $1,235,000.

Wean United, Inc., Three Gateway Center, Pittsburgh, Pennsylvania 15222, Raymond John Wean, Jr., President, $2,300.

Mr. Edward Welles, Jr., 28 West South Street, Wilkes-Barre, Pennsylvania 18602, $500.

Westinghouse Electric Corporation, Westinghouse Building, Gateway Center, Pittsburgh, Pennsylvania 15222, Donald C. Burnham, Chairman, $382,500.

Alan Wood Steel Company, P.O. Box 112, Conshohocken, Pennsylvania 19428, Harleston R. Wood, Chairman, $9,500.

SOUTH CAROLINA

Citizens and Southern National Bank of South Carolina, 46 Broad Street, Charleston, South Carolina 29401, J. Willis Cantey, Chairman, $8,500.

Daniel Construction Company, 1900 Daniel Building, Greenville, South Carolina 29602, R. Hugh Daniel, Chairman $8,000.

Graniteville Company, Graniteville, South Carolina 29829, Robert P. Timmerman, President, $8,100.

TENNESSEE

Memphis Clearing House Association, 514 Commerce Title Building, Memphis, Tennessee 38103, Lewis K. McKee, President, $7,200.

Provident Life and Accident Insurance Co., Fountain Square, Chattanooga, Tennessee 37402, Henry C. Unruh, Chairman, $3,800.

Mrs. Powell Smith, 5323 Lyons View Road, Knoxville, Tennessee 37919, $9,200.

TEXAS

Anderson, Clayton and Company, Tennessee Building, Houston, Texas 77002, Thomas James Barlow, President, $34,500.

Brown and Root, Inc., 4100 Clinton Drive, Houston, Texas 77020, Herbert J. Frensley, President, $7,200.

Cameron Iron Works, Inc., P.O. Box 1212, Houston, Texas 77001, $5,400.

Amon G. Carter Foundation, P.O. Box 1036, Fort Worth, Texas 76101, Amon G. Carter, Jr., President, $8,500.

Mr. W. H. Cocke, 2410 Bank of the Southwest Building, Houston, Texas 77002, $500.

The Trammell Crow Fund, Stemmons Tower South, Room 201, Dallas, Texas 75207, Trammell Crow, Director, ———.

Dallas Clearing House Association, 900

Fidelity Union Life Building, Dallas, Texas 75201, C. B. Peterson, Jr., President, $19,352.57.

Dallas Power and Light Company, 1506 Commerce Street, Dallas, Texas 75201, L. S. Turner, Jr., President, $9,400.

Dresser Industries, Inc., Republic National Bank Building, Dallas, Texas 75201, John V. James, President.

El Paso Clearing House Association, The State National Bank of El Paso, El Paso, Texas 79901, James H. Alcorn, Secretary-Treasurer, $2,306.25.

El Paso Natural Gas Company, P.O. Box 1492, El Paso, Texas 79978, Howard Boyd, Chairman, $18,300.

Mr. Ralph E. Fair, 715 Alamo National Building, San Antonio, Texas 78205, $500.

The William Stamps Farish Fund, Houston Natural Gas Building—Suite 220, Houston, Texas 77002, J. O. Winston, Jr., Vice President, $12,100.

Forest Oil Corporation, 1300 National Bank of Commerce Building, San Antonio, Texas 78205, Dale H. Dorn, Chairman, $2,000.

Frito-Lay, Inc., Frito-Lay Tower, Dallas, Texas 75235, Harold R. Lilley, President, $2,700.

General Dynamics Employes' Con-Trib Club, Inc., P.O. Box 748, Fort Worth, Texas 76101, R. E. Adams, President, $58,014.

Mr. W. R. Goddard, 9429 El Centro Drive, Dallas, Texas 75220, $500.

Halliburton Company, 3211 Southland Center, Dallas, Texas 75201, John P. Harbin, Chairman, $18,500.

Hudson Engineering Corporation, 5900 Hillcroft, Houston, Texas 77036, Edward J. Hudson, Chairman, $5,200.

King Ranch, Inc., Kleberg 1st National Bank Building, Kingsville, Texas 78363, Richard M. Kleberg, Jr., Chairman, $5,000.

The Law Foundation, P.O. Box 3348, Houston, Texas 77007, Theodore N. Law, President, $9,750.

Liddell, Sapp, Zivley & Brown, 510 Gulf Building, Houston, Texas 77002, Frank Liddell, $500.

Quintana Petroleum Corporation, P.O. Box 3331, Houston, Texas 77001, Corbin J. Robertson, Vice President, $32,100.

Republic National Bank of Dallas, Pacific, Ervay and Bryan Streets, Dallas, Texas 75201, James W. Aston, Chairman, $4,200.

Schlumberger Well Services, P.O. Box 2175, Houston, Texas 77001, L. E. Magne, President, $5,775.

Sigmor Distributing Service, Inc., P.O. Box 20267, San Antonio, Texas 78220, Tom E. Turner, President, $500.

Mr. R. E. Smith, 2316 Gulf Building, Houston, Texas 77002, $2,000.

Strake Foundation, 3300 Gulf Building, Houston, Texas 77002, George W. Strake, Jr., Vice President, $500.

Tenneco, Inc., Tennessee Building, Houston, Texas 77002, N. W. Freeman, Chairman, $1,000.

Texas Electric Service Company, 7th and Lamar Streets, Fort Worth, Texas 76102, Burl B. Hulsey, Jr., President, $9,750.

Texas Industries, Inc., 8100 Carpenter Freeway, Dallas, Texas 75247, Ralph B. Rogers, Chairman, $525.

Texas Instruments Incorporated, P.O. Box 5474, Dallas, Texas 75222, Mark Shepherd, Jr., President, $6,475.

Texas Power & Light Company, Fidelity Union Life Building, Dallas, Texas 75201, J. F. Skelton, President, $4,000.

Transcontinental Gas Pipe Line Corporation, 3100 Travis Street, Houston, Texas 77001. G. Montgomery Mitchell, President, $5,000.

Mr. Wesley West, 5650 Kirby Drive, Houston, Texas 77005, $500.

VIRGINIA

Ethyl Corporation, 330 South Fourth Street, Richmond, Virginia 23219, Floyd D. Gottwald, Jr., Chairman, $1,500.

Norfolk and Western Railway, 8 North Jefferson Street, Roanoke, Virginia 24011, John P. Fishwick, President, $3,900.

Reynolds Metals Company, Reynolds Metals Building, Richmond, Virginia 23261, Richard S. Reynolds, Jr., Chairman and President, $8,100.

United Virginia Bankshares, Inc., 900 East Main Street, Richmond, Virginia 23219, Kenneth A. Randall, President, $1,500.

WASHINGTON

The Boeing Company, 7755 East Marginal Way, Seattle, Washington 98124, Thornton A. Wilson, Chairman, $70,000.

Heath Tecna Corporation, 19819—84th Avenue South, Kent, Washington 98031, Carroll M. Martenson, President, $500.

Pacific Car & Foundry Co., Business Center Building, P.O. Box 1518, Bellevue, Washington 98009, Robert D. O'Brien, Chairman, $4,200.

Safeco Insurance Co. of America, Safeco Insurance Building, Seattle, Washington 98105, Gordon H. Sweany, President, $1,350.

Seattle-First National Bank, Post Office Box 3586, Seattle, Washington 98124, William M. Jenkins, Chairman, $7,750.

Weyerhaeuser Company, Tacoma Building, Tacoma, Washington 98401, George H. Weyerhaeuser, President, $49,500.

WISCONSIN

Allis-Chalmers Corp., 1126 South 70th Street, Milwaukee, Wisconsin 53201, David C. Scott, Chairman and President, $208,500.

Briggs and Stratton Corporation, 3300 N. 124th Street, Wauwatosa, Wisconsin 53201, Vincent R. Shiely, President, $16,000.

Cutler-Hammer, Inc., 4201 N. 27th Street, Milwaukee, Wisconsin 53216, Edmund B. Fitzgerald, Chairman, $21,000.

First Wisconsin National Bank of Milwaukee, 743 North Water Street, Milwaukee, Wisconsin 53202, George F. Kasten, Chairman, $8,400.

Harnischfeger Corporation, 4400 W. National Avenue, Milwaukee, Wisconsin 53246, Henry Harnischfeger, Chairman and President, $15,750.

S. C. Johnson and Son, Inc., 1525 Howe Street, Racine, Wisconsin 53403, Samuel C. Johnson, Chairman, $66,000.

Kimberly-Clark Corporation, North Lake Street, Neenah, Wisconsin 54956, Darwin E. Smith, Chairman, $8,500.

Oscar Mayer and Company, 910 Mayer Avenue, Madison, Wisconsin 53701, P. Goff Beach, President, $7,400.

Jos. Schlitz Brewing Company, 235 West Galena Street, Milwaukee, Wisconsin 53201, Robert A. Uihlein, Jr., Chairman and President, $15,500.

Western Publishing Company, 1220 Mound Avenue, Racine, Wisconsin 53404, Gerald J. Slade, Chairman and President, $29,500.

Mr. JAVITS. Mr. President, I yield myself 3 minutes so that I may reply to the two points raised.

First, regarding the contributions, I am in thorough agreement with the fact that they should be public and I hope the list will be made public.

Second, the point that these small contributors may not have known that this was CIA-backed in the main is the reason that the Senator from Illinois (Mr. PERCY) and the rest of us sponsored this legislation. We wanted it on the table and we wanted the contributors' names known.

As to the validity of the contributions that they contributed, I hope they contribute more. I think this is an extremely desirable activity and we should invite people and corporations to contribute. My guess is that we do not do enough of that. I see no objection to that. We always like people to contribute to things we like, and we do not like them to contribute to things we do not like. I do not feel contributors should feel criticized by those of us who are very much for this program.

On a much more profound point raised by my distinguished colleague from Missouri that we are by implication attending here to activities which are not activities of the people of the United States, that I cannot agree with. They are the activities of the people of the United States so long as we are spending $80 billion-plus a year for war. We have a right to spend $50 million if we think that is likely to reduce the chances of war. The record would not be complete if it did not show clearly that in the European Security Conference, because we think it is a great antedote to the danger of war and crushing the burden of armaments, we are trying to bring about an exchange of ideas. Our people are in back of that concept as far as the Communists are concerned. This I believe and other cosponsors believe is an enormous contribution toward that policy notwithstanding the Russian opposition to it and the opposition they engender in many other satellite countries.

Mr. President, I think that it is critically important to present our opinion that this is a program that, on a high cost-benefit ratio, is in the interest of the United States, and that is why we put it forward and support it.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. Mr. President, I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I am not sure if I understood the Senator from New York. I am interested in peace, but do not see how it promotes peace for us to use many expatriates from foreign countries, who often are not allowed to go home. We put up money for them to broadcast, attack, in their own language, governments in question. Our taxpayers have and are paying millions of dollars so the President of the United States can visit those governments in effort to obtain a better relationship between them and us.

It is a dichotomy, an absurdity, to continue to receive heavy private contributions from those who based on a superficial look at this list, often have heavy interests abroad.

I would hope we achieve normal relations with all countries, but it is incredible that at the same time we spend millions of dollars and advertise the fact we are getting better relationships, we put up tax money to attack those same countries; often by people who speak the language but are not allowed to go back to said countries.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

Mr. President, it is a dichotomy and it is a paradox, and that is this world. That is what this world is. It is a new world of dichotomies and paradoxes in which at one and the same time in the struggle we use all the weapons available, including these two radios, with the people with whom you seek to come to an agreement.

We have learned from hard experience that one of the ways we come to such an agreement is by this kind of weaponry. So I stand flatly and fully and affirmatively on this approach. Yes, it is a paradox, yes, it is a dichotomy, but it is this world, and we are living in this world, and we have to operate in it as best we can.

Mr. SYMINGTON. What the Senator from New York is saying is that—the best way to obtain better relationships with a country is to attack a government and the people who are running that government.

Mr. PERCY. Mr. President, I ask for 3 minutes.

In a final statement, I should simply like to indicate that the Soviet critics of continued broadcasting by Radio Liberty and Radio Free Europe would have us believe that broadcasting a nonofficial point of view into the Soviet Union and Eastern Europe is some sort of a crime. An article in Pravada has called it ideological sabotage. Izvestiya 2 days ago, in an effort to affect this debate, charged that Radio Liberty and I quote:

Has been spreading with particular zeal the fabrications of all kinds of moral freaks.

Then it identified three of these so-called moral freaks, the nuclear physicist Andrei Sakharov, the Nobel Prize-winning author Alexander Solzhenitsyn, and the writer Anatoli Kuznetsov, three of the most brilliant Soviet citizens of our time.

I submit that the fault is not with the broadcasters who are broadcasting a legitimate point of view, but with the jammers who seek to intercept foreign broadcasts and render them unintelligible to the people who wish to receive them.

On August 29, in an interview with correspondents of the Associated Press and the respected French newspaper Le Monde, Alexander Solzhenitsyn addressed himself to the question of jamming. Solzhenitsyn said:

What jamming of radio broadcasts means is impossible to explain to those who haven't experienced it themselves, who haven't lived under it for years. It means daily spittle into your ears and eyes, it is an offence and degradation of man to a robot's level . . . It means that grown persons are reduced to infants: swallow what your mother has already chewed for you.

Even the most benevolent broadcasts during the most friendly visits are jammed systematically: there must not be the slightest deviation in the evaluation of events, in the nuances, in the accents—everybody has to be informed about and remember an event 100 per cent the same way. And many world events must not be made known to our people at all.

Moscow and Leningrad have paradoxically become the most uninformed big cities in the world. The inhabitants ask people who come in from the countryside about news. There, because of cost (our population has to pay very dearly for these jamming services) the jamming is weaker.

But according to observations of people from various places, during the last month the jamming has been extended, has conquered new areas, has been intensified.

However, international information—the ideas, facts and human protests that slip through after all have an influence.

Solzhenitsyn and Sakharov in recent days have put their lives on the line in defense of the people's right to know, to think, to hear, to discuss, to be free to determine the truth for themselves.

This is what this debate is all about. Do we turn off these radios and leave the governments of Eastern Europe in total and absolute control of what is reported about their societies and how it is to be interpreted? Or do we say that the radios will continue to inform and create a marketplace of opinion in Eastern Europe?

The distinguished chairman of the Foreign Relations Committee speaks sincerely when he says that he fears continued broadcasting by these radios may hamper détente. But the whole movement of détente—the visits of heads of state between East and West, the many agreements and treaties, the increasing trade—have all been achieved while these radios were on the air. Rather than hampering détente, there is good reason to believe that the radios have encouraged détente by opening the cloistered lands to the advantages of cooperative ventures with the open societies of the West.

The distinguished chairman of the Foreign Relations Committee, as more than most men, knows the importance of an open society with freedom of speech and expression. For 7 years he had full access to the media in carrying forward his gallant and brilliant exposé of the folly of U.S. combat involvement in Vietnam. He helped lead a nation, first to question and then to dismiss, the official policy of three administrations on Vietnam. How can he now question or dismiss the cries of Soviet intellectuals for free speech and the free flow of information?

I respect the chairman, and he knows it. I respect him for his courage in speaking out on many issues when others are reticent. But on this issue I deeply believe that he is wrong. We must not turn our backs on those who risk their lives to speak out for the right to hear, to weigh and to hold a different point of view. Article 19 of the United Nations Declaration of Human Rights specifies the right "to receive and impart information and ideas through any media and regardless of frontier."

Soviet broadcasts are made many times each day to the people of the United States. Soviet books are published and sold here. Pro-Soviet newspapers are published in New York and throughout the Western world. We do not demand that the broadcasts be jammed, or the books withheld, or the newspapers closed. We do not say that the Soviet broadcasts or books or newspapers hamper detente. Why should we cripple Radio Liberty and Radio Free Europe for bringing another viewpoint to the peoples of the East?

Mr. SYMINGTON. Mr. President, may I ask the Senator from Illinois a question?

Mr. PERCY. I am very happy to respond to a question.

Mr. SYMINGTON. Would the Senator favor, on the basis of fairness and equal time, the Soviet Union consistently broadcasting attacks on our capitalistic system over here?

Mr. PERCY. As far as I know, they are broadcasting that all over the world.

Mr. SYMINGTON. Has the Senator ever heard such a broadcast, on radio or television?

Mr. PERCY. I have not heard it, because I do not have shortwave radio, and they cannot reach us with many programs because they do not have that many, but those who have shortwaves can get it.

I can assure the Senator, having been gone for a month, that I was starving for news and I listened to VOA. In reporting, VOA used veracity and validity in its news broadcasts, whether it was on the Vice President's problems or whether it was on the Watergate situation.

I have every reason to believe, because of the thorough audits that have been made by the Library of Congress and the Eisenhower Commission, that the cold war tactics of the early 1950's have been abandoned by Radio Liberty and Radio Free Europe. Many of the arguments that had been made on the floor would apply to those early days which for two decades have not existed in fact. That has been shown by every audit of Radio Free Europe and Radio Liberty.

Mr. SYMINGTON. I believe it is already in the RECORD, but would read again a short paragraph from a letter from someone who ran this program at one time. He said:

The U.S. Government has for years pursued a policy of evolution rather than liberation towards Eastern Europe. However, the continuing broadcasts of the "freedom radios" give the "hawks" among Eastern European communists an argument for continuing repression and tight controls. Those East European leaders supporting an evolving relaxation permitting greater freedom for the people are blocked by the arguments of the "hawks" that the U.S. and West Germany are plotting the overthrow of the East European regimes because emigres, with U.S. backing, are still broadcasting from Germany.

Emigres who cannot go back to the Soviet Union are broadcasting against that country on Radio Liberty. Does that meet with the approval of the Senator from Illinois?

Mr. PERCY. Broadcasts from emigres to the Soviet Union?

Mr. SYMINGTON. Emigres broadcasting into the Soviet Union, emigres who cannot go back to that country, supported by the United States.

Mr. PERCY. If the emigres have something of note to say and it is trustworthy testimony and it is something which the Board of Directors of the International Broadcasting Corporation or Radio Free Europe or Radio Liberty believe can be validly supported, I see no reason why it should not be.

Mr. SYMINGTON. Does the Senator believe that people who are not allowed to return and criticize their former country and its leaders help develop friendship between that government and the United States?

Mr. PERCY. I do not think they are children. I have discussed this subject with Ambassador Dobrynin.

They are realistic about it. I have never seen the slightest evidence in the last 6 months of détente that this issue has been any kind of issue that has deterred us from having better relationships. We are doing it and they are doing it. We are simply trying to impart truth and knowledge as we understand it.

Mr. SYMINGTON. Do I understand that Ambassador Dobrynin told the Senator he approved of this broadcasting?

Mr. PERCY. No, I do not say that at all. It is consistent with jamming. They do not want it. They would be very pleased if we were to drop it. However, would they engage in a balanced reduction? I would like to see it.

I would rather see Radio Moscow give out the news and tell the people what happens there. But we have some of the finest people there risk their lives to say that we should not give up Radio Free Europe, but should continue to make those governments respond more to the needs of the people. That testimony has added to and not retarded to the détente that we hope for.

No one believes more in a détente and an exchange of scholars and the other things. However, when we have only 300 visitors from the Soviet Union and they have 100,000 visitors there, I would point out that that is not a fair exchange of visitors.

Mr. SYMINGTON. Did Ambassador Dobrynin believe the broadcasts realistic?

Mr. PERCY. I think they are realistic. I want to improve on our relationships. I have worked hard and long for this. However, as long as they have their broadcasts, I do not know how they can say that we should drop ours.

Mr. SYMINGTON. The taxpayers of the United States have already put up many millions of dollars for the information agency, the USIA. This additional broadcasting was sold to me on the grounds it was handled by private contributions. Now we find $9 out of every $10 is taxpayers money, put up by the American taxpayer.

Mr. PERCY. Mr. President, I would only say that the rate of return on investment, which is a term that the Senator from Missouri and I used in the industrial world, proves that it is a worthwhile endeavor. We spend the cost of four airplanes. What has that done to possibly bring about a détente? As the evidence conclusively shows, it is these forces that have caused the forces of the Soviet Union to bring us together. They need science and technology. However, if they do not know it exists. how are they to want it? We create the desire by information. And we must impart the kind of information that all people of the world are entitled to.

The Soviet Union signed the Charter of the United Nations. We are asking for nothing more than what that charter which the Soviet Union solemnly signed proclaims. We are only asking for that.

I would be the first to offer an amendment seeking to strike Radio Free Europe if we and the other people of the world had the information available, correct information and not distorted information or something that is dreamed up and given out in accordance with the present line.

I do not think that we can put our faith in the information that is given out. Many millions of people have to know the objectives of the United States of America.

The testimony is very clear that this has helped bring about a détente. It has not in any way injured the trade with the Soviet Union. It has given a high return compared with the miniscule amount of trade in recent years.

Mr. FULBRIGHT. Mr. President, I cannot let the statement of the Senator from Illinois go unchallenged. He has no evidence on the rate of return on investment. There are far more than just Radio Liberty and Radio Free Europe broadcasts—up to 800 hours a week.

I went over all of this. It is all over Europe. It is done by BBC, which is a most prestigious one. There is no evidence of a return on investment. I must challenge that statement. There are people who work for these agencies, and they send some letters and testify. There are people who are directly employed and allied with them such as the Polish papers. We receive letters from some emigres.

There is no way in which to measure a return on investment. I do not think that there is any objective proof of that at all.

I have received some information that I have been unable to confirm, although I have requested information, that they are still engaged in activities in those areas. It seems that we are unable to stop these operations under any circumstances. We have with one hand the Government doing things that are clearly provocative and we have on the other hand the Government doing things that are conciliatory.

The Senator from New York says that that is the way to conduct foreign relations. I could not disagree more, whether they are getting ready for a resumption of the cold war or trying to bring about a détente.

I think that everyone is trying to bring about a détente. We cannot afford to continue in this way. Both our countries are exhausting their resources in these efforts. Both sides must change their views. It is idiotic to waste our resources. We are faced with enormous deficits. And we seem unable to stop any of this.

This is only a small part. It is not big like the Trident submarine. However, it is one thing that is redundant and unnecessary.

I do not think the Senator from Illinois has anything whatever that shows the rate of return on an investment of this kind. I do not think that there is anything to show that.

Mr. PERCY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. PERCY. Mr. President, the evidence is simply this, that all of the détente that has occurred in the last several years has occurred in the time that Radio Free Europe and Radio Liberty have been going full blast. When we have a formula that has been working, why should we change it?

I would point out to the distinguished chairman that when we were together at a luncheon hosted by Chairman Brezhnev, I wonder when the chairman said that the border tax will not be imposed—it will not be removed, but it will not be imposed—whether it would not be well for the millions of people who want that information and need it because they might want to emigrate to be told that? They should know that the border tax, $10,000 or $20,000, whatever it is, is not going to be imposed. Would that not cause more applicants to make applications? Many of them now feel that they cannot make applications because they do not have the fee with which to pay for it. Is there any evidence that when the chairman made that statement to us in our meeting, the Soviet Union were told about that information?

I think it is important to get that information out to every single human being that should have a right to move to a place of his own choice.

Mr. FULBRIGHT. I do not wish to prolong this.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. I yield myself 1 minute.

I do not agree with the Senator from Illinois. That is quite obvious. He attributes to Radio Liberty credit for whatever the President has accomplished. There is no evidence whatever that Radio Liberty had anything to do with it.

A VOICE FOR FREEDOM

Mr. HUMPHREY. Mr. President, it is clear that considerable progress has been made this year in the development of true détente with the Soviet Union. The President and Dr. Kissinger deserve much of the credit for this initiative. For too many years both the United States and the Soviet Union allowed past animosities to stand in the way of true normalization of relations.

To the degree that both nations are now undertaking mutually advantageous economic and commercial relations, both are beginning to understand the meaning of détente. Détente means more than lowered voices and an end to antagonistic rhetoric. It means entering into viable interrelationships which prove that friendly relations and mutual understanding provide specific dividends to both countries.

Few would deny that the economic needs of both the United States and the USSR have provided the impetus for détente. However, for whatever reason we started down the road toward easing relations with the Soviet Union, this process should be continued.

And it should be expanded in many areas—one of the most important being the field of mutual arms reductions. Progress has been made in this area with the completion of the first round of SALT negotiations and the beginning of the second round. Next month the MBFR talks are scheduled to begin in Vienna. It is my hope that both of these negotiations will produce results that will

enable both countries to make significant reductions in arms spending.

The issue of funding for Radio Free Europe and Radio Liberty goes to the heart of the issue of détente. The Soviets are anxious to have us discontinue our support of these radio broadcasts because they regard them as an unnecessary irritant and a stumbling block to further détente.

But Members of Congress who have the responsibility to share in the making of foreign policy with the executive branch must make clear to the Soviet Government that we will not tolerate a policy of détente that is merely a one-way street. In other words, normalization of relations cannot take place on the terms of only one country—it must be a mutual process. No country should be able to set absolute terms for détente—it must be an open process allowed to gather momentum on its own force as more persons are gradually involved in its benefits.

We have seen recently and tragically that with warmer Soviet-American relations has come a tightening of Soviet repression and control over academics, authors and people who express themselves in public forums. The recent statements by the author Solzhenitsyn and the famous scientist Andrei Sakharov are ample evidence that an important segment of Soviet society is being denied the right to speak, to publish, and to think as they desire. This type of control is not new to Soviet society.

But to limit the operations of Radio Free Europe and Radio Liberty because these stations have broadcasts which interfere with widespread crackdowns on voices of dissidence in the Soviet Union is to capitulate to an unreasonable Soviet demand.

In fact, Izvestia recently attacked Radio Liberty as a "subversive" station because it had been broadcasting the statements of Sakharov who had been saying that improvements in East-West relations should not ignore the need for a more open society in the Soviet Union.

Continued funding of Radio Free Europe and Radio Liberty at the levels endorsed by a majority of the Foreign Relations Committee remains critical to the free flow of information needed to create a more open and free society in the Soviet Union.

This free flow of information is in accord with our foreign policy as articulated by President Nixon who stated.

> It has always been and must always be part of our national purpose to promote free communication among nations, not just at the governmental level, but at all levels . . . A responsible, independent and free press plays an indispensable part in the social and political processes that look to better and more effective cooperation, not only within a nation, but also among nations.

President Nixon went on to say that Radio Liberty and Radio Free Europe were one part of these processes.

Senator FULBRIGHT, the distinguished chairman of the Foreign Relations Committee, has offered an amendment which would be tantamount to forcing these radio stations out of existence, since it is very unlikely that sufficient private funding and West European governmental support would be forthcoming to fill the 50 percent of the radios' budget that Senator FULBRIGHT proposes to cut.

I am not convinced that any other means of promoting the free flow of information to the Soviet bloc countries are satisfactory alone.

What is, after all, the genuine communication that Senator FULBRIGHT calls for? He has stated himself that—

> Perhaps by personal contact and by force of argument and by right example, we can have an influence on life in the Communist countries.

But everyone who has ever been to the Soviet Union knows that personal contact and the opportunities for argument are scarce. Let me quote a couple of journalists with recent experience on the Soviet scene:

Robert Kaiser, presently Moscow correspondent of the Washington Post, pointed out on July 30, 1973, that while détente has brought some relaxation of restrictions on foreigners such as "somewhat less difficulty" in travel and "slightly" improved access to Soviet officials for journalists, the Soviets repeatedly—

> Draw a clear distinction between more relaxed relations with the Western powers and any relaxation of vigilance at home. The latter is completely ruled out.

Susan Jacoby, a freelance writer who has remained in touch with her Moscow friends since she left there after a 2-year stay in 1971, wrote recently for the New York Times Magazine—July 29, 1973—of the difficulties of personal contact at any significant level:

> In the Pirandello-like atmosphere where Russians and foreigners meet, a Soviet citizen who invites a foreigner to his home is either a hero or agent-provocateur.

Certainly the few contacts made on cultural exchanges, by journalists, businessmen, and official delegations are important and must be encouraged. But they reach only a small part of the population of the Soviet Union and Eastern European countries. Radio Liberty and Radio Free Europe have an essential job to do in providing the rest of the peoples in these countries with the news and information denied them by their own press.

In a country where censorship is in evidence any attempt to break through censorship is an irritation to the government. Yet despite an official press campaign in Eastern Europe against these radios, there is no evidence to support the claim that they have impeded the process of détente by perpetuating, as the Senator from Arkansas has insisted, "the structure of mutual distrust" or delaying our opportunities. Jamming, censorship, and curtailment of individual contacts, as well as the activities that Mr. Kaiser and others have written about since the first summit last year in Moscow, are a far more significant sign of unneeded cold war distrust.

The words of an editorial in the Washington Post a year ago in March take on new meaning in today's context:

> It seems to us every bit as right and reasonable for RFE and RL to speak to those who care to listen, their governments' irritation notwithstanding, as it is for Senators to voice their dissent from a President, his irritation notwithstanding.

The degree of official government irritation must be seen also in the light of the fact that surveys of listenership show that these radios reach not only dissident elements—

> Seeking to resist and peaceably alter the repressive tendencies of Communist bureaucracies.

But also many in the strata of technological and intellectual elite, including Communist Party members, all of whom need uncensored information in order to approach their jobs and their world rationally.

Furthermore, there is reason to believe that the words of such a man as Andrei Sakharov, known as "Father of the Soviet H-bomb," may well have had a positive influence toward détente, although never published in his own country. Sakharov's "Progress, Peaceful Coexistence, and Intellectual Freedom," written in 1968, dealt with the need for cooperation between the U.S.S.R. and the United States on a number of issues such as disarmament and environmental protection which have since been subjects of new agreements at the recent summit meetings. Radio Liberty had given Sakharov's words a large audience in the U.S.S.R. through its broadcasts of verbatim readings.

Finally, let me call attention once more to the conclusions and recommendations of the Presidential Study Commission on International Broadcasting which was assembled not, as Senator FULBRIGHT suggests, "to certify the radios' virtues," but in President Nixon's own words,

> To undertake a critical examination of the operation and funding question and recommend methods for future maintenance and support of the radios. . . . Determination of proper support mechanisms will, of course, involve considerations of the relationship of the radios to the national interest and to this Nation's foreign policy objectives.

The Commission's Report, "The Right To Know," states:

> The Commission believes that peace is more secure in well-informed societies and that uninformed societies may more easily be manipulated in directions threatening world peace. Access to information is necessary to East European societies in order that citizens there may form sound and responsible judgments about their own and world affairs.
>
> The two radios, by providing a flow of free information and interpretation, have enabled the peoples to whom they broadcast to remain informed and to judge for themselves which policies may contribute to social change and genuine improvement of peaceful relations.
>
> These stations are dedicated to providing full information to peoples who otherwise would be deprived of it. They have informed their audiences of developments and conditions in the world outside. They have conducted extensive research to provide these peoples with news and authoritative interpretations of events within their own countries which otherwise they would not have received. Ample testimony supports the claim that RFE and RL are regarded by many of their listeners as 'our radio.'
>
> In the post-Stalin period, East European party leaders, while seeking to maintain their control, sometimes by means of coercion, have been obliged increasingly to take pop-

ular "pressures" into consideration. They can no longer manufacture history to suit their needs. Brezhnev, for instance, felt it necessary to justify the invasion of Czechoslovakia; Stalin, in contrast, never felt compelled to explain or justify anything—he operated in an air-tight public opinion vacuum.

The Commission, therefore, is confident that the radios, by providing information and interpretation, will continue to be of help in future negotiations and cooperation between the Soviet Union and the United States in such areas as strategic arms limitation, trade, European security, and environmental protection.

I have long been a supporter of mutual arms control and reduced tensions between the United States and the Soviet Union. I have made numerous trips to the Soviet Union and have talked to all of the important Soviet leaders since Khruschev. I would not advocate a policy that was needlessly hostile to the Soviet Union because I believe more than normal Soviet-American relations are critically related to the issue of global peace.

But I believe that until the Soviet Union and the governments of the Socialist countries of Eastern Europe allow a free flow of accurate and truthful information to their citizens, it is in our interest to continue the support of Radio Liberty and Radio Free Europe.

I urge my colleagues to vote against the Fulbright amendment which would destroy the operation of these important information facilities.

Mr. SCHWEIKER. Mr. President, I join with the Senator from Illinois (Mr. PERCY) and the Senator from Minnesota (Mr. HUMPHREY) in urging swift Senate passage of S. 1914, a bill to authorize continued Federal support of Radio Free Europe and Radio Liberty.

Radio Free Europe and Radio Liberty have provided a vital communications link to the people of Eastern Europe for more than 20 years. Their continued operation is no less important today than it was in the early 1950's. Both stations are staffed by professionals of the highest caliber dedicated to a free flow of ideas and opinion to the people of the Soviet Union and Eastern Europe who might otherwise be exposed only to state-controlled media. As Pulitzer Prize-winning Author David Halberstam said in testimony before the Senate Foreign Relations Committee hearings on this measure:

Detente, of course, is welcome, and the greater the detente, the better for all the world. But, unfortunately, detente has not yet touched the lives and freedoms of most people living in these countries.

Last year I joined with Senators PERCY and HUMPHREY in sponsoring a resolution expressing the sense of the Senate that the work of Radio Free Europe and Radio Liberty be continued. Today I am pleased to join them again in this new effort to strengthen the Federal commitment to these stations. An investment in Radio Free Europe and Radio Liberty is an investment in international peace and understanding, and I urge my Senate colleagues to give their speedy approval to the "Board for International Broadcasting Act of 1973."

Mr. KENNEDY. Mr. President, I oppose the amendment offered by the distinguished chairman of the Senate Foreign Relations Committee and support the continuation of Radio Free Europe and Radio Liberty

The committee bill represents an effort to increase independence in the content of the broadcasting and to increase financial accountability at the same time. By establishing a seven-member board of directors, the bill affords an opportunity to further improve the quality of these broadcasts and to increase the possibility of additional burden sharing by other nations and private individuals.

However, the amendment before the Senate would place a seemingly insurmountable burden on the new board by requiring a 50-percent matching contribution by next year from other sources before any U.S. funds could be committed. The effect would be the same as if the 1-year authorization contained in the bill included specific language halting the program in its tracks

While I believe there are reforms that should be effected in the operation of these stations, now is the wrong time to take any drastic action which would jeopardize their existence.

For these stations represent a unique broadcasting function within the Soviet Union and the Eastern European nations. Although jammed by the governments, these stations continue to carry hard news and information about internal events and conditions to the people of these nations, news and information which censorship and repression deny them.

We have the testimony of distinguished foreign policy leaders such as Ambassador Averill Harriman, Ambassador George Ball, Dean Edmund Gullion, of the Fletcher School of Law and Diplomacy at Tufts University, and Dr. Milton Eisenhower, president emeritus of the Johns Hopkins University. These men are well aware of the importance of the continuation of the strategic détente between the United States and the Soviet Union. Yet they all believe that it remains in our interest and in the interest of the Soviet people for Radio Liberty and Radio Free Europe to continue to receive our support.

We also had the testimony of David Halberstam, former correspondent for the New York Times in Poland. His statement eloquently discloses how these stations function to challenge the propaganda apparatus of Soviet and East European governments.

Halberstam told of being expelled from Poland for several news stories he had written. He said:

The Polish regime expelled me. That night Radio Free Europe simply broadcast and read out the articles that I had written which had caused my expulsion—very tough, very critical, and I think reasonably accurate (articles) . . .

Therefore, instead of the stories which the government put out, which was that I had slandered and libeled the Polish people, . . . that night they knew why I was being expelled and my side of the story was given out.

I remember it was right around Christmastime and on New Year's my wife and I went to a very large ball. Everywhere we went we were toasted. I was toasted because of exactly what I had written. The people in that society knew what I had written and knew in a way I had written with some passion on the Poland society. We were treated with honor that night . . .

In that brief statement, I believe Mr. Halberstam explained the value of Radio Free Europe and Radio Liberty. They bring a mirror that reflects, as accurately as these journalists know how, what is occurring in the Soviet Union and Eastern Europe. The people compare the image they receive to the image presented by the totally controlled government press. By so doing, not only is the understanding of the people increased, but the governments know that there will be information presented that will contradict their official reports and hopefully that may act as a slight check on them.

Some may point to the recent evidence of repression against Soviet intellectuals and argue that Radio Liberty has no effect. In fact, the question may well be whether those measures would be even more extreme if the Soviet Government could be insured that no information other than official reports would ever reach the Soviet people.

We have had praise for the continuation of these stations from Alexander Solzhenitzen. We also have the words of Soviet physicist Andrei Sakharov, who said recently:

With hurt and alarm I am forced to note, in the wake of illusory liberalism, the growth of restrictions on ideological freedom, of striving to suppress information not controlled by the government, of persecution for political and ideological reasons, of an intentional exacerbation of national problems . . . I appeal not only to Soviet, but also to foreign readers, hoping for their active help in the struggle for human rights . . .

At this time, rejection of the proposed amendment and adoption of the committee bill, S. 1914, will respond to that plea.

Mr. BAYH. Mr. President, I must oppose the amendment offered by my good friend, the distinguished chairman of the Foreign Relations Committee. If it were to be accepted by the Senate and become part of the law, its almost certain result would be the liquidation of Radio Free Europe and Radio Liberty. The question the Senate must answer, therefore, is whether or not these stations serve an important interest of the United States.

One of the best ways to gage the effects of an activity is to look at the reactions to it. The Soviet Union has left a much more eloquent record of its opinion of Radio Liberty and other foreign broadcasters than its statements intended for Western consumption. This record can be found in the little-known history of its jamming of foreign broadcasts. For a brief period, from 1963 to 1968, the Soviet regime suspended jamming of Voice of America and most other foreign broadcasts to its citizens. Belated recognition of the extent to which the people listened to Western stations led to desperate measures to counteract those broadcasts while avoiding the stigma of the

resumption of jamming that Soviet leaders had so confidently suspended.

The Communist record does not show that broadcasting has decreased in importance or become a "relic of the cold war," as the supporters of this amendment have claimed. Just the opposite; it has become a matter of the deepest concern and most visible impact inside the Soviet Union.

It was back in the tense days of the Berlin confrontation and the Cuban missile crisis that the Soviets were expressing the opinion that foreign broadcasting was becoming obsolete and could not have much effect on Soviet society, which they thought had become politically stable and increasingly satisfied with the benefits provided by the Soviet regime. In those days the Soviets were trying to manipulate the broadcasts to their advantage by selective jamming, and to influence their content through offers to end jamming. As their concern decreased, the proposals became decreasingly stringent. At first they insisted on the curbing of Radio Liberty, then only on some modifications of the Voice of America, and finally, so anxious were they to unload the propaganda incubus of jamming that it was suspended in 1963 for nothing more in return than the closing down of an American long-wave transmitter in Germany, which was interferring with one of Radio Moscow's frequencies. The Soviets, of course, gained in propaganda and good will. But note that they never dared to end jamming of Radio Liberty. It was, however, the division of function between Radio Liberty and the Voice of America that gave them confidence that they risked little by ending jamming of Voice of America and other official stations. Most of the East European countries hastened to follow suit. Two of them, Hungary and Romania, even stopped jamming of Radio Free Europe.

Eveything seemed to go well for over 2 years, although as early as 1964 the internal Soviet radio format was revamped to imitate foreign radio styles and expand news output to better compete with foreign broadcasts. Then, in 1966, the roof began to fall in. The visible signs were the eruption of privately written and circulated literature and the disruptions of dissenters surrounding the political trials which followed. Much of the writing and petitions was evidently intended by the authors for wide circulation by foreign radio—primarily Radio Liberty—and the information about the trials and other news relevant to dissenting activities also was given major attention by foreign broadcasters.

If it had only been a matter of relatively small numbers of overt dissenters, the Soviets could have handled it with the usual repressive measures. But, at the same time, for the first time in Soviet history, a quiet program of public opinion polling and surveys was commenced in the U.S.S.R. to measure the effects of the spread of information on public credibility. Much to Soviet consternation, there is significant evidence that within 2 years, this revealed that among the silent majority there was a near-crisis of credibility. It threatened the ability of the regime to carry public opinion for potentially unpopular policies it might desire.

Between 50 and 75 percent of the public were found to be interested in the news reports of foreign radio, and between 30 and 50 percent considered them to be in some ways better than the Soviet-supplied versions of events. Perhaps even more ominous, some 20 to 30 percent of the public seemed to believe almost nothing they heard from official sources.

For over 2 years, the Soviet press, evidently prodded by Brezhnev, attempted in these conditions to compete openly with foreign radio. The admission of failure implied by resumption of jamming was such a heavy price, that a whole series of measures to turn the tide was tried. But the authorities never felt safe enough to go more than a small part of the way toward a policy of full disclosure of news. The measures tried included a heavy domestic press campaign against foreign radio and two very expensive innovations in information practice. A whole corps of highly qualified specialists was created to supplement the traditional agitators and propagandists in carrying out personal contacts and lectures among the public, and to provide a quick reaction to foreign news broadcasts. A lavish, illustrated weekly magazine was established for the sole purpose of publicizing Soviet broadcasting and unmasking the alleged falsehoods of foreign radio. In less than 2 years the magazine collapsed, an ignominious failure, for lack of readers.

In early 1968 the proponents of the resumption of jamming mounted a strong campaign for a return to jamming. The actual resumption of jamming was speeded up to coincide with the invasion of Czechoslovakia, evidently so that it would be as little noticed as possible. Thus, today, despite all the soft words of détente emanating from Moscow, the Soviet Union continues to jam most foreign stations broadcasting in its languages.

What this history shows, Mr. President, is that in a mere 5 years Soviet policy had made a full circuit in its perception of the effects of foreign radio inside its bloc. Originally seen as of minor import, it is now considered by the Soviets to have great impact. At one time Bulgaria, which usually follows Soviet practice, announced that it had no worry about foreign broadcasts and would end jamming simply if the United States would grant its trade most-favored-nation status. Now, the Soviet Union, which values economic relations with the United States far more highly than ever before, has not dared to offer the end of jamming as an inducement.

Radio Liberty, like its sister station Radio Free Europe, is unique among broadcasters to the Soviet bloc in acting as a substitute for a domestic free press. They devote most of the programing to reporting events within the Soviet bloc. The Senate can learn from the Communist response of the importance of Western broadcasting. We would be shortsighted if we failed to keep Radio Free Europe and Radio Liberty on the air as long as they are needed.

Mr. President, I share the profound desire of every Member of this body for a true and lasting détente with the Soviet Union. But it would be a mistake on our part to confuse the desire with the reality. The reality is, as the great Soviet physicist, Sakharov, publicly stated only last month, that the Kremlin's leaders continue to preside over a brutally repressive system and, if they were free of internal opposition, would be much less willing to move toward a genuine détente.

This is not, then, the time to make repression easier for them. On the contrary, we should continue, through every legitimate means, to enable the peoples of Eastern Europe "to speak truth to power," and in that way hasten the day when their bonds might be loosened.

Radio Free Europe and Radio Liberty have a vital role to play in that effort. Let us reject this crippling amendment and enact the legislation that will permit them to continue their important work.

Mr. FULBRIGHT. I yield back the remainder of my time.

Mr. AIKEN. I yield back whatever time I have remaining. I am ready to vote.

The PRESIDING OFFICER (Mr. McINTYRE). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arkansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. PASTORE. On this vote I have a pair with the Senator from Tennessee (Mr. BAKER). If he were present and voting, he woud vote "nay." I have already voted in the affirmative. I withdraw my vote as an accommodation.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. Moss), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from South Dakota (Mr. ABOUREZK), is absent because of a death in the family.

I further announce that, if present and voting, the Senator from South Dakota (Mr. ABOUREZK) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New Jersey (Mr. CASE), the Senator from Hawaii (Mr. FONG), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Kentucky (Mr. COOK) and the Senator from North Dakota (Mr. YOUNG) are detained on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK) would vote "nay."

The pair of the Senator from Tennessee (Mr. BAKER) has been previously announced.

The result was announced—yeas 29, nays 56, as follows:

[No. 377 Leg.]

YEAS—29

Aiken	Cannon	Fulbright
Bible	Church	Gravel
Biden	Clark	Hartke
Burdick	Cranston	Haskell
Byrd, Robert C.	Eagleton	Hathaway

Hollings	McClellan	Randolph
Inouye	McGovern	Symington
Long	Mondale	Talmadge
Magnuson	Nunn	Weicker
Mansfield	Proxmire	

NAYS—56

Allen	Goldwater	Packwood
Bartlett	Griffin	Pearson
Bayh	Gurney	Pell
Beall	Hansen	Percy
Bellmon	Hart	Ribicoff
Bennett	Helms	Roth
Bentsen	Hruska	Saxbe
Brooke	Humphrey	Schweiker
Buckley	Jackson	Scott, Pa.
Byrd, Harry F., Jr.	Javits	Scott, Va.
	Kennedy	Sparkman
Chiles	Mathias	Stafford
Cotton	McClure	Stennis
Curtis	McGee	Stevens
Dole	McIntyre	Stevenson
Domenici	Metcalf	Taft
Dominick	Montoya	Thurmond
Eastland	Muskie	Tower
Fannin	Nelson	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Pastore, for.

NOT VOTING—14

Abourezk	Ervin	Johnston
Baker	Fong	Moss
Brock	Hatfield	Tunney
Case	Huddleston	Young
Cook	Hughes	

So Mr. FULBRIGHT's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. HELMS). The bill is open to further amendments to be proposed, the question is on the engrossment and third reading of the bill.

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

RADIO LIBERTY, RADIO FREE EUROPE, AND GENUINE DÉTENTE

Mr. JACKSON. Mr. President, I am happy to join in support of this important legislation which will continue the operations of Radio Free Europe and Radio Liberty. The significance of this legislation is wholly disproportionate to the amount of money—$50 million—which it authorizes. For the radios remain vital contributors to peace and stability in Europe by keeping contact alive between East and West.

Now, we have heard many claims that the radios were the result of deteriorating relations between East and West following World War II, and that the degree of our support for them is in fact a measure of how hostile we feel toward the Soviet Union. Consequently, so this argument goes, in an era when Soviet-American relations are said to be improving, our support for the radio stations should be reduced accordingly.

This argument, I believe, is based on a mistaken view of both the nature of détente and the role of the radios. The cultural isolation of the East, enforced and encouraged by the Soviet Union, produces xenophobia and hostility toward other parts of the world. Radio Free Europe and Radio Liberty, on the other hand, play a constructive role in counteracting such isolationism.

The distinguished Soviet physicist, Andrei Sakharov, has warned the West of the possible consequences of a one-sided détente on Soviet terms alone. Sakharov has said:

> Rapproachement has to take place with a simultaneous liquidation of Soviet isolation.

A Soviet Union "which hides its real face" could become a menace. Sakharov's courageous insistence that détente in foreign affairs will not contribute to world peace unless accompanied by greater liberalization inside the Soviet Union is something we should ponder.

The renewed campaign of repression directed against prominent Soviet civil rights leaders suggests how far the current regime will go in enforcing the isolation of its people. It is politically unwise—and certainly in opposition to our fundamental principles—to aid in this crackdown, especially by depriving the East of precious sources of news and information. Indeed, abandoning Radio Free Europe and Radio Liberty would make the greater isolation of the peoples of the Soviet Union and the nations of Eastern Europe much easier for the Soviet authorities to achieve.

Mr. President, as I have followed the course of the discussion of the radios during the past several years, I have been surprised that some would term the radios relics of the past or cold war anachronisms. It is surprising, because those who use such terms are losing sight of a fundamental distinction; the "anachronism" in the situation is not the pursuit of news or information, by listeners to the radios for example, but rather the obstruction of information by Soviet jamming. The "relics" are not the principles of free movement spelled out in the United Nations documents, but the suppression of these basic freedoms which is at the heart of current Soviet policy. It is Soviet practice, not Western policy, which is profoundly reactionary, especially in the area of human rights.

The legislation which would continue American support for the radios at an effective level, is now the subject of a crippling amendment. This amendment would have the effect of putting the U.S. contribution in support of the radios after July 1, 1974, on a "matching" basis with contributions from other public and private sources. This will make it impossible to continue operating the radios at their current level. For the proposed amendment specifies that the United States will be forbidden to provide more than 50 percent of the support for the radios, and this means that the rest must be provided by either foreign governments or private contributors. In fact, as the sponsor of this amendment knows, private fundraising efforts in behalf of the radios have produced no more than $1 million per annum, and it would take years at best for those efforts to reach a point where they can provide the $25 million per year necessary to keep the stations operating at a $50 million per year level. In the interim, of course, the operations of the radios would have to be reduced to virtually nothing.

I am persuaded that while those who suggest that the Senate support this amendment will speak in terms of the financial burdens assumed by the United States in maintaining the radios, their sole purpose is not to save us money. The supplemental views of the chairman of the Foreign Relations Committee appended to the report on the bill make it clear that the goal is not austerity, but an end to the broadcasting altogether.

But I believe, Mr. President, that an individual in the Soviet Union or Eastern Europe who risks imprisonment in order to listen to Radio Liberty or Radio Free Europe, makes a case in support of the radios far more convincing than Senator FULBRIGHT's assertion that such broadcasts will impede détente. I am confident that the Senate understands what is at stake in considering this legislation, and I am sure it will vote to continue the important work of Radio Liberty and Radio Free Europe.

RADIO FREE EUROPE WORKS

Mr. SCOTT of Pennsylvania. Mr. President, there has been massive, expert testimony over the past 2 years to the effectiveness of Radio Free Europe and Radio Liberty as well as to their unique reporting role as "surrogate home services" for the people of the Soviet Union, Poland, Czechoslovakia, Romania, Hungary, and Bulgaria. American and European specialists in Communist affairs—academic and journalistic—have been especially articulate in describing the impact of the stations. For example, I highly recommend your attention to the testimony of David Halberstam before the Foreign Relations Committee and of Prof. Zbigniew Brzezinski before the House Foreign Affairs Committee. Even so, a rare dissent by a competent journalist should be examined carefully. Washington Post reporter, Robert Kaiser, in a recent article on the radios admitted that RFE has a big audience, but went on to question its significance. Voluminous evidence indicates that RFE's audiences are not merely "big"—they are by far the largest of any Western station reaching 30 million persons, one-half of the population over 14 years of age in the countries which RFE addresses. While Mr. Kaiser called the East European audiences of Austrian radio "enormous," listenership to Radio Vienna runs second to Radio Free Europe in neighboring Czechoslovakia, but fourth in Hungary and fifth in Bulgaria, according to the latest survey.

If statistics do not convince us of the significance of these radios, perhaps one reporter's words are at least as good as another's. At the recent Senate Foreign Relations Committee hearing, David Halberstam, the distinguished former New York Times correspondent to Poland, made some telling statements on the basis of his personal observations:

> Among sophisticated contemporary East Europeans—people who by no means have the exile mentality—RFE has very considerable credibility.

Mr. Halberstam went on to provide the following anecdote:

> I remember when I was expelled from Poland for quite critical reporting in December 1965. I had written very critically of the economic frustrations and some of the other problems there. The Polish regime expelled me. That night Radio Free Europe simply broadcast and read out the articles that I had written which had caused my expulsion, very tough, very critical and, I think, reasonably accurate.
>
> Therefore, instead of the stories which the government put out, which was that I had

slandered and libeled the Polish people, that I had been specifically critical of the government, the people that night took the expulsion of the *New York Times'* correspondent as a fairly considerable thing. That night they knew why I was being expelled and my side of the story was given out.

I remember it was right around Christmastime and on New Year's my wife and I went to a very large ball. Everywhere we went we were toasted. I was surprised that people in that society knew what I had written and knew in a way I had written with some passion on the Poland society. We were treated with honor that night. It was very touching . . .

You talk about détente and some people say we have to shut off Radio Free Europe because it is a block to détente. It seems to me quite the reverse is true, that something like Radio Free Europe is a force to make those societies come to terms with their own people. The more they do that and the more they meet the aspirations of their own people's legitimate needs, be they housing, social services, consumer goods, meat, things that we take for granted, the more tempered they are, the mellower they are, and the safer the whole world becomes.

RFE is making a significant contribution to true East and West détente. In its limited way it improves life for the people of Eastern Europe. At the same time it serves the interest of the United States.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FULBRIGHT. Mr. President, I yield back my time.

Mr. AIKEN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the bill has now been yielded back.

The bill having been read the third time, the question is, Shall the bill pass?

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. MANSFIELD (after having voted in the negative). On this vote I have a pair with the Senator from California (Mr. TUNNEY). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. Moss), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from South Dakota (Mr. ABOUREZK) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New Jersey (Mr. CASE), the Senator from Hawaii (Mr. FONG), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I further announce that (if present and voting) the Senator from Tennessee (Mr. BAKER) and the Senator from Hawaii (Mr. FONG) would each vote "yea."

The result was announced—yeas 76, nays 10, as follows:

[No. 378 Leg.]

YEAS—76

Aiken	Fannin	Nelson
Allen	Goldwater	Nunn
Bartlett	Gravel	Packwood
Bayh	Griffin	Pearson
Beall	Gurney	Pell
Bellmon	Hansen	Percy
Bennett	Hart	Randolph
Bentsen	Hartke	Ribicoff
Bible	Haskell	Roth
Biden	Helms	Saxbe
Brooke	Hollings	Schweiker
Buckley	Hruska	Scott, Pa.
Burdick	Humphrey	Scott, Va.
Byrd, Harry F., Jr.	Inouye	Sparkman
Byrd, Robert C.	Jackson	Stafford
Cannon	Javits	Stennis
Chiles	Kennedy	Stevens
Clark	Magnuson	Stevenson
Cook	Mathias	Taft
Cotton	McClure	Talmadge
Curtis	McGee	Thurmond
Dole	McIntyre	Tower
Domenici	Metcalf	Weicker
Dominick	Mondale	Williams
Eastland	Montoya	Young
	Muskie	

NAYS—10

Church	Long	Proxmire
Cranston	McClellan	Symington
Fulbright	McGovern	
Hathaway	Pastore	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—13

Abourezk	Ervin	Johnston
Baker	Fong	Moss
Brock	Hatfield	Tunney
Case	Huddleston	
Eagleton	Hughes	

So the bill (S. 1914) was passed, as follows:

S. 1914

An act to provide for the establishment of the Board of International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes

Be it enacted by the Senate and House to Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Board for International Broadcasting Act of 1973".

DECLARATION OF PURPOSES

SEC. 2. The Congress hereby finds and declares—

(1) that it is the policy of the United States to promote the right of freedom of opinion and expression, including the freedom "to seek, receive, and impart information and ideas through any media and regardless of frontiers," in accordance with article 19 of the Universal Declaration of Human Rights;

(2) that open communication of information and ideas among the peoples of the world contributes to international peace and stability and that the promotion of such communication is in the interests of the United States;

(3) that Free Europe, Incorporated, and the Radio Liberty Committee, Incorporated (hereinafter referred to as Radio Free Europe and Radio Liberty), have demonstrated their effectiveness in furthering the open communication of information and ideas in Eastern Europe and the Union of Soviet Socialist Republics;

(4) that the continuation of Radio Free Europe and Radio Liberty as independent broadcast media, operating in a manner not inconsistent with the broad foreign policy objectives of the United States and in accordance with high professional standards, is in the national interest; and

(5) that in order to provide an effective instrumentality for the continuation of assistance to Radio Free Europe and Radio Liberty and to encourage a constructive dialog with the peoples of the Union of Soviet Socialist Republics and Eastern Europe, it is desirable to establish a Board for International Broadcasting.

ESTABLISHMENT AND ORGANIZATION

SEC. 3. (a) There is established a Board for International Broadcasting (hereinafter referred to as the "Board").

(b) (1) COMPOSITION OF BOARD.—The Board shall consist of seven members, two of whom shall be ex officio members. The President shall appoint, by and with the advice and consent of the Senate, five voting members, one of whom he shall designate as chairman. Not more than three of the members of the Board appointed by the President shall be of the same political party. The chief operating executive of Radio Free Europe and the chief operating executive of Radio Liberty shall be ex officio members of the Board and shall participate in the activities of the Board, but shall not vote in the determinations of the Board.

(2) SELECTION.—Members of the Board appointed by the President shall be citizens of the United States who are not concurrently regular full-time employees of the United States Government. Such members shall be selected by the President from among Americans distinguished in the fields of foreign policy or mass communications.

(3) TERM OF OFFICE OF PRESIDENTIALLY APPOINTED MEMBERS.—In appointing the initial voting members of the Board, the President shall designate three of the members appointed by him to serve for a term of three years and two members to serve for a term of two years. Thereafter, the term of office of each member of the Board so appointed shall be three years. The President shall appoint, by and with the advice and consent of the Senate, members to fill vacancies occurring prior to the expiration of a term, in which case the members so appointed shall serve for the remainder of such term. Any member whose term has expired may serve until his successor has been appointed and qualified.

(4) TERM OF OFFICE OF EX OFFICIO MEMBERS.—Ex officio members of the Board shall serve on the Board during their terms of service as chief operating executives of Radio Free Europe or Radio Liberty.

(5) COMPENSATION.—Members of the Board appointed by the President shall, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board pursuant to this section, including traveltime, be entitled to receive compensation equal to the daily equivalent of the compensation prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code. While away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently. Ex officio members of the Board shall not be entitled to any compensation under this Act, but may be allowed travel expenses as provided in the preceding sentence.

FUNCTIONS

SEC. 4. (a) The Board is authorized:

(1) to make grants to Radio Free Europe and to Radio Liberty in order to carry out the purposes set forth in section 2 of this Act;

(2) to review and evaluate the mission and operation of Radio Free Europe and Radio Liberty, and to assess the quality, effectiveness and professional integrity of their broadcasting within the context of the broad foreign policy objectives of the United States;

(3) to encourage the most efficient utilization of available resources by Radio Free Europe and Radio Liberty and to undertake, or request that Radio Free Europe or Radio Liberty undertake, such studies as may be

necessary to identify areas in which the operations of Radio Free Europe and Radio Liberty may be made more efficient and economical;

(4) to develop and apply such financial procedures, and to make such audits of Radio Free Europe and Radio Liberty as the Board may determine are necessary, to assure that grants are applied in accordance with the purposes for which such grants are made;

(5) to develop and apply such evaluative procedures as the Board may determine are necessary to assure that grants are applied in a manner not inconsistent with the broad foreign policy objectives of the United States Government;

(6) to appoint such staff personnel as may be necessary, subject to the provisions of section 5, United States Code, governing appointments in the competitive service, and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(7)(A) to procure temporary and intermittent personal services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS–18; and

(B) to allow those providing such services, while away from their homes or their regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed;

(8) to report annually to the President and the Congress on or before the 30th day of October, summarizing the activities of the Board during the year ending the preceding June 30, and reviewing and evaluating the operation of Radio Free Europe and Radio Liberty during such year; and

(9) to prescribe such regulations as the Board deems necessary to govern the manner in which its functions shall be carried out.

(b) In carrying out the foregoing functions, the Board shall bear in mind the necessity of maintaining the professional independence and integrity of Radio Free Europe and Radio Liberty.

RECORDS; AUDIT; CONTRIBUTORS

SEC. 5. (a) The Board shall require that Radio Free Europe and Radio Liberty keep records which fully disclose the amount and disposition of assistance provided under this Act, the total cost of the undertakings or programs in connection with which such assistance is given or used, that portion of the cost of the undertakings or programs supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Board and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of Radio Free Europe and Radio Liberty which, in the opinion of the Board or the Comptroller General, may be related or pertinent to the assistance provided under this Act.

(c) No grant may be made under this Act unless the radio to which the grant is to be made agrees to make available, and does make available, for public inspection, during normal business hours at its principal office in the United States, a complete list of every person and government making a contribution to that radio during the fiscal year preceding the making of the grant and the fiscal year in which the grant is to be made, the address of the person or government making the contribution, the amount of each such contribution, and the date the contribution was made.

ROLE OF THE SECRETARY OF STATE

SEC. 6. To assist the Board in carrying out its functions, the Secretary of State shall provide the Board with such information regarding the foreign policy of the United States as the Secretary may deem appropriate.

PUBLIC SUPPORT

SEC. 7. The Board is authorized to receive donations, bequests, devises, gifts, and other forms of contributions of cash, services, and other property, from persons, corporations, foundations, and all other groups and entities, both within the United States and abroad, and, pursuant to the Federal Property Administrative Services Act of 1949, as amended, to use, sell, or otherwise dispose of such property for the carrying out of its functions. For the purposes of section 170, 2055, and 2522 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 170, 2055, or 2522), the Board shall be deemed to be a corporation described in section 170(c)(2), 2055(a)(2), or 2522(a)(2) of the Code, as the case may be.

FINANCING AND IMPLEMENTATION

SEC. 8. (a) There are authorized to be appropriated, to remain available until expended, $50,209,000 for fiscal year 1974. There are authorized to be appropriated for fiscal year 1974 such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law and for other nondiscretionary costs.

(b) To allow for the orderly implementation of this Act, the Secretary of State is authorized to make grants to Radio Free Europe and to Radio Liberty under such terms and conditions as he deems appropriate for their continued operation until a majority of the voting members of the Board have been appointed and qualified, and until funds authorized to be appropriated under this Act are available to the Board.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MAGNUSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORT ON U.S. PARTICIPATION IN THE WORK OF THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. McINTYRE) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations. The message is as follows:

To the Congress of the United States:

I am pleased to transmit to the Congress the 27th annual report on United States participation in the work of the United Nations during calendar year 1972.

This report reflects the increasing range of global concerns with which United Nations agencies are dealing. It highlights not only the opportunities but also the limits of operating through the United Nations system during an era of growing international interdependence.

In recent years, United Nations agencies have come to deal increasingly with the economic and technical agenda of the world in addition to the long-standing agenda of peace and security questions. Indeed, as this account makes clear, these agencies are now engaged in some manner in virtually every governmental activity that crosses national lines.

The United States participated actively in these cooperative efforts to help safeguard peace and lessen world tensions, to foster economic and social progress, and to cope with a wide array of legal and technological problems.

Three themes characterized our participation during 1972:

(1) Even though we recognized the limitations of the United Nations in solving or even abating many political disputes, we supported its participation where appropriate to reconcile such disputes, to curb international terrorism and outbreaks of violence, and to devise workable arrangements for peacekeeping operations. In order to serve the long-term interest of the international community, we worked in the General Assembly, the Security Council, and subsidiary bodies to have the United Nations deal evenhandedly and pragmatically with such politically-charged issues as the Middle East, decolonization, and human rights.

(2) We took the lead in seeking new arrangements and institutions to deal with worldwide social and technological concerns. Although we encountered some resistance, we pressed forward toward the goals of assuring the safety of civil aviation, protecting the environment, checking the illicit flow of narcotics, organizing relief for victims of disaster, strengthening the law of the sea, and slowing world population growth.

(3) We stressed the importance of having the United Nations act responsibly, equitably, and efficiently in ordering its financial and administrative affairs so that it could carry out its tasks more effectively. Progress was made in holding down the budgets of some agencies, budgeting procedures were improved, and the principle of a lower maximum ceiling for the United States assessment was endorsed. Nevertheless, the underlying financial problems were not solved and further administrative and procedural reforms are needed in the United Nations.

This report shows that, despite political and administrative shortcomings, multilateral agencies connected with the United Nations offered practical responses to worldwide problems of pressing concern to the American people. Given the fast pace of political, social, and technological change in recent years, it is not surprising that the record of accomplishments was uneven and there were setbacks as well as successes.

During 1972 developments at the United Nations were affected by certain long-term trends which both hold promise and pose problems for effective United Nations action.

—The loosening of old antagonisms,

the entry of the People's Republic of China into the mainstream of United Nations work, and the growing importance of powers such as Japan could in the long run enable a near-universal United Nations to become a more effective instrument for dealing with serious world political and security problems.

—However, we also have to recognize that the continuing tendency to use the United Nations for propaganda advantage and to pursue political rivalries makes accommodation more difficult. For the near term, where the interests of its strongest members are engaged, the organization can deal only in a limited way with highly contentious political issues.

—The emergence in United Nations bodies and conferences of an active majority led by a number of the developing nations continued to make for some distortions in determining the areas of greatest United Nations attention. While we fully recognize the inherent right of all member nations to be heard, the voting weight of this majority, with its sometimes narrowly defined preoccupations, has tended to create imbalance and to place strains on the effective functioning of the organization.

This report reflects the growing cohesion which has taken place among the third world countries, notably with respect to colonial issues and to demands that rules of international trade and aid be altered in their favor. We were particularly concerned when, under the pressure of bloc voting, the organization adopted one-sided resolutions on certain political issues or failed to take concrete action on such important matters as international terrorism. To call this trend disturbing is not to depreciate the value to the United States of multilateral institutions in which all nations can be heard on matters that affect their security and welfare, conciliation can be pursued, and vital public services can be provided for the international community.

We attempted to adjust our policy during 1972 to take account of these changes. It became increasingly clear that for the present the most productive possibilities for United Nations action are on global problems of an economic, social, and technological nature. United Nations system expenditures reflected this concentration, with some 95 percent of the resources in 1972 going for programs designed to transfer techniques and skills to less developed nations, set standards for international behavior, and provide public services of benefit to all nations.

The following developments during the year were especially noteworthy:

We were gratified by the General Assembly's endorsement of the reduction of our United Nations budget assessment from 31.52 percent to 25 percent. We believe this to be a healthy development for the organization, which should not be unduly dependent on the contributions of one member. The maximum assessment ceiling beginning next year is expected to fulfill the requirement enacted by the Congress that the United States should pay no more than 25 percent in the United Nations and in certain specialized agencies after January 1, 1974. The vote of over two-thirds in favor of our position reflected a widespread recognition of the equities involved and of political reality, as well as concern for the maintenance of generous U.S. voluntary contributions to United Nations development programs.

Following the landmark conference in Stockholm in June, the institutional foundation was laid for international action to protect the environment and a work program was initiated for this purpose. Measures were taken to deal with environmental problems such as pollution from ocean dumping and the preservation of natural, cultural, and historic heritage areas, and a United Nations fund for the environment, which I had recommended earlier, brought pledges from a number of nations.

On the other hand, a major setback was the United Nations failure to take strong and speedy international legal action to combat international terrorism and provide adequate protection for diplomats—measures advocated by the United States and other concerned nations. The Assembly did, however, set up a committee to study the comments of governments on the problem of international terrorism and submit a report to the next session. While we regret the delay, we hope that the Assembly can make progress on this issue this fall. Progress was made in the International Civil Aviation Organization on the matter of aircraft safety.

The United Nations also advanced its programs for delivering technical assistance to developing nations and .setting standards for international behavior in specific fields.

—Management reforms (notably adoption of a country programming system) were implemented which will enable the United Nations Development Program to handle an expanded program of technical assistance more efficiently.

—The organization's capacity to respond to disaster situations was strengthened by the establishment of a United Nations Disaster Relief Office in Geneva, largely as the result of a United States initiative in 1971. The United Nations carried out an unprecedented number of relief activities, notably in Bangladesh and the Sudan.

—There was growing cooperation in outer space. A United Nations working group cooperated in making available to other nations data from our first experimental satellite designed to survey earth resources, and the Convention on International Liability for Damage Caused by Space Objects, which had been negotiated by a United Nations committee, entered into force on September 1.

—The momentum of international action against drug abuse was furthered in several ways: with the drafting of an amending protocol to the 1961 Single Convention on Narcotic Drugs, through increased activity by and contributions to the United Nations Fund for Drug Abuse Control, and through a more active role by the International Narcotics Control Board.

—The population program was placed on a sounder administrative footing by linking the United Nations Fund for Population Activities to the United Nations Development Program. Preparations were continued for the World Population Conference in 1974, which is expected to be as important as the 1972 environment conference.

—Perhaps of the greatest potential significance were the steps taken to accelerate preparations for the Law of the Sea Conference, which will come to grips with such matters as the nature of the international regime for the deep seabed, the breadth of the territorial sea, free transit through international straits, fisheries, marine pollution, and scientific research. A successful resolution of these very difficult issues would help to prevent conflict and assure that the resources in and under the oceans will be equitably and rationally utilized.

The "quiet side" of the United Nations also produced important accomplishments which are covered in this report. Especially noteworthy were the International Atomic Energy Agency's expanded "safeguards" programs to prevent the diversion to weapons use of nuclear materials intended for peaceful uses; the Inter-Governmental Maritime Consultative Organization's efforts at spurring agreement to control pollution from ocean dumping; the International Civil Aviation Organization's efforts to devise effective measures for safe and efficient air travel; the World Health Organization's continued campaign to suppress communicable diseases and raise the standards of health care; the Food and Agriculture Organization's work to expand agricultural production and improve nutrition; and the United Nations Educational, Scientific and Cultural Organization's activities to expand scientific communication and protect the world's cultural heritage.

All these activities clearly demonstrate the stake we have in United Nations efforts to control new technologies for the common good, to bridge the gap between developed and developing countries on matters of trade and aid, to facilitate the exchange of technical and scientific knowledge, and to set standards of behavior for international activity. To these concerns—and to the need to improve the functioning of all multilateral institutions—our Nation must give increasing attention in the coming years.

RICHARD NIXON.

THE WHITE HOUSE, *September 6, 1973.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill

(S. 1672) to amend the Small Business Act.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes.

TIME LIMITATION AGREEMENT ON HUD APPROPRIATIONS CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the HUD appropriations conference report of 1 hour, to be equally divided between the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from North Dakota (Mr. YOUNG), and that time on any debatable motion or appeal be limited to 20 minutes, to be divided and controlled in accordance with the usual form.

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

TIME LIMITATION AGREEMENT ON PAR VALUE MODIFICATION CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the HUD conference report tomorrow, the Senate proceed to the consideration of the conference report on par value modification; that there be a time limitation of 20 minutes thereon to be equally divided between the Senator from Alabama (Mr. SPARKMAN) and the Senator from Texas (Mr. TOWER); and that time on any debatable motion or appeal be limited to 10 minutes, to be divided and controlled in the usual form.

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

TIME LIMITATION AGREEMENT ON S. 386, THE URBAN MASS TRANSPORTATION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the conference report on par value modification tomorrow, the Senate proceed to the consideration of S. 386, the bill to amend the Urban Mass Transportation Act of 1964.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on S. 386 of 2 hours, to be equally divided between the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Texas (Mr. TOWER); that time on any amendment, debatable motion, or appeal be limited to 30 minutes, to be divided and controlled in the usual form, and that the agreement be in the usual form.

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

The text of the unanimous consent agreements is as follows:

H.R. 8825

Ordered, That, during the consideration of the conference report on H.R. 8825, the HUD Appropriation Bill, debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the conference report.

Ordered further, That on the question of the adoption of the conference report debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from North Dakota (Mr. YOUNG): *Provided*, That the said Senators, or either of them, may, from the time under their control on the adoption of the said conference report, allot additional time to any Senator during the consideration of any debatable motion or appeal.

H.R. 6912

Ordered, That, during the consideration of the conference report on H.R. 6912, the Par Value Modification Bill, debate on any debatable motion or appeal shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the conference report.

Ordered further, That on the question of the adoption of the conference report debate shall be limited to 20 minutes, to be equally divided and controlled, respectively, by the Senator from Alabama (Mr. SPARKMAN) and the Senator from Texas (Mr. TOWER): *Provided*, That the said Senators, or either of them, may, from the time under their control on the adoption of the said conference report, allot additional time to any Senator during the consideration of any debatable motion or appeal.

S. 386

Ordered, That, during the consideration of S. 386, a bill to amend the Urban Mass Transportation Act of 1964, debate on any amendment, debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Texas (Mr. TOWER): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

REMOVAL OF TELEVISION BLACKOUT OF CERTAIN PROFESSIONAL GAMES

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1841 which the clerk will state.

The bill was read by title as follows:

A bill (S. 1841) to amend the Communications Act of 1934 for one year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams.

The Senate proceeded to consider the bill.

Mr. COOK. Mr. President, I ask unanimous consent that Mr. John Yarmuth of my staff be permitted the privilege of the floor during the debate on this bill.

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

Mr. PASTORE. Mr. President, I make the same unanimous consent request for Mr. John Hardy and Mr. Nick Zapple.

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

Mr. PASTORE. Mr. President, this legislation would, in effect, prohibit any television broadcast licensee, cable television system, or network television broadcast organization from carrying out any contract or arrangement whereby the station, network, or system is prevented from broadcasting or carrying the home games of any professional football, baseball, basketball, or hockey team when tickets for admission to such games are no longer available for purchase by the general public 48 hours or more before the scheduled beginning time of such game.

The proposal would terminate after 1 year following its date of enactment.

Mr. President, this bill simply recognizes that these professional sports cannot have it both ways. The public has given these sports leagues two extraordinarily lucrative financial privileges—a special exemption from the antitrust laws so that each league may sell its television rights as a package; and access to a valuable public resource—the airwaves.

It took an act of Congress in 1961 to enable these leagues to pool their television rights, because earlier in that year a Federal district court had prohibited the NFL teams from pooling them. The court felt such an agreement violated the Federal antitrust laws.

The privilege to do this has, of course, meant a source of substantial revenues was made available to the NFL club owners.

An indication of how valuable their ability to do so is, may be seen by comparing the television revenues of each NFL team in 1961—the first year television rights were sold as a package—with the revenues each team received last year. In 1961 the amount was $332,000; in 1972 it was $1.5 million. Recent figures show that the three networks have paid the NFL a total of $47 million for the 1973 TV rights.

Mr. President, in my judgment the Congress would be derelict if we permitted these leagues to turn this opportunity to negotiate collectively into a source of private enrichment without regard to public benefit. After all it was the public's interest which made it possible for Congress to give these leagues the advantage in the first place.

Congress expected them to use the exemption for the public's benefit. We certainly did not and do not expect these leagues to subvert their privilege by requiring the public to pay an extra fee for "home games."

Mr. President, the preferential treatment given professional sports does not end with the exemption from antitrust laws. They have received another privilege as well.

I am, of course, referring to the access the teams have to the public airwaves.

The privilege to use the public airwaves is conditioned upon and subject to the interest of the public in their larger and more effective use. This is a fundamental principle underlying our system of communications. All programing is subordinate to it.

Professional teams as well as broad-

casters, television networks, and CATV systems reap lucrative financial rewards from the use of this public resource.

Under the circumstances, I believe that when fans are unable to attend the home games of a local professional team because tickets are unavailable, the public's overriding interest in the larger and more effective use of the airwaves should enable them to view these games.

Mr. President, the chief contention made by those who support the present blackout policy is that if the blackout were lifted, a significant increase in the number of "no shows" will result. This in turn will have immediate adverse impact on the sale of frankfurters and revenues from parking concessions. This argument, I believe, is highly speculative. The 1-year experience under this legislation should answer this question in a definitive and factual manner.

Mr. President, one technical matter should be clarified in order that the RECORD is complete. On the first page of the report accompanying this bill it is indicated there were 384 regular season professional football games. That figure should be 182.

I should like to add a few other points that I think should be called to the attention of the Senate and to the public at large.

First of all, there is no rancor or punitive motive on the part of the Congress in acting in this respect. I mean we are grateful to the National Football League for the entertainment and the satisfaction it has brought to millions upon millions of viewers of football games played throughout the entire country.

Last year, during my conversations with Pete Rozelle, who happens to be commissioner of the National Football League, he agreed that he would open up the screen to the Super Bowl football game that was played in Los Angeles. I believe that was a step in the proper direction.

I have had a number of conversations with Mr. Rozelle. I find him to be a fine gentleman, one who understands, of course, what the public interest is, and one who, of course, also understands what his private interest is as head of the National Football League. I can see his point. I tried hard to have Mr. Rozelle, in speaking to the various owners of the teams, to arrive at a voluntary program so that we would not have to get ourselves into compulsory legislation.

Well, we went back and forth, and we really never got anywhere. I can understand that, because willingly and on their own initiative, he did not think they could undertake any concession.

The question arises, why do we do this? This is nothing that started with me. I have received hundreds and hundreds of letters from people who are very much interested in this question. Take right here in the District of Columbia. These tickets are sold long before the season even begins. While they had a little more than 53,000 seats in Kennedy Stadium, the fact is that tickets for these seats could be had by only 3,000 people. That is understandable in this city where we have so many groups.

The result is that the taxpayers who built that stadium and made that stadium possible, when they want to buy tickets and are willing to pay the money to buy the tickets and call the ticket office and the people there will nod their heads, because there are no tickets to be had.

What we are saying is, we do not want to disturb you in any way if you do not fill the stadium, but if you have sold out at least 48 hours before game time, why should you not open up the screen?

We have the situation in Washington, and even in my own State, where people will travel 75, 80, and 100 miles and rent a hotel room or motel room just to see a game. Why is that so?

This is what we did: When we gave them an exemption under the antitrust laws whereby they could deal as a package, as a joint venture, the good teams and the bad teams, the revenue for each team went from $332,000 to $1½ million. That is what the boon was when the Congress of the United States gave them an exemption. All we are saying is, "We gave you gentlemen a whole loaf. Now we want a slice back." That is all we want in order to accommodate ardent fans who love the teams, who want to go and watch the teams, who have the money to buy tickets, but who cannot buy tickets because they are not available. We are saying in that case, and that case only, "You ought to open up the screen."

I say this is a fair bill. I do not know what the attitude of the House is going to be. I hope the House would agree with us.

I repeat that this is a self-terminating law. I said to Mr. Rozelle,

We are not here to punish you or your teams. We love you and your teams, but we think what you are doing with respect to the blackout is absolutely inimical to the public interest.

I said to him,

You say this will hurt you. Well, let us give it a trial. The law will be self-expiring. If it is true that you are right and we are wrong, we can protect you. On the other hand, if we find we are right and you are wrong, we can make the legislation permanent.

That is all I have to say.

I ask unanimous consent that an editorial which appeared in the New York Times today, September 6, entitled "Blacked-Out Football," be placed in the RECORD at this point.

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

BLACKED-OUT FOOTBALL

To hear Commissioner Pete Rozelle of the National Football League tell it, free enterprise will be permanently kicked back of its goal line if Congress passes a bill lifting the local television blackout on sold-out home games by professional football teams.

That would be a stronger argument if the provision giving the teams the right to impose local blackouts had not been specifically written into a 1961 law permitting the N.F.L. to sell the television rights to all league games on a pooled basis. Both parts of the authorization—the package sale of TV rights and the restriction on telecasts within a 75-mile radius of a club's stadium—represent exemptions from the Federal antitrust laws.

We never have seen much justification for such exemptions to sports that operate as businesses, and we see no validity at all to the argument that Congress doesn't have at least as much right to take them away as it did to grant them in the first place.

True, the clubs insist that they owe nothing to Congress for the authority to ban local telecasts because a Federal district judge had ruled in 1953 that such a limitation was reasonable in contracts the clubs negotiated individually with the networks. What they leave out, however, is that when they started negotiating on a pooled basis in 1961 they went back to the same judge for an opinion on whether the local ban would still be legal. His negative view made them decide to press for a specific green light from Congress. The revenue each club receives from television under the pooling arrangement has gone up more than four-fold since the 1961 go-ahead. This pot of gold would be much smaller if the same anti-monopoly rules applied here that other enterprises have to live with.

Mr. Rozelle and the club owners certainly have every right to raise the hobgoblin that local telecasts will eventually cut so deeply into stadium attendance that football will become a studio sport, with everyone watching at home and no one in the stands. But the bill sponsored by Senator Pastore of Rhode Island, on which the Senate is expected to vote this week, provides microscopic foundation for such fears.

Under the Pastore proposal, all tickets must be sold 48 hours in advance of the game or the blackout will hold. For the N.F.L. season just opening, the indications are that average attendance for all regular games will exceed 90 per cent. In any event, the law will run for only one year so that an evaluation of its effects can be made before Congress reaches a permanent decision.

Without suggesting that this is an essential industry, in which there is an overriding public necessity for mandating access, it does seem to us that letting local fans view games at home when there is no room for them in the stadium is a reasonable *quid pro quo* for the antitrust exemption this branch of big business has been given.

Mr. PASTORE. Mr. President, I yield now to the Senator from Kentucky (Mr. COOK).

Mr. COOK. Mr. President, it is a pleasure to speak today in support of S. 1841, a bill to prohibit the blackout of a football, basketball, baseball, or hockey game if such event is sold out 48 hours prior to the scheduled start of the game. This bill was introduced by the distinguished Senator from Rhode Island, and is cosponsored by Senator BEALL, Senator CANNON, and myself.

I am well aware of the inequities which the blackout policy creates for sports fans throughout the country. We can witness a prime example here in Washington, where every ticket to the Redskins home games is sold months prior to the opening game. Yet most Redskin fans—or at least those who cannot pull in Baltimore stations—are forced to drive a substantial distance to be able to watch the televised action.

The inequity is at its worst when stadiums are built with tax dollars supplied by those who cannot buy a ticket. Last year I received a letter from a disgruntled Cincinnati Bengals fan who lives across the Ohio River in Newport, Ky. I quote from his letter:

I am employed in Cincinnati and I pay a city payroll tax which actually makes me a Cincinnati taxpayer, so I along with thousands of others help pay off the deficit—of the stadium. This is the Bengals fifth season and I and my family, we all dearly love the Bengals, have never been able to see

even one game together, due to the fact that we cannot get tickets. We are actually helping to pay for a stadium to entertain the same privileged 56,000 every game, every year . . . I say the ticket plans should be changed or all home games televised.

This fan is not atypical. He is only one of millions of fans who is denied the opportunity of seeing their favorite teams and players in action. They contribute their tax dollars and their emotions, but get little in return. This situation must be corrected.

I might say, too, that we run into a situation as now applies in Kansas City, where they have a tremendous sports complex, the total cost of which will be in excess of $100 million, which is to be paid for by a bond issue payable by the people of that community. Yet many people from that community wrote to our committee and said there was no way in the world for them to get tickets. They were told they had to wait in line, and it might be 2 years, 5 years, or 10 years before they could get tickets. Yet the people of that community built that stadium. Their tax dollars will be used to pay off that debt.

Figures supplied by a House subcommittee indicate that during the 1972 season, 124 of 182 national football league games were sold out. Most of these games, quite naturally, are played in the largest metropolitan areas in the country. Thirteen of the 26 teams sold out every home game during the 1972 season. The fans in those cities never had an opportunity to see their teams, even though in some cases their tax dollars had built or were subsidizing the stadiums.

League officials and team owners have claimed that the impact of S. 1841 on the future of football and other professional sports would be disastrous. Although I do not accept that contention, I believe that even if there is some financial harm to the various franchises, the 1-year duration of the legislation affords ample protection to the long range interests of sport, if our action today proves ineffective.

Whatever the outcome, I firmly believe that this body owes the American sports fan an opportunity to have the entire world of sports opened to him. This is not possible as long as the practice of blacking out home games continues. It is now time to experiment with what I consider to be a fair and rational program, that meets squarely with the public interest.

Mr. President, I might say to the chairman—and I hope that the distinguished Senator from Maryland (Mr. BEALL) will get into this discussion—that I believe we have to make it clear, whether we do it by 48 hours or 72 hours—and I will agree to either one—we must have the record show that the front office franchise cannot hold back 5 or 10 tickets and then say that they have not been sold and show that they still have these tickets.

Mr. PASTORE. Mr. President, if the Senator would yield, that is the one thing that we are going to guard against.

If we get any member of the public who says that he tried to get tickets and that they would not sell them to him and if we discover that there were tickets that they did not sell so that the local television screen would not be opened up, the law might become permanent sooner than they expect. However, I do not expect that they would place themselves in such a position.

Mr. COOK. Mr. President, I would hope not. I would admonish them that if they are not sold out 72 hours in advance, they will not be able to sell the television rights to that game and the television rights are worth quite a few dollars to them.

I think it is important to get this into the RECORD. We ran into this situation with some franchises where, in order to get the tickets for the regular season games, individuals had to buy the tickets for all of the preseason games whether anybody of any value was playing in them or not. Therefore, we give them the resources from a 50,000- or 60,000-seat stadium for 6 or 7 preseason games in which they play very few players of any renown. Yet the franchise holder sold all of these tickets by April or May of the preceding part of the year and had all of these funds in the bank for their benefit for some 5 or 6 months before they even had their first effort on the field.

I would suggest to the chairman that I think he has taken a wise course in this bill. I think it is tremendously wise to do it on a 1-year basis. I would hope that the House and Representative MACDONALD would agree to the 1-year basis. I hope that the Senate will seriously consider and overwhelmingly pass the bill in its present form and that the House will take this into consideration in its deliberations.

I would also say to my distinguished chairman of the subcommittee that I would also hope that we might be able to get this bill passed by the House and Senate before the formal season opens, within the next few weeks.

Mr. BEALL. Mr. President, speaking as a cosponsor of the bill now being managed by the distinguished Senator from Rhode Island and as a Senator who represents two professional football constituencies—the Washington Redskins and the Baltimore Colts, both of which teams have been or are about to be of championship caliber—I rise in support of S. 1841.

Television and pro football have teamed up to provide the American people with a form of entertainment that, for many, is almost a way of life between August and January. It begins with the exhibition season and college all-star game, and does not end until the postseason bonanza of playoffs, all-pro games and the super bowl.

At one time or another during all this, the public gets to watch pro football on TV Friday night, Saturday night, Sunday—when there may be a total of four games if both networks schedule a doubleheader—and again on Monday night.

Under these circumstances it sounds incongruous to suggest that the American people are being deprived of any opportunity to follow pro football on television, and in the general sense, of course, they are not. But for half of the season, the vast majority of hometown fans cannot watch their team play either at the stadium or on their own home television.

The reason, as we all know, is the National Football League rule that home games cannot be televised in the local viewing area. We all know why. The NFL owners feel that televised home games would hurt them at the gate.

I have yet to hear any facts that substantiate this claim. Yet it is because of this unsubstantiated notion that millions of pro football fans around the United States are blacked out each week when their home team plays a game that only 50,000 or 60,000 hometown fans can watch. Here in Washington, for instance, every seat in Kennedy Stadium is sold before the season even begins. In Baltimore, all but a few thousand seats are held by season-ticket purchasers, and it is a good assumption that Memorial Stadium would be sold out for the season, too, if the Colts decided to put all seats up for sale on a season-ticket basis. In fact, season tickets have become such a prized possession that some people reportedly have passed them on to other members of their family in a will.

As a result the hometown fan, who may not have the money for season tickets or the good fortune to get a single-game ticket, either listens to his favorite team on the radio or watches some other televised game.

If a home game is sold out, there is no good reason that it should not be televised in that area. After all, when the NFL considers new locations for a franchise, is not the enthusiasm for a team supposed to be one of the highest priorities? It seems to me that the best way to build enthusiasm would be to let the hometown fans watch their team on television if there is no other way to see the game.

I am aware of the private capital necessary to field a pro football team, but there is also a tremendous investment of public funds that is conveniently overlooked.

Mr. PASTORE. Mr. President, will the Senator yield for a moment so that I may get the yeas and nays?

Mr. BEALL. Mr. President, I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BEALL. Mr. President, for instance, let us take a look at where the teams play. Nearly all of them are operating in municipally owned stadiums, some of which were built solely for the purpose of obtaining or retaining a pro football team. Consider the kind of investment an owner would have to make if he had to build and maintain his own stadium, pay the taxes on the stadium and its parking lots, and pay for the access roads, water and sewer lines, electricity and lighting, stadium attendants, traffic, and security units, et cetera.

Now look at who is paying for those stadium facilities. It is the local taxpayer, who also happens to be the same local fan who never gets to see his team play in the stadium he helped to pay for because he cannot beg or buy a ticket. And just because of an NFL rule, he cannot see the game on television, either.

Well, the owner may be entitled to a

sellout to meet his expenses, but the fan should also be entitled to watch his team play on television if the game is sold out. If there ever was a compromise that was fair to everyone, it would have to be this bill to end the systematic discrimination against the pro football fan who cannot get tickets to see his team play.

By setting the deadline for a sellout 48 hours in advance of gametime, it gives ample opportunity for hometown fans to purchase tickets, if by some remote chance any are available. The owner cannot get anything more out of a home game than a sellout, so he has nothing to lose except the enthusiasm of the local fans by insisting on TV blackouts.

The people were once the sole source of support for professional football teams, but the incredible financial success the sport has attained through television seems to have made many lose sight of this fact. The local fans have a legitimate complaint that the owners have ignored for too long.

Professional football enjoys a special monopoly status because of legislation passed by Congress, and I believe the time has now come to pass this piece of legislation to make the management of these teams more responsive to the community. The bill will protect the financial interests of the owners while also ending the unjustified discrimination against local fans.

Mr. President, just to amplify a bit further on some points that have been made: From sitting through the hearings on this legislation, I have been impressed by a willingness on our part—our part being the part of the legislative branch of the Government—to go along with the owners of the professional football teams and to understand that they do have a tremendous burden to carry in hoping to sell out their games and pay the bills that accrue to them as they run the mammoth business investments of these professional football teams.

But I have not detected any willingness on the part of those people to experiment, to give the fans a chance in all this. All we are asking is that the leagues give a little bit, and be willing to experiment. They make a lot of money from the use of the public airwaves, and it only seems to me that there is an obligation on their part to return to the public something of what the public has already given to them, or at least give them a piece of the action, by allowing some of the fans a chance to see the game.

The Senator from Kentucky has pointed out that when Washington plays at home, unless you can get into the stadium you can only watch the game if you are lucky enough to be able to pick up a Balitmore station. I am sorry to report to the Senator from Kentucky that that was the case a couple of years ago, but he will not see Washington this year on any Baltimore station, because the NFL has blacked out Channel 2 in Baltimore, and told them they will not be able to carry the Washington games which they used to be able to carry. So, instead of being willing to experiment, the NFL is moving in the other direction, and you cannot even do this year what you did last year and the year before.

So there seems to be an even greater obligation for us to do something so that the fans can see these home games on television, at least on an experimental basis.

Mr. COOK. Will the Senator yield further?

Mr. BEALL. I yield.

Mr. COOK. I might say, while the Senator is talking about not being able to see a home game even on a Baltimore station because they have blacked out the games going into Baltimore, that I do not believe there has ever been a Monday night football game broadcast in Metropolitan New York City, because they are concerned about the blackouts they would have to make of all the teams in and around that metropolitan area; so that although most of the rest of the Nation sees Monday night football, it is my understanding that Metropolitan New York has never had that opportunity, and I would like for the staff to check it out.

The PRESIDING OFFICER. Who yields time?

Mr. BEALL. Mr. President, I yield the floor.

Mr. PASTORE. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. DOLE) be added as a cosponsor of the bill.

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

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

Mr. PASTORE. I yield.

Mr. COOK. I would like to correct the remarks I just made relative to Metropolitan New York. They have never originated a game in Metropolitan New York on a Monday night, because they were afraid they would have to black it out and that the problems that would cause would be insurmountable to the National Football League, and therefore they have never had an originated game from New York City during the course of Monday night football.

Mr. PASTORE. I suppose that is the reason for the editorial in the New York Times.

Mr. COOK. Probably so.

Mr. PASTORE. I yield to the Senator from Kansas.

ENDING THE FOOTBALL BLACKOUTS

Mr. DOLE. Mr. President, professional sports are one of the most popular sources of entertainment in America today. Baseball, basketball, hockey, and football consume the attention, loyalty, and interest of millions of people each year. Judging from the publicity accorded to the annual World Series, the Super Bowl, the Stanley Cup, and the NBA playoffs, a visitor from another planet might assume that the Nation's entire life was somehow connected to the ebb and flow of the various sports seasons.

Of course, sports are much less important to the basic well-being of the United States than the health of the economy, our strength as a world power or the supplies and prices of the foods on our dinner tables. But in an area of greatly expanded leisure time and rising prosperity sports have assumed an unprecedented position of prominence in our society.

PRO SPORTS ARE BIG BUSINESS

In the process of reaching this position professional sports have become big business. Owners spend millions of dollars to establish, equip, train, and publicize their teams. And they do so in the expectation of reaping a sizable return on their investments. In addition, the home city and county jurisdictions of these teams have committed hundreds of millions of dollars to the construction of some of the most modern, imaginative, and comfortable stadium complexes anywhere in the world. And biggest of all, radio and television have combined with the owners of these teams to create a broadcasting-advertising system which generates still more millions of dollars of revenue for all the parties concerned.

FEDERAL INVOLVEMENT

It is at this point that the Federal Government has become involved—through the impact of the antitrust laws—in what would otherwise be a matter of no real concern to it.

The background of this involvement was stated quite clearly by the Commerce Committee in its report on the bill being considered today:

When nationwide television became a reality, the fear was expressed that if the home games of professional teams were televised live attendance would suffer to the point where individual teams would be irreparably harmed financially. This, of course, would have affected the fan's interest as well. If his team were financially weak it would be unable to compete on the playing field.

As a consequence, professional football teams and many of the teams in other professional sports refrained from granting the right to telecast their home games locally.

In *United States* v. *National Football League*, 116 F. Supp. 319 (E.D. Pa. 1953), the Court concluded that the league restriction on televising of "outside" games into the home territory of another member team when that team was playing at home was reasonable, and not, therefore, in violation of the Sherman Act.

Subsequently, *United States* v. *National Football League*, 196 F. Supp. 445 (E.D. Pa. 1961), the NFL petitioned the Court for a construction of its 1953 decree which would accommodate a contract it had entered into with CBS which gave the network the exclusive right to televise league games for two years, and permitted CBS to decide which games would be televised. Prior to this contract, each NFL club had individually negotiated the sale of its own television rights. The 1961 pooled rights agreement was thus a significant change in the television policy of the league.

The Court felt the contract violated its 1953 judgment, however.

As a consequence, in 1961 Congress granted professional football, baseball, basketball, and hockey sport leagues two exemptions from the sanctions of the antitrust laws (15 U.S.C. Sections 1291 95). One exemption authorized agreements between professional sport leagues and television networks to pool and sell as a package the rights to televise league games. Such an agreement may not restrict telecasts of games in any area, "except within the home territory of a member club of the league on a day when such club is playing a game at home."

This "home territory" exception is the second antitrust exemption. It authorizes the restriction of game telecasts in the area surrounding the site of a game—the blackout. "Home territory", in the case of the NFL, is defined by its by-laws as "the surrounding territory to the extent of 75 miles in every direction from the exterior corporate limits

of a [home] city. The NFL has generally applied the seventy-five mile standard in imposing blackouts.

SPECIAL PRIVILEGE TO NFL

The blackouts of NFL games have been important and valuable to the building of the league's contests from near sandlot scrimmages followed by only a few local stalwarts into major spectacles staged with all the care and elaboration of an opera or the coronation of a monarch. In the 1960's there was a need to assist professional sports by granting them a special privilege, one not accorded to other enterprises—an exemption from the antitrust laws which enabled them to enter broadcasting contracts which restrict television coverage of a team's home games. There was a need, and this special privilege Congress granted to the NFL in 1961 has had its intended effect.

CHANGED CIRCUMSTANCES

But this is 1973. By any measure the NFL is strong, healthy, and financially secure. Last year's network television contracts brought each team $1.5 million. More than 95 percent of the seats for this year's regular season games are already sold. In every NFL city bumper stickers, pennants, even automobiles painted in the team's colors proclaim the loyalty and support of millions of fans.

EFFECTS OF BLACKOUTS

But herein lies the difficulty. Whereas any given team's rooters can be numbered in the millions, its stadium seats number only in the tens of thousands—or in some cases near 100,000. The result in city after city is sellout crowds for nearly every regular season game and near capacity crowds even for exhibition contests. The Staggers subcommittee in the House indicated that in 1972, for instance, the Kansas City Chiefs had an attendance total, for the seven-game home season, of 546,124. This works out to a better than 77,800 average attendance for their 78,053-seat stadium. And for every seat which is filled 2, or 10, or 100 other fans cannot buy a ticket, cannot come to the game in person, and—because of the blackouts—cannot see it on television. Of course, they usually have the choice of watching at least two other games on Sundays when their home team is blacked out, or they can drive 75 or 100 miles away, rent a motel, and watch the game from there.

But it is small solace for a rabid Kansas City Chiefs' fan in Manhattan or Leavenworth or Shawnee Mission to have the Redskins and the Cowboys going at each other on his home TV screen when the Chiefs are fighting for the AFC western title in Arrowhead Stadium at that very moment.

I do not believe it takes any great insight to determine that there are more fans than there are seats or to determine that there are a number of fans who have an interest in seeing the blackout lifted. I think the proposed experiment is a good one.

SELLOUT GAMES

If the game is sold out it is difficult for me to understand what difference it makes to anyone—except the hometown fans—whether there is a local blackout. I have attempted to learn through contacting constituents though the answer was not in too much doubt.

There is some support for continuing the blackouts, and there are some sound reasons for it. Of course, the owners have a perfectly legitimate and proper interest in seeing their investments protected. And I would not for a moment wish to minimize the great contributions these owners have made to their teams' communities. They are good citizens and highly appreciated by the areas in which their teams play.

I am aware of the point urged by the NFL, the stadium authorities and the concessions and parking interests that blackouts would encourage "no shows" of ticketholders, especially in bad weather. But I feel the likelihood of some, uncertain adverse impact from reduced actual attendance is far outweighed by the interests of the millions of loyal and enthusiastic local fans who want to see their teams when they play at home—as well as when they are on the road.

SUPPORT TO END BLACKOUTS

I followed with interest the hearings on S. 1841, the bill to institute a 1-year trial suspension of the local sports blackouts. Frankly, in the past, I had felt that the blackouts were a proper and reasonable protection for the interests of the various team owners. But after the testimony of NFL Commissioner Rozelle, various representatives of the varying viewpoints on the issue and the Chief of the Justice Department's Anti-Trust Division, I came to feel that it would be entirely reasonable and fair to try ending the blackouts for a limited, 1-year period and only for those games which are sold out at least a full 48 hours ahead of kickoff time.

VIEWS OF CONSTITUENTS IN THE BLACKOUT AREA

To test the feelings of the football fans who would benefit from this law, I wrote a number of constituents in the northeast Kansas area which lies within the Kansas City Chiefs' blackout area. I asked their views on this bill and requested any comments they wished to make, and I thought it might be of interest to those Senators who are present to have a very brief reaction from four or five of them.

The result was much stronger than I had expected. Thousands responded from throughout the blackout area. Those favoring the bill ran a good 13 to 1 over those expressing opposition or reservations. And many of the comments brought out points which had not originally occurred to me when first considering the bill.

From McLouth, Kans.—in the area near Kansas City—one man wrote:

I am on disability retirement at age 48, and it doesn't cover the cost of too many sports events. [S. 1841] would help a lot of older retirees.

A Topeka resident said:

Will not be able to see game except by TV. I do not drive a car and am home bound.

From Leavenworth came this comment:

As loyal local fans who follow the Chiefs on radio, TV and can afford an occasional home game, we would appreciate the opportunity to view our team in our home stadium.

A woman in Manhattan said:

Since I'm a shut-in this would be most welcome. I'm a sports fan.

A couple in Olathe pointed out one aspect relating to the fuel shortage situation:

This would save gasoline. Lots from this area drive to Ft. Scott, Pittsburg, Warrensburg, Mo., etc., and rent motel rooms to watch games since it is blacked out here.

An Overland Park man expressed an unexpected view which proved to be quite common:

I own season tickets and probably always will. But those who don't and can't should be allowed to see and support the Chiefs or any home team.

Another Olathe man said:

I hold 2 season tickets, season parking and I take my own coffee. How can the Chiefs lose on people like us if we choose to stay home and watch on TV?

A woman in Leawood and a man in Spring Hill persuasively voiced their reasons for ending the blackouts.

The woman wrote:

I can never go to the games as I am handicapped, but I love the Chiefs and want to see them on TV and not just have to listen on radio to home games.

The man wrote:

I am a disabled veteran of World War II. My television is all the recreation I have.

So, Mr. President, after receiving this response and considering the different sides of the issues, I feel the monetary interests of a few are far outweighed by the general public's interest in having a trial run at ending the blackouts.

A GOOD EXPERIMENT

After a year's experience with locally televised games the NFL and the parking and concessions interests can show what—if any—adverse effects this experiment has had. Perhaps it will prove to be unacceptably damaging. Perhaps the sell-out rule will require adjustment. There may be entirely unforseen results. But this is an experiment which is worth trying, and I believe it should be begun at the earliest possible date, so local fans in Kansas City, Washington, Dallas and all the other NFL home areas can see their teams in action at home during the 1973 season.

So, Mr. President, I think that the bill before us, as amended by the Senator from Washington to require sellouts 72 hours in advance of game time, is a step in the right direction. It is an experiment. It is one which I support and one which I think most every Member of the Senate will support.

AMENDMENT NO. 446

Mr. MAGNUSON. Mr. President, I call up my Amendment No. 446 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 5, strike "forty-eight" and insert in lieu thereof "seventy-two".

Mr. MAGNUSON. Mr. President, my amendment would simply provide that a game would have to be sold out 72 hours

in advance before the local television blackout would have to be lifted. The bill, S. 1841, now has a 48-hour requirement.

In other words, my amendment adds 1 day to that requirement. If the game were scheduled to begin at 2 o'clock on a Sunday afternoon, for example, it would have to be sold out by 2 o'clock on the preceding Thursday before the local television blackout would have to be lifted.

The added day's notice, I believe, is in the interest of the fans and the broadcast stations because it will enable them to do their necessary planning.

Many games are sold out weeks and months in advance of their playing dates. In those cases it really makes no difference whether the time period is 48 or 72 hours. The television stations have adequate time in which to rearrange their programing schedules, notify the various sponsors, and arrange for the necessary publicity.

Similarily, those fans who wish to view these games can arrange their personal schedules to coincide with the telecasts.

But there are many other games which are not sold out this far in advance. In many instances, tickets are put on sale the Monday morning preceding a Sunday game.

If the game is going to be a sellout. those tickets are usually gone shortly after being offered to the public.

Where that is the case, of course, neither the television stations nor the fans have a long leadtime in which to make their necessary arrangements.

My amendment is intended to give them at least 24 more hours to plan.

I would point out, Mr. President, that during the lengthy deliberations on this legislation, everyone agreed there was no magic in the 48-hour requirement, and that 72 hours would be just as acceptable.

This being the case, and in view of the obvious benefit to the fans and the television stations I ask the Senate to accept my amendment.

Mr. President, let me add that this amendment merely changes the 48 hours to 72 hours. There are many good reasons for that. It has been discussed here by those discussing the bill itself, and I have discussed it at some length with the Senator from Kentucky (Mr. COOK) and other Senators. The Commerce Committee has also discussed the matter.

I hope that the amendment will be agreed to by the managers of the bill.

Mr. PASTORE. Mr. President, the Senator from Washington is absolutely correct. We have discussed the matter. There is nothing sacrosanct about the 48 hours, any more than the 72 hours. This is another step in the amenability of the committee to be fair. I am perfectly willing to accept the amendment. I know that the Senator from Kentucky (Mr. COOK) feels the same way as I do, and, without further ado, I think we should vote on this amendment now.

Mr. COOK. Absolutely.

Mr. MAGNUSON. Mr. President, I want to add one thing to this debate. I want to express my strong feeling about the 1-year limitation in the bill. I read this morning that the House might be considering permanent legislation. I do not know whether they will or not, but I want the record to show that, so far as I am personally concerned, I do hope they will agree to this 1-year experiment and see how it turns out.

Mr. PASTORE. I merely want to say to the Senator from Washington that the 1-year experimental period was my idea. It met with the approval of the members of the committee. I would hope that the House will do the same thing as we did. There are certain imponderables that must be determined here. We should be fair about it.

I repeat, there is nothing in here to castigate the National Football League.

I also repeat, this means a lot to a great many people. The football people have a private interest in this matter and we have a public interest. Let us see if we can experiment and find out who is right or who is wrong. That is the reason why we are doing it.

The PRESIDING OFFICER. Is all time yielded back on the amendment?

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Washington (Mr. MAGNUSON) No. 446.

The amendment was agreed to.

Mr. PASTORE. Mr. President, the Senator from Maine (Mr. HATHAWAY) wanted to ask me a few questions and I suggest the absence of a quorum until he comes into the Chamber.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. PASTORE. 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. PASTORE. The Senator from Rhode Island yields to the Senator from Maine.

Mr. HATHAWAY. Mr. President, I appreciate very much the Senator from Rhode Island yielding to me. I want to ask a couple of questions in regard to provisions of the bill which I think can be straightened out in colloquy rather than by amendment.

I assume that it is tacitly understood that the team owners are going to act in good faith; that, when they say a game is going to be sold out, they will not be holding back tickets which could be used as a gimmick by their saying, "We still have tickets available within the prescribed time of 72 hours." So there is really no need to say that tickets have to be offered during that period of time. Is that correct?

Mr. PASTORE. That is correct. I repeat: This will be a boon to the teams themselves. Take Washington. If one lives in Washington, and all the tickets have been sold, there can be no blackout; that will open up this area to TV. There is no question about it. It does raise the question that certain radio stations do broadcast. Whether they would want to broadcast when the game can be seen on the screen is unknown. That is why we provided an experimental period of 1 year. I think that question is going to have to be resolved. I would say to my dear friend from Maine that, insofar as a subterfuge is concerned, I doubt very much that that would take place.

Mr. HATHAWAY. I thank the Senator.

Mr. COOK. Mr. President, let me say to the Senator from Maine, so that he can get a good idea of what we have been discussing, that it is very interesting to note that not only has there been no origination of a game from New York City on a Monday night because the entire area would be blacked out, and there would be such a drain to have the area blacked out.

I notice there was one game from Los Angeles—Washington at Los Angeles. It was the first in Los Angeles, and over 80,000 were present. If they were to use that as a subterfuge, there would be a tremendous loss of revenue to them, because this constitutes a new source of revenue.

So far as home games are concerned, I am in favor of the 72 hours, in retrospect, rather than 48, because at least in 72 hours they can make proper negotiations for televising.

Mr. PASTORE. Those agreements are made at the time the original contracts are made. That would be a part of the original agreement.

To answer the question of the Senator from Maine, I do not think it is necessary to have any agreement. If we get testimony within 72 hours—that is, before 72 hours are up—that someone wanted to buy a ticket and could not buy one, I think they are bound to lose. If the team had tickets before the 72 hours, and that information came to us, I think they would be the losers.

Mr. HATHAWAY. The only other question I have refers to home games. I assume that "home games" is used in its broadest aspect. If a game were in Boston, or wherever it might be, and there was really no home team involved, could they blackout the Boston area?

Mr. PASTORE. There is no question they could do that in playoff games, or where two teams come from different parts of the country. One team might be from Boston and the other from Baltimore, and they might play off the game in Philadelphia; or take the championship game—the Super Bowl game.

We have talked to Mr. Rozelle, and he has assured us that so far as championship games are concerned, it is not expected that they will be blacked out. That is something to be watched, but I want to accept their word on this.

I think we should do this in more or less a friendly way, in an amicable way. I would hope the bill would remain exactly as it is, with the understanding, with respect to the issue that has been raised by the distinguished Senator from Maine, that on their word, they would open up to the public the Super Bowl games if they are sold out.

Mr. HATHAWAY. Yes. And if something happens to the contrary, then we can change it next year.

Mr. PASTORE. We can change it at the proper time.

Mr. HATHAWAY. I appreciate the Senator's answering my questions.

Mr. SCOTT of Pennsylvania. Mr. President, the Senate is about to pass S. 1841, a bill relating to the broadcasting of

home games of certain professional athletic teams. In short, this measure would prohibit the "blacking out" of any home game when tickets for admission are no longer available for purchase by the general public 48 hours before game time. I agree with National Football League Commissioner Pete Rozelle when he says:

If the public becomes accustomed to receiving without charge the same product which it is being asked to buy, there will inevitably be a steady erosion of ticket-buying interest. Ultimately, ticket-buying habits and actual game attendance will be significantly affected—to the benefit of no one.

S. 1841, fortunately, would be in effect for only 1 year. At the end of this trial period, I am hopeful that the Congress will take a serious look at the impact of this legislation on professional football and will determine that it is not in the best interest of the clubs or of the public.

Mr. President, I am in receipt of two communications, from each of Pennsylvania's professional football teams, in which the club's reasons for opposition to S. 1841 are more fully explained. I ask unanimous consent to have them printed in the RECORD at this point.

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

THE PHILADELPHIA EAGLES,
Philadelphia, Pa., July 27, 1973.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: It is vital to the Philadelphia Eagles and professional football in general, that the bill that would require all major professional team sports to televise home games locally if sold out within 48 hours of their playing—Not be passed!

I will try to be brief in my explanation of their importance:

1. In a cold weather city such as Philadelphia it is conceivable that on bad days we have very few people who attend the games and turn a great sport into a studio show.

2. The concession revenues and the parking revenues play a major factor in the City deriving its income to support Veterans Stadium.

3. It is obvious that "no shows" will dramatically affect this vitally needed money for the City.

4. At present, NFL cities now average 74 telecasts of our games each season and the addition would cause a serious problem of over-exposure.

5. I personally would rather see no games televised and forego the revenue, which is considerable, than to see us legislated out of business.

I would personally appreciate hearing from you as to your views and hope that in this brief note I have acquainted you with the pertinent facts.

I am available for personal conversation at your convenience and consider this the most serious problem that has ever confronted professional football.

May I please hear from you.

Sincerely,

LEONARD H. TOSE,
President.

PITTSBURGH, PA., JULY 31, 1973.

Senator HUGH SCOTT,
Capitol Hill, D.C.:

1972 was truly a magnificent year for the Steelers. As you know there were many bleak periods during our 40-year history. We have finally excited everyone to cheer for the Steelers. All home games will probably sell out.

In distributing our football tickets, every effort was made to exclusively allot them to as many fans as possible.

History shows us at the end of the season, when the weather turns cold, attendance drops drastically. If home games are to be televised locally this situation will repeat because the demand for tickets, which is needed for a season's sale, will be greatly diminished. This would change the game as we know it. It would change the economic picture of the team, the stadium, and the entire operation. You have heard many of these problems before. For more details, I have sent, under separate cover, the National Football League question and answer pamphlet. If you should like additional information on the Steelers please contact me.

Please consider these facts in making a negative determination of Senate bill 1841.

Sincerely,

DANIEL M. ROONEY,
Vice President, Pittsburgh Steelers Football Club.

Mr. TAFT. Mr. President, because of financial interests relating both to the broadcasting and professional football businesses owned by members of my family or held for me by trustees, I do not feel that I should properly vote on S. 1841; and for that reason, I will record my vote as "present."

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

Mr. COOK. I yield back the remainder of my time.

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

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

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. TAFT (when his name was called). I vote "present."

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. MOSS), the Senator from California (Mr. TUNNEY), the Senator from Colorado (Mr. HASKELL), and the Senator from Louisiana (Mr. LONG), are necessarily absent.

I also announce that the Senator from South Dakota (Mr. ABOUREZK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Louisiana (Mr. JOHNSTON) and the Senator from Iowa (Mr. HUGHES) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New Jersey (Mr. CASE), the Senator from Hawaii (Mr. FONG), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Vermont (Mr. STAFFORD) are detained on official business.

I further announce that, if present and voting, the Senator from Vermont (Mr. STAFFORD) would vote "yea."

The result was announced—yeas 76, nays 6, as follows:

[No. 379 Leg.]

YEAS—76

Aiken	Fannin	Muskie
Allen	Fulbright	Nelson
Bartlett	Gravel	Nunn
Bayh	Griffin	Packwood
Beall	Gurney	Pastore
Bellmon	Hansen	Pearson
Bentsen	Hart	Pell
Bible	Hartke	Percy
Biden	Hathaway	Proxmire
Brooke	Helms	Randolph
Buckley	Hruska	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Inouye	Saxbe
	Jackson	Schweiker
Byrd, Robert C.	Javits	Scott, Pa.
Cannon	Kennedy	Scott, Va.
Chiles	Magnuson	Sparkman
Church	Mansfield	Stevens
Clark	Mathias	Stevenson
Cook	McClellan	Symington
Cotton	McGee	Thurmond
Cranston	McGovern	Tower
Curtis	McIntyre	Weicker
Dole	Metcalf	Williams
Domenici	Mondale	Young
Dominick	Montoya	

NAYS—6

Bennett	Hollings	Stennis
Eastland	McClure	Talmadge

ANSWERED "PRESENT"—1

Taft

NOT VOTING—17

Abourezk	Fong	Johnston
Baker	Goldwater	Long
Brock	Haskell	Moss
Case	Hatfield	Stafford
Eagleton	Huddleston	Tunney
Ervin	Hughes	

So the bill (S. 1841) was passed, as follows:

S. 1841

An act to amend the Communications Act of 1934 for one year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307 of the Communications Act of 1934 is amended by inserting at the end thereof a new subsection as follows:

"(f) On or after the date of enactment of this provision, no television broadcast licensee, network television broadcast organization, or cable television system shall perform or otherwise carry out a contract, arrangement, or other understanding, express or implied, under which such station, network, or system is prevented from broadcasting or carrying the home games of any professional football, baseball, basketball, or hockey team when tickets for admission to such game are no longer available for purchase by the general public seventy-two hours or more before the scheduled beginning time of such game."

SEC. 2. The amendment made by this Act shall terminate after one year following its date of enactment.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which the clerk will state.

The bill was stated by title, as follows:

A bill (S. 5) to promote the public welfare.

The Senate resumed the consideration of the bill.

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.

ORDER FOR YEAS AND NAYS ON ADOPTION OF HUD AND PAR VALUE CONFERENCE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the adoption of the HUD conference report at this time.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the adoption of the Par Value conference report at this time.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on one show of seconds, the yeas and nays may be ordered on final adoption of both conference reports.

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

Mr. ROBERT C. BYRD. I ask for the yeas and nays on both conference reports.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators.

ORDER FOR VOTE ON NOMINATION OF RUSSELL TRAIN ON MONDAY NEXT AT 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the vote on the nomination of Mr. Russell Train occur on Monday next at the hour of 2 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR YEAS AND NAYS ON NOMINATION OF RUSSELL TRAIN

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that it be in order at this time to order the yeas and nays on the nomination of Mr. Russell Train.

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

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the nomination of Mr. Russell Train.

The yeas and nays were ordered.

ORDER FOR CONSIDERATION OF NOMINATION OF ALVIN J. ARNETT ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask, as in executive session, that on Monday next, upon disposition of the nomination of Russell E. Train, that the Senate proceed to the consideration, in executive session, of the nomination of Mr. Alvin J. Arnett, of Maryland, to be Director of the Office of Economic Opportunity, and that there be a time limitation of 1½ hours, to be equally divided between the distinguished majority leader and the distinguished minority leader or their designees.

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

TENTH ANNIVERSARY OF MARCH ON WASHINGTON FOR JOBS AND FREEDOM

Mr. HUMPHREY. Mr. President, I take this opportunity to commemorate an historic event in our Nation's struggle toward guaranteeing justice and equal opportunity to all American citizens.

Ten years ago—on August 28, 1963—some 200,000 Americans of every race and color came to Washington to peacefully demonstrate their support for progress in civil rights. It was a momentous expression of support for human rights, equality under the law, opportunity, and brotherhood.

One is strongly impressed, from newspaper accounts of the March on Washington for Jobs and Freedom, by the way that apprehension in Washington over this first major assembly in many years was replaced in the public mind by a deep awareness of its solemnity and dignity, and the calm but firm commitment of the participants. As they walked quietly from the Washington Monument toward the Lincoln Memorial, their mood was relaxed but deeply serious. Having come to the Nation's Capital on more than 1,500 buses, 40 trains, many crowded airplanes—indeed, on foot as well as on almost every type of conveyance—this assemblage of black and white, rich and poor will probably be marked in history as one of the great democratic expressions of the 20th century.

I was privileged to march in that demonstration. There were many people from the State of Minnesota who came here, and together we walked from the Washington Monument to the Lincoln Memorial. I was privileged to be there during all of those magnificent ceremonies.

President Kennedy perhaps best summarized the profound impression made upon the American conscience by the March on Washington, when he commented:

> One cannot help but be impressed with the deep fervor and the quiet dignity that characterize the thousands who have gathered in the Nation's Capital from across the country to demonstrate their faith and confidence in our democratic form of government. . . . The cause of 20 million Negroes has been advanced by the program conducted so appropriately before the Nation's shrine to the Great Emancipator, but even more significant is the contribution to all mankind.

By prior arrangement, leaders of the march had gone to Capitol Hill in the morning for conversations with congressional leaders, later described as courteous and cordial, about pending civil rights legislation. It was reported that few if any votes on this legislation were immediately changed by these conversations, or by the subsequent image caught by the Reflecting Pool of throngs of people listening intently to speeches and songs of "Freedom, Now."

But I can personally attest to the impact upon some 75 legislators when we came from the Hill by bus and felt that rhythmic chant sweep over us: "Pass the bill, pass the bill."

The focus of public opinion, the mandate of human conscience, for passage of the Civil Rights Act of 1964, were clearly established on that clear, hot August day 10 years ago. It would become a vitally important work to which long, strenuous hours would be given by Senator Thomas Kuchel and myself and so many others, including Senators MANSFIELD, HART, MAGNUSON, PASTORE, SCOTT, JAVITS, CASE, and AIKEN—all of whom helped with floor management during Senate debate—as well as some 22 current Members of the Senate who were among the original cosponsors of this historic legislation, and great men who will never be forgotten, including Senator Paul Douglas.

Might I also add that the former distinguished minority leader, the late Senator Everett Dirksen of Illinois, was in the forefront of the struggle for civil rights legislation. It was a special joy on my part, as the floor manager of the Civil Rights Act of 1964, to have Senator Dirksen's close and active support as well as his invaluable counsel, during the long hours of Senate debate.

But it was also clear to me that memorable day of the march that the opportunity should be seized for direct communication between the administration and leaders of this march on the absolute necessity of affirming by law the rights of all Americans:

The right to vote;

The right to use public accommodations and public facilities without being set apart;

The right to see all children have an equal chance to obtain a good education in our public schools;

The right to participate in and derive the benefits from any program or activity receiving Federal financial assistance;

The right to know genuine equal opportunity in getting and advancing in a job; and

The right to know that these rights would be protected in the fair and effective administration of justice.

It was for this reason that I brought together A. Philip Randolph, the Reverend Martin Luther King, Jr., Walter Reuther, Roy Wilkins, Whitney M. Young, Jr., and the Reverend Eugene Carson Blake, Rabbi Joachim Prinz, and Mathew Ahmann—spokesmen for the three major faiths, and Floyd McKissick of CORE and John Lewis of SNCC in a meeting with the President in the White House following the program at the Lincoln Memorial. Among other leaders present was Clarence Mitchell, one of the most effective spokesmen in the cause of civil rights.

These leaders represented some 10 national organizations which had made

such an intensive effort, coordinated by Philip Randolph and Bayard Rustin, to arrange this dramatic demonstration seen across the oceans through Telstar and reported by the Voice of America.

These gentlemen met the President in the Oval Office, joined by Vice President Johnson, Secretary of Labor W. Willard Wirtz, and Burke Marshall, then head of the Civil Rights Division of the Justice Department. During a subsequent 75-minute meeting with the President in the Cabinet Room, they expressed their firm determination to see strong civil rights legislation enacted into law.

For some, the memory of that never-to-be-forgotten day is the quiet, simple song that said it all: "We Shall Overcome."

For others, there is engraved on heart and mind the plea of Martin Luther King to "let freedom ring" across this land and to share his dream for America:

> I have a dream that one day this nation will rise up and live out the true meaning of its creed "We hold these truths to be self-evident, that all men are created equal." . . . I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin, but by the content of their character.

Dr. King spoke of hewing out of the mountain of despair this stone of hope. However, Mr. President, for all the progress that has since been made, that mountain has yet to be surmounted for millions of Americans who still experience the reality of discrimination based on race and color.

For too many nonwhite families, the stone of hope continues to crumble as they witness a sustained income gap in comparison to white families. For too many black, Indian, and Spanish-surname youth, educational attainment is seen as secondary to the color of one's skin in qualifying for employment and advancement or earning equal wages with their white counterparts. And, while white poverty has declined sharply, black poverty is increasing.

Mr. President, I was privileged to be part of an administration that launched major programs across the Nation to carry out a firm commitment to the cause of black equality. I urge the present administration now to reassert this commitment, which is so vital to restoring hope among millions of American citizens.

Let us rightly commemorate the tenth anniversary of the March on Washington for Jobs and Freedom by insisting that this Government shall be of, by, and for all the people.

Let us remember those profound words of our Pledge of Allegiance, that we shall be one Nation under God, indivisible, with liberty and justice for all. That is the hope of all American people.

Let us now fulfill the mandate of that historic occasion—a mandate for justice, for equal opportunity, and for binding us together as one people.

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 RECOGNITION OF SENATOR CLARK TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the Senator from South Carolina (Mr. THURMOND) the able junior Senator from Iowa (Mr. CLARK) be recognized for not to exceed 15 minutes.

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

ORDER FOR RECOGNITION OF SENATOR TALMADGE ON MONDAY, SEPTEMBER 10

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Georgia (Mr. TALMADGE) be recognized for not to exceed 15 minutes.

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

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 12 O'CLOCK NOON ON MONDAY

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

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The 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 (Mr. BARTLETT). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR THURMOND TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized and prior to the recognition of the distinguished junior Senator from Iowa (Mr. CLARK) under the order previously entered, the distinguished senior Senator from South Carolina (Mr. THURMOND) be recognized for not to exceed 15 minutes.

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from South Carolina (Mr. THURMOND) will be recognized for not to exceed 15 minutes, and then the distinguished junior Senator from Iowa (Mr. CLARK) will be recognized for not to exceed 15 minutes; after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

At the conclusion of routine morning business tomorrow, the Senate will proceed to take up the conference report on H.R. 8825, the HUD appropriations, under a time limitation of 1 hour, with the yeas and nays on adoption of the conference report already ordered; after which the Senate will then take up the conference report on H.R. 6912, the par-value modification, under a time limitation of 20 minutes, with a yea-and-nay vote already ordered on final disposition of that conference report.

The Senate will then proceed to consider the urban mass transit bill, S. 386, under a time limitation, with yea-and-nay votes expected to occur on amendments thereto and on final passage tomorrow.

Thus, in summation, Mr. President, there will be several yea-and-nay votes tomorrow.

When the Senate completes its business tomorrow, it will go over until Monday next, September 10, 1973, and will convene at 12 o'clock noon.

Then, at the hour of 2 p.m. on Monday, in executive session, the Senate will vote on the confirmation of Mr. Russell E. Train to be Administrator of the Environmental Protection Agency.

On disposition of the nomination of Russell E. Train, the Senate will then take up, in executive session, the nomination of Mr. Alvin Arnett to be Director of the Office of Economic Opportunity under a time limitation of 1½ hours. The yeas and nays, although not yet ordered, will occur on that nomination.

So it is assured that there will be at least two yea-and-nay votes on Monday next, the first one to occur at 2 p.m.

ADJOURNMENT TO 10 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 10 a.m. tomorrow.

The motion was agreed to; and, at 4:06 p.m., the Senate adjourned until tomorrow, Friday, September 7, 1973, at 10 a.m.